Guidelines for Becoming a Diversity Connector for Start-ups

As part of the Diversity Connectors for Start-ups: the Art of Mixing
A project of Intercultural Cities

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Guidelines for Becoming a Diversity Connector: Assumptions

The Guidelines have been drafted under the following assumptions:

- ❖ The aim is to provide a step-by-step guide for public or private sector-supported incubators to offer training, coaching and mentoring services (general and specific), networking, access to finance and marketing tools to both immigrant and mainstream enterprises which are housed under one roof
- ❖ The guidelines will be used as a management tool by incubators
- ❖ In the pilot, the guidelines will be used as a self-assessment tool
- ❖ Once piloted and rolled out, the guidelines will be used as a label which can be used by those incubators which qualify¹
- An organisation or panel will award the label to incubators which have reached a designated level (who and which level to be decided during the pilot)
- They will be used to attract public, philanthropic and corporate support for becoming a Diversity Connector
- Cities and corporates can help as partners and providers of financial and other types of support
- PROFILE OF ENTERPRISES

Immigrant Enterprises

The primary goal of the Diversity Connectors Guidelines is to mix immigrant enterprises with mainstream enterprises. Therefore, the guidelines refer to immigrant enterprises, although they can

¹ The Founding Members of Diversity Connectors can use the label on all of their material. But all other incubators must reach a certain level in order to qualify to use the label - the level an incubator needs to reach to obtain the label is to be decided after the pilots



be used to include other under-represented enterprises as well. Other enterprises owned by diverse groups, such as refugees, women and youth at risk may be a focus of the work of some of the incubators and can be included under the heading of immigrant enterprises.

National definitions of immigrant enterprises may vary and must be taken into consideration, e.g. in the UK, only enterprises owned by first generations are referred to as immigrant enterprises, whereas enterprises owned by second, third generation are referred to as BMEs (black and ethnic minority enterprises) and in other parts of continental Europe this same group may be categorised as migrant or immigrant enterprises.

Types of enterprises

The Guidelines use the term enterprise to include the following types of organisations:

- enterprises with the ambition to earn a living through producing or providing an existing product but not necessarily aiming to have a scalable enterprise model
- enterprises with the ambition to have a scalable enterprise model but not necessarily to introduce a new product or service into the market
- Start-ups which aim to introduce a new product or service into the market and aim to have a scalable enterprise model
- Social enterprises which aim to create a positive impact on the community and may or may not aim to introduce new products and services and to have a scalable model.
- They can operate in any industry from ICT to the services sector

Size of Enterprises

The Guidelines are for incubators which are working with micro enterprises, defined by the EU as having fewer than 10 employees and an annual turnover (the amount of money taken in a period) or balance sheet (a statement of a company's assets and liabilities) below €2 million.

GLOSSARY

Enterprise Accelerators

Enterprise accelerators are very like incubators but instead of being run for non-profit, they take an equity stake in each company they host. The accelerators hope that amongst the dozens of companies that come through, a couple will really catch on, 'airbnb' and 'Dropbox' are two such companies which came out of accelerators. Although it is possible that accelerators can adapt the Guidelines for their purposes, they are not the intended as the main user.

Enterprise Incubators

Entities that help <u>start-ups and small local companies</u> to develop, by providing services such as <u>training</u> and/or <u>office space</u>. They are tools for municipal, regional and national economic development. They can be based in academic institutions, non-profit and public spaces, research and technology parks, private office space, property development ventures, venture capital firms, or combinations of the above. Incubators are the main user of the Guidelines.

Co-working spaces

Physical spaces for small enterprises and social enterprises to work, share ideas, strategies and enterprise advice.

Diverse enterprises

Entrepreneurial ventures owned and run by women, immigrants, refugees, people minority background, or youth at risk.

Diversity Connectors

Public or private sector-supported incubators which offer training (general and specific), networking, access to finance and marketing assistance to all enterprises with an emphasis on including immigrant enterprises. These entities are housed under one roof within the incubator.

General support programmes

Programmes that provide general training for all micro enterprises.

Immigrant

A person born outside the country in question, who has moved to live there for at least 12 months (UN definition) or resident of 'immigrant background', including person born to immigrant parents (according to definitions varying between Member States). Cities may wish to use other definitions, according to their practice, in applying these Guidelines.

Immigrant Entrepreneurs

Enterprise ventures and social enterprises owned and run by immigrants.

Micro Enterprises

Entrepreneurial ventures, micro or small in size (see EU definition below), delivering products or services to the marketplace.

Social enterprise/social impact companies

Social enterprises are an entity that has a positive impact on the community. They can be not-for-profit organisation or for-profit company.

Specific support programmes

Programmes that provide training that takes into consideration the specific needs of immigrant enterprises.

➤ How to Use the Guidelines

- > There are four levels of achievement:
 - Level 1 Pioneering
 - Level 2 Established
 - Level 3 Intermediate
 - Level 4 Advanced
- > Each level has a checklist of activities which the incubator must complete before moving on to the next level
- ➤ Each Level has 3 sections:
 - Rationale why do it?
 - How to do it
 - Who is responsible
 - Good practice examples where they exist (as this is a new area!)

- > Incubators are encouraged to contact the organisations which are listed in the good practice examples.
- ➤ In the pilot phase, incubators are encouraged to use the guidelines as a self-assessment tool, evaluating their programme and matching it to the appropriate level
- > The incubator can plan how they will get to the next level
- > They may decide to prioritise some aspects of the Guidelines which are most relevant to them
- > Cities can also use the Guidelines when creating publically–funding incubators or funding existing ones
- > Corporates can also use it to gage with the incubator is on its journey to becoming a Diversity Connector and how it can help the incubator through partnerships

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Guidelines for Becoming a Diversity Connector

Level 1 - Pioneering

At this level, the incubator maps the environment, needs and assets of immigrant enterprises, develops an enterprise case to become a Diversity Connector and begins to build relationships with the immigrant communities, organisations and enterprises.

Checklist:

- ✓ The incubator has mapped environment, needs and assets of immigrant enterprises;
- ✓ The incubator has developed a compelling enterprise case for becoming a Diversity Connector;
- ✓ The incubator has begun building relationships with immigrant communities, organisations and enterprises.
- 1. Mapping the Environment, Needs and Assets of Immigrant enterprises

Rationale

Conducting a mapping and needs assessment will provide the incubator with an evidence-based approach to becoming a diversity connector. The data will set a baseline to identify gaps, see where it is doing well and where it needs to improve. It will inform the incubator's objectives and measurements to include immigrant enterprises.

How?

- > Gather information which fits the local context
- > Decide on your definition of diversity
- ➤ Decide which under-represented group(s) you wish to highlight, e.g. you might highlight immigrants, refugees, women and/or youth at risk
- Map the needs of the immigrant enterpreneurs as well as the needs of their community at large
- Map the cultural, legal and political challenges they may face, e.g. waiting times for documentation and work papers, the legality of incubators helping immigrants without work permits etc.
- Map the opportunities (skills, competence) offered by immigrants
- Map which other actors are working with immigrant enterprises, e.g. incubators, cities, corporates etc.

Who?

- Incubators
- Cities
- Countries
- Universities
- Immigrant Organisations
- EU Organisations
- OECD
- Other Projects

Good Practice Examples

- Alingsås Enterprise Center https://www.alingsas.se/alingsas-enterprise-center Knowledge about the Swedish setting
- DELI Project, Intercultural Cities, Council of Europe https://rm.coe.int/16806af230
 Data on the immigrant communities and enterprises from cities participating in the DELI project

- Dublin City Council http://www.dublincity.ie/
 Economic Research on Dublin
- ➤ La Ruche https://la-ruche.net/
 Mapping of specific populations in France
- Lublin https://lublin.eu/en/turystyka/go-and-see-lublin/active-lublin/; https://lublin.eu/en/rada-miasta/

Database of potential enterprises, NGOs, government partners from Lublin region

- Migration Hub Network https://www.migrationhub.network/ Migration Hub Network which has mapped 2,300 organisations across Europe - ideas, social enterprises, start-ups, with the overall goal of interconnecting and federating the initiatives
- ➤ The Melting Pot <u>adelaros7@gmail.com</u> Experts in diversity and social integration
- 2. Making the Business Case for Becoming a Diversity Connector

Rationale

Developing and agreeing a clearly articulated enterprise case as to why the incubator needs to become a Diversity Connector, based on evidence of the specific challenges faced by immigrant enterprises and the advantages of working in a diverse environment, will enable the incubator to secure support from its senior management and staff, existing and potential clients and funders, and the wider society.

How?

- Research and articulate your enterprise case for becoming a Diversity Connector; this should include the *diversity advantage* of housing immigrant enterprises in mixed incubators for immigrant enterprises, mainstream enterprises, cities, corporates and the wider society
- ➤ Wherever possible, align your business case with that of your corporate funders' CSR goals which relate to helping immigrant enterprises and/or their strategic enterprise goals e.g. investment in potential or rising enterprise stars, diverse potential suppliers, new markets and new customers.
- ➤ Wherever possible, align your enterprise case with those of your municipality e.g. promoting equal opportunities, economic and enterprise growth, community outreach, equality and diversity clauses in procurement and socially responsible procurement
- > Share with senior management and staff and ask for their input
- > Once agreed, publicise externally, e.g. on your Website

Who?

Incubators can use research from and consult with:

- other incubators which have developed a business case for becoming a Diversity Connector
- EU and other international organisations' research on the diversity advantage of immigrant enterprises and the challenges they face
- priorities of the municipalities' integration and community relations, enterprise and economic development departments
- existing and potential corporate funders' CSR reports and CSR priorities
- existing and potential corporate funders' core business strategies

Good Practice Examples

Alingsås Enterprise Centre https://www.alingsas.se/alingsas-enterprise-center

In Sweden, project funding gives priority to refugees, so a Diversity Connector will have more possibilities to receive state funds (argument for senior management of incubators).

- Barcelona Active http://www.barcelonactiva.cat/barcelonactiva/en/
 Barcelona Active awards points to projects based on whether they have under-represented groups and gives these projects priority to enter the incubator. They also provide subsidies to start-ups to employ these populations. The city is giving money to hire under-represented groups, and start-ups can also get access to this money.
- ➤ Bilbao http://bilbao.net/cs/Satellite?language=en&pagename=Bilbaonet%2FPage%2FBIO_home
 The city of Bilbao awards more points to project with Africans because Sub Saharan Africans are overrepresented in unemployment
- ▶ DELI Project, Intercultural Cities, Council of Europe https://rm.coe.int/16806af230
 Provides information on participating municipalities and corporates enterprise cases for supporting immigrant enterprises
- Intercultural Cities, The Council of Europe https://www.coe.int/en/web/interculturalcities/
 Some municipalities may make the enterprise case that having immigrant entrepreneurs participating in incubators will protect them from being exploited or falling into the black market or committing criminal acts. Another enterprise case for cities could be that Diversity Connector incubators can help take people out of the social benefits system: they target the same people which cities want to get into employment. A mainstream incubator would not target these groups. It would be open to all, but not specifically looking to recruit and support youth at risk, refugees, women, or people over 50.
- ➤ The Melting Pot adelaros7@gmail.com Experts in the business case for diversity

Other Research Resources

OECD Publications

The Missing Entrepreneurs 2014 Policies for Inclusive Entrepreneurship in Europe, December 2014. OECD, 2014. http://www.oecd.org/industry/the-missing-entrepreneurs-2014-9789264213593-en.htm

The Missing Entrepreneurs 2015, Policies for Self-employment and Entrepreneurship, November, 2015. OECD, 2015. http://www.oecd.org/industry/the-missing-entrepreneurs-2015-9789264226418-en.htm

EU Enterprise Directorate

Final Report on Benchmarking of Incubators, EU Enterprise Directorate 2002, PDF

Migration Policy Institute

Disiderio, Maria Vincenzo, 2014. *Policies to Support Immigrant Entrepreneurship*, August 2014: Migration Policy Institute. PDF download

Eurocities

Cities Supporting Inclusive Entrepreneurship, Brussels: Eurocities, 2013 http://www.eurocities.eu/eurocities/documents/Cities-supporting-inclusive-entrepreneurship-WSPO-993HJZ

Ben and Jerry's SEAR Report

https://www.benjerry.com/about-us/sear-reports

Generali's Sustainability Programme

https://www.generali.com/info/discovering-generali/sustainability

3. Building Relationships with Immigrant Enterprises and their Communities and Mainstream Enterprises (as applicable)

Rationale

Building relationships with immigrant enterprises and their communities or mainstream enterprises will provide: (1) first-hand information on the training and other needs, assets, challenges and opportunities of this community (2.) a network to help recruit immigrant enterprises or mainstream enterprises to join the Diversity Connector when it is up and running and (3) to provide feedback on the results of the Diversity Connector's work.

How?

- Assign one or more members of staff or external experts to be the 'matchmakers' between the incubator and the immigrant communities. They will need to have language capabilities
- Find immigrant entrepreneurs through Facebook private groups, word of mouth, local, regional and national partners
- > Visit their communities and organisations to get a sense of their needs
- ► Host meetings and focus group sessions with groups of immigrant enterprises and/or organisations
- Invite them to your events and attend their events
- > Trial some training sessions with the immigrant enterprises or mainstream enterprises
- ➤ Go through the same process if you are recruiting mainstream enterprises

Who?

- Incubators
- 'Matchmakers' within or hired by incubators
- Immigrant enterprise organisations
- Immigrant enterprises
- Mainstream enterprise organisations (ICT and creative industries etc.) if you are an incubator that works only with immigrant enterprises
- Mainstream enterprises (if you are recruiting them)

Good Practice Examples

- Migration Hub Network https://www.migrationhub.network/ Migration Hub is a family. We interviewed all kinds of refugees, initiatives etc. to find out what they needed.
- > Barcelona Active http://www.barcelonactiva.cat/barcelonactiva/en/

Barcelona Active, the enterprise development agency of Barcelona, acts as a connector of diverse parts of the enterprise ecosystem in the city.

It provides services not for specific groups but for specific needs.

Community relations are a resource. Sometimes it is better for incubators to have relationships not with individuals but with communities.

Level 2 - Intermediate

At this level, the incubator builds its programme of work, with reachable targets, and identifies its resource needs to carry out the work and secures resources to implement the work to become a Diversity Connector.

Check-list:

- ✓ The incubator has completed all the tasks from Level 1
- ✓ Based on consultations, the incubator has created a programme of work with reachable targets, to provide specific services to immigrant enterprises and general services to all enterprises. As part of this process, it has identified the staff and monetary resources required to become a Diversity

Connector

- ✓ The incubator has focused on access to finance as one of the most crucial elements of its programme
- 4. Developing a programme of work and an accompanying budget, with reachable targets, which provides specific services for immigrant enterprises whilst providing general services to both immigrant and mainstream enterprises

Rationale

Developing a programme of work, with reachable targets and an accompanying budget, to provide services for immigrant and mainstream enterprises, where they can work together and separately, will enable both types of enterprises to develop skills they would not have otherwise, such as better access to networks and finance for immigrant enterprises and access to new markets, new customers and innovative ideas for mainstream enterprises.

- ➤ Decide what specific training, mentoring and other expertise is needed for immigrant enterprises through continued consultation with these enterprises, their communities, organisations and incubators which serve immigrant enterprises
- Consider whether new, re-designed or additional space for immigrant and mainstream enterprises to work, train, network and meet for social gatherings
- Specific services for immigrant enterprises may include:
 - language and enterprise language training
 - information on specific legal requirements regarding work permits documentation, and waiting times
 - legal advice concerning setting up and running an enterprise
 - information on the country's and city's tax system and government regulations
 - personal development skills, e.g. raising self-confidence and growth willingness
 - professional training in the country's enterprise culture
 - networking opportunities this is vital as immigrant enterprises find difficult to make connections outside their communities
 - access to finance (see below for more information)
 - ICT
- ➤ General services for both immigrant and mainstream may include:
 - building an enterprise plan
 - financial strategy
 - marketing and PR
 - building consortia
 - ICT
 - human resources
 - management skills
 - access to finance (see more below)
 - networking
- ➤ Identify the additional staff and monetary resources required to carry out this work, which may include resources to:
 - hire experienced and
 - people that know immigrant entrepreneurs and have intercultural skills
 - train for existing staff
 - hire external experts to help with social integration e.g. language, social networking etc.
 - create a multilingual Website
 - provide space for additional enterprises to work and train
 - conduct outreach events to for immigrant enterprises and for public awareness

- Incubators, which might seek advice from:
 - o External trainers, mentors and coaches
 - o Incubators which work with immigrant enterprises and/or in mixed settings and have built a budget to meet the costs associated with this programme

Good Practice Examples

➤ 1MillionStartups https://www.1millionstartups.com/ Works with migrants, disabled and women start-ups

> APNI http://www.apni.eu/

Provides advice regarding technical enterprise areas, e.g. tech, HR, and finance, connections with African Professionals

➤ Barcelona Active http://www.barcelonactiva.cat/barcelonactiva/en/
The total budget of Barcelona Active is around 40 million Euros. All services are free, except for specific projects (e.g. growth programmes)

➤ Cloud Incubation Hub http://cincubator.com/what-is-the-hub/?lang=en

Our biggest innovation actions have been to develop acceleration programmes for young people and women. We organized a European acceleration programme for young people that included more than 300 students from 23 countries (http://euxcel.eu), another acceleration programme for 120 start-ups from 17 countries (http://startup-scaleup.eu) and another acceleration programme for 60 women (http://girlpowermurcia.com).

Regarding Diversity Connectors, the lessons learned are:

- It is really important to work with scalable start-ups ALWAYS.
- Window of opportunity can be small, it is necessary to be ready.
- Working with 20 start-ups per incubator will be challenging.
- It is important to attract good mentors and match them with start-ups.
- It is difficult to know what needs are at start of start-ups acceleration.
- It is crucial getting close to good VCs and corporates.
- Approaching well known venture capital (VC) and corporates is difficult.
- Start-ups aren't necessarily VC ready, even after 6 months.
- Sustainability is a crucial issue.

DELITELABS http://delitelabs.com/

Pre-incubation and incubation, activation/ empowerment (capacity building), mentoring & coaching, work with diverse enterprises

FabriQ http://www.fondazionebrodolini.it/en/projects/fabriq-social-innovation-incubator-municipality-milan

We have developed a training and incubation methodology specifically dedicated to NEETs. We have already tested it over 40 young people in the City of Milan, and we have found out how difficult is to engage with this target group, mainly for motivational reasons. We are now in the process of supporting 5 of them in a more advanced incubation programme with the aim of creating 5 new companies within 6 months. We have expertise in incubation methodology.

- Impact Hub Odessa https://impacthub.odessa.ua/en/
 Expertise in social enterprises, building special programmes for diverse groups and social innovation
- ➤ KOOP SF 34 http://koopsf34.org/index.html

Every entrepreneur takes part in other projects to start getting some revenue early and not to feel isolated. We also specialise in developing enterprise models for entrepreneurs.

Kurdish House http://kurdishhouselondon.com/

Started a mini-enterprise hub for a specific migrant population (Kurdish) within a large and welcoming enterprise hub (Impact Hub Westminster, London) that is part of a global network of Impact Hubs. Members of Kurdish House provide one another with enterprise contacts, coaching & contracts. We also specialise in ideation, financing structure, Arab/Kurdish/Iranian cultural appreciation and provision of professional training to this audience

➤ La Ruche https://la-ruche.net/

The building is designed for maximum communal interaction, e.g. with lots of common areas where start-ups can meet one another.

It is a mix of a co-working space and incubator. When you attract the people, how do you help them exchange information with one another? First, have a sense of purpose - why do I want to be an entrepreneur, and second, a sense of belonging, e.g. each team organises breakfast and cleans up, to share responsibilities and have a sense of belonging. We can provide information on diverse programme and formats gathering people from diverse background - youth, women, suburbans with inclusion of corporates in their empowerment. We also specialise in incubation, design thinking, social enterprises and women entrepreneurship

Migration Hub Network https://www.migrationhub.network/

The Hub offers space for free to migrant enterpreneurs. The space is now one of the 100 landmarks in Germany, a building built by the Nazis, and symbolically it is important to make it a space for diversity. We encourage a post-modern sense of enterprise which is more about collaboration and sharing rather than competition. Women, locals etc. should be included. We have an ethos of socially responsible enterprise - collaborative, networked and co-working.

PLACE https://place.network/

Provides newcomers to European cities and people from the host civil societies with the opportunities to create amazing products and services in response to challenges they face. It specialises in capacity building of incubators, design of curriculum

Startup Lisboa http://www.startuplisboa.com/ Encourages businesses to work together on projects

The Shortcut http://theshortcut.org/

In Helsinki, there are a lot of mainstream incubators which inform immigrants about opportunities and top up this information with informal education on tech-related enterprise skills. However, the needs of migrant and refugee entrepreneurs are totally different and often very basic. It is important for them to have role models. For migrants, confidentiality and being certain that they will not get in trouble with the authorities over papers etc. is crucial. The Shortcut is showcasing that what happened with young bright students/future of the country can also happen with other groups in society, and through that show integration and optimisation of skills and resources; turn people into agents of growth and get tax payers money, as opposed to more people under government support. Go check: hackjunction.com, Slush.org, dash, fallup, wave ventures, rising north, startup Sauna, Kiuas, Aaltoes and The Shortcut

> TERN http://www.wearetern.org/

Pre-incubation support and early stage incubation, digital interventions and learning content, mentoring methodologies

➤ The Vienna Enterprise Agency https://viennabusinessagency.at/
Offering Services in several languages and specialising in migrant enterprises

5. Accessing Finance

Rationale

Finding ways for immigrant enterprises to have access to finance is crucial for them to start, build and grow their enterprises as it is for mainstream enterprises; it is especially important for Diversity Connectors to provide to immigrant enterprises with knowledge and skills in this area as mainstream options are often not open to them due to lack of credit rating, assets, networks, institutionalised discrimination and the fact they are considered too risky to invest in.

How?

- Map what's out there in terms of existing financial products for immigrant enterprises e.g. social microcredit, microfinance, social finance, crowdfunding, enterprise angels, and other mainstream options such as Venture Capitalists, banks and Government programmes
- ➤ Help write the business plan for the immigrant enterprise and act as a mentor; the lack of language skills and education makes it very difficult for immigrant enterprises to do it themselves
- > Develop internal or employ external expertise in the following areas:
 - financial coaching
 - advice on whether the entrepreneur is ready to access finance or needs training
 - information about bank guarantees
 - information on how to set up a special bank account or working through a local partner to facilitate access to credit
 - information on how to access 'silent partners' who do not have a stake in the enterprise but help the immigrants access funding; information on how to apply for crowdfunding
 - information on how to apply to international, national and local funding organisations, e.g. ministries, banks etc.
- Build a roadmap of different ways of supporting best practices
- Create pipelines and partnerships
- Find out which banks create microfinance programmes and provide financial products which are adapted to micro enterprises
- > Create a bigger network for exchange of ideas on access to finance
- ➤ Invite crowdfunding companies//platforms to give training
- > Incubators can consider becoming directly involved in helping immigrant enterprises to acquire finance, although it is a very big commitment to take on.

Who?

- Incubators
- Funding agencies and public banks which can do the training and know the applicant, so that the incubator does not do everything itself
- National, local and private banks
- Crowdfunding companies/platforms
- Finance experts from the private sector

Good Practice Examples

- MillionStart-ups https://www.1millionstartups.com/
 We have contacts with Austrian Angel Investors, Association and Founder is a Board Member of European, Enterprise Angel Network
- Cartagena, Spain https://www.murciaturistica.es/en/cartagena/
 Has a programme for establishing a company without a guarantee
- Generali https://www.generali.com/info/discovering-generali/sustainability
 Generali works with local incubation programmes

➤ KIVA

 $\underline{https://www.kiva.org/lend?gclid=EAlalQobChMlvpOm64mZ2AlVy7ftCh1DWAapEAAYASAAEgIYD_D_B} wE$

The first online microfinance platform; it is deregulating the market for microfinance. It is in Kenya and the US

- Kurdish House http://kurdishhouselondon.com/
 There is a 'pay-it-forward' funding model (with a separate bank account) to support new arrivals
- Kutxabank and its affiliates (BBK, etc.) https://portal.kutxabank.es/cs/Satellite/kb/en/corporative_information

The bank has a microcredit offer specifically directed at people facing social exclusion, including immigrants. The offer includes lower interest rates, but the credit must be guaranteed. In late 2014, the bank signed an agreement with the Basque regional government to set up another microcredit scheme designed to help the creation of small and medium enterprises

- La Caixa's Microbank https://www.microbank.com/index_en.html
 It offers a specific 'social microcredit' plan (within its overall microcredit offer) tailored to entrepreneurs who may have difficulty in accessing finance. This offer is accompanied by a specific support service designed to increase the viability of the entrepreneur's business plan
- Singa https://www.singafrance.com/ and https://singa-deutschland.com/en/ It houses a specialised advisor, or a privileged connection to funders and connects individual investors with enterprises
- ➤ The Vienna Enterprise Agency https://viennabusinessagency.at/
 It connects individual investors with enterprises
- The Vienna Ministry of Economic Affairs https://www.en.bmwfw.gv.at/Seiten/default.aspx
 Through the Vienna Ministry of Economic Affairs. Austria has a federal organisation which helps create a corporate pool to share money and knowledge 5-10 million Euros.

Other Resources

- ➤ Big Society Capital https://www.bigsocietycapital.com/
- Microfinance Centre http://mfc.org.pl/
- The European Network of Microfinance and Social Finance http://www.european-microfinance.org/
- National Government programmes which offer grants to micro and small enterprises, e.g. a programme at the German Labour Ministry http://www.make-it-in-germany.com/en/for-qualified-professionals/working/setting-up-a-business-in-germany/financing-and-funding

Level 3 – Established

At this level, the incubator delivers services to a mixed group of enterprises, on a regular basis, with special emphasis on immigrant enterprises, in a joint space which may also provide co-working space.

Checklist:

- ✓ The incubator has delivered all elements of Levels 1 and 2.
- ✓ The incubator has secured funding to develop to become a Diversity Connector through partnerships with clients, corporates, cities and other stakeholders
- ✓ The incubator routinely recruits and retains immigrant and mainstream enterprises to train, coach and mentor in the mixed environment

- ✓ The incubator delivers the specific services, needed by immigrant enterprises and the general services
 they can provide to a mixed group of enterprises (including access to finance (see Level 2 for list of
 services)
- ✓ The incubator delivers all services, both specific and general, in a mixed incubator populated by immigrant and mainstream
- 6. Securing Funding and Develop Partnerships: Clients, Large Corporates and Cities

Rationale

Working in partnership with clients, corporates, cities and other stakeholders will enable incubators to remain financially sustainable and broaden and deepen their services. The incubator seeks to obtain funding from its clients, if suitable, corporate, philanthropic and/or public organisations to develop its services as a Diversity Connector.

- To raise revenue, incubators may, if suitable:
 - charge graduated prices for different enterprises to rent co-working space
 - hold private events on their premises
 - build and keep a community of successful entrepreneurs and ask them to give back through mentorship
 - find ways that incubator graduates can move into leadership roles within the incubator
- Corporates may provide:
 - funding for incubators' events (normally from the CSR department)
 - space to house entrepreneurs, for meetings, events etc.
 - ICT equipment and training
 - sponsorship for the enterprises taking part in the incubator's programme
 - training for enterprises on how to build relationships with banks
 - use of corporate space for events
 - financial contribution to open a new incubator including rehabilitation and design of the building
 - workshops
 - evaluation models
 - enterprise models
 - expert advice and access to corporate people
 - coaching
 - enterprise mentoring
 - help in designing job descriptions, for example for IT developers
 - seconded employee time or time as an employee volunteering initiative perhaps a percentage of an employee's time to help the incubator
 - matchmaking events between enterprises and corporates to build long-term relationships
- > Partnering Opportunities with corporates may include:
 - incubators providing a service as a 'matchmaker' between corporates and the government to raise funding for their incubators
 - incubators taking Corporate managers in the incubator to experience diversity; offer design thinking workshops etc.; second one of its staff with needed skills, to the incubator
- > Private funders do not necessarily fund micro and small enterprises in their industries they often see their funding as:
 - part of their corporate social responsibility (CSR) programme
 - strengthening relationships with local and/or national governments
 - enhancing their brand and reputation
 - providing employee volunteering opportunities

- > To approach corporates, incubators may find it helpful to provide evidence of 'what's in it for them':
 - present good social impact data and stories to be able to show the results to potential and existing corporate funders for their measurements and to prove that your incubator works better than others
 - provide information on what is the added- value to the CSR narrative can Diversity Connectors provide a new narrative which is not like everyone else's CSR pitch? Working with CSR departments, the corporate still must demonstrate the benefit to them indirectly.
- Cities may provide:
 - seconded staff with needed skills to work in an incubator;
 - space for training, events, meetings etc.
 - co-working and training space at no cost or at a discount
 - Financial contribution for services provided by the incubator
- ➤ Lobby for city, country, Europe-wide and/or global agreements with corporates or other collaborative partners, e.g. Impact Hub International, to support Diversity Connectors

- Incubators
- Corporates
- Cities
- Philanthropists
- Universities
- Other stakeholders

Good Practice Examples

- ➤ 1MillionStart-ups https://www.1millionstartups.com/ Advice for global investors, corporates and organizations
- Alingsås Enterprise Centre https://www.alingsas.se/alingsas-enterprise-center
 A workshop brought the public sector, companies and organisations working with under-represented groups, with focus on immigrants, together in a common workshop to see how we can work together; A second workshop is planned in October
- > APNI http://www.apni.eu/

Corporates can utilise their Board Members who work in companies such as Facebook and Google. For example, these Board Members organise workshops for African professionals (80% of participants) and have high-profile speakers etc.

We provide advice on connecting with large corporations and enterprises throughout Europe

- ➤ Barcelona Active http://www.barcelonactiva.cat/barcelonactiva/en/
 Barcelona Active works with universities, foundations and accelerators, renting out spaces and choosing start-ups and entrepreneurs. In addition, Corporates have funded people with disabilities to staff the reception desk at Barcelona Active
- DELITELABS http://delitelabs.com/
 Crowd-sourced mini MBA with external enterprise experts
- The Ukrainian Network of Intercultural Cities
 https://www.coe.int/en/web/interculturalcities/ukraine
 <a href="https://www.coe.int/en/web/interculturalcities/ukraine
 <a href="https://www.coe.int/en/web/interculturalcities

➤ KOOP SF 34 http://koopsf34.org/index.html

We are part of every project that enters the incubator. (Entrepreneurs) can use our resources for free as long as they need, and as soon they start making profit, they should share a percentage of those benefits

➤ La Ruche https://la-ruche.net/

Intrapreneurship - some internal entrepreneurs of the company can host their own intrapreneurship teams, to connect to migrant entrepreneurs and tap into new markets, via the diaspora (often Europe is seen as a coloniser, an enterprise intermediary from the diaspora may be more successful at opening doors). An example of this is Exhubation which works to improve the service, the process and develop the service offers. Corporate people can get out of their formal setting and experience different perspectives on communication, team building, motivation etc. and different company cultures through working with entrepreneurs from diverse backgrounds.

- Lublin https://lublin.eu/en/turystyka/go-and-see-lublin/active-lublin/ Knowledge of EU funding opportunities
- PLACE https://place.network/
 Establishing partnerships (private & public) etc. and capacity-building for incubators
- Social Impact Lab http://frankfurt.socialimpactlab.eu/EN
 Scholarship programmes financed and supported by corporates. They also specialise in working with corporates

> TERN http://www.wearetern.org/

Combining pre-incubation with parallel part-time employment in a pilot with 8 participants in 2017, together with the ice cream enterprise Ben & Jerry's. Dual programmes are beneficial for self-sustainability of participants and enable them to engage with a programme for longer and more consistently. They also specialize in private sector partnerships development.

- Koop 34 and APNI http://koopsf34.org/index.html and http://koopsf34.org/index.html and http://koopsf34.org/index.html and http://koopsf34.org/index.html and http://www.apni.eu/
 For immigrant-led incubators, the financial are much bigger. They may not even have a space in which to meet and to work
- 7. Recruiting and Retaining Immigrant and Mainstream Enterprises to 'Live' Within the Diversity Connectors

Rationale

Recruiting with immigrant enterprises or mainstream enterprises is essential to creating and sustaining a truly mixed environment, the cornerstone of the Diversity Connector, therefore the incubator must actively recruit immigrant enterprises or mainstream enterprises to take up co-working space and participate in its training sessions and take advantage of its other services.

- Assign several members of staff or external experts to be the 'matchmakers' between the incubator and the immigrant enterprises to invite them to join the incubators. They will need to have language capabilities.
- Find immigrant entrepreneurs through Facebook private groups, word of mouth, local, regional and national partners
- Visit their communities and organisations to advertise spaces in the incubator
- Invite immigrant enterprises to free trials of your training events, coaching etc.
- Invite the immigrant enterprises to join your incubator
- ➤ Offer scholarships for those who cannot afford the co-working space
- > Do the same for mainstream enterprises if that is who you need to recruit

- Incubators
- 'Matchmakers' within or hired by incubators
- Immigrant enterprise organisations
- Immigrant enterprises
- Mainstream enterprise organisations (ICT and creative industries etc.) if you are an incubator that works with immigrant enterprises
- Mainstream enterprises

Good practice

- DELITELABS http://delitelabs.com/
- La Ruche https://la-ruche.net/
 In La Ruche, the community approves new applicants, because the members share many things and sometimes want to keep their information confidential.
- Migration Hub Network https://www.migrationhub.network/
- PLACE https://place.network/

Level 4 – Advanced

At this level, the incubator delivers services and is considered a leading Diversity Connector incubator which is involved in the public discussion, steadfast partnerships with corporates and helps other incubators to become Diversity Connectors. It also evaluates the results of its programme on a continual basis and makes adjustments as necessary.

Please note: there are less good practice examples at this level because, to our knowledge, no incubator has experience of this level yet

- ✓ The incubator has delivered all elements of Levels 1, 2, and 3
- ✓ The incubator measures its results and adjusts its programmes accordingly
- ✓ The incubator is considered a Diversity Connector leader, leads the national conversation on the best way to provide services to immigrant and mainstream enterprises and helps other incubators become Diversity Connectors

8. Evaluate results and adjust the programme accordingly

Rationale

Setting specific criteria or indicators to evaluate the medium and long-term results of the Diversity Connector is crucial for the incubator to improve and grow. This evaluation should be based on its original vision and objectives

- > Set specific criteria or indicators of the potential medium and long-term, results of its activities aiming at providing services for immigrant and mainstream enterprises in a collective space
- For the purposes of this evaluation process, the incubator collects (or accesses external sources) reliable, comparable and relevant data continuously over time. A variety of data are used including:
 - qualitative feedback from enterprises which are currently in the Diversity Connector
 - qualitative feedback from enterprises which have graduated
 - qualitative feedback from private and public funders

- amount of funding accrued and financial health of the Diversity Connector
- number of successful joint projects between mainstream and immigrant enterprises
- success rates of enterprises which graduate from the Diversity Connector
- recruitment rates of immigrant and mainstream enterprises
- Assign a staff member, or external expert, to analyse the data
- Devise steps to be taken following the evaluation process to ensure that the activities have the desired effects, and to ensure the best results over time
- > Engage external experts to advise on these changes

- Incubators
- Immigrant and mainstream enterprises which are in the Diversity Connector
- Immigrant and mainstream enterprises which have graduated from the Diversity Connector
- Private and public funders
- External experts on data collection and assessment
- 9. The incubator is considered a Diversity Connector leader by its stakeholders and the wider community

Rationale

This will give the incubator public profile as one of the first to meet all the Guidelines for Becoming a Diversity Connector, thus providing outstanding services to immigrant entrepreneurs and mainstream enterprises in a mixed environment.

How?

- > Take a leading role in promoting immigrant entrepreneurs externally as well as within the Diversity Connector
- ➤ Where success stories exist, e.g. examples of mainstream and immigrant entrepreneurs working together successfully on creating products or services, communicate them to external stakeholders
- Lead the national conversation on the best way to provide services to immigrant and mainstream enterprises using evidence from your programme
- Advise other incubators on how to become Diversity Connectors
- Advise private funders and municipalities on how to help Diversity Connectors
- > Corporates and cities recognise and support the Diversity Connectors label as an important factor when considering funding incubators

Who?

- Incubators trainers, coaches, mentors, senior management and public relations and public affairs staff
- External expert who work with the Diversity Connector
- Immigrant and mainstream enterprises graduates
- Corporate and public partners

Good Practice Examples

- PLACE https://place.network/
- Singa France https://www.singafrance.com/
- ➤ La Ruche https://la-ruche.net/
- DELITELABS http://delitelabs.com/