



The Finnish Social Enterprise Mark FINLAND

In 2011, the High Level Working Group of the Ministry of Employment and the Economy outlined the strategy and the policies for social enterprises. The broad-based Working Group recognized the social mission and the special characteristics of the social enterprises and proposed that a mark, representing the business model, should be adopted. The work and the definition made by the Working Group built the ground for the Social Enterprise Mark (later “the Mark”) which was then launched in December 2011.

The Mark is meant for enterprises that aim to solve social and ecological problems and promote social efforts with the help of their business operations. They use most of their profits to benefit society according to their goals and values. Openness and transparency also characterize their business model.

The Mark is granted and managed by the Association for Finnish Work which was founded in 1912 and has over 2 800 members. Its mission is to strengthen the Finnish work, which is done by communication, marketing, campaigns, surveys and member services.

The Mark has been granted to 76 enterprises by December 2015. The Board of the Association nominates a Committee of experts, which assesses every applicant case by case including its social/societal or environmental mission which has to be clearly stated in official documents of the enterprise.

The cost of having the Mark is based on the turnover of the enterprise. For a turnover of one million euro the annual cost would be 678 euro. In addition, there has been funding from the Ministry of Employment and the Economy for marketing, communication and strengthening the brand and its use. The Mark does not have or has not had any connection with the ESF or other EU funds.

A model of social entrepreneurship

Social enterprises can be described and evaluated on the basis of how much attention the enterprise pays to the areas illustrated in the diamond model.



A diamond model of social entrepreneurship

Criteria of the Mark

The assessment focuses on three primary criteria but other characteristics of social enterprises are also taken into consideration.

1. Primary criteria

* The primary objective and aim of a social enterprise is to promote social well-being. A social enterprise acts responsibly.

* Limited distribution of profits. A social enterprise uses most (more than 50%) of its profits for the benefit of society either by developing its own operations or by giving a share of its profits to charity according to its business idea.

* Transparency and openness of business operations. In order to assure transparency, the enterprise applying for the Mark must write down its social goals and limited distribution of profits in its Articles of Association or Rules.

The primary objective of the social enterprise must be the promotion of public good. For instance for a limited company, this must be seen from its Articles of Association. If this is not the case, the applicant of the Mark has to present a plan with a timetable how this objective will be included in the Articles within one year.

2. Secondary criteria

In addition to the above-mentioned key characteristics, one or more of the following features are related to social entrepreneurship:

- promoting the well-being of employees and developing ways for the personnel to get their voice heard,
- paying special attention to those belonging to vulnerable groups and
- demonstrating the social impacts of the enterprise.

The applicant of the Mark must be a member of the Association or apply for membership at the same time.

For more information:

The Association for Finnish Work

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