Stakeholder dialogue: The importance of the social economy

According to the data presented in the keynote address, the social economy in Austria - with more than 86,000 employees and revenue of approximately six billion euros - is one of the country's major employers (Social Economy Austria, 8). It is therefore by no means a marginal economic sector, but rather an employment-intensive and comparatively crisis-resilient industry. Particularly in structurally weaker regions, social organizations create stable, skilled, and locally rooted jobs. Many of their activities are based on professional relationship-building, expert judgment, empathy, and complex interpersonal interaction. As a result, they can only be automated to a limited extent and offer a high degree of job security.

Furthermore, despite often having limited resources, social organizations achieve a significant social and economic impact. Prevention, counseling, support, care, inclusion efforts, and Social Work assistance can defuse social problems at an early stage, thereby avoiding subsequent social and fiscal costs that are often significantly higher.

Throughout the dialogue, it was repeatedly emphasized that the social economy does not consist solely of direct work with clients. The high-quality provision of social services requires professional structures in the areas of administration, human resources management, quality development, financing, controlling, IT, communication, and data protection. This organizational effort, often referred to as "overhead," is not a dispensable extra but an essential prerequisite for effective, quality-assured, and legally compliant work.

Smaller organizations, in particular, face significant challenges in this regard. They often possess strong technical expertise, a high degree of flexibility, and considerable innovative capacity, but are unable to establish the same staffing, communication, and recruiting structures as large umbrella organizations. At the same time, technical, administrative, and regulatory requirements are increasing, as are the costs of attracting and retaining qualified employees. Collaborative initiatives such as the "Es braucht viele" platform developed by argeSODIT demonstrate how larger and smaller organizations can pool their resources and jointly position the social economy as an attractive employer. At the national level, the European Commission's "Social Economy Action Plan" could provide an important strategic framework for the further development of the Austrian social economy (European Commission, 2021).

A sustainable social economy must be given the opportunity to act strategically and with a long-term perspective, rather than having to respond primarily to

immediate needs based on short-term financing considerations. This requires a reliable policy framework as well as sufficient resources for research, networking, and innovation.

An effective welfare state and a strong social economy are not an economic burden, but rather key prerequisites for social stability, a high quality of life, and sustainable prosperity. Their funding should therefore not be viewed as a request for handouts or merely a cost factor, but rather as a long-term investment in social security, economic resilience, and Austria’s future viability.