



PRESS RELEASE

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SOCIAL ECONOMY SECTOR SURVEY 2018



IN 2018, IN THE FAMILIES OF SOCIAL ECONOMY, MOST OF THE TOP MANAGERS HAD AN UNDERGRADUATE OR HIGHER ACADEMIC DEGREE

How and by whom Social Economy entities are managed was asked by a survey promoted by Statistics Portugal between June and September this year, in collaboration with CASES, with reference to the year 2018. The reporting entities were grouped into 5 big families - Cooperatives, Mutual Associations, Holy Houses of Mercy, Foundations and Associations with altruistic goals. Some preliminary results are:

- > Characterization of top managers (understood as the leader who occupies the highest hierarchical position without subordination to any other) of Social Economy entities:
 - Most of them had an undergraduate degree or higher academic degree (minimum of 49.2% in Cooperatives and maximum of 78.1% in Foundations);
 - In terms of age, in the case of Mutual Associations, Holy Houses of Mercy and Foundations, the age group over 64 concentrated the largest portion of the distribution for this variable (41.1%, 52.2% and 54.5%, respectively). In the Cooperatives most top managers were 55 or older (57.3%) and the largest proportion in the Associations with altruistic goals were in the 35-44 age aggregation (24.4%).
 - They worked mostly on a voluntary basis, ranging from 72.1% in Foundations to 88.9% in Holy Houses of Mercy.
 - They were senior managers without exclusivity (minimum of 66.2% in Holy Houses of Mercy and maximum of 83.3% in Mutual Associations), and most of them held positions in other entities outside the Social Economy.
- > The proportion of entities that awarded performance bonuses to the persons employed with labour contract ranged from a maximum of 22.9% in Cooperatives to a minimum of 8.1% in Associations with altruistic goals.
- > A significant part of the entities did not promote the persons employed with labour contract, varying this proportion between 48.4% in Holy Houses of Mercy and 83.3% in Mutual Associations, for people with managerial functions, and between 36.9% in Holy Houses of Mercy and 79.3% in Associations with altruistic goals, for people without managerial functions.

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- > Given four alternative strategies (survival, maintenance, growth and development)¹, in all families of the Social Economy, the largest proportion of entities chose to indicate a strategy of maintaining their activity, with a greater preponderance in Mutual Associations (75.8%) and Foundations (51.0%).
- > The gross monthly remuneration per person employed with labour contract ranged from EUR 840 in Holy Houses of Mercy to EUR 2 773 in Mutual Associations.

This survey has made it possible to obtain information on different aspects of management practices of Social Economy entities in Portugal, which were summarized in a composite indicator called *gscore*, which aims to assess the extent to which management practices are more or less structured in these entities and ranges from 0 to 1 (the maximum value corresponds to the most structured management practices and the minimum value to the least structured). The Holy Houses of Mercy presented the highest value (0.4392). The Cooperatives registered the lowest value, 0.3516, although in the Cooperatives with 50 or more persons employed this indicator reached 0.4990, the highest value among all families of social economy and all size-classes considered. By reference, for the total non-financial companies (2016 data from the Management Practices Survey) the value was 0.4316.

¹) Survival includes cost reduction and disinvestment. Maintenance includes stability and sustainability. Growth involves diversification, expansion and internationalization. Development covers social innovation, cooperation, partnership, or merger with other entities.