



ISEG | 9th & 10th MAY 2014

THE "INCLUSIVE ENTREPRENEURSHIP": EMPOWERMENT, SOCIAL CHANGE AND  
INNOVATION STRATEGIES OF THE SOCIAL ECONOMY.

---

**AMARO DA LUZ, Maria Helena**

*Instituto Superior Bissaya Barreto  
Centro de Estudos de Sociologia da Universidade Nova de Lisboa (CESNOVA)  
Campus do Conhecimento e da Cidadania/Quinta dos Plátanos  
Apartado 7049, Bencanta  
3046-901 COIMBRA  
Telef. +351 239 800 450  
E-mail: [helenareis@isbb.pt](mailto:helenareis@isbb.pt)*

**ALBUQUERQUE, Cristina Pinto**

*Faculdade de Psicologia e Ciências da Educação da Universidade de Coimbra  
Centro de Estudos de Sociologia da Universidade Nova de Lisboa (CESNOVA)  
Rua do Colégio Novo, 3001-802 Coimbra  
Telef. +351 239 851 450 (Gabinete 5.12)  
E-mail: [albuquerque.cristina05@gmail.com](mailto:albuquerque.cristina05@gmail.com)*

**Abstract:**

*The focus on social change and innovation as required dynamics for social economy is widely stressed in academic field and public discourses. Recognized over decades as key actors in promoting economic, social and territorial cohesion, social economy organizations face nowadays increasing challenges to strengthen its role due to recent developments occurred in societies. Inherited of a social entrepreneurship character these organizations are mostly acknowledged by their intervention domains towards social inclusion and inventorying answers to publics in need. Yet it is assumed that empowering strategies of these organizations must be reconfigured in order to society benefit from their activities. Thus, this paper supported by previous research conducted and presented in literature, aims to discuss empowerment, social change and innovation strategies of social economy organizations assumed as entrepreneurship actors, performing activities lying on a social mission related to inclusion, in a broader*

*sense. At first we discuss the logics that configure social economy rooted in social entrepreneurship dynamics, to distinguish after recognized features of social inclusive entrepreneurship occurred in the field of employment and ageing. The last topic reveals critical issues concerned with change paradigms and social innovation processes, highlighted as new or continuous directions that must be considered by these organizations.*

**Key Words:** *Social Economy, Social Entrepreneurship, Inclusive Entrepreneurship; Empowerment, Social Change, Innovation*

## **Introduction**

Over decades, from crisis to crisis, social economy arises as a prominent model of social organization with outstanding virtues, which signaled in the past, the history of the nineteenth century and that helps re-build societies of the present. In the contemporary period and since the middle of the XX century, social economy becomes a rediscovery and a reactivated reality, assumed as having a greater potential to face emerging crises, contributing to restore social cohesion threatened since that period. Guided by organizational principles and focused on its social mission, social economy acquires legitimacy within the framework of social entrepreneurship revealing both logics, axes of convergence. The comprehensive reading of social entrepreneurship which gives meaning to practices rooted in the social economy gathers pertinence, as it permits to signalize distinctive and particular features of these organizations aimed to provide inclusion opportunities in the field of employment and ageing. Bring all this into discussion, our approach intends to highlight the ideas of social change and innovation strategies, erected as axes of, empowerment and strengthen of social economy existing structures.

### **1. Social Economy and Social Entrepreneurship: logics of convergence**

Social economy has historically played an important role in the context of economic crises and recovery, remaining since its origins related to a collective action orientated to serve people. As Campos (1992) emphasizes, social economy stood up as another form of undertaking, marking a clear difference between organizations based in the capital and organizations for whom the base were the people. According to Estêvão (1997), the roots of the social economy are based in two logics: as a reaction to the effects of capitalism and as a functional adaptation to the new economic system. It's emergence as Chevallier et al, highlight, was connected to a reformer optimism, to a project of social transformation that crystallizes the social economy in specific institutions (cooperatives, mutual societies and associations), reacting against the phenomenon of worker's exploitation induced by the logic of capitalist development (1986). The developments occurred since the seventies of XX century have resurfaced

the theme of the social economy, in the context of an innovative structural frame. Numerous authors (Reis, 2006, 2010; Monzón Campos & Ávila, 2012) introduce the social economy in the contemporary period as a rediscovery and a reactivated reality. Such a glimpse of the social economy is thus related with a combination of crises of Fordism and of the welfare state, the remote causes referred in the analysis of Estêvão (1997), with a new socio-cultural, economic and ideological context, resulting from this framework a greater belief in the potential of these organizations, to respond to the failure of social and economic regulation agents, that marked the period of the 2nd postwar. This means that towards the articulation crisis between state and civil society new dynamics are imposed, based on debureaucratization, socialization and empowerment (Rosanvallon, 1995), which contribute to the myth reactivation of social economy, and to its political glance, institutionalization and enhancement, as an expression of civil society. These transformation processes are assumed as the drivers of the re-emergence and growth of social economy organizations and also of the concept and practice of social entrepreneurship, turning into proximity the framework of social economy and social entrepreneurship. Emerging as a proposal for coping with poverty and expressions of social exclusion in globalized societies, social entrepreneurship appearance discourses in the nineties were focused in Portugal and in Europe on the role of the welfare state, especially its decline in the provision of products and services. Arguments addressed to the inadequacy and inability of government institutions to solve social problems and also budgetary constraints imposed by structural reforms inherent to national policies, has fostered civil society initiative in seeking new practices that meet social needs not accomplished by the state, or by the market (Parente, Lopes, & Marcos, 2012; Amaro da Luz & Miguel, 2013). To consider the origins and the use of the idea of social entrepreneurship and its connection with social economy initiatives, it seems useful to regard the main academic trends that have been developed by several theoretical approaches, which results in different perspectives of considering this phenomenon and its related initiatives. In the North American school, the concept of social entrepreneurship has flourished under the influence of nonprofit theoretical approaches and as a phenomenon shows proximity to the culture and functioning logics taking by traditional entrepreneurship (Parente; Costa; Santos & Chaves, 2011). This multiple use of the term is explained by the observation of two academic discussions and practices, one stemming from the context of nonprofit sector and the other from the business sector. Regarding the first case, the discussion highlighted the several changes occurred in the context in which nonprofit sector is moving on. As Kerlin argues (2006), this sector has decreased its capacity to raise funds through donations and grants, which can be explained by the reduction of state funding beginning in the late 1970s. Although and according to Weerawardena & Mort (2006), it is real, the tighter funding environment trend leading to growing competition for donors and grants. Thus, significant issues that must be stressed are related to changes in public

funding, which played a significant impact in shaping new attitudes and strategies for nonprofit organizations. More than that, the upsurge of nonprofits motivated since the sixties and the creation of many new organizations in recent years, characterizes the competitive environment faced by them. In this sense and considering the increasing needs of people and communities and the growing attraction of commercial providers to markets, traditionally filled only by nonprofit organizations; it is argued that there would be space for non-profit organizations to operate in the market, by offering goods and services and being innovative in achieving social outcomes. Further exploring of the North American approach distinguishes social business term (Comini, Assad & Fischer, 2012), to emphasize the attitude of business sector committed with social objectives, which means focused on the offering of services and innovative products that fulfilled a demand quite different from that traditionally served by large corporations and for the improvement of marginalized people living conditions. Appropriated by nonprofit sector, this concept fits in those organizations positioned to develop commercial activities in order to be able to pursue their mission. This leads them to adopt a competitive posture in their operations, by assuming ideas and tools coming from business sector, as a way of maintaining and ensuring their survival. This stream of analysis has revealed new conceptual formats, such as "social purpose organization" (Comini, Assad & Fischer, 2012); "nonprofit venture" and "social purpose business" among others (Defourny & Nyssens, 2010). In the European context, the theoretical approaches concerning social entrepreneurship are directly focused on social economy initiatives. Cooperatives, mutual societies, associations, foundations as well as other organizational formats (presenting specificities according to each country), have (re)emerged in the seventies mainly due to structural challenges (such as the persistence of unemployment, state budget deficits) and other societal issues (new configurations of social exclusion) proposing a more pluralist and inclusive "way" of meeting these challenges by the provision of goods and services (Monzón Campos & Ávila, 2012). The prevailing academic approach in Europe defines social economy as:

"a set of private firms, formally organized, with autonomy of decision and freedom of membership, created to meet the needs of its members through the market, producing goods and services, ensuring financing, where the process of decision making and distribution of benefits or surpluses by its members are not directly linked to capital or contributions of each one, corresponding to each member one vote. The Social Economy also includes private entities formally organized, with autonomy of decision and freedom of membership that produce non-market services for families and whose surpluses, if any, can not be appropriated by economic agents that create, control or finance them." (CIRIEC, 2012, cit. in INE & CASES, 2013, p.14).

The European school stresses the guideline principles that are inherent to the social economy organizations. Through its organizational tools (collective and participative

nature; participation in decision making), these entities achieve their social goals. Throughout 1990 distinctive initiative gains new impetus and reinforced the use of social entrepreneurship concept as part of the new social economy. Examples are the configuration of social enterprise and practices of solidarity economy, which are seen as dynamics of new organizational and institutional solutions to face emerging problems posed to people in difficulty and communities. The extended concept of social entrepreneurship relies heavily on social goals, to distinguish the role that individuals, groups and communities play in situations targeted for change, motivated by necessity, thus contributing to local development (Ferreira, 2006). Among the multiple theoretical contributions of social entrepreneurship, common features can be signalized, namely the perspective that these initiatives denounce the expression of organized and institutional practices, reflecting opportunity in a proximity basis, guiding their performance under social values and seeking for sustainability. Thus, we distinguish five axes that configure a comprehensive reading of social entrepreneurship and simultaneously give meaning to their practices, rooted in the social economy:

#### -The 'organizational' focus

Recognized in several approaches, social entrepreneurship reflects the result of the activity of a team or group of people, framed within an organization which integrates associated members and workers. This activity is developed in articulation with other social and economic actors belonging to a community and territory (Parente, Costa, Santos & Chaves, 2011). The organizational perspective of these initiatives is emphasized by the school of European social economy, presenting social enterprise and new forms of social economy as innovative formats in addressing emerging problems. Initiatives of social entrepreneurship grew up attending the main community values and are regarded as something collective and not individual (Borzaga & Defourny, 2001). It is from this collective and organizational dimension (Gartner, 1993; Lévesque, 2002) that social entrepreneurship reach its "(...) social transformation impact, both social and economically, before their target publics, as well as at an endogenous level exercise the principles of an organizational citizenship" (Parente, Costa, Santos & Chaves, 2011, p.272). Thus, the organizational focus of social entrepreneurship requires the expansion of its scope of analysis beyond the person, to include or privilege the organization itself at the basis of these initiatives. Although there are different formats, the expression of social economy is organizational.

#### - The 'institutional focus'

The institutional affirmation of social entrepreneurship initiatives (rooted in social economy practices) must be related to civil society. As Hulgard (2010) stresses, even these initiatives may be carried out by different sectors of society, namely by the private commercial sector or by the public sector, social entrepreneurship coming from civil society puts the interest and conducting activities in order to improve

communities. Institutions of social entrepreneurship have a cultural basis (private institutions of solidarity, cooperatives, voluntary associations...), since they differ from country to country, and provide the answer to needs and social problems unmet by market forces or government sector. This frontier positioning with other economic and social sectors is emphasized by Brooks (2009), regarding the ability of social entrepreneurship to detect empty spaces, translating them into opportunities to conduct activities not covered by the Welfare State or by private markets (Dees, 2001). Thus, social entrepreneurship is about developing collective initiatives sustained by formalized structures, addressed a collective project that builds and produces value. Social entrepreneurship embodied by social economy is portrait in an institutional space which integrates private organizations with nonprofit aim.

-The motivational focus.

A core element to distinguish social entrepreneurship dynamics from those provided by traditional entrepreneurship lies in motivational criterion. As Martin & Osberg (2007) noticed, one set of entrepreneurs is spurred on by money and the other is driven by altruism. Whatever approach is taken, meets unanimity in the academic literature the focus that distinguishes as the main feature of social entrepreneurship, the mission to create and maximize social value, rather than the generation of profit. Indeed, these initiatives are primarily motivated to produce social value or benefit (Brooks, 2009; David & Davis, 2010), which may be understanding in a more limited or comprehensive way, either having global or local impact. Emphasizing this local (narrow) perspective it is assumed that the activity developed is focused on inclusion, considering specific communities (Hulgard, 2010). Social entrepreneurship does not require a lucrative reason, but addresses its objectives for a social mission (Drucker, 1985; Dees, 2001), to inclusive growth (aimed at achieving social and territorial cohesion) regarding creative /innovative fields of intervention (focus on disadvantaged groups and social vulnerabilities). Thus, particular attention is given to social demand, seeking to reconcile initiatives related to social welfare and inclusive citizenship.

- The territorial (proximity basis) focus

An important discussion in the context of social entrepreneurship is the scale that the impact of these initiatives can achieve. As it is recognized by some researchers (Bose & Godói-de-Sousa, 2012), the strength of entrepreneurs lies in the engagement they have with the community and its culture aiming its development. Social entrepreneurship is a way to catalyze social change by tackling social problems in territorial communities and seeking solutions to them. The territory is regarded as a key element of social entrepreneurship driven from practices of social economy. As Paixão observed (1998), several initiatives designed at a narrower territorial space (locally), have coming up revealing effective results in addressing a set of problems positioned at the local (economy , security, housing ... ) and individual ( job , family ... ) levels, by way of

demonstrating proximity in relation to concrete problems. The virtually of the social economy, stems from their mobilization activity around a link , based on territory, and it is from here that new identities are constructed, based on the revitalization of a community, a process that begins from the basis and conducts social change. From here, better and innovative solutions adapted to each situation, can be easily achieved.

- The economic focus

The initiatives of social entrepreneurship show an economic impact, revealed in the communities where they are settled and also in the organizations themselves. By one side, social entrepreneurship rooted in social economy has emerged as a new label for describing the work of community, voluntary and private organizations, for social rather than for-profit objectives. As Ferreira (2006) noticed, the model of entrepreneurship and management of conventional economic sector seems unresponsive to the specific needs of the social economy. This understanding lies on the evidences explored by research (Reis, 2006; Ferreira, 2006), showing that social entrepreneurship is responsible for the creation of employment either on a direct or indirect way and also for the provision of goods and services to those facing economic and social vulnerabilities. Acting to these purposes, social entrepreneurship is a significant contribute to strengthening local economy. By the other side, and considering the organizations themselves, we should understand that the economic dimension must be seen in a renewed perspective, since economic activity differs from the assumption of " homo economicus " confined to the classic economy. This means that social entrepreneurship does not limit its action before limited resources, given that profit is not a measure of value creation, nor of customer satisfaction. The social value overlaps the private value orientated to obtain financial returns or consumption benefits. This understanding does not yet despises the prospect of creating surplus inherent in their activities of commercial or non-market nature. Indeed, any social entrepreneurship initiative assumes its activity as an opportunity for the production of goods and services, seeking autonomy with financial sustainability and assuming a considerable degree of risk. However, economic efficiency and the attention to market are always relativized by social objectives willing to be achieved, whether the objective is fulfilling the social needs, job creation or promotion of a globally inclusive society (Amaro, 2000).

## **2. Social economy: features of social inclusive entrepreneurship**

Inclusive entrepreneurship gains importance as a concept and as a practice motivated by the assumption of equality of opportunities reached by everyone in society. As a concept it is firstly embodied in the notion of inclusion, which implies the ability of anyone to participate in social life as a result of the effective exercise of social rights in its plural dimensions (Militão & Pinto, 2008). In the framework of Equal Community Initiative (under the auspices of the European Union), this notion is related to inclusive

growth, focused on the creation of jobs and the need to increase the fight against social exclusion motivated by economic and social challenges (Vale, 2010). Also, in the European social and political agenda, under Strategy for Europe 2020, priorities concerning inclusion are focused on getting opportunities in the labor market in its large sense (promotion of employment, professional training, counseling ...) and on social cohesion promotion. (European Commission, 2013). As a practice, inclusive entrepreneurship gains expression from social economy once these organizations are recognized as an important source of jobs and entrepreneurship. Social economy actors are economic and social active players (associations, cooperatives, foundations and mutuals) in all sectors of society, to respond to people's needs. They are characterized by a different way of doing business: a form of entrepreneurship which is driven by the general interest or by a social objective rather than by economic performance and which embodies the principles of solidarity and social justice, with a strong element of participation, co-decision (staff, users, members) and democratic governance. Even inclusive entrepreneurship relies on a comprehensive approach to widening the range of people that start and grow their businesses and its main focus is employability sustained by different policy fields, it should be stressed that our regard overlaps this focus, considering, as it is signalized by Henriques & Maciel (2012) that it depends highly on culture and historical national traditions. Moreover it is about a set of attitudes and dynamics that can be portrait by several actors, engaging at a higher degree of commitment old and new organizational forms of social economy providing opportunities of inclusion in the field of employment and other social fields.

As it is already been argued by us (Amaro da Luz & Miguel, 2013) social entrepreneurship provides major inclusive responses either in the field of employment either in the domain of provision of goods and services for the elderly. Concerning the first issue, it is from widely understanding that social entrepreneurship develops its activity through different organizational arrangements and assumes within civil society an expression of emphasis. In this context, the social economy organizations are one of the pillars of action, which are defined either - through private entities, created to meet the needs of its members through the market, - either by the action of private entities that produce non-market services (INE & CASES, 2013). Social economy organizations in Portugal are currently represented by 55,383 organizations configured an heterogeneous universe, which integrates entities like cooperatives, mutuals, mercies, foundations, associations and other organizations. Despite several areas in which it operates, the social economy has been showing increasing potentialities in the field of job creation. Although it may be assumed as a palliative for the problems of employment generated by the globalization of economic activity, it may contribute to the redefinition of relationship between the economy and society, promoting a greater democratization of social life, embryo of an alternative model of social organization based on the principle of citizenship (Paixão, 1998). Inclusive dynamics of social



economy lies at this level in the ability to enhance and maximize the opportunities that foster citizenship, being the employment one of its central concerns.

The approach to employment in the social economy requires equating two dimensions; the first configures it as a mean, associated to the development of activities with market and/or, non-market nature. In this sense, employment exists as a result of a particular purpose, the activity of the organization, which may not be related to direct aim of job creation. Thus, organizations of social economy generate jobs, like lucrative and public organizations, but they present also specificities, resulting from the presence of atypical work arrangements (voluntary work). In this respect, figures shows that the distribution of paid employment in the social economy (full time equivalent) in 2010, represented 5.5% of national employment , and, in the universe of social economy, associations and other organizations of social economy accounted about 64,9% of this weight, represented the mercies , 14.3 % of the employment, cooperatives about 14%, foundations 4,7% and mutuals about 2 % (INE & CASES, 2013). The distribution of employment among the major sectors, announces that the activities of social action cover 48.6 % of employment in the social economy, 15.8% arises from the activity of worship and congregations, 10.5 % are related to teaching and research and 5.4 % with culture, sport and recreation. In comparative terms, assuming the European Union area, it appears that the activities of social economy are mainly labor intensive, so the employment generated by their structures proves to be very important in this context. Additionally, the paid employment in social economy organizations represented in 2010, over than 14 million people, which represented 7,5 % of total paid employment in the 27 European Union members. The second issue emerging from the employment perspective in social economy focused on its contribution or response to unemployment. The problems of unemployment and social exclusion, made visible from the late 70s of the twentieth century, configured a redefinition of social economy regulatory function towards employment (Reis, 2006). In this way, these organizations show a greater potential supporting employment policies carried out by the public sector, in terms either of participation of subsidized programs either creating ways that may offer opportunities for employment or work (eg initiatives of social labor market, professional training... ). Social economy has in this sense an important role in the frame of active policies and a prominent place in the management of associated social, stimulating inclusive citizenship. Either understanding as a mean or a goal, the development of employment reflects an example of a positive externality associated with the social economy, which allows a better functioning of the labor market from a reduction in unemployment. Although and prior to creating jobs, the social economy has an impact on employment of people who are involved in their activities.

Another dimension that positions social economy in inclusive entrepreneurship logics, comes from the activity developed to the elderly. In fact, the extent and diversity of measures towards this population ensured outside the private sector, through social

economy institutions, has shown a renewed interest. Among us, the dominant expression of social economy in this domain, lies in mercies, foundations, private institutions of social solidarity, mutual societies and other associations, reflecting this whole activity about 14% of the total activity of social economy (INE & CASES, 2013). The contribution of such organizations with regard to activities aimed at the elderly population is unquestionable in Portuguese society, showing data (Carta Social, 2011), that in 2011, the number of targeted responses to the elderly population comprised more than half of all existing social responses (53%), with a predominance of nonprofit entities (73%), in the whole provision of social responses. The theoretical framework that reinforces the relevance of social economy dynamics at this level, is supported by paradigms of plural economy and welfare pluralism which characterizes the contemporary readings on the provision services or social protection for the elderly. The idea of welfare pluralism, extending the provision of welfare to social economy organizations signalized its regulatory role. Arguments emphasized the particularities of social economy as a stabilizing mechanism, and its ability to reconcile supply and demand are widely recognized and led to the appreciation of these organizations, attending to the potential they reveal for mobilizing resources in order to pursue economic and social purposes. According to some authors (Willard, 1995; Bloch-Lainé; 1999; Reis, 2006; Amaro da Luz & Miguel, 2013), social economy as a whole shows meritorious specificities, which result from the functions it performs and the type of supply promoted.

Regarding this, inclusive entrepreneurship is better achieved (focusing its outcomes towards the elderly) in territorial contexts, as proximity to problems and concrete situations arises with increased visibility. In this sense proximity is seen as a link, a kind of moral proximity or a proximity just in heart, providing a close relationship between organization and publics. Services such as, home for the elderly, day center and home support services translates specific responses of these organizations, focusing on proximity dimension having a collective impact in terms of generated benefits. The territorial anchorage of these organizations arises also through its physical proximity, providing this issue a greater demand for these organizations coming from proximity geographical areas. Data collected from Carta Social (2011), shows that, 41 % of homes for the elderly, in Portugal, only gets users belonging to the municipalities where equipment is installed, 56 % of users of day centers belong to the territory place where they are located and 65 % of users of home support services, come from the community where the equipment is placed. This physical proximity, appears further strengthened by the finding that, of the 278 municipalities of Portuguese continent, 241 have 10 or more responses aiming older people support. As literature points out, inclusive entrepreneurship is easily promoted from organizations having the ability to detect and satisfy social needs, a feature assumed as *avant-garde*, or social innovation (Bloch-Laine, 1999), which implies a certain attitude to reveal needs and demand. As contemporary society faces new problems, alternative sociabilities

appears in action deeply inspired and motivated to provide adequate answers to new situations. As Hespanha et al (2000) emphasizes, the main strength of these organizations is their versatility of action , which allows them a quick and easy adjustment to the nature of the problems and the condition of the publics in need.

### **3. Empowering social economy by change and social innovation**

Much of the current debate underlying social entrepreneurship practices rooted in social economy appears intense, particularly when issues like change paradigms and social innovation are highlighted as new or continuous directions to consider. Indeed, these dimensions of discussion are assumed as central and constitute important assumptions that lead to the empowerment of social economy. In a broader sense, empowerment is the manifestation of social power at individual and community levels. It is concerned with the means by which groups or communities become able to gain control over their life circumstances and achieve their goals, in order to help themselves and others to maximize their quality of life (Speer & Hughey, 1995; Adams, 1996). Even this concept is open to many interpretations; we adopt the meaning developed by Nixon (1994) and Lashley (1996), suggesting that empowerment is related to an organization's purpose and arises from external and internal challenges for organizations. Bringing this into the field of social economy, we argue that social value purpose (resulting in the improvement of people's lives and communities, as a whole) is nowadays better broadcasted by a process lying on change and social innovation strategies taken by them. Thus, considering that above all, empowerment is a process that culminates in a result, our regard is focused on this process of empowering or strengthening these actors by using the broader term of sustainability. For some authors (Bose, & Godói-de-Sousa, 2012), the great contemporary challenge for social economy organizations working in the social field requires the transformation of philanthropy into entrepreneurship. As it is advocated, for classic social entrepreneurship anchored in the social economy and in more traditional organizational forms, the main issue lies on the assumption that a change in organizational culture is needed, as social entrepreneurship is a condition in itself to ensure survival. Nevertheless, this changing paradigm must be consider also in present initiatives, through the search of sustainable solutions with major social impact, configuring the entrepreneurship of need into the entrepreneurship of opportunities. Sustainability is in the current economic environment considered a guiding topic for institutional management practices, resulting from internal and external challenges facing by social economy. Under the macroeconomic dynamics, issues of economic efficiency, organizational viability, market orientation, strategic planning, among others, emerge in the discourses and practices of the social economy, setting the importance of adopting a new paradigm for the development of these organizations. However, sustainability goes beyond self-sufficiency or the ability to recover costs. As Cabaj (2000) states, sustainability is a project's ability to continue into the future, using

a combination of resources and strategies. It requires planning from the beginning and throughout the life of a group or organization. In this context, sustainability concerns a multidimensional process resulting not only from the allocation of financial resources, but comprises three elements that have been established in previous research (Sousa et al, 2012), namely, viability, subsistence and complementarity. At this level, the point of reference and evolution perspective requires new dynamics for these organizations. The perspective of viability, referring to the economic elements or to the financial sustainability of social economy obliges a rethink of its current funding model anchored in public financial dependence through public transfers. These protected social economy, as it is usually designated by Amaro (2000), face constraints concerning sustainable management of the institutions, since they are normally providers of services, increased by problems complexity that often these organizations are facing. According to Conselho Económico e Social (2013), particular difficulties arises from the activity developed by organizations acting in social field, once their services are qualified labor-intensive (e.g. elderly care). Some of the opportunities in order to maximize the economic viability of these entities can emerge from alternative funding models, based on fundraising and other funding coming from civil society and business sector (Andrade & Franco, 2007), diversification of revenue sources including the return on assets, cost reduction, increased efficiency in the use of existing resources (Sousa et al, 2012); increasing practices management with social sense, and from inclusion of specialized volunteering (Sousa et al, 2012; Chau, Soares, Fialho & Sacadura 2012). In the range of opportunities, the focus on different economic logics that combine modalities of non-market and market performance may also reflect positive effects towards financial independence of social economy (Reis, 2010). To bring all this about, a change in management thinking and management strategy are necessary for achieving empowerment goals to viability. A further issue relating to sustainability refers to “attitudes “towards subsistence. The key question lies on the survival or continued existence of these organizations, according to their mission, which means that it becomes crucial to understand the role of social economy to meet old and new needs and different target publics. Thus, guiding by its principles and social goals, social economy is under pressure for a continuous improvement seeking to provide social and community benefits. The framework of social innovation fits in this mayor concern consisted mainly in conciliating supply and demand towards change processes. From this analysis and accepting social innovation definition of André & Abreu regarding it, “ as a new and socially recognized answer, which is associated to processes aiming the satisfaction of human needs unmet through the market; the promotion of social inclusion and empowerment of agents potentially subject to processes of social exclusion or marginalization (...)” (2006, p.124), we argue that subsistence might be achieved by constructing opportunities within organizations, anchored in social innovation. This may take form by several means such as, the diversification path of responses orientated towards new vulnerabilities and demands

and by improving quality in supply. Opportunities arising from the first issue include the restructuring of supply and diversification of activities in order to maintain survival/mission. Some examples at this level given by organizations closely linked to elderly shows that, internal restructuring (concerning for instance, extended opening hours for day centers to operate every day of the week and holidays and the provision of domiciliary support services in evening hours) and articulated responses (in the sense that a user can benefit in terms of contracting home support service and at the same time can enjoy a night center) becomes good processes to empower organizations focus on change (Conselho Económico e Social, 2013). This commitment towards social innovation, which is strictly related to the organizations goals and mission may also takes form in terms of support for self-employment and for seeking employment; support for finding real alternatives for the qualification and retraining of unemployed people, among others (Sousa, et al, 2012). Looking at challenges arising from quality issues, it is widely noticed it's influence to the competitive assertion of social economy, and to the definition of excellence models in organizations (Moura, 1997; Instituto da Segurança Social, 2011; Instituto Português da Qualidade, 2012), in terms of internal functioning and provision of goods and services. The cooperation program for developing the quality and safety of social responses and models of quality assessment of social responses, designed by the Portuguese institute of social security reflect the concern for the implementation of quality management processes in these entities, based on the model self-assessment of responses. The quality concept applied to social economy resends for several specifications related to leadership, planning and strategy, people management, assessment of stakeholder satisfaction, evaluation of organizational performance (Instituto da Segurança Social, 2011), organizational learning, market orientation (Carvalho, 2005), among others. Within this discussion, one particular domain gathering increasing attention refers to professionalization of the supply. Among literature, themes focused on professionals training in areas of interpersonal relationships and acquisition of relational skills have been stimulated by researchers (Hespanha, 2000; Quaresma & Graça, 2006). In the study conducted by Chau, Soares, Fialho & Sacadura (2012), it is stressed that the widespread disqualification understood broadly as the low qualification of human resources in social sector is one of the existing problems, predominating also certain amateurism and a supply of services where the focus on quality is not a rule. These authors have suggested that, in the case of social services, foster training measures might include training and school-based professional and/or processes of recognition, validation and certification of competences; training for active employees, primarily through itineraries of modular training, among others. In specific domains like proximity services, training of its human resources seems to assume greater importance, due to the personalization of services provided and close relationship with people supported. Considering the last dimension of sustainability, namely complementarity issue, it is summarized by dynamics of dissemination, collaboration

with peers, engagement of civil society, as Sousa et al (2012) noticed. Thus, the inherent meaning of complementarity lies on collaboration and cooperation of regulatory agents of the social, aiming to strengthen and improve organizational areas of intervention. The focus on social and relational capital (Putnam, 2000; André & Abreu, 2006), the benefits resulting from knowledge sharing, networking and strategic synergies implemented, constitute some of the main arguments that influences the acquisition of a complementarity culture guiding social economy dynamics.

## **Conclusion**

The subject of social entrepreneurship that was developed in our analysis operates on the horizons of social economy, revealing that organizations acting in social field constitute examples of good practices of an entrepreneurship dynamic. Configured by principles and values that shape their singular performance related to others agents, social economy dynamism and vitality present virtues, as their actions rooted in specific social contexts generate an extensible social impact promoting the inclusion of publics and territories. Comprising attributes that stresses its social entrepreneurship attitude, (organizational, institutional, motivational, territorial and economic criteria), its ability to promote inclusion deserves to be highlighted, as it reflects social value production, a mayor distinct feature of these organizations. The analytical option to distinguish the areas of employment and ageing as domains of its inclusive performance results from the increasing impetus of several initiatives anchored in social economy, to promote activities orientated to these fields. Despite the privileged position of the social economy renewed challenges and tensions constraint their action and must be taken into account in their way of being and acting. In this context, the paradigms of change and social innovation are distinguished as new or continuous directions to consider. To empower social economy looking for the positive impact on target publics, the need for the use of innovative management and intervention strategies must be pursued. The sustainability concept acquires in our approach an operative dimension, as it is focused on processes orientated towards change and social innovation, showing advantages to broaden social economy horizons of action and opportunities. As these issues lead current discussion, the opportunities for research are open and seem useful. In particular, the knowledge and dissemination about good practices conducted to achieve viability, subsistence and complementarity, can reveal guidelines to strengthen these agents role.

## **References**

- Adams, R. (1996). *Social work and empowerment*. Basingstoke: Macmillan Press.
- Amaro, R. (2000). A inserção económica de populações desfavorecidas, factor de cidadania. *Sociedade e Trabalho*, 8/9.

- Amaro da Luz, H., & Miguel, I. (2013). Empreendedorismo social: dinâmicas de proximidade territorial a favor de uma cidadania inclusiva. In *3ª Conferência Ibérica de Empreendedorismo. (Proceedings)*. EMPREEND- Associação Portuguesa para o Empreendedorismo.
- Andrade, A. & Franco, R. (2007). *Economia do conhecimento e organizações sem fins lucrativos*. Porto, Portugal: Sociedade Portuguesa da Inovação.
- André, I., & Abreu, A. (2006). Dimensões e espaços da inovação social. In *Finisterra*, XLI (81), 121-141.
- Bloch-Laine, F. (1999). *Faire société: les associations au cœur du social*. Paris: Syros.
- Brooks, A. (2009). *Social entrepreneurship: a modern approach to social value creation*. New Jersey: Prentice Hall.
- Borgaza, C., & Defourny, J. (2001). *The emergence of Social Enterprise*. London, UK: Routledge.
- Bose, M., & Godói-de-Sousa, E. (2012). Empreendedorismo Social e Desenvolvimento Social: Desafios e Oportunidades. In *VI ENAPEGS (1-18)*. Brasil, S.Paulo.
- Cabaj, M. (2000). The struggle for sustainability: commercial enterprise is just one possible ingredient in the nonprofit funding mix. *Making Waves*, 11, (1), 23-26.
- Campos, M. (1992). Los caminos de la economía social en Portugal. *Foro Andaluz de Economía Social*, 7-25.
- Cândida, S., Fialho, J.A., Chau, F., Gageiro, J., Pestana, H. (2013). *A economia social e a sua Sustentabilidade como Fator de Inclusão Social*. Retrieved from: [www.poaftse.qren.pt/upload/docs/Diversos/.../Relatorio%20Final.pdf](http://www.poaftse.qren.pt/upload/docs/Diversos/.../Relatorio%20Final.pdf)
- carta Social. (2011). Gabinete de Estartégia e Planeamento, MSSS.
- Carvalho, J. (2005). *Organizações não lucrativas: Aprendizagem organizacional, orientação para o mercado, planeamento estratégico e desempenho*. Lisboa, Portugal: Edições Sílabo.
- Chau, F., Soares, C., Fialho, J., & Sacadura, M. (2012). *O envelhecimento da população: Dependência, ativação e qualidade*. Centro de Estudos dos Povos e Culturas de Expressão Portuguesa/FCH/Universidade Católica Portuguesa.
- Chevallier, J. et al. (1986). *La Société Civile*. Paris: Presses Universitaires de France.
- Conselho Económico e Social (2013). Parecer de iniciativa sobre as consequências económicas, sociais e organizacionais decorrentes do envelhecimento da população. CES Portugal.
- Comini, G., Assad, F., & Fischer, R. (2012). Social Business in Brazil. *International Society for Third Sector Research (ISTR)*, 10th International Conference working papers series, (VIII). Siena. Itália.
- David, B., & Davis, S. (2010). *Social entrepreneurship: what everyone needs to know*. London :Oxford University Press.
- Dees, J. (2001). *The meaning of social entrepreneurship*. (original version 1998). Retrieved from : [http://www.caseatduke.org/documents/dees\\_sedef.pdf](http://www.caseatduke.org/documents/dees_sedef.pdf)

Defourny, J., & Nyssens, M. (2010). Conceptions of Social Enterprise and Social Entrepreneurship in Europe and the United States: convergences and divergences. *Journal of Social Entrepreneurship*, 1(1), 32-53. DOI: 10.1080/19420670903442053.

Drucker, P. (1985). *Innovation and Entrepreneurship*. London: Heinemann.

Estêvão, J. (1997). Causas Micro e Macroeconómicas do Crescimento do Terceiro Sector. In C. P. Barros & J. G. Santos (Eds), *As instituições não-lucrativas e a acção social em Portugal* (pp. 31-58). Lisboa, Portugal: Editora Vulgata.

European Commission. (2013). *Moving Europe beyond the crisis*. Communication from the commission to the European parliament, the council, the european economic and social committee and the committee of the regions. country-specific recommendations. Brussels.

Ferreira, S. (2006, Novembro). *Empreendedorismo social, profissionalização e emprego*. Paper presented at the Conference - A Economia Social e a Promoção de Emprego, Lisboa.

Gartner, W. (1993). Words lead to deeds: towards an organizational emergence vocabulary. *Journal of Business Venturing*, 8(1), 231-239.

Henriques, J.M., & Maciel, C. (2012). *Survey on business start-up infrastructure, in accordance with the requirements of the "Community of Practice on Inclusive Entrepreneurship" in Portugal*. Dinamía'Cet – Centro de Estudos sobre a mudança socioeconomica e o território. ISCTE-IUL

Hespanha, P. (2000). *Entre o Estado e o Mercado. As fragilidades das instituições de protecção social em Portugal*. Coimbra, Portugal: Quarteto.

Hulgard, L. (2010). Discourses of Social Entrepreneurship: variations of the same theme?. *EMES, European Research Network Working-paper*, 10 (01), 1-18.

INE & CASES (2013). *Conta satélite da economia social 2010*. Lisboa, Portugal: INE.

Instituto Português da Qualidade. (2012). *Manual de candidatura, prémio de excelência, sistema português de qualidade*. Lisboa, Portugal: IPQ.

Instituto da Segurança Social. (2011). *Modelo de avaliação da qualidade – lar residencial*. Lisboa: ISS.

Lashley, C. (1996). Research issues for employee empowerment in hospitality operations. *International Journal of Hospitality Management*, 15, (3), 283-98.

Lévesque, B. (2002, Février). *Entrepreneurship collectif et économie sociale: entreprendre autrement*. Communication présentée au Forum L'entrepreneurship en économie sociale: oser l'entrepreneuriat différemment, Québec.

Martin, R., & Osberg, S. (2007). Social entrepreneurship: the case for definition. *Stanford Social Innovation Review*, 28-39. Retrieved from: <http://www.ssireview.org>

Monzón Campos, J., & Ávila, R. (2012). *The Social Economy in the European Union*. Belgique, Bruxelles: European Economic and Social Comitee.



Moura, E. (1997). Modelos de Gestão de Organizações Não-Lucrativas baseado no Modelo de Autodiagnóstico. In C. P. Barros & J. G. Santos (Eds), *As instituições não-lucrativas e a acção social em Portugal* (pp. 211-228). Lisboa, Portugal: Editora Vulgata.

Militão, M. J., & Pinto, C. (2008). Governamentalidade, cultura política e a reflexividade dos riscos sociais: o caso da política portuguesa de inclusão social. In *VI Congresso Português de Sociologia* (pp.1-14). FCSH/UNL.

Nixon, B. (1994). Developing an empowering culture in organizations. *Empowerment in Organizations*, 2 (1), 14-24.

Paixão, M. (1998). Economia Social e Criação de Emprego. *Sociedade e Trabalho*, 2, 14-21.

Parente, C.; Costa, D., Santos, M, & Chaves, R. (2011). Empreendedorismo social: contributos teóricos para a sua definição. In *Actas do XIV Encontro Nacional de Sociologia Industrial, das Organizações e do Trabalho Emprego e coesão social: da crise da regulação à hegemonia da globalização* (pp.268-282). Lisboa, Portugal.

Parente, C.; Lopes, A, & Marcos, V. (2012). Perfis de empreendedorismo social: pistas de reflexão a partir de organizações do terceiro sector nacionais. In *VII Congresso Português de Sociologia*. Porto: UP/FL/FPCE.

Putnam, R. (2000). *Bowling alone. The collapse and revival of American community*. New York, USA: Simon and Schuster.

Quaresma, M. & Graça, S.(2006). A evolução das aspirações e necessidades da população envelhecida. Novas perspectivas de actuação e intervenção. *Cadernos Sociedade e Trabalho*, VII, 179-198.

Reis, H. (2010). Para uma afirmação competitiva das Misericórdias: dinâmicas e processos conducentes à autonomização e sustentabilidade organizacional. In *Actas do IX Congresso das Misericórdias Portuguesas* (pp.3-15). Braga: União das Misericórdias Portuguesas.

Reis, H. (2006). *A Economia Social face às questões do emprego: a função reguladora do terceiro sector no domínio da política económica e social*. Coimbra, Portugal: Fundação Bissaya Barreto.

Rosanvallon, P. (1995). *La Nouvelle Question Sociale*. Paris: Éditions du Seuil.

Sousa, S. et al. (2012). *As Instituições Particulares de Solidariedade Social num contexto de crise económica*. Lisboa: IPI-Consulting Network Portugal, CNIS e Fundação Millenium BCP.

Speer, P., & Hughley, J. (1995). Community organizing: an ecological route to empowerment and power. *American Journal of Community Psychology*, 23, (5), 729-48.

Weerawardena, J., & Mort, G. (2006). Investigating social entrepreneurship: a multidimensional model. *Journal of Worl's Business* 41, 21-35. Retrieved from: [http://www.researchgate.net/publication/222823710\\_Investigating\\_social\\_entrepreneurship\\_A\\_multidimensional\\_model/fulltexts/4e6066eff0c46d4f0abc030c.pdf/images/1.png](http://www.researchgate.net/publication/222823710_Investigating_social_entrepreneurship_A_multidimensional_model/fulltexts/4e6066eff0c46d4f0abc030c.pdf/images/1.png)

Willard, J. (1995). L'Économie Sociale face á L'État et au Marché : interrogations sur quelques mots-clés. In *RECMA*, 257, (3T), 43-58.

Kerlin, J. (2006). Social Enterprise in the United States and Europe: understanding and learning from the differences. *Voluntas-International Journal of Voluntary and Non-profit Organizations*, 17, (3), 247–263. Retrieved from <http://www.springerlink.com/content/e5070w063675np08/>

Vale, A. (2010). Resultados do Programa EQUAL em Portugal 2000 – 2010. *Sociedade e Trabalho*, 41 (pp. 287-312).