

**Akademisierung Sozialer Arbeit**

## **Social Enterprises and Their Challenges and Solutions in a Social Ecosystem**

**A Cross-border Analysis in Austria and Slovakia**

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## **Abstract**

This article deals with the challenges for founders of social enterprises in the context of social enterprise ecosystems. Based on a research study (in the course of which 75 interviews were conducted in Austria and Slovakia), five key issues were identified as major challenges that social enterprises need to overcome: financing, data mining, human capacities, strategy building and networking. The aim of the article is to show how academic educational institutions can support social enterprise ecosystems in addressing and mitigating these challenges. Since there are different types of social enterprises, a distinction between these types is first made before presenting a core concept of an entrepreneurial ecosystem. A comparison of degree programmes for social entrepreneurship at both Austrian and Slovak educational institutions revealed that there is a gap between the provision of basic business knowledge and the teaching of social work skills. Business degree programmes frequently neglect skills associated with social work, while social work degree programmes do not incorporate fundamental business skills. The article concludes with a discussion of two case studies illustrating that the integration of business management skills with social work skills is a crucial success factor, ensuring the sustainable existence and development of a social enterprise.

**Keywords:** social enterprise, social enterprise ecosystem, higher education, higher education institutions, social entrepreneurship, social work, business management, social work skills

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## 1 Introduction

The aim of this article is to provide an overview of the challenges faced by social entrepreneurs, focusing on the role higher education institutions play within the framework of social enterprise ecosystems. This is also reflected in the research question addressed in this article: How can academic institutions contribute to supporting social enterprise ecosystems in overcoming the distinct challenges faced by social enterprises?

As a point of departure, the article will establish definitions for core concepts and models before comparing Austrian and Slovak social enterprise ecosystems. The reason for choosing these two countries is that the article draws on findings from the “Social Entrepreneurship Education and Development Hub” (Seed-Hub) research project,<sup>i</sup> which analysed social enterprises and entrepreneurs in the border regions of the Slovak Republic and Austria. The article will then move on to outline the primary challenges faced by social enterprises before discussing the role of higher education institutions within these ecosystems. The article concludes with an in-depth analysis of two case studies from Austria and Slovakia, highlighting the importance of effective business education for successful social entrepreneurship.

## 2 Theoretical Foundations

This section will provide an overview of the theoretical foundations that form the basis for both the concepts of the entrepreneurial ecosystem and the social enterprise ecosystem. A comparative analysis will then be conducted, focusing on the distinctions between the Austrian and Slovak social enterprise ecosystems.

### 2.1 Entrepreneurial Ecosystems

Over the last decade, the concept of the entrepreneurial ecosystem has gained enormous popularity with policymakers and industrial practitioners, which is also reflected in a rising academic interest. While this rapidly growing interest makes it seem a new concept, the notion of the entrepreneurial ecosystem builds on more established concepts of clusters, regional innovation systems, industrial districts and urban economics (Acs/Audretsch/O’Connor/Stam 2017). In fact, while not specifically using the term “entrepreneurial ecosystem”, James Moore (1993) was one of the first to highlight the significance of collaboration, interdependence and adaptability in competitive environments, arguing that “a company be viewed not as a member of a single industry but as part of a business ecosystem that crosses a variety of industries”. Daniel Isenberg’s (2010) discussion of entrepreneurial ecosystems in the Harvard Business Review was another important step forward in understanding the components of strong entrepreneurial ecosystems.

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What all the different approaches have in common is the belief that business performance is determined not only by internal behaviour (e.g., workforce skills, level of investment in innovation, marketing and internationalisation strategies), but also by the quantity and quality of interactions with external stakeholders and how such interactions are orchestrated.

These interdependencies and interactions have also been highlighted by Dutch researcher Erik Stam, who has made significant contributions to the understanding of entrepreneurial ecosystems. Emphasising the holistic and interactive nature of the concept, he defines entrepreneurial ecosystems as “a set of interdependent actors and factors coordinated in such a way that they enable productive entrepreneurship” (Stam 2015: 1765). While Stam does not deny some overlapping with more established concepts such as clusters, industrial districts, innovation systems and learning regions, he argues that what makes the entrepreneurial ecosystem approach unique is its focus on the entrepreneur as the key player in generating and maintaining the ecosystem. According to Stam, entrepreneurial actors can thus leverage their agency to influence and shape the ecosystem itself. They can actively engage with stakeholders to foster collaboration, drive change and create an environment that is more conducive to entrepreneurship. This perspective also considers that different regions have unique strengths, challenges and opportunities, which encourages the development of tailored strategies to leverage these local assets.

The diagram below shows the essential elements of an entrepreneurial ecosystem (framework conditions and systemic conditions), outputs, outcomes and the systemic interaction (upward and downward relations) in the model developed by Stam (2015).

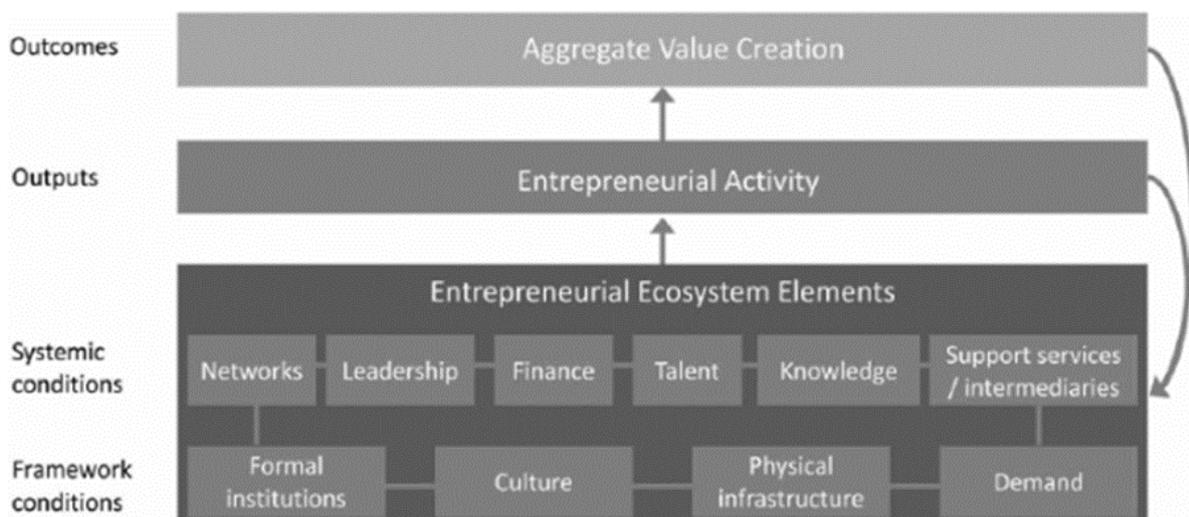


Figure 1: Key elements, outputs, and outcomes of the entrepreneurial ecosystem (Stam 2015: 1765).

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Framework conditions and systemic conditions are the two basic layers in Stam's entrepreneurial ecosystem. Framework conditions encompass both formal and informal institutions, as well as the essential physical infrastructure required to facilitate interactions. However, this still requires a demand for goods and services. These conditions contribute to the creation of new value within the ecosystem. Systemic conditions are at the core of the ecosystem (networks, leadership, finance, talent, knowledge and support services/intermediaries), determining the success of the ecosystem. This means that, when considering an ecosystem, it is important to determine the level at which it is applicable. Systemic conditions may be relevant at a regional level, whereas framework conditions can be applicable at both regional and national levels (Stam 2015:1765–1766).

## **2.2 Adding a Social Dimension to the Entrepreneurial Ecosystem**

Social enterprise ecosystems are a specific subset of entrepreneurial ecosystems focusing on supporting and nurturing social entrepreneurs and their ventures. As Aluisius Hery Patrono and Ari Sutanti (2016: 107) pointedly said, "social entrepreneurs include new actors in the ecosystem to create new equilibrium". Applying entrepreneurial principles and business strategies to address social and environmental challenges, social enterprise ecosystems share quite a few similarities with entrepreneurship ecosystems. There are, however, also some important differences. One notable difference lies in their mission and impact orientation: Social enterprise ecosystems primarily focus on addressing social and environmental challenges, aiming to create positive impact and generating social value alongside financial sustainability.

With the social enterprise being at the core of the ecosystem, tensions occur between the common good and economic necessities. Ignas Bruder and Jörg Sydow (2021: 13) address this issue by speaking of the "management of tensions". This means that, while the social nature of a company must be maintained, its economic survival must also be ensured. Beyond the social mission (what), a social enterprise is also determined by the question of practices (how). A simultaneous consideration of both dimensions will result in the typology below (see Figure 2).

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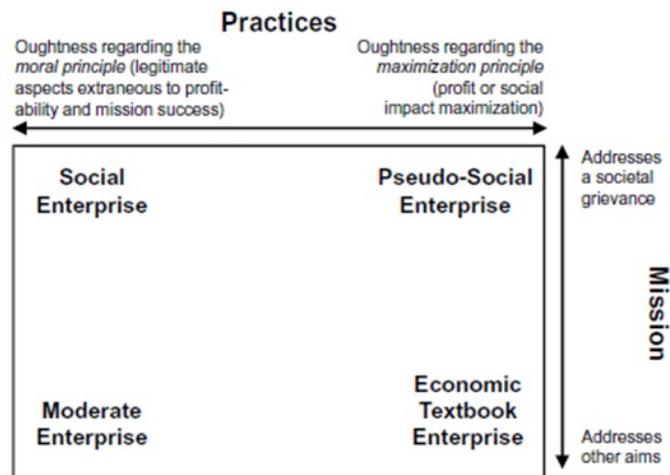


Figure 2: Typology of different enterprise forms derived from mission and practices (Bruder 2019: 499).

In their most effective forms, these are ideal types. In practice, however, social enterprises are somewhere in between. The two-dimensional typology developed by Bruder distinguishes between the corporate mission and corporate practices, thereby allowing for a distinction between “real” social enterprises and “pseudo” social enterprises.

## 2.3 National Social Enterprise Ecosystems

There are national differences in social enterprise ecosystems as the study on *Social Enterprises and their Ecosystems in Europe* conducted by the European Commission in the EU member states between 2018 and 2020 clearly shows. The study argues that the ecosystem of social enterprises is based on four components: (1) capacity to self-organise, (2) visibility and recognition, (3) access to resources, (4) research, education and skills development (Borgaza et al. 2020: 49). This article draws on the findings presented in the *Country Report of Austria* (Anastasiadis/Gspurnig/Lang 2018) and the *Country Report of Slovakia* (Polacková 2020) to analyse similarities and differences in the ecosystems.

### 2.3.1 Capacity to Self-organise

The Slovakia country report points out that there is currently no formally recognised network for social enterprises. There may be informal networks, but they are not publicly visible (Polacková 2020: 54). In Austria, by contrast, there are several networks, which represent different interests, e.g., *Arbeit plus*, *Sozialwirtschaft Österreich*, *DABEI*, *GEMSE*. At a regional level, newer forms of

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network formations include *Social City Vienna* and *Emersense*; at a global level *Impact Hub Vienna* and *Ashoka*. (Anastasiadis et al. 2018: 69). There is also the *Social Entrepreneurship Network Austria* (SENA), which represents the interests of social enterprises in Austria.

### 2.3.2 Visibility and Recognition

In Slovakia, supporting social enterprises is considered a political priority. Municipalities, in particular, are interested in efficient social enterprises, as the latter contribute to a better quality of life and higher employment rate in their respective regions. Slovak social enterprises also benefit from the “European Social Fund” (ESF) and the “European Regional Development Fund” (ERDF) (Polacková 2020: 49–51).

Unlike in Slovakia, there is no specific policy programme for social enterprises in Austria. Support measures primarily target social enterprises that employ people facing challenges in securing employment, such as the long-term unemployed, workers with disabilities or senior citizens. Austrian social enterprises also benefit from EU funding programmes such as ESF and EFDF (Anastasiadis et al. 2018: 55–65).

### 2.3.3 Access to Resources

In Slovakia, the demand for funding social enterprises exceeds the resources available. Generally speaking, banks are not the main sources of funding. There are a few initiatives, however, such as *Slovenska Sporitelna* (a member of Erste Group) and *Initiative Social Innovators*, which channel the capital of the social bank TISE into Slovakia. These initiatives are aimed at increasing the volume of investment for the non-profit sector, especially social enterprises (Polacková 2020: 56–57). In addition, two impact investment funds were launched last year, providing equity and quasi-equity, managed by *Socialni Inovatori Impact Capital* and *CB Espri*.

In Austria, social enterprises receive funding from various actors and sources, including public agencies, donations, sponsorship, financial intermediaries and membership fees. According to various stakeholders, there is a sustained need for public funding and start-up funding (Anastasiadis et al. 2018: 79).

### 2.3.4 Research, Education and Skills Development

Educational institutions are an important player in any ecosystem. In Slovakia, several universities offer degree programmes and courses on social entrepreneurship. These include the Faculty of Economics at the University of Economics in Bratislava, the Comenius University in Bratislava, the Catholic University in Ruzomberok and the Faculty of Economics at Matej Bel University in Banská

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Bystrica (Polacková 2020: 54).

In Austria, a large number of higher education institutions are engaged in the research, training and development of social work and social entrepreneurship. These include the NPO & SE Competence Centre at the Vienna University of Economics and Business, the University of Graz, the University of Linz and FH-Campus Wien (Anastasiadis et al. 2018: 76). The University of Applied Sciences St. Pölten and the University of Applied Sciences Burgenland offer specialisations in the field of social work and social entrepreneurship.

### **3 Challenges Faced by Social Enterprises**

Social enterprise ecosystems face a number of distinctive challenges, as the “Social Entrepreneurship Education and Development Hub” (SEED-Hub) project revealed. As part of the project, 75 semi-structured qualitative interviews were conducted with relevant stakeholders, which showed that regional social enterprises need to overcome five key barriers (Kostercová et al. 2022). These are related to (1) financing, (2) data mining, (3) human capacities, (4) strategy-building and (5) networking and interest representation.

#### **3.1 Financing**

Social entrepreneurs in both Austria and Slovakia lack sufficient experience in sustainable fundraising and are often unaware of the possibilities of accessing refundable financial resources from financial institutions targeting social economy entities. In Slovakia, the traditional setting of social economy financing is often limited to the public budget, resulting in underfunding, not only in terms of finance, but also in terms of human capital and expertise. In Austria, by contrast, there is a shift towards ensuring more private and sustainable funding, but this process has so far failed to change the funding mix of “traditional” NPOs and cooperatives by mainly relying on public subsidies and contracts. This creates a strong dependence on grant financing, often jeopardising the long-term sustainability of social enterprises. Many companies invest considerable time and energy in obtaining short-term grants, underestimating the importance of long-term economic sustainability. Moreover, in Austria, partly due to budgetary constraints, federal state funding is provided for a limited time only. Since companies often lack the expertise to effectively communicate their social values to financial institutions, this dependence on grants is difficult to break. This, in turn, is linked to a broader lack of knowledge transfer in social enterprise ecosystems, where stakeholders often focus on one impact or location or one source of funding, thus hindering their development at both the company and ecosystem levels.

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### 3.2 Data Mining

Social enterprise ecosystems generally face a challenge characterised by a lack of data essential for developing effective solutions to societal problems. Put differently, social enterprises do not have enough information about where to access such data or have insufficient capacities to generate it. Even if such data is theoretically available, enterprises often lack the skills and ability to work with the data existing in order to determine the social or economic benefits of their ideas, projects or organisations. This leads to the problem that social impact is often not measured or cannot be convincingly presented to public and private funding bodies, resulting in underfinancing or a reliance on grant financing.

### 3.3 Human Capacities

Social entrepreneurs, driven by a desire to make positive changes in the world, frequently find themselves lacking specific entrepreneurial and other essential skills to effectively address concrete societal challenges. This is partly related to the fact that formal education and training systems for social entrepreneurs often do not prepare them for the challenges encountered when establishing a sustainable social enterprise. In Slovakia, there is a significant gap between the theoretical knowledge imparted by higher education institutions and the practical knowledge required to tackle societal challenges, such as the uneven distribution of economic prosperity within a business environment.

### 3.4 Strategy Building

Sustainable social enterprises frequently succeed in implementing their initial concepts, yet only a few are able to achieve their longer-term objectives and instigate systemic changes in specific socio-economic fields. This partly has to do with the intricate and interconnected nature of societal and economic challenges, which would require sustainable long-term strategies.

### 3.5 Networking

Social enterprises, especially smaller ones, frequently lack awareness of similar ideas, projects or organisations in their related field(s) and thus cannot exchange knowledge and practices or build up a “critical mass” of organisations needed for successful lobbying towards policymakers or funding organisations. This highlights the significance of networking, a task made more challenging by the absence of a specific legal form for social enterprises in Austria (see 2.3.1.)

## **4 The Role of Higher Education in Social Entrepreneurship Training**

As the SEED-Hub project revealed, a potential strategy for addressing challenges encountered by social entrepreneurs in both countries involves bolstering the involvement of academic institutions in social enterprise ecosystems. As discussed in section 3.3., first-time entrepreneurs frequently lack fundamental business management skills to translate their idea(s) into sustainable social enterprises. The subsequent analysis of teaching plans and syllabi at Austrian and Slovak higher education institutions will illuminate the extent to which potential social entrepreneurs are prepared for their roles during their studies.

### **4.1 Faculty of Economics and Finance, University of Economics (Bratislava)**

The Faculty of Economics and Finance provides degree programmes across all three levels of higher education. Specifically, the Department of Social Development and Labour offers degree programmes in socio-economic subjects. Currently, this Department oversees the compulsory and optional modules in the Public Policy Management programme. Students thus have the opportunity to enrol in a number of courses that include elements of social work and social entrepreneurship. The Social Economics and Economics course provides students with an overview of the fundamentals of social economics. Students can deepen their understanding of social entrepreneurship in the Social Entrepreneurship course, which focuses on the tools of the social economy and various models of social enterprises.

Business economics focuses on profit generation through entrepreneurial activity. Considering the ethical dimension and the principle of solidarity in entrepreneurship, students can gain insights from social entrepreneurship. In this context, the development of a business plan for a social enterprise is motivated by an effort to tackle various social issues.

Although the Faculty has recently introduced newly accredited degree programmes, only one of these programmes incorporates the study of economics in connection with social policy. Thus, there is currently no degree programme with a distinct social orientation that addresses contemporary societal issues through economic activity, as is the focus in social entrepreneurship (University of Bratislava 2023).

### **4.2 Faculty of Education, Comenius University (Bratislava)**

The Faculty of Education at Comenius University in Bratislava primarily focuses on the training of potential teaching staff. However, it also offers the opportunity to complete programmes in non-educational specialisations such as social work, speech therapy or psychological and career counselling for individuals with disabilities.

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At this Faculty, students have the opportunity to pursue studies in social work at both the Bachelor's and Master's levels. Both degree programmes are offered by the Department of Social Work. The Bachelor's degree programme introduces students to the theoretical background of social work. The programme focuses on the methods and forms of helping professions and the fostering of students' social skills. At the same time, students will acquire professional social work skills and become competent in the field of social service provision. Building upon the skills obtained in the Bachelor's programme, the Master's degree programme further extends students' knowledge by incorporating competencies applicable in practice for addressing societal problems across diverse groups. Depending on the chosen specialisation, students will also be equipped to assume leadership positions in the field of social affairs and be able to conduct research or apply various approaches to solving societal problems (Univerzita Komenského v Bratislave 2023).

### **4.3 University of Applied Sciences St. Pölten, Austria**

While the Bachelor's degree programme in Social Work (180 ECTS) focuses on profession-specific competencies of social work, it also touches upon a variety of content-related crucial topics. These include macroeconomic and socio-political framework conditions of social entrepreneurship, along with their contradictory paradigms. The BA programme equips students with the skills to plan and implement social profit enterprises, analysing best practice examples and developing innovative, marketable products and services. This approach ensures that students gain hands-on, practical expertise (Fachhochschule St. Pölten 2023).

As programme director and head of department Christine Haselbacher explained (personal communication, 7 August 2023), all students have the opportunity to participate in the Interdisciplinary Lab (iLab). This innovative, elective module serves as an interdisciplinary innovation hub for aspiring social workers. It provides a unique learning environment where students can develop products from initial conception and business model up to market maturity. A good example to illustrate this point are the projects on social innovation in the social transformation process or "Tut Gut" projects on psychosocial health. All these projects are backed up by business plans. Additionally, social work students can acquire basic business and financial project management knowledge through elective modules. However, as Christine Haselbacher emphasised, there seems to be a general scepticism with regard to market-liberal competition mechanisms and quality assurance problems in the struggle with limited resources in the field of social work and social business.

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#### **4.4 University of Applied Sciences Campus Wien, Austria**

The Bachelor's degree programme "Social Work" at the University of Applied Sciences Campus Wien (180 ECTS) covers micro-, meso- and macroeconomic topics relevant to social businesses and social entrepreneurship on a basic level. More advanced and entrepreneurial content is reserved for the Master's level (Fachhochschule Campus Wien 2023).

The Master's programme in Social Business and Social Work (120 ECTS) focuses on leadership and management skills necessary for running social organisations and enhancing students' analytical skills. Graduates often assume middle-to-top management leadership positions, taking on managerial responsibilities (M. Wallner & V. Stifter, graduates from the MA in Social Business and Social Work, personal communication, 6 September 2023).<sup>ii</sup> They also play a crucial role in driving innovative and sustainable development within medium-sized and large social work enterprises. Some graduates may choose to establish their own businesses or become self-employed.

The curriculum introduces the fundamentals of business administration, financial accounting and corporate law from the ground up. This is particularly beneficial for students who have not acquired such knowledge in their first degree (e.g., BA in Social Work). As Marlis Wallner and Viktoria Stifter argued, while these students do not see themselves in a position to manage social businesses or become self-employed as social entrepreneurs after completing their Bachelor's degree, they believe to possess these skills after obtaining their Master's degree. This confirms the assumption that social work at the Bachelor's level does not make specific claims to leadership competence, but rather serves as a general introduction to the topic of social entrepreneurship, preparing students for more specialised Master's degree programmes.

#### **4.5 University of Applied Sciences Burgenland, Austria**

The University of Applied Sciences Burgenland offers two Bachelor's degree programmes that teach social entrepreneurship skills, each to be completed within six semesters, totalling 180 ECTS. In both programmes, however, providing students with fundamental social entrepreneurship skills is not a primary goal.

Administered by the Department of Social Work, the BA in Social Work includes modules providing fundamental social work skills and social pedagogy competencies, training students to become hands-on experts in the multi-faceted occupational fields of social work. While core modules do not specifically teach basic business management skills, there are several modules that offer a broader understanding of social entrepreneurship fundamentals. For example, the "Global Social Dialog" course (2 ECTS credits) explores the interconnectedness between social work and

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business, philosophy and politics, and their management at micro, meso and macro levels. The “Meso and Macro Levels of Reference for Social Work” course (2 ECTS credits) teaches students how social businesses are structured and organised (M. Tauchner, Programme Director, personal communication, 14 July 2023).

Administered by the Department of Business Studies, the three-year undergraduate programme in International Business Relations focuses on Central and Eastern Europe, equipping students with key management and business skills. Second-year students can choose from a variety of specialisations, thereby acquiring more in-depth knowledge in their chosen fields. The chosen specialisation has a scope of 24 ECTS credits, which also includes the Bachelor’s thesis. “Social & Sustainable Business” is a fairly new specialisation. Launched in 2017, this specialisation aims to provide students with the knowledge and skills required for managerial roles in the social economy or green economy. Recognising that social and ecological concerns impact all companies, the curriculum covers various subjects such as marketing, controlling and human resource management (T. Semmler-Matošić, Programme Director, personal communication, 14 July 2023).

## 5.1 Baterkářeň

*Baterkářeň* is a community education and environment reuse centre that sells goods, organises courses and events, sorts and collects clothes and donated items. Additionally, it also manages charity projects and collections. Baterkářeň is a registered social enterprise that focuses on reusing goods by applying principles of a circular economy (Baterkářeň n.d.).

The company is based on a highly functional concept. In the first six months of its existence, it faced challenges no one was able to predict (Covid). Despite this, the business emerged from this crisis relatively unharmed — not least thanks to the vast professional experience of the founders, their strong marketing communication skills, as well as effective team and process management (Simona Hlaváčová & Janka Reháková founders of Baterkářeň, personal communication, 28 June 2023). This demonstrates that a business can be operated in a way that is both functional and sustainable while at the same time contributing to the community of which it is an integral part.

### 5.1.1 Social Impact

The company also tries to change consumer behaviour by organising events that promote the idea of a circular economy, support a healthy lifestyle and showcase art, culture and local creation. These events include swaps, lectures, courses and discussions, along with services such as education and consultations, and the offering of its own products, such as modules and electronic books. In 2020, Baterkářeň put back into circulation more than 4,500 pieces of clothing, 1,000 books, 2,000

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toys, and 2,000 household necessities.

Baterkáreň communicates the principles of circulation in a simple and comprehensible way, providing opportunities for acquiring key competencies and enhancing the adaptability of communities to changes brought about by climate change. As the sole environmental centre in the Trnava region, it focuses on building capacities in the field of environmental protection, fostering the development of community life and promoting sharing and mutual support.

Baterkáreň is an active and integral part of the community in the city of Trnava. It does not avoid tackling sensitive topics, such as mental health, violence against women and infertility. It provides a safe space within support groups where people can share their feelings and find the support they need. Additionally, the centre organises material and financial collections to support organisations and individuals in need, fostering a sense of belonging and solidarity.

What is more, the centre collaborates with young people, aiming to equip them with relevant 21st century skills in a real and organic environment. The goal is to channel frustration from climate changes into meaningful activities with an impact. Volunteers help with the organisation of events, their promotion and running. They learn how to use social networks meaningfully and intentionally, how to use facts in communication and how to choose appropriate arguments and counterarguments.

### **5.1.2 Business Know-how**

The motivation driving the two main founders was the organic need to establish a space in their place of residence that provides sustainable opportunities for various aspects of life. At the same time, Baterkáreň was envisioned as a place built by and serving the community. It emerged as a project that seamlessly integrates not only products but also services, education and humanitarian aid.

The primary objective of Baterkáreň's business operation extends beyond running a drugstore, cafe or second-hand shop. Rather, these activities are strategically operated to ensure the company covers its own costs for rent, employees and investments, establishing independence from the reliance on various grants and subsidy schemes. Many similar organisations in Slovakia face challenges because they rely heavily on donations, grants or municipal support. If there are changes in the city management or shifts in the mood of the population, such organisations can lose their financial sources and their activities may be stopped. Diversification of income combined with an appropriate indebtedness of the company is definitely its big competitive advantage in the current economic situation.

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## 5.2 Gabarage

*Gabarage Upcycling Design* is a non-profit, limited liability company employing approx. 65 people in management, training and qualification at three different locations (Vienna, Neusiedl am See, St. Pölten). The central business idea and philosophy is the upcycling of used or waste materials through craft and innovative design, thus adding value and extending the life cycle of source materials and discarded products. *Gabarage Upcycling* predominantly hires people facing challenges in finding employment in the conventional labour market due to chronic diseases and conditions (addictions), mental illnesses or migration backgrounds. *Gabarage* also employs young people seeking a fresh perspective in their lives after experiencing challenging pasts (Gabarage n.d.).

### 5.2.1 Social Impact

Starting in 2002, *Gabarage Upcycling* originated as a work training programme within a specialised clinic for people suffering from addictions (*Anton-Proksch-Institut*). In 2011, when the new clinic management wanted to close down the programme, Gabriele Gottwald-Nathaniel, the clinic's administrative director at that time, decided to buy out and found *Gabarage* as an independent company. This positioned *Gabarage* as a venture that was not only economically sound but also committed to social responsibility. Gabriele Gottwald-Nathaniel holds degrees in social work and social management (G. Gottwald-Nathaniel, founder of *Gabarage*, personal communication, 23 August 2023).

### 5.2.2 Business Know-how

Trained as a social worker in the 90ies, Gottwald-Nathaniel was involved in projects such as *Augustin* or *Streetwork Vienna*. She then graduated from the Danube University, obtaining a degree in social management. She was and is the one who brings business know-how to *Gabarage Upcycling*, and her diverse skillset enables her to recruit expert staff for social pedagogic training, social work, as well as overseeing controlling and financial management tasks (G. Gottwald-Nathaniel, founder of *Gabarage*, personal communication, 23 August 2023).

Gabriele Gottwald-Nathaniel argues that social entrepreneurs need to be able to design business plans, read balance sheets and have basic knowledge in business and labour laws, which is why these skills are to be integrated into Bachelor's degree programmes in social work. She argues that economists, too, must acquire knowledge in social work and social business, given the intricate operational and funding framework upon which social entrepreneurship is based.

Gottwald-Nathaniel has also profited from start-ups in Vienna and the Social Entrepreneurship Centre at the Vienna University of Economics and Business since "pure social workers" in the

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first decade of this century often lacked an unbiased view on financial and entrepreneurial issues. *Gabarage Upcycling* as a social enterprise and organisation is still learning a lot from cooperating with profit-oriented businesses.

## 6 Conclusion

The case studies discussed above show that combining professional social work knowledge and social enterprise know-how provides a good basis for developing sustainable business operations in their respective stakeholder landscapes. Inspiration and synergies can be gained in the joint development of product ideas and services, as well as in the specific work with social work service users, customers and cooperation partners. Differences exist in the professional background of staff and heterogeneous stakeholder and funding landscapes; similarities lie in the companies' legal frameworks and enthusiastic approach to corporate social and environmental responsibility. Both companies have to report at least annually on their economic and social impact to their boards, the public and private funders who partly support their social businesses.

While higher education institutions in Slovakia and Austria provide fundamental knowledge and practical skills in social entrepreneurship in economic and social work degree programmes, there remains a noticeable disparity between the business knowledge and the social work expertise taught in these distinct social business programmes. This means that economic social entrepreneurship knowledge and social work skills need to be integrated into interdisciplinary courses at the Bachelor's level in order to develop the skillsets of business and social work experts, practitioners and educators. Social enterprises and SE start-ups are more likely to succeed sustainably when their managers have acquired a balanced blend of economic AND social work expertise as part of their education.

## Verweise

<sup>i</sup> SEED-Hub is a project that was funded by the INTERREG V-A Slovakia-Austria cooperation programme of the European Union and the European Regional Development Fund (ERDF).

<sup>ii</sup> Marlies Wallner, BA MA graduated from the Master's programme in Social Work in 2015; Viktoria Stifter BA MA in 2020.

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