APPENDIX 1.
IDENTIFICATION OF SOCIAL ECONOMY MANAGEMENT MODELS IN PARTNERS

INTERNATIONAL COOPERATION | INNOVATION | DEVELOPMENT | PARTNERSHIP FOR THE FUTURE

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Appendix 1.

Identification of social economy management models in partners

The social economy management models used by the different project partners differ in terms of organisational structure, decision-making methods and methods of managing resources and stakeholders. These differences result from different socio-economic conditions, legal frameworks and institutional experiences functioning in partner countries. Despite these differences, all partner organisations base their activities on common values characteristic of the social economy, such as social responsibility, transparency of activities, participation and the primacy of social objectives over profit.

The identification of management models in the three project partners – from Polish, Italy and Lithuania – shows different approaches to the organization and functioning of social economy entities (PES). The partner from Polish represents a model based on strong local cooperation, the use of cross-sectoral partnerships and the activation of local communities. The Italian partner brings experience related to developed models of social cooperatives and participatory management, where the involvement of members of the organization and stakeholder co-determination play an important role. The Lithuanian partner, on the other hand, presents a more flexible and innovative approach, focused on social entrepreneurship, organizational adaptability and the search for new models of financing social activities.

Comparison of management models used by partners allows for the identification of good practices and knowledge transfer between the organizations participating in the project. The diversity of experiences is an added value of international partnerships, fostering the development of more effective and sustainable solutions to support the development of the social economy at local and European level.

1. 1. Poland – Polish Pillars of Development Foundation (PFFR)

The management model used by the Polish Pillars of Development Foundation (PFFR) is based primarily on a participatory approach to management, assuming the active involvement of stakeholders in decision-making processes and building co-responsibility for the achievement of the organization's goals. This model combines elements of social entrepreneurship with civic activity, creating a management structure focused on long-term social and local development.

One of the key elements of this model is the use of participatory forms of management and co-decision. Decision-making processes take into account the participation of various stakeholder groups, including members of the organization, local partners, beneficiaries of activities and representatives of local communities. Such an approach strengthens the transparency of activities, increases the level of identification of participants with the implemented initiatives, and fosters building lasting relationships based on cooperation and trust.

An important aspect of the PFFR management model is also the combination of civic activity with an entrepreneurial approach. Social economy entities operating in this model maintain organizational autonomy and independence in decision-making, while using tools characteristic of entrepreneurship, such as strategic planning, resource management or the development of economic activities supporting the implementation of the social mission. This allows to achieve greater organizational stability while maintaining the social nature of the activities.

Another important element is the focus on building and strengthening the local ecosystem supporting the development of the social economy. The Foundation actively creates and develops networks of cooperation between social economy entities (PES), local government units, the business sector, educational institutions and civil society organizations. Such a model of cross-sectoral cooperation allows for more effective identification of the needs of local communities, increases access to resources and competences, and supports the creation of sustainable mechanisms of social development.

The fundamental principle of management in PFFR remains the primacy of social goals over the maximization of economic profit. This means that the organization's activities are primarily subordinated to generating social value, counteracting social exclusion, strengthening social capital and creating solutions that respond to the needs of local communities. The financial resources generated are treated as a tool enabling the implementation of the organization's mission, and not as an end in itself.

The presented management model reflects the approach characteristic of modern social economy entities, which combine organizational efficiency with a high level of social responsibility and active involvement of local communities.

2. Italy – ISNET Association

The management model used by the Italian partner – the ISNET Association – is based on networked cooperation, a high level of competence specialization and a decentralized management system. It is a highly structured model that aims to ensure effective coordination of activities while maintaining organizational flexibility and strong local roots. This approach reflects the developed tradition of the Italian social economy, based on cooperation, partnership and active stakeholder involvement. A central role in the organizational structure is played by the CEO, who is responsible for both setting the strategic directions of the organization's development and supervising key operational activities. At the same time, the management model is not based solely on the centralization of decisions – responsibility for individual areas of activity has been divided among specialized functional units. Areas such as research, social innovation, social impact assessment or statistical analysis are supervised by dedicated managers with expert competences in their fields. This division of responsibilities enables the effective use of expertise, streamlines management processes and increases the organization's ability to respond to the changing needs of the social economy sector.

One of the most characteristic elements of the ISNET management model is the functioning of an extensive network structure comprising 22 facilitators operating in different geographical areas. These are experts and professionals supporting the development of local non-profit organizations and social economy entities. Their role is to build relationships between organizations, support competence development processes, identify the needs of local communities, and transfer knowledge and good practices between different network participants. Thanks to this, the organization functions not only as a single entity, but also as a platform for cooperation and exchange of experience between various stakeholders in the sector.

An important pillar of the ISNET governance model is also organizational transparency and the participatory nature of decision-making. According to the Italian regulations on social enterprises, such organizations are obliged to implement accountable and transparent governance mechanisms that take into account the active participation of employees, service users and other stakeholders. In practice, this means applying democratic management principles, broadly consulting decisions and creating space for the participation of different groups in organizational processes.

The ISNET governance model is also based on the fundamental principle of the social economy, which assumes the primacy of man and social values over capital. The priority remains to generate a positive social impact, strengthen the potential of social organizations and support the sustainable development of local communities. This approach allows you to combine high organizational effectiveness with the implementation of a social mission and building long-term social value.

The analysis of the ISNET governance model shows that the combination of specialization, network management and participatory decision-making mechanisms can be an effective model supporting the development of the modern social economy in the local, regional and international dimensions.

3. Lithuania – Special School in Šalčininkai and Lithuanian ES market

The management model represented by the Lithuanian partner – the Special School in Šalčininkai – and the broader context of the functioning of the social economy in Lithuania are based on the principles of social democracy, co-responsibility and horizontal organisational structures. The Lithuanian approach to the management of social economy entities is moving away from traditional, highly hierarchical organisational models in favour of more flexible structures, based on cooperation and participation of all parties involved.

One of the key elements of this model is the concept of circular management, also referred to as a system based on feedback and mutual responsibility. Unlike classical management models based on vertical decision-making structures and top-down decision-making, the Lithuanian model assumes the functioning of the organization as an interconnected system of relationships. Responsibility for the implementation of organizational goals is distributed among all participants in the process, which promotes greater transparency, strengthens the sense of co-ownership of activities and increases the level of stakeholder involvement.

Open and transparent organizational methods are also an important element of the Lithuanian management model. Organizations operating in the field of social economy are obliged to implement transparent management procedures and create mechanisms that enable wide participation of stakeholders in decision-making. Particular emphasis is placed on the active involvement of employees, shareholders, volunteers and beneficiaries of social activities in the processes of planning and implementing organizational activities. Such an approach is conducive to building social trust and strengthens the sustainability of the initiatives undertaken.

A characteristic feature of Lithuania's social economy is also a strongly developed culture of cooperation and collegiality. The functioning of social organizations is based on nurturing relations between institutions, building lasting partnerships and creating cooperation networks enabling the exchange of knowledge and resources. The collegial nature of management allows to reduce organizational barriers, increases flexibility of operation and supports a more effective response to local social needs.

The Lithuanian model shows that effective management of the social economy can be based on the decentralization of decision-making processes, broad stakeholder participation, and building relationships based on cooperation and collective responsibility.

Common features of management models in the social economy

Despite the differences resulting from different socio-economic contexts, legal conditions and organizational specifics of the project partners, the analysis of management models used by organizations from Polish, Italian and Lithuania allows us to indicate a set of common principles and values that are the foundation of the functioning of social economy entities. The identified similarities show that, regardless of the national context, the social economy develops its own, distinctive management model, different from both classic commercial enterprises and traditional administrative structures.

One of the most important common elements is the fact that management processes are based on the principles of solidarity, reciprocity and social responsibility. In practice, this means that the organization's activities are not only subordinated to the criteria of economic efficiency, but also take into account the social impact, the needs of local communities and the long-term consequences of the decisions made. This approach changes the way of perceiving organizational success – financial metrics are no longer the only determinant of effectiveness, and social indicators, the level of community involvement or the sustainability of generated changes are becoming increasingly important.

Building social capital also remains an important aspect common to the analysed models. Social economy organizations function not only as entities providing services or implementing specific project activities, but also as institutions strengthening social ties, developing a culture of cooperation and increasing the ability of local communities to self-organize. In the literature on the subject, social capital is considered to be one of the most important factors influencing the sustainability of local development, so its strengthening can be treated as one of the key results of the activities of social economy entities.

The second important area of similarities is democratic decision-making mechanisms. In most of the analysed management models, the principle of participation remains the basis for functioning, manifested by the involvement of various groups of stakeholders in consultation and decision-making processes. Of particular importance here is the principle of "one person – one vote", which limits the dominance of entities with more economic capital and strengthens the egalitarian character of the organization.

However, the democratization of management processes also brings certain challenges. The greater the number of participants in the decision-making process, the greater the risk of prolonging organizational processes, conflicts of interest or difficulties in reaching consensus. However, the analysis of the project partners shows that social economy organizations increasingly treat these challenges not as a barrier, but as an element of building lasting commitment and responsibility of the participants in the process.

A common feature of all the analyzed models is also the extension of responsibility for management beyond formal organizational structures. Employees, volunteers, beneficiaries, local partners, umbrella organisations and entities cooperating within the network and coalition are involved in decision-making processes. This approach can be interpreted as a shift from the traditional hierarchical management model to a network management model, in which responsibilities and competencies are distributed among many participants.

From the perspective of contemporary societal challenges – such as ageing societies, social exclusion, economic crises or digital transformation – the network model can be an important advantage of social economy organisations. Structures based on cooperation and relationships tend to be more resilient to crises, adapt faster to change and make more effective use of local social resources.

The primacy of the social mission over the logic of economic profit also deserves special attention. The analysis of the project partners shows that all organizations, regardless of the management model adopted, treat economic activity as a tool supporting the achievement of social goals, and not an end in itself. This approach distinguishes the social economy from the commercial sector and is one of its most important differentiators.

It can be noted that the common elements of the project partners' management models form the foundation for effective international cooperation. Despite structural differences, organizations operate on the basis of similar values and mechanisms of action, which is conducive to knowledge transfer, exchange of good practices and the creation of lasting transnational partnerships. In this context, the diversity of governance models is not a barrier, but a resource for mutual learning and the development of innovative social solutions.

The analysis indicates that the future of the social economy is likely to be based on further strengthening participatory, networked and shared responsibility models. The project partners show that effective social governance does not require uniform organisational structures – it does require shared values, trust and the ability to build relationships between people and institutions.

SWOT analysis of management models in the social economy based on project partners (Poland–Italy–Lithuania)

STRENGTHS	**WEAKNESSES**
Strong rooting in social values and orientation towards the needs of local communities	Prolonged decision-making processes resulting from the participatory nature of management
Democratic decision-making mechanisms to increase stakeholder engagement	Risk of dispersion of responsibilities in network and collegiate models
Extensive networks of cooperation between organizations, local governments and stakeholders	Difficulties in measuring social effects and the impact of actions
High level of social responsibility and transparency	Limited financial and human resources characteristic of the PES part
Organizational flexibility and adaptability to local needs	Dependence on project and public funding
Involving employees, volunteers and beneficiaries in management processes	Potential conflicts of interest between multiple groups involved in governance
Possibility of transfer of knowledge and good practices between international partners	Uneven level of professionalization of organizations in different countries
SZANSE (Opportunities)	**THREATS**
Development of international partnerships and exchange of experience within Erasmus+ projects	Economic instability limiting funding for the social economy sector
The growing importance of the social economy in EU public policies	Changing legal regulations affecting the functioning of PES
Growing interest in social responsibility and social entrepreneurship	Risk of overloading the organization with administrative and reporting responsibilities
Leverage digitalization and social innovation to increase efficiency	Burnout of volunteers and leaders of social organizations

SZANSE (Opportunities)	THREATS
Expanding cross-sectoral cooperation (local governments-business-NGOs)	Difficulty in maintaining stakeholder engagement in the long term
Development of methods for measuring social impact and professionalization of the sector	Excessive commercialization that can weaken the social mission of the organization
Building sustainable local support ecosystems	Regional disparities affecting access to resources and competences

Conclusion from the SWOT analysis:
The management models used by the project partners show high social resilience and high development potential, but their effectiveness depends on the ability to balance participation with organizational efficiency and on maintaining stable cooperation and financing mechanisms.

1. PESTEL analysis – a project for the development of the social economy

Factor	Impact on the project	Impact on the project	Opportunities	Risks / threats
P – Political	• Support from the EU for social and economic policies • Social integration strategies • Erasmus+ programme • National policies towards NGOs and social economy • Policies for partner countries	Public policies influence the direction of activities, project funding, financing, and the ability to achieve results.	• High level of EU support for social integration • Possibility to use EU funding programmes • Development of social policies	• Changes in political priorities • Regulatory uncertainty • Changes in public finance systems • Changes in the organization of social finance
E – Economic	• Inflation, energy costs and transport • Exchange rates • Economic situation of partner countries • Availability of financial resources	Affects the cost of mobility, organizational activities and maintaining the quality of results.	• Possibility to obtain funds from EU and industry sources • Economic growth as a sector development opportunity	• Rising travel costs • Budget constraints • Economic differences between partners
S – Social	• Social exclusion • Aging of society • Migration • Local community needs • Employment activation	The project addresses the needs of at-risk groups by addressing exclusion and supporting local development.	• Growing importance of social integration • Greater social awareness • Development of social entrepreneurship	• Low level of participant engagement • Social and cultural barriers • Limited activity of local target groups
T – Technological	• Digital organizationalization • Online training development • Digital education • Collaboration platforms	Facilitates international cooperation, project monitoring and effective results communication.	• Development of e-learning tools • Greater access to knowledge • Possibility of remote collaboration	• Low level of digital competence • Technical issues • Exclusion of digitally vulnerable participants
E – Environmental	• Green design practices • CO_2 emissions reduction • Sustainable transport • Resource optimization	Influences how mobility and organizational activities are carried out.	• Lower material costs • Greater environmental awareness • Opportunity to co-create green solutions	• High environmental costs Limited availability • of sustainable transport • Environmental impact of intensive travel
L – Legal	• Regulations on social economy • EU regulations • GDPR • Labor law • Project funding rules	Determines how activities are carried out and how results are implemented.	• Possibility to create compliant recommendations • Harmonization of regulations • Standardization of activities	• Legislative differences between partner countries • Changes in regulations • Administrative requirements

The project operates in an environment strongly dependent on political and legal factors, as the social economy is an area intensively supported by public policies and European funds. The greatest opportunities result from international cooperation, the availability of digital tools and the growing importance of social inclusion. The most important risks relate to economic factors (inflation, cost increases), systemic differences between partner countries and regulatory changes that may affect the implementation of project results. Such an analysis allows for better planning of remedial actions and increasing the durability of the results achieved.

Ishikawa diagram – analysis of the causes of the problem

Main problem: Difficulties in implementing good social economy practices between partner countries

Main category of cause	Identified causes	Impact on project implementation / potential consequences	Possible risk-mitigating actions
People	Language barriers	Communication difficulties among partners and limited mobility	Provide interpreters, multilingual materials, language support
	Differences in participant skills	Uneven level of knowledge and challenges in task execution	Organize preparatory training and mentoring
	Limited human resources	Overload of project teams and delays in activities	Involve additional people in project implementation
Methods	Differences in working methods	Difficulties in standardizing activities and collaborating	Develop common procedures and harmonize practices
	Different models of support for the social economy	Limited possibility to transfer development solutions	Analyze and adapt existing systems and best practices
	Lack of unified procedures	Risk of inconsistencies in project results	Develop common guidelines and project templates
Law / Environment	Differences in legislation	Limits in implementing development solutions	Analyze legal frameworks and provide adaptation recommendations
	Different public support systems	Difficulties in transferring action models	Consider local conditions and contextual factors
	Administrative procedures	Delays in activity implementation	Plan formalities in advance
Finance	Increase in implementation costs	Risk of exceeding the project budget	Monitor expenses and make necessary financial corrections
	Inflation	Increase in costs of services and mobility	Update budgets and optimize costs
	Limited own financial resources of partners	Difficulties in ensuring own contribution	Seek additional sources of funding
Communication	Geographical distance between partners	Difficulties in international collaboration	Schedule regular online meetings
	Information timing	Organizational issues and decision-making delays	Use consistent reporting and communication channels
	Organizational differences	Differences in ways of working	Clearly define responsibilities and collaboration rules
Technology	Uneven level of digitalization	Problems in using online tools	Provide digital training and technical support
	Technical issues	Communication and project work disruptions	Select reliable platforms and tools
	Limited digital competence	Difficulties in carrying out online activities	Provide user manuals and supporting materials

The greatest impact on the difficulties in implementing good practices of social economy is the systemic differences between partner countries, communication barriers and organisational and financial constraints. The introduction of common procedures, regular monitoring and tools to support international cooperation reduces the risk of problems and increases the effectiveness of knowledge transfer.

Analysis of Porter's 5 Forces – Social Economy Sector

Competitive force	Level of strength	Key characteristics (factors)	Impact on project / sector	Opportunities	Threats
1 Rivalry in the sector	Medium	• many local organisations • competition for grants and funding • growing number of EU entities	Measured competition for funding and projects	Opportunity to cooperate and build partner networks	Dispersion of activities, competition for resources
2 Threat of new entrants	High	• low entry barrier for NGOs and social enterprises • access to EU funding • development of social initiatives	Steady influx of new organizations, increasing sector dynamism	Innovation, fresh ideas and local development	Sector dilution, increased competition for funding
3 Bargaining power of suppliers	Medium	• experts and trainers • educational institutions and researchers • project partners	Dependence on external expertise and resources	Access to high-quality expertise and know-how	Rising costs of expert services, limited availability of specialists
4 Bargaining power of recipients	High	• project participants expect practical results • institutions providing funding require measurable results • end beneficiaries (NGOs, SEs)	Strong pressure for quality and effectiveness of activities	Improvement in project quality and measurable results	High expectations, pressure on accountability and effectiveness
5 Threat of substitutes	Medium / High	• commercial training • national support programmes • e-learning and online resources	Alternative ways of acquiring knowledge and support	Opportunity to integrate methods and educational tools	Competition for projects funded by the EU and other sources

The social economy sector is characterised by moderate to high competitive pressure and strong influence from recipients and funding institutions. The key factor for the success of projects is the quality of international partnership, the ability to transfer knowledge and the ability to adapt activities to changing economic and social conditions. Transnational cooperation and the exchange of good practices remain the biggest competitive advantage, while the main challenge is to maintain stable funding and high-quality results.

APPENDIX 2.
IDENTIFYING POTENTIAL PARTNERSHIPS OF SOCIAL ECONOMY ENTITIES (PES) INTERNATIONALLY

INTERNATIONAL COOPERATION

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Appendix 2.

Identifying potential partnerships of social economy entities (PES) internationally

The identification and development of partnerships of international social economy entities (PES) is a key element in strengthening the social economy sector in Europe and improving its professionalisation. Transnational cooperation between organizations from Polish, Italian and Lithuania enables social economy entities to effectively go beyond the local and regional level, fostering the exchange of experiences, knowledge transfer and implementation of innovative solutions.

The aim of building sustainable partnerships between PES is above all:

- strengthening cooperation between organizations from different European countries,
- joint development of long-term strategies for the development of the social economy,
- increasing the scale of the organization's impact through transnational activities,
- transfer and adaptation of good practices and innovative models of operation between partner countries,
- strengthening the competences of PES staff through the exchange of experiences and learning between organisations.

The development of partnerships is carried out with the use of available European instruments, in particular programs such as Erasmus+ and the European Social Fund Plus. These programmes provide funding for joint initiatives, mobility, study visits and the exchange of experiences.

As part of the cooperation, it is crucial to:

- organization of joint international projects,
- mobility of employees and representatives of organizations,
- creation of cooperation networks and knowledge exchange platforms,
- developing new professional roles, such as social entrepreneurship facilitators.

International cooperation enables the transfer of proven models of operation between countries. Examples include:

- implementation of Polish models of social activation, such as social cooperatives, in other European countries,
- implementation of projects supporting people with disabilities, which are then adapted in other countries,
- the creation of social enterprises as a result of international partnership projects that combine different approaches and experiences.

An example of effective knowledge transfer is the development of models for the professional activation of socially excluded people and the creation of social enterprises as a result of international cooperation, which confirms the high effectiveness of the partnership approach.

The development of PES partnerships brings a number of benefits, including:

- increasing the availability of innovative solutions for local organizations,
- improving the quality of services provided by social economy entities,
- the opportunity to compare different models of PES functioning in Europe,
- strengthening the institutional potential of the organization,
- development of staff competencies through international exchange.

The partners bring complementary experience to the cooperation: Italian organizations provide advanced methods of social impact assessment, Lithuanian entities bring experience in building support structures, while Polish organizations act as coordinators of the implementation of innovations and educational activities.

International partnerships in the field of social economy are an important factor in the development of the sector in Europe. They enable not only the transfer of knowledge and good practices, but also the creation of sustainable cooperation structures that strengthen the potential of organizations and increase their social impact. Through transnational cooperation, PES entities can respond more effectively to societal and economic challenges in their countries and develop innovative models of action that can be implemented in different European contexts.

APPENDIX 3.
TRANSLATING GOOD PRACTICES INTO GUIDELINES AND KNOW-HOW TRANSFER

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Appendix 3.

Translating good practices into guidelines and know-how transfer

Translating good practices into guidelines and know-how transfer is a key element of the project's education and training activities. This process is based on the identification of effective tools, best working methods and management models with a high adaptive potential, with particular emphasis on the experience of the Italian partner, including the analyses carried out by the ISNET Observatory.

The aim of these activities is to develop a set of practical guidelines that can be adapted in the socio-legal conditions of Polish and Lithuania. Knowledge transfer enables the implementation of proven solutions, and thus contributes to reducing competence gaps among employees of social economy entities (PES) and strengthening their organizational potential.

One of the key and innovative results of the project is the development and implementation of training paths for mentors and social caregivers, leading to the creation of a new professional role – a facilitator of social entrepreneurship.

The model of this function was inspired by the experience of the Italian partner ISNET, which develops a network of professional facilitators supporting non-profit organizations in areas such as: management, law, tax, digitalization, HR and project management.

Key tasks of social entrepreneurship facilitators:

- **Animating local social initiatives** – supporting the community in taking action and initiating new social economy entities.
- **Support for groups at risk of social exclusion** – activities aimed at strengthening the potential of people and communities in a difficult life situation.
- **Building a network of local cooperation** – creating and strengthening lasting relationships between public, social and private sector entities.

Democratization of access to knowledge and the development of precise guidelines allows future facilitators to effectively support the development of the social economy, as well as to use analytical tools, including methods of assessing social impact.

In the long term, the implementation of the new professional role will contribute to strengthening the professionalisation of the sector, improving the quality of services provided and building more stable and integrated social economy ecosystems in partner countries. The transfer of know-how is thus the foundation for the sustainable development of competences and innovation in the area of social economy.

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