Solovakia

Senior Social Entrepreneurship European Project



The mayor of Spišský Hrhov, who laid the foundations of social enterprises in Slovakia



At the time of founding the company (2005), the mayor of Spišský Hrhov, currently a member of the National Council of the Slovak Republic

Company Name: Hrhovské služby, s.r.o.

Place: Spišský Hrhov, Levoča region, Slovak Republic

Activities:

Construction work, earthworks, mowing, woodchipping, road repair, wood production, production and sale of pallets, stonework, straw baling, building insulation, production, and sale of pallets.

Contact:

Web: https://www.spisskyhrhov.sk/obec-2/organizacie-v-obci/hrhovske-sluzby-sro-rsp/ **email**: vagnerova@spisskyhrhov.sk



Know about our project

Visit our website



Visit our social media



Partnership

Velenje, Slovenia



Viena, Austria



Žilina, Slovakia



Atenas, Greece



Évora, Portugal



Turku, Finland



«One of our great successes is that we have opened a municipal company. There were no laws at the time. Today we have the law on social enterprises, which improves conditions»

Mayor of Spišský Hrhov, Vladimír Ledecký, who held his office for two decades, founded a municipal company, which gradually built a village in eastern Slovakia.

The vast majority of employees are Roma, who, together with non-Roma, live peacefully side by side.



What is "Hrhovské služby, s.r.o."?

"Hrhovské služby, s.r.o." have been a municipal company of the municipality of Spišský Hrhov since 2005.

The company was established based on a development and entrepreneurship program and was granted the status of a social enterprise.

Step by step other selfgovernments were also inspired by Spišský Hrhov. At that time, they began to deal in the village with the idea that they could institutionalize social entrepreneurship. This is how the law on social enterprises in Slovakia was created.

How would you describe the process of creating your company?

At that time, I was the mayor of Spišský Hrhov and as a village, we were preparing a development plan for the village.

During the preparations of the plan, it was important that as many people as possible were involved. That's how we involved 70 people in it. One of the areas we started to address was 100% unemployment of the Roma population and the associated negative issues related to the excluded community.

In order to solve the problem of the Roma community, we came up with the idea of starting a municipal company. It was clear to us that we would not employ everyone, but we knew that we had local resources that we could use and employ at least some of them. Then deal with school attendance, paying taxes, etc ...

The main idea was the creation of jobs and the social inclusion of the Roma community in the life of the village.

The main idea was the creation of jobs and the social inclusion of the Roma community in the life of the vilage.



Citizens of Spišský Hrhov

With social entrepreneurship, it's like everything. We have to have an idea in our head first, then we can get started. For the idea to stabilize in our heads, we need to know as much as possible about it and then have people where we come to gain both practical and theoretical experience.

If someone has a social feeling and wants to start a business, it is ideal for them to start a social enterprise. Support in Slovakia is currently quite significant.



For the idea to stabilize in our heads, we need to know as much as possible about it.



Citizens of Spišský Hrhov during construction works

What is the main competitive advantage that motivated your business idea?

Another area that we wanted to address was to stabilize the population, to stop their outflow for work to other regions, as their number was rapidly decreasing in our country.

Our advantage was that we had land, we could trade some of it. We started with the preparation of building plots, later with the construction of apartments.

There were periods when we employed more than 100 employees, we prepared more than 500 building plots at affordable prices, so people from the region also started moving to our village. We supported the model of financing self-help construction of family houses. The population began to increase, people were starting to build houses.



What challenge or threat did you encounter in the development of your project? And how, if at all, did you manage to overcome them?

At the time they registered our company as a social company, we already had a municipal company in which we employed disadvantaged citizens. We looked at whether they could make a living by themselves and if so, we employed them. When we became a social enterprise, we received a contribution for them that we didn't use to receive before.

From the beginning, our goal was to create jobs for hard-to-employ people and help the local community, not to make a profit.

But always at the end of the year, we found out that we could also make a profit. Since it was a municipal company, we said that we would invest 100% of that profit. So we started planning more activities to develop the company. We had the technology and the people. We identified a number of local resources that we used later.

We expanded our activities to include comprehensive construction activities, a bakery, a blacksmith's workshop, a shop with domestic products, which also supported regional producers, the outdoor swimming pool we operate, a distillery that was missing in the region, and a gym.



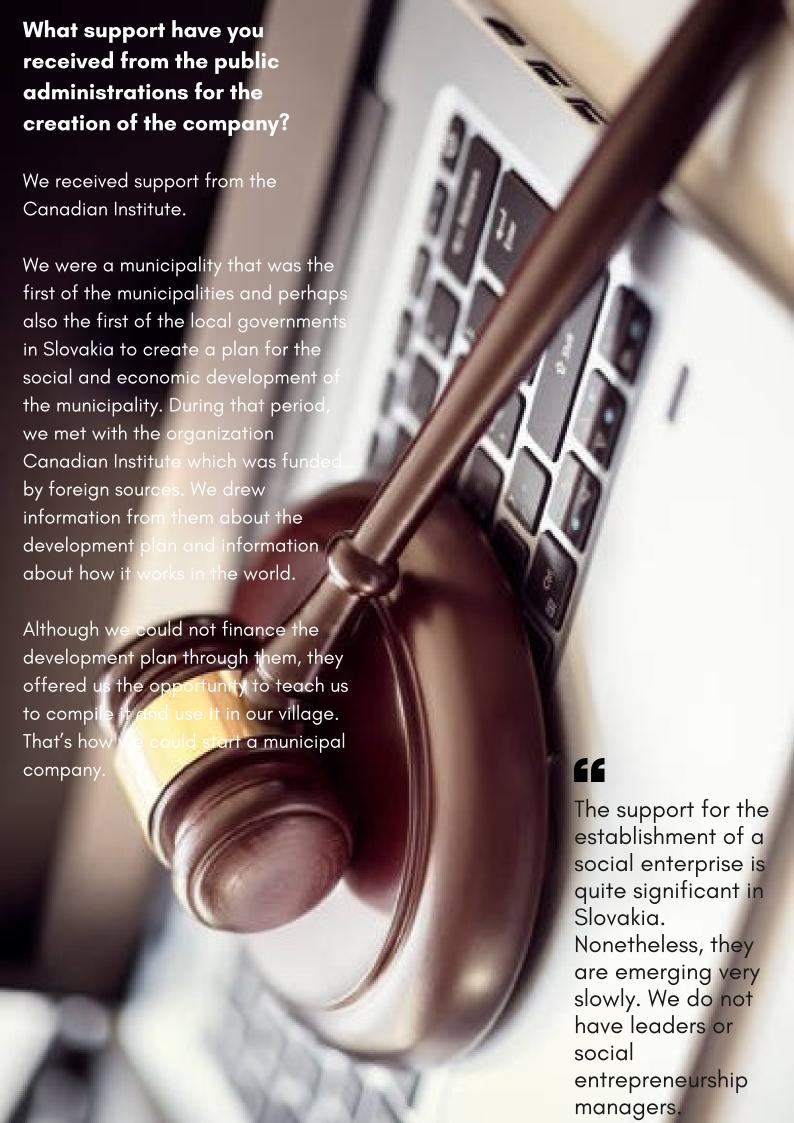
In Spišský Hrhov, when we started our business, we started to promote not the idea of profit but the idea of development. Many people were inspired by us. They involved us in the preparation of social enterprises. We started working on various projects at home and in Europe. We naturally became official or informal consultants when the law on social entrepreneurship was being prepared.

In Slovakia, there is such a specificity, where a larger percentage of social enterprises are municipal enterprises. In other European countries, this is not the case, there are even laws somewhere where a municipal enterprise cannot be a social enterprise. I think, in Slovakia, we contributed to this, as we were the first to create a social enterprise, the basis of which was first a municipal enterprise. Subsequently, many other mayors and mayors followed this model. They started copying us, and when the law on social entrepreneurship was created, their municipal enterprises naturally became social enterprises.

"

We naturally became official or informal consultants when the law on social entrepreneurship was being prepared.





Why did you decide to support (become a kind of mentor) the establishment of social enterprises in Slovakia? What do you see as their importance?

There is a large part of underdeveloped regions in Slovakia. I see the opportunity to support and develop them through the establishment of social enterprises.

The social enterprise in Hrhov was a positive example, a kind of engine for development and change. In addition, he managed to integrate the Roma community into the life of the village, which needs to be achieved also in other regions of Slovakia.

The support for the establishment of a social enterprise is quite significant in Slovakia. Nonetheless, social enterprises are emerging very slowly, we currently have around 300 of them. We do not have leaders or social entrepreneurship managers.

When other local governments got inspired by us, we began to deal with the fact that we could institutionalize social entrepreneurship in our country. This is how the law on social enterprises was created.

Subsequently, a project financed from European sources was created, that gave rise to a structure in each regional city that supports the establishment of social enterprises. The problem is that it is made up of people who came from other projects. They are professionals, they can explain the law, but they still lack specific knowledge from practice. That is why I still see room for improvement in this particular area.



