



REPORT ON **MAPPING** **CHANGEMAKERS** IN UKRAINE

UKRAINE, 2020



CONTENT



Executive summary.....	3
1. Changemakers' profile.....	4
2. Thematic areas	5
3. Current challenges.....	8
4. Existing opportunities	11

EXECUTIVE SUMMARY

Still being a post-totalitarian state, Ukraine is on the way from the paternalistic country with the government-regulated economy to the market-driven economy. Meanwhile, an insecure political situation, economic decline, armed conflict in eastern Ukraine together with intensive internal migration slow down the development of all sectors, including social entrepreneurship. In this situation, social enterprises are mostly focusing on providing jobs to vulnerable groups or fulfilling gaps in the social infrastructure rather than their own development.

From December 2019 to April 2020 Ashoka has conducted the Mapping changemakers process in Ukraine that consisted of several phases implemented in cooperation with different partners. The phase of initial interviews and data collection was done in collaboration with Ukraine Social Academy (Kyiv, Ukraine), the phase of map development was done in partnership with Graph Commons. This report was prepared in cooperation with GURT Resource Center (Kyiv, Ukraine). It is a result of analysis of the database of knowledge and estimation of Ukrainian changemakers created through the series of “snowball” conversations, analysis of several layers of changemaker map, and 10 in-depth interviews conducted with a selected group of changemakers.

The report includes information on the participated changemakers’ profile, thematic areas where participated changemakers are active, current challenges and opportunities of the development of the social entrepreneurship ecosystem in Ukraine. Brief recommendations on the changemaker map methodology are available as Annex A. Annex B includes the list of changemakers who participated in the in-depth interviews.

To visualize the changemaker network of the country, Ashoka communicated with 236 persons. It is interesting to note that 65% of respondents indicated their gender as female. Accordingly, 35% of respondents are male. This situation is broadly in line with the overall gender distribution in the civil society of Ukraine.

Due to the interviews conducted with changemakers at the first stage of the research, we could define seven broader thematic areas: Education/Capacity building, Arts & Culture, Civic Engagement, Social & Legal services / Human rights, Social entrepreneurship/Impact investments, Community development/Volunteering, and Youth policy & Youth work/Children’s rights. The most important thematic area (20%) for our respondents is Education/Capacity building. At the same time, the smallest number of interviewees are involved in such areas as Arts & Culture (9%) and Community development/Volunteering (8%).

Analyzing problems named at the first stage of the research, we defined seven broader groups of challenges changemakers are facing in Ukraine. Based on changemakers’ responses, the two most important challenges mentioned by respondents are lack of financial resources (23%), lack of cooperation/partnership between changemakers (21%), and lack of public awareness and engagement (21%). At the same time, the smallest number of changemakers indicated a lack of competencies (11%) and weak infrastructure for SE development (8%) as the main challenges.

These challenges are not just descriptions of the problem. Rather, they are specific and moveable parts of the problem that the social entrepreneur could tackle. To understand them deeper and to determine root causes where it is possible, we conducted 10 in-depth interviews with chosen changemakers who due to Changemakers Map have a peculiar impact on the ecosystem of social entrepreneurship in Ukraine. Despite the low position of the lack of competencies as a challenge for social entrepreneurs on the Map, most of the changemakers participating in in-depth interviews defined it as a root cause for many of the indicated challenges.

Ukrainian changemakers also see a variety of opportunities for the further development of the social entrepreneurship ecosystem in the country. Based on changemakers’ responses, all collected ideas about existing opportunities were categorized into seven groups: networking development (34%), donors funding (30%), sustainable development (13%), replication of successful initiatives (8%), capacity development programs (6%), cooperation with local authorities (5%), and youth engagement (3%).

According to the Changemakers Map in Ukraine, networking development and donors funding are the most interrelated opportunities and play a critical role in the development within all thematic areas.



1. CHANGEMAKERS' PROFILE

Changemakers in Ukraine tackle complex challenges and transform patterns across society through tireless dedication and bold innovation to **rethink problems and solutions**.

To visualize the changemaker network of the country, Ashoka communicated with **236 persons** starting from **20 individuals** who were selected at the beginning of the process due to their fields, geography, and gender.

Each person had an opportunity to **nominate a number of individuals** who should be interviewed during the next round of interviews and placed on the map. The selected part of the nominated changemakers **was contacted** upon recommendations with the same questions.

The number, diversity, and geographical distribution of nominated persons were growing with the advancement of the project and upon its completion, the **database was visualized** into a **social network map**.

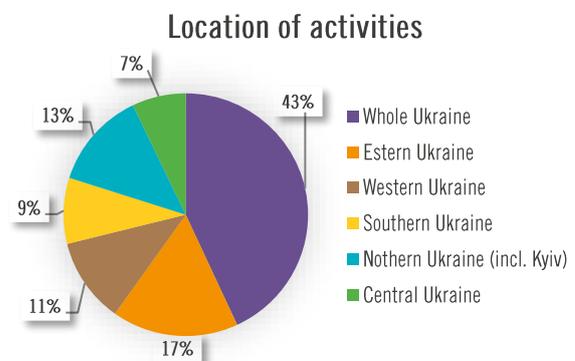


People who were nominated most often and from across different fields appeared as **the biggest dots in the center** of the map and are very likely to be **key influencers** in the field or **brokers between fields**. Those who have been nominated once only appear **closer to the periphery** of the map.

It is interesting to note that 65% of respondents indicated their gender as **female**. Accordingly, 35% of respondents are **male**. This situation is broadly in line with the overall gender distribution in the civil society of Ukraine.

Speaking about geographical location, most of the respondents (37%) are located in **Kyiv**. The second biggest representation (13%) is from **Lviv**. Substantially, the vast majority of interviewees (76%) are based in **oblast centers**. And only 21% speak for smaller Ukrainian cities and towns.

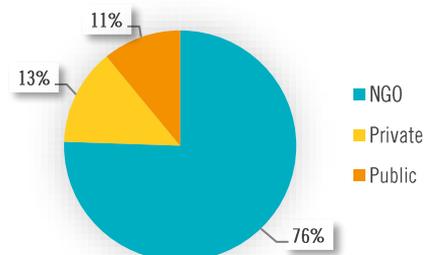
At the same time, regardless of their physical location, 43% of respondents act **throughout Ukraine**. **Eastern Ukraine** is in the second position with 17%, which could be explained due to a large number of programs and projects implemented thereafter the beginning of the conflict in the east of Ukraine. The fewest amount of respondents work exclusively in **Southern Ukraine** – only 7%.



The research team indicates the vast majority of interviewees (89%) as **key players**. That means they are persons who tackle the social problems in Ukraine – is responding to them by their actions. In contrast, 11% of interviewees are marked as **supporters** – persons supporting the solutions of actions.

Considering the **legal status** of the organization they represent, the vast majority of respondents (76%) act on behalf of **non-governmental organizations**. 13% and 11% work for private companies and public bodies respectively.

Legal status of the organization



According to the Changemakers Map in Ukraine, we can conclude that more than 60% of respondents were **nominated at least twice**. Their totality forms a well visible network where we can see peculiar clusters connected by people who are in between.

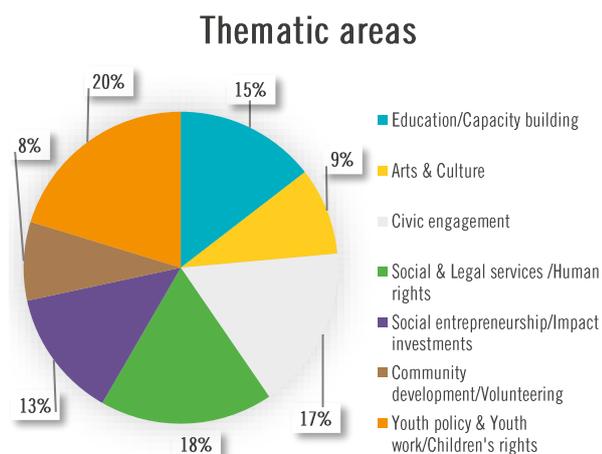
The biggest amount of nominations given by one person was 15. However, most respondents nominated **from one to four changemakers**. At the same time, the most often nominated person got **15 nominations** and took the first place in the graph of betweenness.

Nonetheless, the high score in the category of Betweenness Centrality is rather **related to the occupation** of a nominee than to other factors.

2. THEMATIC AREAS

Due to the interviews conducted with changemakers at the first stage of the research, we could define **seven broader thematic areas**: Education/Capacity building, Arts & Culture, Civic Engagement, Social & Legal services / Human rights, Social entrepreneurship/Impact investments, Community development/Volunteering, and Youth policy & Youth work/Children's rights. Each person could be assigned a **maximum of three thematic areas**.

Thus, the most important thematic area (20%) for our respondents is **Education/Capacity building**. At the same time, the smallest number of interviewees are involved in such areas as **Arts & Culture** (9%) and **Community development/Volunteering** (8%).



We provide more detailed information **on each thematic area** below.

Youth policy & Youth work / Children's rights

20% of respondents indicated this thematic area as **one of the primary** for their activities. Together with Social & Legal services / Human rights, it is **one of two the most central areas** connecting the biggest amount of people.

Out of all interviewees mentioned this, 40% pointed out this thematic area as **the only direction of their**

activities. Accordingly, 60% combined it with other areas.

It is important to note that Ukraine has neither national youth report, integrated strategy for youth development, structured youth work nor youth research. However, during the short Ukrainian history of the independence young people were **the main driving power** for most of the social changes. In a global sense, this happened at least three times – during the Revolution on Granite (1990), Orange Revolution (2004), and the Revolution of Dignity (2014). Therefore, it is no exaggeration to say that the modern history of Ukraine is **performed by youth**.

At the same time, in 2019, the **youth unemployment rate** in Ukraine was 20% as compared to the 16% average rate based on the analysis in 181 countries¹. The reasons for such high indicators are deep stagnation of the Ukrainian economy, and the **social crisis** resulted from the conflict in the eastern Ukraine. Young people often gain minimum wage and lack social benefits, which is one of the main reasons for **migration among youngsters**.

In parallel, Ukrainian human rights groups note that authorities lack the capability to detect **violence against children** and refer victims for assistance. Moreover, 36,000 children in Ukraine have been recognized as **victims of armed conflict**.

Under these conditions, trying to **increase youth employability** and contribute to social cohesion, Ukrainian changemakers **equip young people** with modern knowledge on social entrepreneurship, business plan development, financial planning skills, and in some cases providing them with start-up grants.

Social & Legal services / Human rights

18% of all interviewees marked this thematic area among those they are working on. Interestingly that almost half of them (49%) consider Social & Legal services / Human rights direction as a **sole activity**. Instead, 51% of respondents associate it with **other areas**, especially

¹ According to the Global Economy website. More information by the [link](#).

Youth policy & Youth work / Children's rights. Thus, we can conclude that these thematic areas are companions.

Except provision of different social and legal services ensuring the rights of vulnerable categories, changemakers working in this field are often engaged in combating consequences of the **armed conflict in eastern Ukraine**.

The overall situation in Ukraine continues to **be complex and turbulent**. As of April 24, 2020, according to the data of the Ministry of social policy of Ukraine, more than 1.4 million Ukrainians are recognized as internally displaced². Also, the number of **ATO veterans** is constantly growing and now stands at around 400,000 people.

Using an entrepreneurial approach to **solve social issues**, the changemakers are able to ensure sustainable development for vulnerable groups of society.

Civic Engagement

Civic Engagement as one of the primary thematic areas was chosen by 17% of respondents. Almost half of them (48%) indicated it as **the only direction of their activities**. Under this thematic area, we consider those changemakers who are working on **strengthening civil society, urban development, environmental advocacy**, etc.

Taking into account the multiple-choice, Civic Engagement usually comes along with **Education/Capacity building** and **Community development/Volunteering**. However, the pattern on the map dedicated to the correlation between nominations and thematic areas shows that Civic Engagement is **in between** of Social entrepreneurship / Impact investments and Community development / Volunteering.

Speaking about the general **level of civic engagement** in Ukraine, only 7% of Ukrainians are regularly engaged in their local community life. Another 22% sometimes participate in meetings or activities. The share of those who have experience with at least one type of civic engagement mechanism during the last 12 months constitutes 22%³.

Nonetheless, social entrepreneurship contributing to the **democratization and stabilization of the country** promotes the development of fruitful cooperation between changemakers in Ukraine.

Education/Capacity building

15% of respondents indicated **Education/Capacity building** among those thematic areas they are working on. Out of all interviewees mentioned this, 38% pointed

out this thematic area as the **only direction of their activities**.

Usually **Social & Legal services/Human rights** or **Arts & Culture** accompany this thematic area. It is clearly **visible on the map** dedicated to the correlation between nominations and thematic areas.

Sometimes social entrepreneurship by itself is considered in Ukraine as an example of **non-formal education** for youngsters and adults, especially at the local level as it solves local issues, promotes social innovations, and generates income.

According to our research, mostly non-governmental organizations provide education and capacity building services to the population, especially in the framework of social entrepreneurship.

Social entrepreneurship / Impact investments

This thematic area was marked as **one of the primary** for their activities by 13% of respondents. Social entrepreneurship/Impact investments category is **the highest** on the map dedicated to the correlation between nominations and thematic areas.



Out of all interviewees mentioned this area in the list of actions, 40% pointed it out as **the only direction of their activities**. Mostly they are affiliated to non-governmental organizations or private companies.

Despite the common approach, the Ukrainian **social entrepreneurship ecosystem** still includes only several key players needed: social enterprises, accelerators/incubators, and different financial institutions such as donor organizations, venture philanthropists, or investors. In this situation, NGOs are among the most motivated figures to create social enterprises to be able to **diversify funding and reduce dependence on donor funding**.

Social entrepreneurship / Impact investments are inextricably linked to other thematic areas mentioned in this section. However, due to our research and a social network map, it is related to the area of **Youth policy & Youth work/Children's rights** the most.

² According to the [data](#) provided by the Ministry on Social Policy of Ukraine.

³ Due to the [National Civic Engagement Poll](#).

Arts & Culture

Arts & Culture as one of the primary thematic areas were chosen by 9% of respondents. Together with the Community development/Volunteering area, it engages **the smallest number of interviewees**. Arts & Culture is often followed by **Education/Capacity building**.

The growing number of Ukrainian key actors are looking for new forms to **introduce social cohesion**, experimenting with such types of association as hubs, group initiatives, and social enterprises. The particular medium for this is **art and culture**.

Community development / Volunteering

Only 8% of all interviewees marked this thematic area among those they are working on. 30% of them consider Community development / Volunteering as a **sole activity**. This area is mostly related to changemakers also involved in **Civic Engagement**.

Generally speaking, due to the permanent instability and crisis in which communities and citizens have to mobilize resources, **the volunteer potential in Ukraine is declining**. Thus, only 9% of Ukrainians were engaged in volunteer activities in 2019. This figure is significantly less than in 2018 (18%) and almost back to the level of 2012 (10%)⁴.

At the same time, community development in Ukraine is very dependent on the success of the **decentralization**

reform. Despite it entered the second phase in early 2019, which envisages an administrative-territorial reform at the level of the rayons as well as a redefinition of regional and upper sub-regional prerogatives, this reordering of power **requires constitutional changes** that have yet to be made.



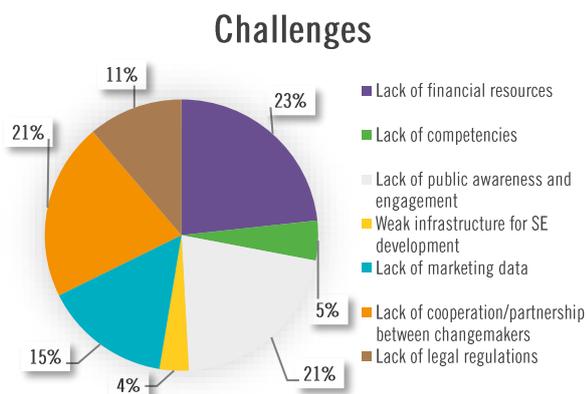
⁴ According to the [research](#).

3. CURRENT CHALLENGES

We consider challenges as the **actionable components** of a complex problem that social entrepreneurs target, fix, or transform to **achieve maximum impact**.

Analyzing problems named at the first stage of the research, we defined **seven broader groups** of challenges changemakers are facing in Ukraine: lack of financial resources, lack of competencies, lack of public awareness and engagement, weak infrastructure for social entrepreneurship development, lack of marketing data, lack of cooperation/partnership between changemakers, and lack of legal regulations.

According to the records of 236 short interviews, the two most important challenges mentioned by respondents are **lack of financial resources** (23%), **lack of cooperation/ partnership between changemakers** (21%), and **lack of public awareness and engagement** (21%). At the same time, the smallest number of changemakers indicated a **lack of competencies** (11%) and **weak infrastructure for SE development** (8%) as the main challenges.



These challenges are not just descriptions of the problem. Rather, they are **specific and moveable** parts of the problem that the social entrepreneur could tackle. To understand them deeper and to determine root causes where it is possible, we conducted **10 in-depth interviews** with chosen changemakers who due to Changemakers Map have a peculiar impact on the ecosystem of social entrepreneurship in Ukraine (Appendix A).

Despite the low position of the **lack of competencies** as a challenge for social entrepreneurs on the Map, most of the changemakers participating in in-depth interviews defined it as a **root cause for many of the indicated challenges**.

Still being a **post-totalitarian state**, Ukraine is on the way from the paternalistic country with the government-regulated economy to the **market-driven economy**. Meanwhile, an insecure political situation, economic decline, armed conflict in eastern Ukraine together with

intensive internal migration **slow down the development of all sectors**, including social entrepreneurship.

In this situation, social enterprises are mostly focusing on providing jobs to vulnerable groups or fulfilling gaps in the social infrastructure **rather than their own development**.

At the same time, there is a big **difference in approaches** used by traditional businesses trying to implement social components and actors coming from the civil society sector.

Lack of financial resources

This challenge was determined **as the main one** by 23% of respondents. Mostly the lack of financial resources is experienced by changemakers working in this field of Social & Legal services/Human rights and Youth policy & Youth work/Children's rights.

The market seems to be **overwhelmed with funding opportunities** from international donor organizations aimed at social entrepreneurship development. This sector has become particularly active after the Revolution of Dignity in response to the **unstable political and social situation** caused by armed conflict in eastern Ukraine and the Crimea annexation. There was a high demand for community development through the **empowerment of entrepreneurs**.

Nevertheless, these programs showed poor results and a lack of successful cases. Now such calls for proposals are often referred for **micro or small grants** from €500 to €10,000 per enterprise or private entrepreneur.

In addition, donors in Ukraine are more focused on **supporting startup initiatives** but **fail to invest in further development** or business expansion. This approach does not contribute to the sustainability of social enterprises.

On the other side, grant conditions are often quite specific containing **restrictions on the use of allocated funds** or do not meet the real development needs of the entrepreneur.

Also, there is a significant **shortage of loans** available for social enterprises in contrast with granting. Emphasizing this, the participants of in-depth interviews mentioned "the cascade option" when grant funding is provided for **development or consulting services** but operational activities are mostly financed from the loans. Otherwise, there is a danger that the enterprise would operate as a grant project and will not involve other resources.

Besides, social entrepreneurs in Ukraine have **limited access to private funds** and other types of investments. Together with being out of the business ecosystem, it creates additional barriers for social entrepreneurship development in Ukraine.

However, half of the experts we reached during in-depth interviews consider the lack of financial resources as that one **deriving from the lack of competencies**.

Lack of cooperation/partnership between changemakers

Despite the high position of the **lack of cooperation/partnership between changemakers** as a challenge, only one participant of the in-depth interviews mentioned it among three the most relevant barriers for social entrepreneurship development at the beginning of a talk. However, without the cooperation, **no infrastructure, ecosystem, or even knowledge base** could be developed.

The nature of this challenge is related to the fact that often changemakers in Ukraine **perceive each other as competitors for funding** and recognition rather than partners with common interests. The culture of inclusive dialogue, consultations, development, quality standards, and democratic governance is still not well established both in Ukrainian civil society and the business sector.

The cause of it is also **connected to the lack of competencies** as many key actors do not know, in which areas they could cooperate with others. At the same time, for building effective partnerships, the actor should have **an ecosystem approach and strategic thinking**, which is impossible without certain skills.

On the other side, there is a well-defined **lack of trust between authorities and social entrepreneurs**, which refers to the Soviet past. It prevents key players from perceiving the government and local authorities as platforms to **protect their rights** and to accelerate their development.

This challenge could be overcome with the success of **decentralization reform**. In this case, local governments can take on the role of collecting information for social enterprises measuring social impact.

In addition, there is an **articulated need for the community of practice** development where all key actors could exchange their experiences and provide mentoring support for newly created social enterprise. It could be a **platform for the regular communication and interaction** of social entrepreneurs between themselves and with other changemakers.



Lack of public awareness and engagement

Due to the lack of awareness and existing stereotypes, social entrepreneurs do not get the necessary public engagement. That is why this challenge was **recognized as one of the most important** by 21% of respondents.

Social enterprises are often perceived as a model of inclusion for persons with disabilities. Some people understand it as a way to self-enrichment due to the **misperception of the social entrepreneurship** concept.

At the same time, others believe that the products made by social enterprises are of **low quality** as manufactured by non-professionals.

Among the reasons led to this situation should be mentioned **lack of competencies**, especially marketing ones. Thus, experts believe that the **popularization of social entrepreneurship** will contribute not only to the **development of the ecosystem** but also to overcoming a paternalist perception on different layers.

Lack of public awareness and engagement causes that traditional business, which decided to turn into the social services, as well as possible donors, feel a **lack of success stories and understanding** the benefits of social entrepreneurship.

Lack of marketing data

The lack of marketing data was marked as **one of the most important challenges** by 15% of respondents. By marketing data in this report, we mean all data that changemakers may use to make conscious decisions ensuring the success of social innovations. Digging deeper, we noticed that within these issue many respondents, first of all, complained about data availability.

A lack of marketing data combines both difficulties with **access to reliable data** on vulnerable groups, environment, participatory budgets, etc. and **low capacity of social entrepreneurs** to use available data for marketing purposes.

In recent years, the open data movement has been catalyzing within Ukraine. Adopted in 2015, government Regulation no. 835 requires state bodies to make 900 types of datasets public on the National Open Data Portal. However, because of **the lack of competences**, neither local officials nor social entrepreneurs could use them properly.

As a result, there is a **shortage of social impact measurements**. It is mostly documented in terms of individual cases rather than as the overall impact of social enterprises throughout Ukraine.

Despite existing information and communication technologies, the whole ecosystem of social entrepreneurship **does not have adopted tools to**

measure efficiency both in social impacts and in terms of economic.

According to the results of in-depth interviews, social entrepreneurs would like to **have impact metrics to attract investors** and to use them for marketing purposes.

Lack of legal regulations

11% of interviewed respondents indicated the **lack of legal regulations** as the most important challenge for the development of social entrepreneurship in Ukraine. There is a common opinion, that since Ukrainian legislation **does not formally recognize such legal form as a social enterprise** it makes a problem for further development of social entrepreneurship. However, many experts convinced that the absence of specific legislation offers **more flexibility and inclusiveness** of social entrepreneurship formats. These experts are afraid of the possible situation when specific legislation on social entrepreneurship would, in fact, limit the opportunities for its development by introducing rigid definitions and frameworks.

Lack of cooperation and partnership among changemakers, we described above, does not allow them **to reach a consensus** on the necessity of specific legislation on social entrepreneurship.

The draft laws "On Social Entrepreneurship" (projects 10610 of 14.06.2012 and 2508 of 11.03.2013) could be considered mostly as experiments while **they have not passed into laws**.

The main complexity was in recognition of these draft laws as the **potential risks related to the tax discounts** for social enterprises. Given the **high level of corruption** in Ukraine, there were concerns that after the adoption of this law, **all entrepreneurs would become "social"** to get tax liabilities. Besides, there were fears associated with the possibility of effective control and verification mechanism for social enterprises.

It causes a **number of unresolved issues** such as lack of preferential taxation, the substitution of concepts, lack of clear interpretations, risk of losing non-for-profit status for NGOs, etc. At the same time, **due to non-transparent practices**, neither entrepreneurs nor investors are legally protected.

Lack of competencies

Although the lack of competences was chosen as the main challenge by only 5% of respondents, after the

additional analysis we concluded that it **shapes the nature of other challenges**.

During in-depth interviews, experts often complained that Ukrainian actors are copying methods used in western countries **completely ignoring the context**. At the same time, social entrepreneurship is inextricably **linked to traditional entrepreneurship** and its ecosystem. Thus, social enterprises have to be ready to compete with a traditional business.

However, if a changemaker has previously operated only with grant funds, it is very difficult to adjust to profit-generating business. Often, people who came to the social entrepreneurship from the civil society sector do not understand business approaches, **lack financial literacy and soft skills**, do not have skills of impact measurement. As a result, developing the social enterprise, they still prefer grants funding.

Even though the training market in Ukraine is overwhelmed with experts, technologies, and knowledge introduced by international donors, changemakers may not always want **to enhance their knowledge and to gain new competencies**.

On the other side, many of the training programs that offer their services to social entrepreneurs **have low-quality content not supported by successful examples** and case studies.

Weak infrastructure for social entrepreneurship development

4% of respondents mentioned a **weak infrastructure for social entrepreneurship development** as the main challenge they are facing. To the weak infrastructure, we can attribute a lack of hubs, incubators, accelerators, and training centers to support social entrepreneurship.

Most of these infrastructure components **operate within the technical assistance projects** supported by international donors. This approach **cannot ensure the program sustainability** and develop strategical solutions as such programs have to act according to the donor's requirements.

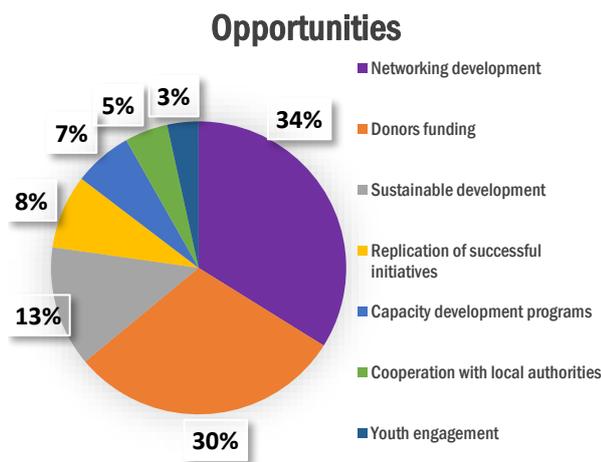
Although there are **several corporate incubators** throughout Ukraine, their numbers are insufficient to sustain ecosystem development.

At the same time, the role of higher education institutions is also not fully accomplished as they mostly do not offer high-quality business skills training, mentoring support, and networking for social entrepreneurs.

4. EXISTING OPPORTUNITIES

The current economic and social environment in Ukraine could hardly be called as favorable. However, Ukrainian changemakers see a **variety of opportunities** for the further development of the social entrepreneurship ecosystem in the country. We consider an opportunity as a specific position, chance, or prospect for the advancement of social and economic changes.

Based on changemakers' responses all collected ideas about existing opportunities were categorized into seven groups: **networking development** (34%), **donors funding** (30%), **sustainable development** (13%), **replication of successful initiatives** (8%), **capacity development programs** (6%), **cooperation with local authorities** (5%), and **youth engagement** (3%).



According to the Changemakers Map in Ukraine, networking development and donors funding are the most interrelated opportunities and play a critical role in the development within all thematic areas.

Conducting in-depth interviews with chosen changemakers we tried to understand how these existing opportunities can be effectively utilized by the social entrepreneurship ecosystem.

All interviewees noticed that the effective utilization of available opportunities requires a **holistic approach**. The integration of efforts focused on taking different opportunities results in a **synergy effect**. Replication of successful initiatives can be multiplied when done through present networks and vice versa supports existing and stimulates new networking opportunities. Capacity development programs help changemakers

with a productive youth engagement that increases their capability to implement social and economic innovations.

Networking development

Old Ukrainian proverb says: "Where there are two Cossacks there are three Hetmans". While 'Cossack' is an ordinary soldier of the Ukrainian army in XV-XIX century, 'Hetman' is a Commander in Chief of the whole army. This proverb emphasizes such traits of Ukrainian national mentality as individualism and an urge for obtaining the power.

In this context, seeing network development as the most mentioned opportunity for the advancement of social and economic changes was quite surprising, from the one side. However, lack of communication and collaboration between different changemakers creates a unique niche for proactive networking initiatives, from the other side.

It is important to keep going with different networking initiatives trying to connect changemakers and stimulate interactions between them. Learning exchange events can be a good occasion to bring changemakers together and to cultivate a tradition of sharing.



Networking infrastructure is critical for success. Formal and informal steering committees, councils, and boards play a consolidating role, ensure continuity of actions, facilitate communication, help with matching needs and interests. Hubs, incubators, and coworking spaces are extremely important elements of the development infrastructure.

Social entrepreneurs may consider networks as business opportunities to set up an effective supply chain and distribution or to build a platform for rapid scaling up of businesses. Customers may rather trust to a business belonging to a reputable network. Networks can be effective in the advocacy and protection of social entrepreneurs' interests. Being part of a network Networks are also attractive for larger impact investors.

All these benefits can be used to motivate changemakers for networking and allocating resources for communication and cooperation with colleagues.

Donors funding

As we have already mentioned above start-up and support grants along with low rate loans are widely available for Ukrainian changemakers. However, not so many changemakers can demonstrate effective donors funding mobilization.



In order to increase the probability of donors funding mobilization changemakers may focus on improvements in several key areas.

A **feasible business idea** is critical to attracting donor's attention. It is recommended to test a business idea using simple marketing tools before asking about support from any donor. If a social entrepreneur is able to prove the feasibility of a business idea based on grounded data and assumptions, it will significantly increase the probability of donors support.

A **sustainable business model** ensures the effectiveness of donors funding and long term social, economic, and environmental results. The clear sales model is an important component of sustainability and a guarantee of loan payback.

Proved ability to generate income allows for a social entrepreneur to declare grounded **own contribution** and makes the donor does not feel lonely while taking a risk of funding a new business initiative.

Additional arguments for an evidence-based decision of the donor come with a clear **commitment** and **responsibility** of a social entrepreneur for achieving promised results. The references from reputable people could be a good asset.

It is recommended to invite **professional consultants** while working on a business plan and an application for donors funding.

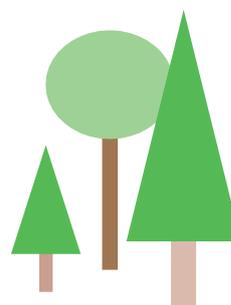
Donors may also assist the social entrepreneurship ecosystem in the process of funding mobilization offering a **clear model of financing** and **transparent decision making**.

Donors may try to wider use a **venture philanthropy** approach, especially while working with inexperienced social entrepreneurs. In this case, donors do not only provide financial support but also build the capacity of the involved business.

Sustainable development

A concept of **sustainable development** and particularly the UN Sustainable Development Goals (SDGs) **motivate** social entrepreneurs and provide a **clear guideline** for them at different stages of a business lifecycle.

Sustainable development concept helps changemakers to generate feasible business ideas. If a business idea does not confront the SDGs, it makes it more feasible and attractive for donors and investors.



Changemakers who are serving vulnerable groups can help their communities with developing sustainable models of social services and vulnerable groups protection. Central and local budgets available for the vulnerable groups protection through municipal or governmental agencies can be invested in the local social businesses. Active involvement of vulnerable groups representatives and their relatives in the process of social services design and delivery will allow local social entrepreneurs to operate a sustainable business model offering inclusive social services, creating new jobs, paying taxes, and ensuring community cohesion.

Following the SDGs guidelines, central and local governments can offer **financial stimulus** and other benefits to social entrepreneurs that contribute to sustainable development.

Replication of successful initiatives

Ukrainian changemakers can be proud of many successful initiatives worth to be replicated for the sake of a larger number of beneficiaries.

Replication of successful initiatives can help with **bringing social innovations to the communities** that due to different reasons experienced unfavorable conditions including natural disasters and military conflicts.

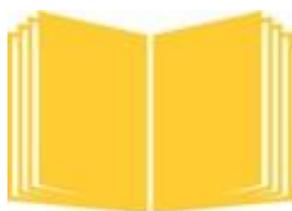
It is important to offer for the replication a comprehensive business model adapted to local conditions. Dissemination of success stories is not enough for the replication process. Success should be presented as a best practice with clear **know-how** and **implementation plan**.

Replication of successful initiatives may also assume the cultivation of a supportive environment including the creation of supply chains and a favorable business climate.

Networking is a key asset in the process of successful initiatives replication. Regular communication and collaboration between changemakers will result in faster dissemination of best practices. Peer learning and informal communication can serve as mentoring support during best practice implementation.

Capacity Development Programs

There is a big number of education and capacity building programs, projects, and events available for changemakers in Ukraine. The marketplace of capacity building initiatives lacks structure and standards so changemakers are not able to easily navigate themselves.



Education

Speaking about general aspects of increasing the capacity building programs effectiveness there are two main issues: **quality assurance** and **inclusiveness**.

Quality assurance is possible when applicable standards for the courses and trainers are introduced. Capacity building programs should result in both knowledge and skills development. Active business people are seen as course leaders, trainers, and mentors. Mentoring should focus on the implementation and assist trainees in turning the knowledge into real practice. Effective capacity building programs should include comprehensive monitoring and evaluation component that will allow tracking the progress of trainees and impact of the educational program on the trainees' business results.

Inclusiveness is a more tricky issue. To some extent changemaker status in Ukraine is almost exclusively related to civil society. Thus capacity building programs on social entrepreneurship are rather offered to social activists and not to entrepreneurs. However, the introduction of the social entrepreneurship courses to traditional educational programs for managers, engineers, journalists, etc. may result in the formation of a strong and diverse foundation of social entrepreneurship.

Cooperation with local authorities

Cooperation with local authorities is mentioned among key opportunities due to the decentralization reform that makes communities powerful actors equipped to create an **enabling environment** for local changemakers in Ukraine.

Productive cooperation with local authorities may help changemakers with access to open data at the community level, good business development climate, and opportunities to use resources of the community e.g. premises, budget, volunteers.

In order to assist local authorities with their willingness to support local changemakers, it is important to provide them with a set of documentation – templates that can be used to regulate relationships with changemakers e.g. programs of local social and economic development, contracts for specific community services, bylaw of the local development agency.

Good business development climate is a result of the **system advocacy efforts** of local changemakers. Being proactive allows local social entrepreneurs to use all open possibilities.

Youth engagement

Youth engagement in the change-making process and social entrepreneurship is beneficial for both young people and other changemakers.

Young people obtain unique social and professional experience, contacts, and the first job in many cases.

The social entrepreneurship ecosystem receives different and even alternative perspectives, innovative solution ideas, and not an expensive labor force.

Successful youth engagement is based on sharing a common language and values, focusing on results and important social changes, offering personalized motivation and creative space.