

The economic aspect of offer

Introduction

The economic environment may change depending on the current political situation. Therefore, it is important to adapt the project accordingly. In general, there are several basic economic directions and social systems in the EUSALP area, on which external financing depends.

In order to implement COWORCARE sustainably and reliable, it is also important not to disregard the economic aspects and to **make the following considerations**:

1. **Define economic goals and relevant key figures:** What are the economic objectives to be achieved by the selected COWORCARE model? Which parameters are important?
2. **Cost analysis:** determine all costs incurred for a COWORCARE project, both one-off investments and ongoing operating costs. Consider direct costs (e.g., materials, personnel) and indirect costs (e.g., administration, rent).
3. **Revenue and sales projections:** estimate the expected revenue and sales of the project. This can be done through trend research, user analysis, and demand projections.
4. **Profitability analysis:** conduct a profitability analysis to determine if the project is expected to generate profit. This can be done by calculating ratios such as return on investment (ROI refers to the percentage ratio between an investment made and the resulting profit, thus showing whether an investment has paid off.) or break-even analysis (point where cost and revenue of the service are identical).
5. **Funding sources:** Determine how COWORCARE will be financed: Consider equity, debt, and possible grants or investors.
 - Personal Savings: Consider using your personal savings or investment from friends and family to fund the initial startup costs.
 - Business Loans: Approach banks, credit unions, or online lenders for business loans. You may need to provide collateral or have a solid credit history.
 - Investors: Seek out angel investors or venture capitalists who may be interested in funding innovative business models like coworking and childcare.
 - Grants and Competitions: Explore grants, contests, or competitions for businesses focused on childcare or community development. Government agencies and private organizations often provide funding for such initiatives.
 - Crowdfunding: Launch a crowdfunding campaign on platforms like Kickstarter or Indiegogo to raise capital from a larger group of people who believe in your concept.
6. **Risk assessment:** identify and assess potential risks and uncertainties that could affect the financial performance of the project. Develop strategies to mitigate risks.
7. **Timing:** Create a timeline for the project and consider how timing may affect financial performance.



8. **Fiscal Issues:** Investigate tax implications and, if necessary, optimise your tax structure to increase economic efficiency.
9. **Economic impact on third parties:** Consider the impact of the project on other stakeholders, such as the community, users, or companies whose employees are users.
10. **Continuous monitoring and adjustment:** plan mechanisms to continuously monitor the financial performance of the COWORCARE project and be prepared to make adjustments as needed.

The financing of best practice examples

In accordance with the seminar paper "Synergy effects between coworking and care work" by students at *HafenCity University Hamburg*, two financing examples of two different types are described below (see research report Panchulova-Gmehling):

“Cooperation with external parties”

Example Kesslerstadel in Matrei/East Tyrol (Coworkation Host)

The Kesslerstadel is a traditional East Tyrolean estate whose history dates back to the 16th century. It offers two flats for max. 10 people, a coworking space and an event room. Opposite the complex is the *Osttiroler Kinderbetreuungszentrum* (East Tyrolean Childcare Center), with which there is close cooperation.

The *Osttiroler Kinderbetreuungszentrum* is a non-profit social association that looks after children aged 1 - 14. Coworkationists can place their children in care there flexibly and by the hour with early reservation.

<p>Main costs for the operator</p> <p>No additional costs due to the cooperation with the support centre; possible time expenditure for communication and coordination with the facility; the largest cost factors are the usual-fixed costs for operating the coworking space;</p>	<p>Main source of income</p> <p>Most of the revenue is generated by overnight stays at the hotel. The coworking space is not (yet) able to finance itself independently. Not only coworkationists are addressed, so to speak, but also all other guest target groups. The cooperation with the care facility has not (yet) generated any significant additional income.</p>
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<p>Opportunities</p> <p>The range of coworkation hosts can be expanded without major effort. Coworkationists with children are also addressed and the external supervision</p>	<p>Challenges</p> <p>Attract and win new guests for this offer. Suitable campaigns may have to be launched by the coworking facility, the care centre and possibly other bodies</p>
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<p>means they do not "disturb" the other guests on site.</p>	<p>(municipality, tourism association, etc.) to make the offer visible and financially successful.</p>
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**"Family centre with coworking space"
Example Mütterzentrum Penzberg in Bavaria**

The Mütterzentrum Penzberg e.V. is a private parents' initiative, founded and run by mothers and fathers from Penzberg and the surrounding area, and run entirely on a voluntary basis. It is a place where parents, children and pregnant women can be picked up, meet, take advantage of various events and also work. The concept offers the opportunity to combine time for the children, time for work and time for socialising with other parents and is not only aimed at coworkers with children. All parents are responsible for their own childcare and set their own childcare times.

<p>Main costs for the operator</p> <p>The centre operates entirely on a voluntary basis. Coworking takes place in the existing premises and sometimes in parallel with other services. Nothing was purchased specifically for the coworking space.</p>	<p>Main source of income</p> <p>The service is currently free of charge. We are considering charging a monthly fee, but more so that participants feel "bound" and not necessarily for monetary reasons.</p>
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<p>Opportunities</p> <p>The organisers see the chances of attracting users above all among parents who do not (or did not) get a childcare place.</p>	<p>Challenges</p> <p>The challenge is to reach the parents and convince them of the concept.</p>
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Social systems in the EUSALP area and financing options

The EUSALP area is a cross-border area that includes parts of seven Alpine countries: Germany, Austria, Slovenia, Italy, France, Switzerland and Liechtenstein. Within this area, there are a variety of social schemes and public funding bodies for coworking and care for children and the elderly, which may vary from country to country. Responsibility for allocating public funding for coworking, childcare, and elder care can also span different levels within countries, including national, regional, and local authorities. Here are the authorities and organisations that may be responsible for these areas:



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**Germany:**Coworking:

Federal Ministry for Economic Affairs and Energy (BMWi): At the federal level, the BMWi is responsible for promoting coworking initiatives and offers various programs and support.

State governments: Support for coworking can also be provided at the state level by the respective economic ministries and agencies.

Childcare:

Municipalities and cities: responsibility for childcare facilities generally lies with municipalities and cities.

Federal Ministry for Family Affairs, Senior Citizens, Women and Youth (BMFSFJ): The BMFSFJ can provide national programs and guidelines for child care.

Elderly care:

Long-term care insurance funds: The long-term care insurance funds are responsible at the federal level for organising and financing care for the elderly.

Federal Ministry of Health: The Federal Ministry of Health also plays an important role in regulating and supporting elder care.

Austria:Coworking:

Federal Ministry for Digitalization and Business Location: At the federal level, this ministry is responsible for promoting coworking initiatives and startups.

State governments: Support for coworking can also be provided at the state level by the economic ministries.

Childcare:

State governments: In Austria, responsibility for childcare facilities and services lies with the provincial family departments and provincial youth departments.

Federal Ministry of Social Affairs, Health, Care and Consumer Protection: this ministry can provide national programs and guidelines for child care.

Elderly Care:

Federal Ministry of Social Affairs, Health, Care and Consumer Protection: This ministry is responsible for elder care at the federal level, while social insurance institutions play an important role in funding.

Italy:Coworking:

Regional Economic Development Agencies: In Italy, funding for coworking initiatives is usually provided at the regional and local level by regional economic development agencies and municipalities.

Ministry of Economic Development (Ministero dello Sviluppo Economico): This ministry can provide national programs and guidelines for coworking.

Childcare:

Regions and Municipalities: Responsibility for childcare facilities and services varies by region and municipality in Italy.

Ministry of Family and Equality (Ministero per la Famiglia e le Disparità): This ministry can provide national programs and policies for child care.

Elderly Care:

Regions and Health Authorities: Elderly care in Italy is regulated by the regions and health authorities.



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Switzerland:Coworking:

Cantonal economic development agencies: In Switzerland, support for coworking initiatives is provided at the cantonal level by economic development agencies.

Childcare:

Cantons: In Switzerland, responsibility for childcare facilities and services generally lies with the cantons.

Federal Social Insurance Office (FSIO): This federal office can provide national guidelines and programs for child care.

Elderly care:

Cantons: Elderly care in Switzerland is mainly regulated by the cantons and municipalities, while social insurance plays an important role in financing

France:Coworking:

National level: the French Ministry of Economy and Finance (Ministère de l'Économie et des Finances) can provide programs and support for coworking initiatives.

Regional level: regional economic agencies and regional councils can provide regional funding and advice.

Local level: local economic development agencies and municipal councils can offer financial support and resources in some cases.

Child care:

Municipalities and departments: responsibility for child care facilities and services rests with municipalities and departments (administrative units).

National level: the French Ministry of the Family (Ministère des Solidarités et de la Santé) can provide national programs and guidelines for child care.

Elderly care:

National level: the French Ministry of Health and Social Affairs (Ministère des Solidarités et de la Santé) is responsible for regulating and organising care for the elderly.

Long-term care insurance funds (Caisse nationale de solidarité pour l'autonomie - CNSA): Long-term care insurance funds play an important role in financing and supporting elder care services.

Slovenia:Coworking:

State level: the Slovenian Ministry of Economy and Technology (Ministrstvo za gospodarski razvoj in tehnologijo) can provide programs and support for coworking initiatives.

Regional economic development agencies: Regional economic development agencies can provide support in various regions.

Childcare:

Municipalities (Občine) and communities: Responsibility for childcare facilities and services in Slovenia lies with municipalities and communities.

National level: The Slovenian Ministry of Education, Science and Sports (Ministrstvo za izobraževanje, znanost in šport) can provide national programs and guidelines for child care.

Elderly care:

National level: The Ministry of Solidarity-Based Future - Directorate for the Elderly, Long-Term Care and Deinstitutionalization is responsible for regulating and organising elder care in Slovenia.



Liechtenstein:

Coworking:

State level: the Office of National Economy (Amt für Volkswirtschaft) in Liechtenstein can coordinate programs and support for coworking initiatives.

Childcare:

Municipalities: Responsibility for childcare facilities and services in Liechtenstein lies with the municipalities.

National level: the Ministry of the Interior, Education and the Environment (Ministerium für Inneres, Bildung und Umwelt) can provide national guidance and support.

Elderly care:

Municipalities: Elderly care in Liechtenstein is mainly regulated by the municipalities.

Social insurance: Social insurance plays a role in the financing and organisation of care for the elderly.

The aforementioned authorities and organisations can provide resources and support for the aforementioned areas in their respective countries. For detailed information and support, the official websites of these authorities can be consulted or contacted directly.

Are there European grants for COWORCARE?

There are various European grants and funding opportunities available for businesses and initiatives related to coworking and childcare (COWORCARE). However, the availability and specific details of these grants can change over time. Here are some potential sources of European grants and funding for COWORCARE ventures:

- ❖ **European Structural and Investment Funds (ESIF):** ESIF includes a range of funds aimed at promoting economic and social development across the European Union. Depending on your location and the nature of your project, you may be able to access ESIF grants to support community and childcare initiatives.
- ❖ **Erasmus+ Program:** The Erasmus+ program offers funding opportunities for education and training projects, which could include coworking spaces with educational or childcare components. This program primarily focuses on promoting mobility and cooperation in the field of education.
- ❖ **Horizon Europe:** Horizon Europe is the European Union's flagship research and innovation program. While it's not directly focused on coworking or childcare, it may support innovative projects that have research and innovation components related to early childhood education or workforce development.
- ❖ **EU Social Funds:** The European Social Fund (ESF) and the European Regional Development Fund (ERDF) may provide funding for projects that address social and economic challenges in specific regions, including initiatives related to education, employment, and community development.
- ❖ **EU Grants and Tenders Portal:** The European Commission provides a Grants and Tenders Portal, where you can search for various funding opportunities and calls for proposals across different EU programs and initiatives.
- ❖ **Local and Regional Grants:** Many European countries and regions have their own grant programs and initiatives to support local businesses and community projects. These may include grants for childcare and coworking spaces.



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- ❖ **Startup and Innovation Programs:** Depending on the innovative aspects of your COWORCARE concept, you may also be eligible for startup or innovation grants and accelerators at the national or regional level.

Conclusion and idealistic scenarios

The link between coworking, childcare and elder care offers the opportunity to develop innovative approaches to solving financial challenges and social needs in our society. The financial aspects of this linkage can lead to a win-win situation where different groups of people benefit.

The synergies created by this linkage are significant. Coworking spaces near childcare or care facilities create the opportunity for parents and caregivers to work productively while knowing their children are in safe hands or caring for their loved ones. This helps increase productivity and improve quality of life.

Flexible work models and coworking options can reduce the financial burden on parents and caregivers. This makes it possible to better balance work and caregiving responsibilities and can increase work participation and productivity.

Combining coworking with childcare and elder care also offers economic opportunities. New jobs can be created, and local communities can benefit from the services and facilities.

In idealistic scenarios, coworking centres could become a veritable oasis. Not only do they provide inspiring work environments, but they also offer quality childcare and elder care. In this future, parents and caregivers can work productively while their children grow up in a supportive and educational environment, and the elderly receive quality care and social interaction.

Communities could show increased solidarity in an idealistic future by bringing together coworking spaces, childcare facilities, and care centres. The importance of these services to the social inclusion and well-being of citizens is recognized, and innovative models are developed to meet the needs of all age groups.

In this idealistic future, businesses and governments could recognize the social and economic importance of this connection and invest in programs that reduce the financial burden on families and caregivers while increasing productivity. This would lead to a thriving society where people can realise their full potential. It requires commitment, investment and a visionary approach to the financial aspects of these important areas.



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