

# The Impact of Support in Collective Entrepreneurship: The Case of the SISMIC Program in Québec

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## ABSTRACT

In recent years, interest of the positive impact of collective entrepreneurship has been growing. Launched by the Chantier de l'économie sociale, SISMIC is one example of an entrepreneurial support program designed to capitalize on this potential. This article assesses the program's outcomes based on a qualitative analysis of data gathered through interviews with participating entrepreneurs. The results show that entrepreneurial support promotes strategic thinking, builds confidence, and strengthens reputations. The program enhanced entrepreneurs' knowledge, resources, and operational structure. The incubator has also provided new insights into the unique participatory governance processes and legal structures that define the social economy. Furthermore, the authors found that the synergy between coaching and financing support enables entrepreneurs to fully focus on their projects, easing their mental burden.

## RÉSUMÉ

Depuis quelques années, l'impact positif de l'entrepreneuriat collectif suscite de plus en plus d'intérêt. Le Chantier de l'économie sociale, conscient de ce potentiel, a initié des programmes d'accompagnement dédié aux entrepreneurs collectifs, dont le programme « SISMIC ». Cet article examine les retombées de ce dernier à travers une étude qualitative basée sur des entretiens menés auprès des entrepreneurs ayant participé au programme. Les résultats montrent que le programme a amélioré les connaissances, les ressources et la structuration des projets. L'incubateur a permis de mieux comprendre les mécanismes de gouvernance participative requis par l'économie sociale et les structures juridiques propres à celle-ci. La synergie entre l'accompagnement et le financement permet aux entrepreneurs de se concentrer pleinement sur leurs projets en allégeant leur charge mentale.

**Keywords / Mots clés :** collective entrepreneurship, incubator, entrepreneurial support, social economy / entrepreneuriat collectif, incubateur, accompagnement entrepreneurial; économie sociale

## INTRODUCTION

The social economy plays an important role in Québec's socio-economic landscape. Rooted in values of solidarity and democratic governance, it helps foster sustainable and inclusive forms of development. The phenomenon is largely driven by collective entrepreneurs who establish co-operatives and non-profit organizations dedicated to meeting local community needs. This approach can help to galvanize the regional economy while also promoting social and economic justice. In Québec, collective entrepreneurship (often associated with the social economy) includes 11,200 collective enterprises with a combined turnover of \$47.8 billion and a total workforce of roughly 220,000 (Institut de la statistique du Québec, 2019). These figures also reflect the impact of a wide range of government initiatives designed to support collective entrepreneurship and strengthen the social economy.

At the same time, young people have brought new energy, innovative ideas, and unique perspectives to bear in tackling contemporary challenges. Support for their efforts not only promotes the sustainability and renewal of collective entrepreneurship, but also helps ensure that the social economy can adapt to the realities and aspirations of younger generations. Moreover, entrepreneurial support can provide emerging entrepreneurs with access to the tools and resources they need to achieve long-term success.

With these goals in mind, Chantier de l'économie sociale teamed up with Pôles d'économie sociale du Québec to launch SISMIC, a collective entrepreneurship program for youth aged 18 to 29. The program was intended to help young people take charge of their future through an innovative approach to organization development.

As part of a research project undertaken jointly with the Chantier de l'économie sociale, we conducted interviews with 22 participating entrepreneurs from different regions of Québec. Based on a qualitative analysis of the interview data, this article aims to identify the benefits of the SISMIC program.

## COLLECTIVE ENTREPRENEURSHIP AND BUSINESS INCUBATION

In recent years, researchers have shown growing interest in concepts such as social entrepreneurship (Bacq & Lumpkin, 2020; Gupta & Srivastava, 2024), collective entrepreneurship (Razafindrazaka & Fourcade, 2016), and high-impact entrepreneurship (Kleinhempel & Estrin, 2024; Markman, Waldron, Gianiodis, & Espina, 2019). These concepts challenge the traditional view of entrepreneurship as a matter of individual action and pave the way toward a collective approach that positions entrepreneurship as a driver of social change (Ben-Hafaïedh, Champenois, Cooney, & Schjoedt, 2024).

Laville and Nyssens (2001) point out that collective entrepreneurship prioritizes the public interest over private profit. This sets it apart from other types of business ventures. Recently, Deschamps and Slitine (2024) highlighted a renewed interest in collective entrepreneurship, which is also accompanied by the emergence of dedicated support structures called social incubators (Casasnovas & Bruno, 2013; Pandey, Lall, Pandey, & Ahlawat, 2017). While much of the literature addresses the definition of these incubators, their differentiation from other incubation models, and the description of their services (Miller & Stacey, 2014; Nicolopoulou, Karataş-Özkan, Vas, & Nouman,

2017; Pandey et al., 2017; Sansone, Andreotti, Colombelli, & Landoni, 2020), little attention has been paid to explore the impact of these social incubators on the entrepreneurs they are designed to support. This study addresses this gap by examining the case of the SISMIC support program and its outcomes for beneficiaries.

## **METHODOLOGY**

Between September 2023 and February 2024, we conducted 22 semi-structured interviews with entrepreneurs who had participated in the SISMIC program. Our sample included individuals whose projects were at different stages of maturity. The interview data were manually processed using thematic content analysis.

## **KEY FINDINGS**

### **Entrepreneurial support as a source of knowledge and resources for collective entrepreneurs**

According to participants, the SISMIC program provided access to various resources that fostered their personal growth and improved the structure of their projects. Indeed, they emphasized how both individual and group coaching sessions enhanced their technical, managerial, and interpersonal skills. They gained knowledge vital to the success of their ventures, including how to prepare a business plan and develop a value proposition. The incubator's focus on collective entrepreneurship ensured that participants learned about governance models and legal structures adapted to the needs of social economy enterprises.

The SISMIC program also provided entrepreneurs with opportunities to improve interpersonal skills, including self-confidence, non-violent communication, and active listening. Similar emphasis was placed on managerial skills such as managing human resources, financial assets, and schedules. Moreover, the program strengthened participants' ability to understand the local entrepreneurial ecosystem and navigate regional specificities. The SISMIC experience also helped dispel certain myths surrounding collective entrepreneurship such as demonstrating that starting a social enterprise does not require personal debt and that a social mission can coexist with economic profitability.

### **Entrepreneurial support as a source of legitimacy and visibility**

Entrepreneurial support plays a key role in legitimizing and increasing the visibility of entrepreneurs and their projects. Beyond knowledge transfer, SISMIC participants described how the program enhanced their credibility by helping them gain recognition within their respective entrepreneurship ecosystems. Participating in such a program allows them to showcase their achievements, which facilitates access to financial support and helps burnish their reputation. One participant stated, "To raise funding, the participation in SISMIC gave us a certain level of credibility to be able to say, we were part of an incubator, it allows us to say we're not just anyone. We have done this, here are our accomplishments."

Moreover, these programs help increase the visibility of projects, promoting regional outreach and fostering strategic partnerships: "We've been able to forge partnerships that have given us a real

foothold in the Laval market. People get in touch because of the level of visibility I've managed to achieve. And in large part, that visibility is thanks to my participation in the program.”

### **The mix of entrepreneurial support and funding as a catalyst for social economy projects**

When combined with funding, entrepreneurial support fosters both the development of social economy initiatives and the commitment of entrepreneurs. Financial support, such as grants or subsidies, allows entrepreneurs to fully dedicate themselves to their projects by reducing financial concerns and easing their mental burdens. Some treat the financial aid as a remuneration for devoting themselves fully to their projects: “It meant that I could make this initiative my main priority for several months.” Others choose to reinvest these funds into their project, covering essential expenses such as acquiring equipment, paying service providers, or improving communication tools. This type of support facilitates more organized development, enhancing the sustainability and impact of their social economy projects: “We used what we could ... it also provides seed funding to buy equipment initially.”

### **CONCLUSION AND PRACTICAL IMPLICATIONS**

This contribution confirms the importance and usefulness of entrepreneurial support programs for the development of the social economy sector and the need to multiply them among young people. Many participants saw SISMIC as a springboard for success. In particular, the incubator allowed them to transform ideas into concrete action and to effectively structure their projects.

Through individual coaching sessions, peer-to-peer discussions, and tools tailored to the social economy sector, entrepreneurs have been able to refine their value proposition, adjust their offerings, and better target their customers. These support dynamics encourage strategic thinking, strengthen confidence, and legitimize entrepreneurs, helping them persevere in their endeavors.

Our findings also highlight the vital importance of supporting nascent collective entrepreneurs with a combination of one-on-one coaching and funding. Financial support enables entrepreneurs to focus on their projects by alleviating mental burdens and reducing financial barriers. This synergy between entrepreneurial support and funding helps stabilize projects in their initial phase and ensures their sustainability by facilitating necessary investments to address logistical needs, including equipment and professional services.

This study reveals several avenues for enhancing entrepreneurial support programs. For instance, these programs should facilitate entrepreneurs' integration into the local ecosystem, particularly for those new to the area, to help them expand their network, access local resources, and build legitimacy. Additionally, programs can better meet the needs of collective entrepreneurs by offering specialized workshops and practical exercises on topics relevant to the social economy, such as governance and financial sustainability. Finally, engaging specialized mentors who can provide valuable insights and personalized guidance is also recommended to foster resilience and encourage innovation among collective entrepreneurs.

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