

# POLICY BRIEF

ON BOOSTING COLLABORATION BETWEEN SMES & YOUTH ORGANIZATIONS IN GREECE



ASSET TECHNOLOGY

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Erasmus+

**AKTIV UNGDOM**

# Current Situation in Greece

## 1. Corporate Social Responsibility and Small & Medium Enterprises

The economic crisis that began in Greece in 2009, in addition to the economic impact, the aggravation of poverty and inequality, has also been a barrier for growth. The economic crisis in Greece has brought to light new problems and new ways of dealing with them. The big challenge for modern enterprises is to deal with the crisis, but also to define their social role. At the same time, the community is increasingly interested in business behavior. The emerging role of non-governmental organizations (NGOs) creates a common place to link the actions of companies and NGOs, with many businesses now seeing that cooperation with NGOs is valuable for the successful implementation of CSR actions.

Nowadays, most people are familiar with Corporate Social Responsibility (CSR) actions of large corporations and multinational companies, as they have a bigger budget for social actions and also the potential to promote them. In Greece, however, the overwhelming majority of business (99.9%) is Small and Medium Enterprises. The importance of Corporate Social Responsibility in recent years has been critical both for the operation of SMEs and NGOs respectively. Therefore, in an environment of protracted crisis, it is worth highlighting the importance of cooperation between SMEs and Youth Organisations / NGOs in the frames of CSR.

Corporate Social Responsibility and cooperation with Youth Organisations and NGOs are not only addressed to large companies, but they consist a corporate culture that is aimed at every type of business and especially at small and medium-sized businesses that can integrate into their corporate day-to-day activities and activities.

## 2. Legal Framework

The framework of CSR in Greece is extremely complex, as there is no single institutional framework but only individual arrangements. Internationally, guidelines and conventions related to CSR come from International Organizations and are recognized by bodies and governments. The European Union has moved alongside them and has developed strategies and guidelines that have been integrated by individual countries. Greece, based on the European institutional framework and the international guidelines, has developed legislation that is more or less relevant to different aspects of CSR, but has not developed a single National Strategy despite all the efforts made (2014, 2017), mainly with the initiation of the General Secretariat for Trade and Consumers Protection.

The latest development is the consultation that started in April 2019 with business representatives for the formulation of a National Strategy for Corporate Social Responsibility. This is a questionnaire-based process, developed by Panteion University, in collaboration with the General Secretariat for Trade and Consumer Protection of the Ministry of Economy and Development.

The questionnaire aims to capture the current situation regarding CSR actions in Greece as a first step for the development of an integrated strategy based on three pillars: credible certification of CSR actions, dissemination of good practices in small and medium enterprises, harmonization with the United Nations Agenda 2030.

National legislation regulates issues related to CSR, such as environment, entrepreneurship, human resources, relations with society and public-private bodies relations. However, the regulation of these issues is fragmented and it is important to integrate all legislative interventions into a single National Strategic Framework.

# Needs and Expectations of SMEs and Youth Organizations for Cooperation

## I) Small and Medium Enterprises

The bibliographic review has shown that there are numerous surveys / studies in Greece regarding the participation of companies, in particular SMEs, in Corporate Social Responsibility activities. These reports, in conjunction with the interviews carried out with representatives of SMEs in the context of the CoOp project, show that:

- Many SMEs in Greece and their managers consider CSR to be crucial for their work, focusing on Human Capital (34%), followed by the Community Programs (33%).
- Businesses in Greece wish to cooperate with NGOs in the framework of CSR actions (77%), while at the same time the majority of them are satisfied with previous collaborations.
- With regard to SMEs' incentives to participate in CSR actions, reference is made to improving the social image of the company in order to gain the support of its customers and employees and in addition to the role it can play in advertising.
- Most SMEs support projects involving the local community and prefer to provide in-kind support instead of money. In addition, SMEs have a clear preference for projects that support socially vulnerable groups and favor actions aimed at young people.
- The main channel of communication of their actions in the community is through NGOs, with considerable detail that although they describe CSR actions, they do not use this term at all.
- Businesses prefer co-operation with organizations with which they share common goals and choose to support NGOs based on their profile. The main reasons for the partnerships are the social sensitivity and the lack of state support.
- SMEs consider the decision-making process to be particularly important and are willing to continue or even extend their cooperation with the NGO sector.

## II) Youth Organisations

The bibliographic review failed to identify studies specifically referring to the cooperation of youth organizations with the private business sector in Greece, presenting a lack in this subject. A field survey conducted within the CoOp project using a questionnaire found the following:

- Youth Organizations and NGOs involved in youth actions have been economically stable in recent years, while many of them have even managed to increase their budget.
- Regarding the sources of income, it is mainly based on European funds, as well as on sponsorships and donations from the private sector, with only a small number is supported by SMEs and multinational companies (10%).
- 55% of organizations do not receive any contribution from SMEs, while in the remaining 40% SMEs contributed less than 10% of their annual budget.
- With regard to the needs they want to cover through their cooperation with SMEs, most NGOs prioritize the kind of resources they will need for the next two years in the as follows: 95% refers to financial contribution, 65% to business professional networks and business associates, 55% in the SMEs products and services and 50% in their know-how.
- Greek Youth Organizations show a preference for collaborations with companies that develop CSR actions and have clear targets on their participation in the community (65%).

## The Proposed Policy

Based on the results of the CoOp survey and the consultations with stakeholders, a set of proposals for developing and improving cooperation between Youth Organizations / NGOs developing actions for young people and Small and Medium Enterprises has emerged.

The main priority is the continuation of the actions that started in the previous years in order to establish and implement the "National Strategy for Corporate Social Responsibility and Responsible Entrepreneurship", which will define the framework for CSR in Greece.

Key elements to be included in the National Strategy are:

- ✓ Mapping of NGOs and especially Youth Organizations and Organizations that develop actions for young people and creation of an official register.
- ✓ Recording and certification of Small and Medium Enterprises implementing CSR actions, focusing on the communication of these actions to the final recipients.
- ✓ Establishment of systematic information and awareness-raising actions, such as dissemination of best practices, organisation of thematic meetings, networking events and annual CSR Forum, to achieve wider mobilization and participation.
- ✓ Development of state support initiatives and co-financing tools that will facilitate the development of CSR partnerships with an emphasis on SMEs.
- ✓ Establishment of an "Observatory" and mechanisms for monitoring and evaluating the implementation of CSR actions in line with the United Nations' Sustainable Development Agenda (Agenda 2030).

This policy brief is based on the results of the work implemented in the frames of the Erasmus+ project “Cooperate to Operate” (CoOp) and in particular on the "[Greek National Report on SMEs and Youth Organizations Cooperation](#)" (2018), carried out through bibliographic research, interviews with representatives of SMEs and field research using a questionnaire for Youth Organizations.



For more information and resources on CSR and Fundraising for youth organizations, please visit our website

<https://coop.norsensus.no>



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