

The European Social Enterprise Monitor (ESEM) is a biennial survey-based study on social enterprises (SEs) across Europe. This third edition, taking place over 2023-2024, builds on the editions of 2020-21 and 2021-22.

The ESEM provides information to decision makers so that they can better accommodate and support SEs in their policy, funding and legal frameworks. The ESEM is led at the European level by Euclid Network (EN), with country teams leading the work at the national level. The European Report provides an overview of the data at the European level. National data and analysis are available in the Country Reports ('xSEM'), produced by country partners. This data gathered by the ESEM includes observations related to the 1807 SEs across 30 European countries sampled in 2023-2024.<sup>1</sup>

# European Social Enterprise Monitor



Scan to receive the full report

## 2023-2024

### Key Insights

#### Characteristics of ESEM SEs

**10 YEARS OLD**

ESEM SEs were on average 10 years old, and most commonly in the early/late implementation and growth or steady stages of development.

**HUMAN HEALTH, SOCIAL WORK & EDUCATION**

Human health and social work (29.4%), education (25.2%) and other service activities (15.2%) were the most common business sectors among ESEM SEs.

**79.0%**

The (private) limited liability company and association were the most common legal forms of ESEM SEs, with 79.0% using the same form as at founding.

**LOCAL / NATIONAL**

ESEM SEs most often operated locally or nationally, though 29.8% had international scale.

**87.1%**

87.1% of ESEM SEs adopted at least one innovation.

#### People & Governance

**TOTAL EMPLOYEES**

The median number of total employees in ESEM SEs was 7 (and 5 in FTE).

**44.8%**

44.8% of ESEM SEs expected to employ more or substantially more employees than currently.

**DIFFERENT BACKGROUNDS & DISABILITIES**

46.5% and 43.5%, respectively, of ESEM SEs indicated that people with a migrant background or a disability were represented within their organisation.

**66.9%**

On average 66.9% of ESEM SE employees held a university degree.

**VOLUNTEERS**

More than half of ESEM SEs had at least one volunteer.

**WOMEN**

Women were represented in a majority at all organisational levels among ESEM SEs.



## Revenues & Financing

### INCOME SOURCES

B2C, B2B and B2G trading were the most common and important income sources for ESEM SEs, followed by national public funding.

# 71.6%

At least 71.6% of ESEM SEs engaged in private social procurement, and at least 55.7% engaged in public social procurement.

### TRADING & NON-TRADING

Median trading and non-trading revenues were €115,789 and €45,747, respectively; on average, trading represented 63.6% of total revenues.

# 51.8%

While 51.8% of ESEM SEs reported increased revenues over the past 12 months, only 30.2% were profitable.

# €100K

The median financial planning horizon for ESEM SEs was only 8 months, and the median reported external financing need was €100,000.

### FINANCING NEEDED VS FINANCING SECURED

Though at least 65.4% of all financing requests were successful to some extent, the gap between financing amounts needed and secured was 39.0%.

# 80.7%

ESEM SEs reinvested an average 80.7% of profits into their missions.

### EXTERNAL FINANCING

The most commonly requested and secured sources of external financing were public financing, private donations and foundation funding.

## Impact Measurement

# 62.2%

At least 62.2% of ESEM SEs were currently measuring their impact, most commonly to understand if the organisation was fulfilling its mission objectives (49.3% of ESEM SEs).

### LACK OF KNOWLEDGE

The most common reason that ESEM SEs were not currently measuring their impact was a lack of knowledge.

# 70.1%

At least 70.1% of ESEM SEs engaged in impact measurement and management (IMM) reported multiple challenges with the process.

# 18.8%

Only 18.8% of ESEM SEs considered themselves to have a high level of internal knowledge and effective practice in IMM.

## Barriers & Enablers

### LACK OF PUBLIC SUPPORT

ESEM SEs were most commonly hindered by a lack of public support schemes (much or very much hindering 40.8% of the sample), too complex public financing (41.9%) and a weak lobby for social entrepreneurship (40.2%).

# 69.8%

At the national level, 69.8% of ESEM SEs considered there to be no, very low or low political support for social entrepreneurship.

### LEGAL FORM / STATUS

49.9% of ESEM SEs believed that it was or would be of value to have a specific SE legal form in their country; 63.8% saw value in a SE legal status.

# 39.2

ESEM SEs rated the ecosystems in which they operated on average to have a strength of only 39.2 points out of 100.

# 31.1%

Only 31.1% of ESEM SEs reported that they had received support from a national network or membership organisation in the past 12 months.

## Social & Environmental Impact

# 71.6%

71.6% of ESEM SEs had specific groups of persons as target beneficiaries, within which children/young individuals in general was the most common group (targeted by 25.3% of all ESEM SEs).

# SDG3

United Nations Sustainable Development Goal 3. Good Health and Well-Being was the most commonly pursued area of impact (54.5% of ESEM SEs).

### BENEFICIARY PARTICIPATION

Beneficiaries were represented in the governance structures of 34.9% of ESEM SEs; and on average 47.3% of beneficiaries were involved in production/delivery processes.

# 79.8%

79.8% of ESEM SEs reported tangible internal commitments to environmental sustainability, most commonly circularity principles.

To learn more about the ESEM project, visit:

[www.socialenterprisemonitor.knowledgecentre.euclidnetwork.eu](http://www.socialenterprisemonitor.knowledgecentre.euclidnetwork.eu)

<sup>1</sup> The data gathered by the ESEM is not a fully representative sample and any observations relate only to the SEs sampled in ESEM 2023-2024.