



A hive of social activity

Behind the doors at no. 84 rue de Jemmapes along St Martin's Canal in Paris, social entrepreneurs are busy working on their own and with one another to find 'innovative solutions' aimed at bringing about change in society.



"We wanted to create a collective workspace where social entrepreneurs could meet and exchange best practices and ideas," says **Charlotte Hochman**, co-founder and coordinator of La Ruche, or 'The Beehive' in English. "It is open to anyone proposing an innovative solution to a social or ecological challenge."

The vision is for La Ruche to be a workplace for social entrepreneurship, as well as for those developing their projects. They could be at any stage of development: incubating, starting up operations or running it successfully, Hochman told INSEAD Knowledge.

Inspiration

Hochman took her inspiration from The Hub in London which was founded in 2004, where social entrepreneurs could lease space and services on a per-minute basis so that they only need to pay for the services they require.

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While she appreciated The Hub, she felt the model would have to change for France. She looked at other ventures such as the Centre for Social Innovation in Toronto and through discussions with her network of like-minded friends, she decided that the basic model should be based on housing permanent organisations, in addition to daily or weekly leases. More importantly, she felt La Ruche would have to focus on promoting social innovation and the work of its residents, as it was a sector which was still emerging in France.

Start-up challenges

One challenge was the issue of governance. There were two options in France: La Ruche could be an 'association' or a non-profit organisation which must comply with very strict legal requirements, or become a 'cooperative' which is a commercial entity organised in the form of a limited liability or public firm while adhering to the law that governs cooperatives.

"We had to find a balance where La Ruche would not be suffocated by governance structure," recalls Hochman.

The founders moved quickly to register La Ruche as a non-profit organisation, paying the princely sum of

48 euros for the process. The plan was to start working towards their goals as a non-profit organisation and review this at a later stage if necessary.

They have not felt the need to change the governance until now. “We are considering transforming La Ruche into a cooperative, using a new status in France called ‘cooperative for collective interest’ (SCIC - société coopérative d’intérêt collectif), where stakeholders can include social entrepreneurs, employees, investors, private companies and the public sector,” explains Hochman.

The other challenge was that France did not have a tradition of private social entrepreneurship. This was probably because of strong assistance from the state, as well as religious and non-profit associations, who were suspicious of the market orientation of entrepreneurs.

“We had to be persuasive about our belief that economic development and social impact must go hand in hand; that the market is but a tool for social change,” says Hochman.

What worked

The way La Ruche was set up and how it operates attracted a lot of interest. “People were simply attracted to the culture of La Ruche. We set it up in an intuitive and experimental way. They liked that the organisation was reactive, friendly and fast-moving,” says Hochman.

“In addition, the Brazilian Artemesia Fund which supports social entrepreneurs in the early stage of their projects with an emphasis on profitability, provided a cash advance when the project was launched to ensure I could continue my work until La Ruche opened.” Hochman added.

Practical engagement in society

The driving force behind Hochman’s passion to be a social entrepreneur is her belief in empowerment. “By empowerment, I mean concrete faith in the ability to make things happen – it is this empowerment that generates the organisational and financial resources to make change happen,” says Hochman.

Of French and British descent, Hochman grew up in Paris and attended the Lycee International in St Germain-en-Laye.

While reading philosophy at Oxford University, she set up several non-profit organisations and created and contributed to magazines that focused on development. She also worked with existing non-

profit organisations, travelling to Haiti, India and Bosnia-Herzegovina.

After graduating, she worked with several grassroots organisations in India and Brazil, one of which was Village Action, a microfinance group that created umbrella structures to support local initiatives for urban development in Tamil Nadu.

“You could say that La Ruche’s concept of providing a meta-structure to support economic projects that bring about positive change in the community emerged from my experience at Village Action,” says Hochman.

Three years later, she went on to do a Masters programme at the School of Oriental and African Studies (SOAS) in London researching the role of empowerment in bringing about sustainability and justice.

After eight years away from her home country, she felt ready to advance the concept of social entrepreneurship in France by creating La Ruche.

Open-ended plans and replication

La Ruche opened its doors in May 2008. Its priority is to meet the needs of social entrepreneurs, says Hochman. “The beehive’s plans are open-ended and we’d like to see it move at the same pace as the bees” – as the social entrepreneurs using the space are affectionately called.

Hochman says that La Ruche has had a lot of interest from groups wanting to replicate it, both from public authorities and private initiatives, in different regions in France, as well as Switzerland and Africa. While replication is not the focus at the moment, they have started working with some of these organisations on the concept of La Ruche.

La Ruche is looking to break even in two to three years. Currently it has three full-time employees and 1,400 square feet of space. Some 900 square feet are occupied full-time by 12 companies and their 44 residents, with 20 social entrepreneurs renting the short-term hotspots.

Chantal Mainguene, a social entrepreneur who manages an after-school care centre for single mums in the banlieue or suburbs, comes in five days a month. “I need a place away from the din and activity of the centre to catch up on administrative work,” she told INSEAD Knowledge.

The remaining 500 square feet is used to stage events such as workshops and conferences. La Ruche also rents out the space to organisations eager to promote their work in the field of social innovation.

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“We are here so that social entrepreneurs can benefit from the tremendous energy that collective intelligence generates. La Ruche also creates a collective identity and the synergy for French social entrepreneurs to achieve the important work they’ve set themselves out to do” says Hochman.

Charlotte Hochman recently took part in the [INSEAD Social Entrepreneurship Programme](#) at the school’s Europe campus in Fontainebleau.

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