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Minutes of Regional Conference

Pori, 9th of June 2010

'Finnish Club of Pori' Meeting Room



List of participants

Name	Title	Organisation
Juha SANDBERG	<i>Procurement planner</i>	City of Pori
Aki NUMMELIN	<i>Project manager, Member of the City Council</i>	City of Pori
Sanni MÄKELÄ	<i>Project manager</i>	Youth involvement activation in voluntary activities- Diacony



		university of applied sciences, Pori
Seija LÄHITIE	<i>Lector</i>	West Coast Education Ltd, Winnova, Pori
Saija TÖRMÄ	<i>Student curator</i>	Winnova, Pori
Merja MAJALAHTI	<i>Project Manager</i>	Satakunnan Salpa, association for unemployment activation, Pori
Jukka KORKEE	<i>Project assistant</i>	Satakunnan Salpa, Pori
Paula ILÉN,	<i>Director</i>	Finnish Red Cross, Satakunta District, Pori
Maija SAARI	<i>EU-koordinaattori</i>	Satakunta Centre for Economic Development, Transport and the Environment, Pori
Eeva PIHLAJAMÄKI-SMITH	<i>Lector</i>	Winnova, Pori
Jonna MALMIVUORI	<i>Teacher, project worker</i>	Winnova, Pori
Marja SUONVIERI	<i>Project Manager</i>	Prizztech Ltd, Pori
Minna NORE	<i>Development Director</i>	Prizztech Ltd, Pori
Kirsi MÄKELÄ	<i>Projektisuunnittelija</i>	Prizztech Ltd, Pori
Marianne KIVELÄ	<i>Development/Project Manager</i>	Tyke Ltd, Rauma
Timo KAARTINEN	<i>Lector</i>	Satakunta University of Applied Sciences, Rauma
Jouni VATAJA	<i>Project co-ordinator</i>	Satakunta Centre for Economic Development, Transport and the Environment, Pori
Anna BLOM	<i>Teacher</i>	Winnova, Pori
Daniel NAGY	<i>Project planner</i>	City of Pori
Eлина PATANA	<i>Project manager</i>	Winnova, Pori



Hannele TUOMAINEN	<i>Managing Director</i>	Tyke Ltd, Rauma
Aulis LAAKSONEN	<i>Deputy Mayor</i>	City of Pori
Mari ANTIKAINEN	<i>Development Manager</i>	Prizztech Ltd, Pori
Jaana MERENMIES	<i>Managing Director</i>	Syfo Ltd, Pori
Tuula MITTILÄ	<i>Professor</i>	Turku University, Turku Business School, Pori Unit, Turku
Inka LILJA	<i>Legal Adviser</i>	Syfo Ltd, Pori
Sergio CAMPANELLA	<i>Lead Expert</i>	Urban NOSE
Steven BUCKINGHAM	<i>Interpreter</i>	London

Time: 9th June 2010 (9:30-15:10)

Place: Suomalainen Klubi, Eteläranta 10, Pori, Finland

Opening

Project manager Elina Patana and Development Manager Mari Antikainen welcomed all participants to the seminar and gave the floor to Deputy Mayor Aulis Laaksonen from the City of Pori.

Deputy Mayor Aulis Laaksonen (Social affairs)

Deputy Mayor Aulis Laaksonen opened the seminar and reminded, that the City of Pori has just updated its city strategy till 2016. In the vision, Pori will be a city with 120.000 inhabitants and a vibrant, growing centre. The main power points and critical success factors have been identified to be competitiveness and ability to renewal, welfare, health and security and living environment. The strategy points the lines and values that the city organization follows during the coming years. The four main values are: work, care, courage and experience.



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In the welfare sector, the services will be provided by following criteria: right time, right measurement, in partnership, productivity, by adapting new technology and the freedom of choice.

Pori wants to partnership for normal and social enterprises, associations and other actors in the welfare sector.



Social enterprises in Finland

Managing Director Jaana Merenmies, SYFO Ltd

Managing Director Jaana Merenmies from SYFO Ltd reminded of the Finnish definition to the social enterprises: In Finland the social enterprises could be categorized into 3 groups: social firms that employ over 30% handicapped or long-term unemployed, social enterprises that employ (over or under 30%) or companies with other kind of social goal. The social enterprises have social tasks, for example they increase social welfare, environmental welfare, involvement, employment, health or collectivity. Social enterprises work also as connector between different values: they could give added value to their owners, public sector, funders, clients or the third sector by giving a possibility to ethic investments, sustainable development or new innovations.

In Finland there are 154 social firms at the moment in the register of the social firms. Additionally, there are about 1600 small co-operatives and over 3000 non-profit enterprises. These numbers are estimated to the lower end and we can estimate, that there are about 5000 enterprises that act like social enterprises in Finland. The second biggest social firm in Finland, is TYKE Ltd from the Pori region.



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To enhance the social enterprises, first of all, we should get a political understanding of the social enterprises and get them as a power point to the national politics. The social enterprises need solid support mechanisms (financial and advice) and launching of a “label” for the social enterprises. As well it is important to create measure mechanisms to find out all the impacts that social enterprises have to their local and national economy. Social enterprises should be included to the training programs and integrate as a part of the entrepreneurship training. Also a research and innovation program for the social enterprises should be launched.



Possibilities in the social services sector

Professor Tuula Mittilä, Turku University, Turku School of Economics

Professor Tuula Mittilä enlightened the different views of the social responsibility in different organizations: the public sector is responsible to produce welfare for its citizen and do it as economically as possible, the enterprises seek for economical, ecological and social responsibility and the third sector wants to develop the citizens society and offer social services mainly for special interest groups.

Professor Mittilä told about researches, that have not been able to prove that a company could anyhow benefit from the transformation to a social enterprise, but the added value comes, when the enterprises feel, that they are doing something valuable. The impacts to the companies' image is difficult to measure. Social enterprises is not commonly known concept among the entrepreneurs. She



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pointed, that dissemination, advise, supporting the economical knowledge, support mechanisms, marketing and stressing the social criteria in procurement are the ways to enhance the social enterprises.



International development of the social enterprises, presentation of the URBAN N.O.S.E project

Dr Sergio Campanella, Lead Expert, URBAN N.O.S.E

Dr Sergio Campanella from the URBAN N.O.S.E project told the audience about the URBACT II programme and the projects goals and aims. He stressed the importance of the Local Action Plan and reminded the participants, that the project is a regional tool to support the social enterprises especially in the start-up phase. He gave examples from the partnering regions and stressed the importance of involving all the possible interest groups into the Local Support Groups, which should work to develop and validate the Local Action Plan, identify and/or validate project inputs or outputs such as case studies, take part in exchange activities through meetings and on-line contacts, meet regularly, comment on final outputs and test or pilot recommendations through the Local Action Plan, act as lobby for changes, organize local dissemination events and finally obtain the media coverage



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Social criteria in procurement

Legal expert Inka Lilja, SYFO Ltd

Legal expert Inka Lilja from SYFO Ltd told, that in Finland the value of public procurement is annually 22 billion €, that is 15% of Finland's GNP. In the legislation public procurement has traditionally two goals: effective use of public finances and creating and developing of EU's internal markets. Additionally there are new goals that stress environmental, social, ethical views or enhance innovations.

The EU Commission has just published a handbook: *Buying Social: A Guide to Taking Account of Social Considerations in Public Procurement*. The Finnish procurement law gives possibilities to guide procurement to work centers or take social aspects to the procurement process and this way gives the public sector to work as a pilot client and to create new markets. Unfortunately these possibilities are not widely used.



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How social entrepreneurship could be promoted in the Satakunta region?

Managing Director Hannele Tuomainen from TYKE Ltd concluded the vivid discussion and seminars program by commenting the speakers and their messages. She stressed out the importance of solid support mechanisms and the political awareness. It is good that the City recognises partnership as one of the goals and rests to wait for the concrete actions.



TYKE Ltd. Field Visit

After the seminar Dr Campanella, Ms Suoniveri, Ms Patana and Ms Antikainen made a field visit to the TYKE Ltd's premises in Rauma, where Managing Director Tuomainen, Development Manager Kivelä, Project Manager Rantanen and



Factory Manager Tirkkonen told about TYKE Ltd as an organisation, its products, services, clients and way to work.

Tyke Oy is Finland's second biggest social enterprise and an independent production, marketing and service company



which produces high-quality, competitive products and services for a wide customer base from municipalities and government agencies to private businesses and individuals. Tyke operates as a social enterprise employing disabled people and long-term unemployed, as part of the company's commitment to social responsibility and it has been established in 1984. Tyke is a

wholly-owned subsidiary of Satakunta Hospital District. Its 2008 turnover was €7.9 million. Tyke has approximately 120 full-time employees and 60 places for people from the employment assistance programme of the Satakunta Hospital District.

Tyke operates in five localities in Satakunta region and in seven different sectors. Tyke is also known as a competent subcontractor for many different fields and businesses:

- Administration and marketing, Ulvila
- Personal aids production plant, Rauma



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- Garden furniture production plant, Kankaanpää
- Hospital equipment production plant, Ulvila
- Communal areas furniture production plant, Pori
- Steel wire products production plant, Kokemäki
- Subcontracting, all production units
- Employment services, the entire Satakunta area
- Finland Tyke Oy, Lu'an, China
- Reseller of the Seniortek security system

TYKE Ltd. has always been owned by of a public organisation. First it belonged to the Satakunta Special Care District and since it merged with the Satakunta Hospital District, the ownership of Tyke also changed to there. Tyke has grown to a company with € 7.5 million turnover and widened its actions into different sectors according to the clients and networks needs. Although Tyke acts as an independent company and seeks for profitability, the regional policy framework comes from the cities and communities that own the Satakunta Hospital District and their aim is to rehabilitate as many workers as possible. TYKE Ltd is committed to offer employment services, individual coaching, group trainings, social employment and labour bank as services for its clients. The aim of social employment is to maintain, revive and consolidate work skills as well as open avenues for the long-term unemployed to enter the open labour market. Through these services clients may be placed to work in one of Tyke's production units or at an external company. TYKE Ltd also aims to work as a company providing subcontracting services and high-quality products.



The practice has grown from an ordinary work centre to a significant business that operates in seven different sectors supporting the rehabilitation and offering work to persons with impaired capacity to work. In the field of personal aids and specially in walking aids it is the market leader in Finland, but nowadays it has its own branches also in China, Hang Zhou region. These products help especially the elderly and disabled persons to walk and move both indoors and outdoors and therefore support independent living for them.

In conclusion, we can assume that TYKE Ltd. is a real success story and a very good example of social enterprise favouring social inclusion and sustainable jobs and growth and also showing demonstrative pathways to be followed and repeated as possible 'rescue packages' against cyclic crises.

