



WWJMRD 2022; 8(03): 67-77  
www.wwjmr.com  
International Journal  
Peer Reviewed Journal  
Refereed Journal  
Indexed Journal  
Impact Factor SJIF 2017:  
5.182 2018: 5.51, (ISI) 2020-  
2021: 1.361  
E-ISSN: 2454-6615

**Susana MSR Fonseca**  
Centre for Studies in Education  
and Innovation (CI&DEI),  
Polytechnic of Viseu and  
Cetrad-Utad  
Viseu, Portugal.

**Filipe Duarte**  
NECE - Research Unit in  
Business Sciences and  
Polytechnic of Viseu  
Viseu, Portugal.

**Adriana Gonçalves**  
Polytechnic of Viseu  
Viseu, Portugal.

**Correspondence:**  
**Susana MSR Fonseca**  
Centre for Studies in Education  
and Innovation (CI&DEI),  
Polytechnic of Viseu and  
Cetrad-Utad  
Viseu, Portugal.

## The Importance of Strategy in the Management of Social Organizations: a study in the District of Vila Real

**Susana MSR Fonseca, Filipe Duarte, Adriana Gonçalves**

### Abstract

This paper studied the importance of strategy for the management of social organizations, to ensure their sustainability. This study focuses on the strategic planning process of the manager, analyzing the management methods adopted and how they are applied in social organizations. Its development is supported by a theoretical framework related to the evolution of the third sector in Portugal, strategic management, and sustainability of social organizations.

Data collection was carried out through the application of a questionnaire to all social organizations in the district of Vila Real. The target population comprised 140 organizations, and after a 3-month period of analysis 47 responses were validated.

The results obtained allowed us to confirm and prove some of the theories presented in the theoretical framework. In addition, it was possible to verify that most of the organizations investigated have a strategic plan, but only use basic strategic tools. This study also shows that strategic management provides several tools that can improve the functioning and sustainability of social organizations. However, these organizations remain very focused on state support, which makes them financially dependent on state rules and financing.

**Keywords:** Strategic Management, Social Organizations, Sustainability.

### 1. Introduction

This paper studied the importance of strategy for the management of social organizations to ensure their sustainability. The object to be studied was defined to understand the capacity for adaptation and change that social organizations need to possess to face the current world that is increasingly competitive and demanding.

The proposed theme is of the utmost relevance, since society is marked with the increase of competitiveness and globalization, and social organizations need to think "out of the box" and gather management tools to adapt to this new reality.

In Portugal, social organizations (SOs) have been growing in number and size, as well as in their position at the economic and social level of the country (Marques, 2014).

This study aims to better understand the management of social organizations in the district of Vila Real. It focuses on the strategic planning process of a manager, analyzing the management methods adopted and how they are applied in SOs. Organizational sustainability is reflected in the efficiency and effectiveness of services, the success of its mission, and the good management of available resources.

Within this objective we can define three general objectives that help us understand the issues we must address in this study, they are: (1) to highlight the importance of strategic management for the sustainability of a SO. (2) To analyze how strategic management is applied in SOs in the district of Vila Real. (3) To present efficient strategies that can help to improve the sustainability system of the studied SOs.

Based on these study criteria we are faced with the following starting question: "How can the application of strategic management contribute to improve the organizational management and sustainability of a social organization?"

Vilar (2012) states that the success of any SO depends on the ability to reconcile "knowledge

with execution, knowledge and know-how, as well as the combination of individual training with organizational improvement, especially when the size and complexity of the problems require it" (Marques, 2014).

In this study, by identifying the strategic tools that SOs in the district of Vila Real use to support their organizational management, we can contribute by offering more knowledge about effective and efficient strategies that can help improve the organizational management, the sustainability system, and the market positioning of any third sector organization (TSO).

## 2. Literature Review

### 2.1 Third Sector and the Evolution of Social Organizations

In modern society, social problems, which are increasingly complex to solve and tend to worsen over time (such as social exclusion and unemployment), worsen every day. As such, the need arises for a sector that directs its activity towards improving the social economy (Vieira, 2015).

In Portugal the economy is divided into three distinct types of sectors. Coutinho (2003) describes them as follows: the first sector represents the private character, which seeks to obtain profits and satisfy private needs; the second sector represents the public character (State), where its activity is based on governmental decisions closely linked to bureaucratic mechanisms and, finally, the third sector does not have as main objective the creation of profit, but to provide a set of goods, activities and services that satisfy the needs of society and improve the quality of life. This sector is the most recent, the target of many studies, without specific definitions and with various interpretations (Boas, 2015).

The term third sector first appeared in 1979 by French authors J. Delors and J. Gaudin and its use has grown since then. According to Vieira (2015), the third sector encompasses a set of community organizations and initiatives, producers of goods and services, not owned by the state, private and non-profit. These organizations are composed of individuals who carry out activities with the aim of satisfying people's needs and not to obtain benefits or generate profits for the organizations (Vieira, 2015).

Considering this need for intervention in Portugal, the Law on the Basis of the Social Economy (Law no. 30/2013, of 8 May) and the creation of the Satellite Account of the Social Economy were an important contribution to giving visibility to the third sector (Rapagão, 2017). According to this Framework Law, the third sector is composed of associations, foundations and non-profit institutions that operate in places where the state is unable to act, with the aim of promoting social solidarity. These organizations are governed by principles such as: respect for the values of solidarity, equality and non-discrimination, social cohesion, justice and equity, transparency, shared individual and social responsibility and subsidiarity (Law No. 30/2013 of May 8 of the Assembly of the Republic, 2013).

### 2.2 Management and Strategic Planning in Social Organizations

Organizations are made up of a structured group of people, who work together in order to achieve common goals. These organizations are formal, when there is a company or informal, when it is just a set of people united to achieve a specific goal (Maçães, 2018).

According to Santos (2008), management is "a process of coordination and integration of activities, through planning, organization, direction and control, aimed at ensuring the achievement of the defined objectives, through people, effectively and efficiently." (Santos, 2008).

Lately, organizational management has begun to be associated with the sustainability of organizations, such as the importance of creating not only economic, but also social and environmental value (Marques, 2014).

According to Maçães (2018) "In an increasingly global and competitive world, the success of organizations depends on the quality of their management. Managers are the ones who set the objectives, formulate the strategy, and guide the company towards achieving the defined objectives. They are also the ones who prepare the organization for change, seeking to adapt it to an increasingly dynamic and competitive environment. The success or failure of organizations depends on the quality of management."

Third sector organizations have been gaining great visibility in present-day society. But, according to some studies conducted in recent years, most of these organizations have a management and leadership deficit.

The current society presents a set of challenges to the TSOs, which forces them to improve their level of management, these are: the increase in competition, the need for innovation, the increase in the demands of the target audience, the recruitment of qualified human resources, the need for various sources of funding and, above all, the need to maintain an economic sustainability (Marques, 2014).

In the current context, organizations are an integral part of an environment that is characterized by being dynamic, systemic, globalizing, and changeable. Thus, organizations need to continuously rethink their strategies, objectives and priorities, and management is the ideal tool for this process of rethinking the organization to be carried out efficiently, effectively, and sustainably (Fonseca, 2014).

In 2002, Tachizawa proposes a management model for NPOs that is similar to the models adopted by businesses. His model shows the organization inserted in its environment, subject to environmental variables and interacting with its different publics to satisfy their needs (Fonseca, 2014).

Strategic management is the plan where the definition of objectives, analysis of the external environment and the formulation, evaluation, implementation, and control of the strategy are inserted. According to Mainardes, Ferreira & Raposo (2011), Stead and Stead (2008), strategic management is an ongoing process that involves the reinforcements of strategic managers to adjust the organization to its environment, seeking to develop its competitive advantages. These competitive advantages allow the organization to seize opportunities and minimize environmental threats (Mainardes, Ferreira, & Raposo, 2011).

To address the topic of strategic management it is important to keep in mind concepts such as strategic thinking, strategy, planning and strategic plan.

Thus, with regard to strategic thinking, the thinker must collect and treat all the information about the organization and its surroundings, to know what the organization is today, in order to gain new perspectives, to create creative and innovative plans, which prevents him from repeating mistakes (Rodrigues, 2014).

According to Ducker (1998) the strategy guides the organization to achieve its objectives, which are linked to its mission, which in turn is in accordance with its environment (Marques, 2014). It is important to mention that an organization's strategy cannot be static. For, the market is constantly changing, and competition is always increasing. Therefore, organizations must know how to adapt their strategy, create innovative ideas and entrepreneurial plans that allow them to maintain their position in the market (Serra, Ferreira, Torres & Torres, 2010).

These two terms lead us to the strategic planning that is so important in an organization. Planning aims to help the organization achieve success by setting a direction for it, considering its internal and external constraints. Managers or those responsible for management must analyze the internal and external environment of the organization in order to create strategy options and create actions to achieve them (Serra, Ferreira, Torres & Torres, 2010).

The planning process depends on the creativity of the entrepreneur in creating original and advantageous ideas for the organization. All the definitions made throughout this process should be formalized in a written document, called strategic plan. There are three types of planning, they are: strategic (establishes the general objectives of the organization), tactical (implements resource allocation activities) and operational (establishes standards and programs) (Serra, Ferreira, Torres & Torres, 2010).

A well-executed planning will help the organization to achieve its vision, to correct the mistakes that arise along the process and to find new market opportunities (Serra, Ferreira, Torres & Torres, 2010).

To achieve success an organization needs to optimize its resources and activities, just as it needs to create a competitive plan that allows it to overcome the competition, i.e., it needs to find a competitive advantage for its market. To achieve success and create a competitive advantage, organizations need to meet four characteristics of strategy, which are: definition of objectives (strategic, tactical, and operational), understanding of the environment (political-legal, economic, social, and technological), internal assessment of the organization (human, financial and material resources) and strategic implementation (Serra, Ferreira, Torres & Torres, 2010).

Throughout this study we mentioned several tools that help managers organize and manage strategies for their social organizations. The tools studied were critical success factors, mission, vision and objectives, SWOT analysis and the TOWS matrix, Porter's five forces, the Balanced Scorecard (BSC), social marketing, the Canvas Model, and the PEST analysis.

### 2.3 Sustainability in Social Organizations

The term sustainability of organizations appeared in 1987 in the Brundtland report, but this concept has undergone several changes over the years (Silva, 2014).

For Pojasek (2012), "sustainability in an organization, be it social, economic or environmental, should go through a triangular process". An organization must have the ability to transparently manage its responsibility to social welfare and economic and environmental management to grow in the long term and be accountable to its stakeholders (Silva, 2014). Likewise for this author, organizations should seek to hold a proactive approach to sustainability, given the

difficulty of defining a sustainability standard that must be aligned with the vision, mission and values of the organization (Valente, 2018).

In social organizations one of the great challenges is to provide continuity to social needs, resorting to various financial support. According to the study conducted by Valente, "The sustainability of organizations requires the planning and realization of long-term strategies, through a continuous process, that promotes both cost reduction and the increase of own revenues." (Valente, 2018).

The financial situation of a NPO depends on factors such as: ability to adapt to revenue variation, stability and variety of revenues, and management efficiency. These factors will define whether an organization is in a state of financial vulnerability or not (Silva, 2014).

As mentioned throughout this theoretical framework, social organizations are highly financially dependent on the state. However, we also found that strategic management provides several tools that can help managers to create strategies that create activities capable of assisting the creation of profit that help create more independence. Nowadays, managers can take advantage of several mechanisms that help social organizations to create autonomy and the ability to be self-sustaining.

### 3 Methodology

In the social sciences, the fact that there are several methodologies allows social reality to be studied from different perspectives, since no single methodological perspective can fully answer the questions that may arise in the social context (Azevedo, Oliveira, Gonzalez, & Abdalla, 2013).

The methodology used in this research is the empirical-analytical approach, which has objectivity as a criterion and suggests that the researcher should be impartial in relation to the object. According to Martins (1994) "this approach presents in common the use of techniques of collection, treatment and analysis of data markedly quantitative. There is strong concern with the causal relationship between variables and the validation of scientific evidence, which is sought through testing of instruments, degrees of significance and systematization of operational definitions" (Modiano, 2008). This approach is called quantitative, positivist, rationalist or scientific and aims to, explain, predict, and control phenomena.

For the research process we used the quantitative approach, which considers all quantifiable data, possible to turn information and opinions into numbers to later classify and analyze them. This analysis seeks to deepen the subject of study through people's ideas, opinions, and points of view (Prodanov & Freitas, 2013). However, qualitative approach will also be used, which is based on statistical data. This analysis aims at an objective diagnosis of reality through the ordering and classification of data (Prodanov & Freitas, 2013).

The research was conducted through bibliographic means, since the theoretical framework is based on information taken from books, journals, websites, and dissertations already published and disseminated.

To verify a good application of strategic management in various organizations, we will use the questionnaire survey as a source of data collection. The questionnaire survey is a research technique consisting of a series of questions presented in writing to people, to obtain knowledge of

opinions, interests, expectations, lived situations, among others. The language used must be simple and direct, so that the person who will answer the questionnaire, clearly understands what is being asked (Prodanov & Freitas, 2013).

The questionnaire was applied to all social organizations in the district of Vila Real, based on the data available on the social charter website, covering all social responses and all types of social organizations. This questionnaire is directed to the element responsible for managing the organization, who has in-depth knowledge of the organization's history, its management system, its resources (human, material, etc.) and the needs, threats, expectations, and opportunities involved to the organization.

The questionnaire applied in this study is divided into four themes: characterization of the manager, characterization of the organization, strategic management, and sustainability. Given the pandemic situation derived from Covid-19 that the world is going through, all OS are experiencing limit situations that are shredding all their capabilities. Therefore, we adapted our questionnaire with questions directed to the current situation, provided more time to answer and contacted all the organizations also to understand what situation they are in.

The data processing and analysis was done through the application available in google forms, Excel and the Statistical Package for the Social Sciences (SPSS) program.

#### 4 Data Analysis

##### 4.1 Analysis of the characterization of the person responsible for the management of each organization

The first part of the questionnaire begins by making a brief approach to the characterization of the head of management of each organization, who will have been the one who answered our questionnaire.

**Table 1:** Characterization of the person responsible for managing the organization.

Demographic data		Frequency (%)
Gender	Male	19%
	Female	81%
Age	Less 25 years	4%
	25 – 35 years	17%
	35 – 45 years	40%
	45 – 55 years	26%
Academic qualifications	More 55 years	13%
	Secondary school	2%
	Undergraduate	68%
	Master's Degree	21%
Years working in the organization	MBA	8%
	Less 1 years	9%
	1 – 5 years	32%
	5 – 10 years	19%
	10 – 20 years	23%
	More 20 years	17%

Through the analysis of table 1, we can see that 81% of the respondents are female and 19% are male. These results were somewhat surprising, as we realized that the majority of those responsible for the management of these organizations are female. In general, there is a primacy of the male gender for top management positions, and these

results show us that there is a paradigm shift and a greater appreciation of the capabilities and skills of the female gender.

In terms of the ages of the respondents, we found that 57% are between 25 and 45 years old. This is a relatively young age group and, perhaps because of this, in the question of academic qualifications, we see that 98% of the respondents have higher levels of education, where 68% have a bachelor's degree, 21% have a master's degree, and 8% have a specialization. With this information we understand that the subjects that represent these organizations have sufficient skills and abilities to perform their functions.

Finally, we ascertained how many years the respondents have been working in the organization and the results were somewhat as expected, since we reached a young age group. As such, we found that 60% of the respondents (28 individuals) have worked for less than 10 years in their organizations. And so, we have young, educated managers with the skills to create creative strategies to improve the management system of their organizations.

##### 4.2 Analysis of the organization's characterization

Before examining the strategic management of the organizations, it is important to first analyze the characterization of the organizations studied.

**Table 2:** Characterization of the organization.

Demographic data		Frequency (%)
Start of the organization's activity	Less 1 years	4%
	1 – 5 years	13%
	5 – 10 years	13%
	10 – 20 years	25%
	More 20 years	45%
Number of collaborators (employees and volunteers)	Less 10 collaborators	28%
	10 – 50 collaborators	53%
	50 – 250 collaborators	15%
	More 250 collaborators	4%
Legal nature of the organization	Association of Social Solidarity	41%
	Parish Social Center	19%
	Lucrative Entity	21%
	Social Solidarity Foundation	9%
	Mercy	6%
	Other	4%

As far as the performance of these organizations in the market is concerned, we found that 45% started their activity more than 20 years ago and only 30% started their activity less than 10 years ago.

The number of employees covered by the organization also reflects its own size. In table 2 we can see that 53% of the organizations, the majority, have between 10 and 50 employees, and only 19% have more than 50 employees. Through these results we can conclude that these organizations are of small and medium size.

Next, we questioned the respondents as to the legal nature of their organizations and found that 41% of the

organizations are social solidarity associations, 21% are profit-making entities, 19% social and parish centers and 9% social solidarity foundations. The remaining responses vary between PISS and brotherhoods of mercy.

**4.3 Analysis of the strategic management of the organizations**

Strategic management provides tools that help improve the functioning and management of an organization. To begin this chapter of the questionnaire we decided to first address the management of an organization.

**Table 3:** Strategic Plan Analysis

Demographic data		Frequency (%)
Defining a strategic plan	Yes	91%
	No	9%
Number of Follow-up and control of the plan's execution	Yes	89%
	No	11%
Existence of a regular evaluation of the strategic plan	Yes	72%
	No	28%

Thus, in the first question of this topic we found that 91% of the organizations surveyed have a defined strategic plan. These results were unexpected, since we had already observed that this type of organizations presented a deficit in terms of knowledge and use of management tools.

As far as the development of the strategic plan is concerned, we found that 89% of the organizations try to follow the development process of their plan to check if their goals are being met and if not, what adjustments need to be made.

As already mentioned in the theoretical framework, regular evaluation of the plan is a very important step for good management, as it allows for the correction of lapses, adaptation to changes in structure and market, and avoids repeating mistakes in the future.

Further analyzing table 3, we find that 72% of the respondents perform a regular evaluation of their strategic plan. While 28% claim not to do any kind of evaluation. Strategic management provides tools that help improve the functioning and management of an organization.

**Table 4:** Definition of mission, vision, values and objectives.

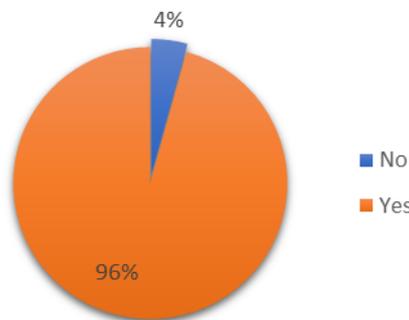
Demographic data		Frequency (%)
Formal definition of the organization's mission, vision, objectives, and values	Yes	100%
	No	0%
Agreement between the goals and objectives defined with the various areas of activity	Yes	91%
	No	9%
Existence of defined objectives aimed at meeting customer needs	Totally agree	47%
	Agree	45%
	Neither agree nor disagree	4%
	Disagree	2%
	Totally disagree	2%
Employee knowledge on how to proceed to help achieve organizational goals	Yes	94%
	No	6%

Through table 4 we can see that all organizations claim to have formally defined the mission, vision, objectives, and values of their organization.

Regarding the definition of the goals and objectives, 91% of the respondent's state that their goals and objectives agree with each of their different areas of operation. This question exposed a surprising result, as each area has different needs and parameters that require special measures, and the results show that the organizations were

careful to adapt to each valence.

Still about the definition of the objectives arises from the curiosity to understand if the needs and expectations of customers/users are important factors for the definition of the organizations' objectives. Through the answers received we noticed that 92% confirmed that this concern exists, with 47% "totally agreeing" and 45% "agreeing". Subsequently 4% "neither agree nor disagree" with the statement, 2% disagree, and 2% totally disagree.



**Fig.1:** Organization Core Competencies.

Integrating the theme in the functioning of the organization, we sought to know if the organizations make known the goals, they intend to achieve to reach their objectives. From

this question we concluded that 94% of the organizations (42 respondents) say they do this, which helps their employees to be more aware of the purpose of their

functions and know how to help the organization to achieve success. They will also feel more useful and more integrated in the organization. After asking some questions about the tools linked to the

presentation of the organizations, we asked the respondents about their core competencies. In response to this question, we found that 96% of organizations can identify their core competencies (Fig. 1).



Fig. 2: Ability to identify the core competencies of the organization.

Of the 45 positive responses obtained previously, in figure 2 we can see that the core competences most frequently chosen were: quality of services, qualification of human resources and quality of infrastructures. These

competencies are also considered as strengths of the organization, which differentiate and position it in the market.

Table 5: Strategic Management Tools.

		Demographic data	Frequency (%)	
Professional performance of employees	Existence of professional training actions throughout the current year	Yes	77%	
		No	23%	
	Importance of benchmarking	Totally agree	4%	
		Agree	17%	
		Neither agree nor disagree	26%	
		Disagree	11%	
		Totally disagree	2%	
	Importance of performance evaluation for management	Not important	4%	
		Something important	6%	
		Important	26%	
Quite important		34%		
Very important		30%		
Internal organization	Importance of communication in an organization	Totally agree	68%	
		Agree	28%	
		Neither agree nor disagree	4%	
		Disagree	0%	
		Totally disagree	0%	
	Existence of a communication plan	Yes	45%	
		No	55%	
Positioning of organizations in the	Existence of a regular evaluation of customer satisfaction	Yes	23%	
		No	77%	
	Existence of a marketing plan in the organizations	Not important	6%	
		Something important	13%	
		Important	32%	
		Quite important	34%	
		Existence of a marketing plan in the organizations	Very important	15%
			Yes	49%
	No	51%		

Based on table 5, let's start the analysis by analyzing the strategy tools from the perspective of the professional performance of employees. According to the results, 77% of the organizations offer professional training to their employees throughout the year.

Another important management tool is benchmarking. This tool aims to improve the performance of an organization by learning from other organizations. This method requires organizations to have time and personnel.

As such, we can ascertain that 57% of the respondent's

state that their organizations seek to conduct this type of study. However, 26% of the respondents "neither agree nor disagree" with the statement and the remaining 17% do not agree. These results are positive and show that social organizations have managers with innovative ideas with the will to improve and evolve organizational systems.

To conclude the approach to employee performance, we questioned the respondents about the importance of performance evaluation for the management of the organization.

In this question 42 respondents (90%) consider this tool essential, with 12 considering it "important", 16 "very important" and 14 "very important".

This type of evaluation allows managers to know their employees and their organizational performance. It gives them feedback (positive or negative) that will help them understand what their qualities are and what changes they need to make to improve.

Regarding the organization's internal communication, we started by asking the respondents about their opinion on the importance of communication in the strategy of a social organization. In this question 68% of the respondents "totally agree" that communication is important for the good functioning of an organization, 28% "agree" and 4% have no opinion on the subject.

Despite a positive result on the topic of the importance of communication in an organization, we found that 55% of the organizations do not have a communication plan. Only 45% respondents who confirmed having a communication plan.

Moving on now to the positioning of organizations in the market, let's talk about marketing, which is a topic more addressed in companies, however social organizations can also take advantage of this tool to improve their position in

the market.

As already mentioned in the theoretical part, nowadays customer satisfaction is an essential factor for the success of an organization in the market. Evidently a satisfied customer will be the best marketing for the organization. When we approached this question, we found that out of a total of 47 organizations that answered the questionnaire, 77% perform a regular evaluation of customer satisfaction.

Next, we questioned the organizations about the value of having a social marketing plan. This question was structured on a scale of 1 to 5, where 1 is "not at all important" to 5 "very important". After analyzing the results, we found that 38 respondents (81%) recognize the importance of this tool, with 15 respondents considering it "important", 16 "quite important", and 7 "very important".

In continuity with the previous question, we questioned organizations about the adoption of a social marketing plan to give them visibility and credibility in the market and we found that 49% of respondents say that their organizations have a defined marketing plan. Although the majority (51%) responded that they do not have a marketing plan, it is important to note a positive result since there are already many organizations adopting this tool for the social sector.

**Table 6:** Importance of strategic management tools to analyze the organization's environment.

	PEST Analysis	Critical Success Factors	SWOT Analysis	Porter's 5 forces	BSC	Canvas Model
<b>Not important</b>	13%	6%	8%	17%	13%	15%
<b>Something important</b>	8%	6%	2%	11%	13%	17%
<b>Important</b>	36%	32%	17%	26%	28%	36%
<b>Quite important</b>	17%	30%	23%	23%	21%	11%
<b>Very important</b>	13%	19%	19%	15%	17%	15%
<b>Extremely important</b>	13%	6%	30%	8%	8%	6%

Finally, we questioned the respondents about the importance of other strategic management tools for analyzing the organization's environment. In this question a scale from 1 (not at all important) to 6 (extremely important) was used with the intention of there not being a number in the middle that would be the most chosen now of indecision. However, analyzing table 6 we can see that

the most chosen numbers are those in the middle 3 (important) and 4 (very important).

Therefore, we see that the tools chosen as most important (considering the scale from 4 to 5) are: SWOT analysis (72%), Porter's 5 forces (46%) and the Balanced Scorecard (BSC) (46%).



**Fig. 3:** Advantages of strategy tools for management.

In this last question respondents are asked about the advantages that strategy tools bring to the management of an organization. In figure 3 we found that the answers vary

between: perception of the organization's current situation, maximization of resources, and project planning.

#### 4.4 Sustainability

The last section of the questionnaire is directed towards the ability of social organizations to maintain their sustainability. Falconer (1999) states that sustainability is

"the ability to capture resources-financial, material, and human-in order to perpetuate the organization and enable it to achieve its goals" (Silva, 2014).

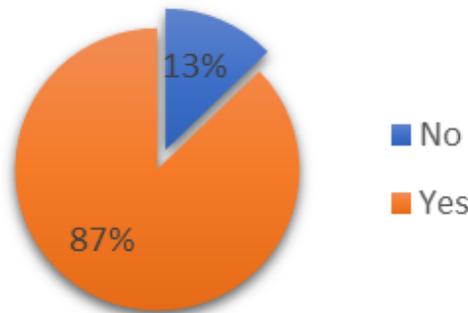


Fig. 4: Existence of an annual budget plan.

The first question on the theme, addresses the respondents about the existence of a budget plan in the organization. In figure 4 we see that 87% of respondents say that their organization prepares this plan annually. However, 13% deny the existence of such a plan, this result makes us

wonder how these organizations manage to have a good financial management, especially in terms of managing expenses and investments that are necessary throughout the year.

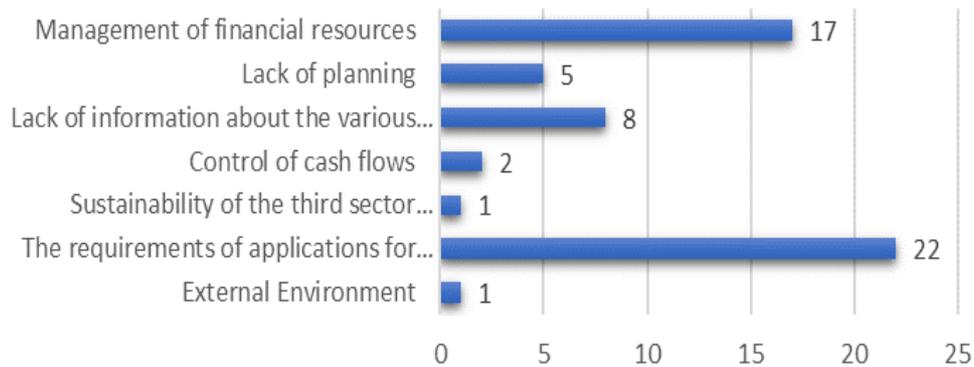


Fig. 5: Organization's main difficulties in financial management.

After the previous question, we found it pertinent to understand what are the biggest difficulties that organizations face in financial management. Analyzing figure 5 we realize that the main difficulties are: the requirements of applications for funding programs

(deadlines, plans, employees, accounts, resources, among others), the management of financial resources, the lack of information about the various sources of funding, and the lack of planning of the organization.

Table 7: Sources of revenue for each organization.

	State financing	Own revenues	Donations	Community programs	Other revenues
<b>Weak (less 10%)</b>	21%	13%	55%	38%	21%
<b>Low (10% - 25%)</b>	6%	17%	13%	19%	4%
<b>Medium (25% - 50%)</b>	17%	21%	2%	11%	4%
<b>High (50% - 70%)</b>	21%	19%	2%	4%	2%
<b>Very high (more 70%)</b>	23%	13%		2%	

Continuing within the financial area of the organizations, in table 7 we verify that the main sources of revenue of the organizations are: state funding (44% of the respondents point out that these have a weight of more than 50% in their revenues), own revenues (32% of more than 50% of the organizations' revenue sources) and community programs (6% of more than 50% of the organizations' revenue sources).

situation of a NPO depends on factors such as: capacity to adapt to the variation of revenues, stability and variety of revenues, and management efficiency. And that it is these factors that will define whether an organization is in a state of financial vulnerability or not.

In these two questions we confirm what has already been mentioned throughout this study, that social organizations are highly dependent on the state for their survival.

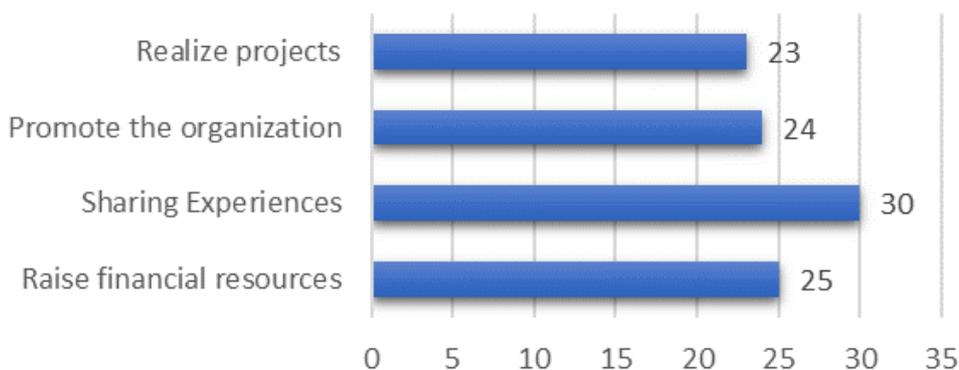
In the theoretical framework we analyze that the financial

**Table 8:** Sources of expenses for each organization.

		Staff Expenses	Transportation	Food	Organization maintenance	Administrative Expenses	Other Expenses
Weight in (%) of SO expenses sources	Weak (less 10%)	2%	30%	2%	15%	38%	17%
	Low (10% - 25%)		17%	9%	21%	26%	7%
	Medium (25% - 50%)	9%	23%	43%	28%	23%	2%
	High (50% - 70%)	38%	17%	36%	26%	11%	4%
	Very high (more 70%)	51%	2%	9%	9%		4%

Regarding the organizations' expenses, the main sources of expenses, according to table 8, are: staff expenses (89% reveal that this factor represents more than 50% of the organization's expenses), food expenses (45% reveal that

this factor represents more than 50% of the organization's expenses), and expenses for the organization's maintenance (35% reveal that this factor represents more than 50% of the organization's expenses).



**Fig. 6:** Reasons for seeking new partnerships.

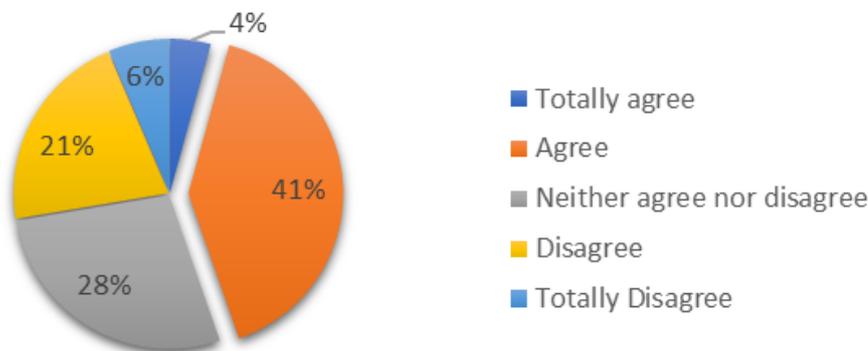
To ensure sustainability, organizations need to establish partnerships. As such, we asked individuals what they intended to gain from the acquisition of new partnerships (Fig. 6).

The main reasons mentioned were sharing experiences (30), capturing financial resources (25), visibility of the organization (24) and accomplishment of social projects (23).

All these reasons were mentioned in the theoretical framework, Albuquerque (2006) argues that resource mobilization serves to secure new resources and optimize

existing means. With this capture of new resources, the organization manages to amplify the number of associated people, volunteers, increase its social position and its credibility (Marques, 2014).

Another way to get support would be through partnerships with private companies. Therefore, we confronted the organizations about the willingness of companies to cooperate with social organizations. In graph 8 we found that 44% agree with this statement, 28% have no opinion on the subject and 27% disagree with this collaboration.



**Fig. 7:** Availability of companies to collaborate with social organizations.

Following on from the previous question, we also tried to find out what kind of support companies provide to social organizations. As we can see in figure 8, the support

offered by companies are: material resources (28), service provision (21), financial resources (5), and professional internships (1).

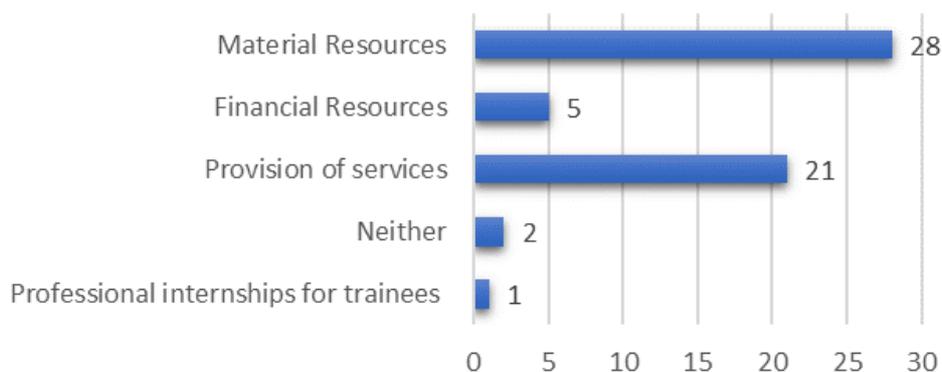


Fig. 8: Type of support made available by companies.

## 5 Conclusions

This paper studied the strategies adopted in social organizations to improve their management and help maintain their sustainability. This research made it possible to examine how organizations manage the instruments made available by strategic management and how these are used to assist in the methods adopted to maintain their sustainability.

In this final phase, it is important to make some final considerations about the problem and the objectives of the study, the results obtained and their coherence with the theoretical framework, as well as to identify the existing limitations, and to present projections for the future.

Initially the starting question was defined: "In what way can the application of strategic management contribute to improve the organizational management and sustainability of a social organization?", which will be the question we will have to answer at the end of this conclusion.

To begin the approach to this theme, a framework was carried out to analyze and compare the ideas of several authors.

In the theoretical framework we found that the social economy has evolved and gained importance in the economy in Portugal. We found that Portugal seeks to have a culture of social innovation that can address the most serious social problems, through innovative ideas that produce value for society, for investors and for the three economic sectors (Fernandes, 2016). We also found that legislation has been updated and improved to promote this sector.

For the collection of information, questionnaires were applied, from which a total of 47 responses were obtained from organizations in the district of Vila Real.

From this research we understand that these organizations have been in the market for over 20 years and that most are small and medium sized. Of those responsible for their management, we found out that we are dealing with a young population, mostly with a degree in social work, who hold the position of technical director of the organization.

To replicate the challenge of understanding the importance of strategic management for sustainability, some strategic management tools were identified and addressed throughout the questionnaire, such as the formulation, implementation, and evaluation of a strategic plan; definition of mission, vision, goals, and values; organizational chart; existence of performance evaluation methods and meeting the needs of clients/users, family, and community; use of strategy tools (SWOT analysis, BSC,

canvas model, among others); and the preparation of a budget plan.

The organizations studied present a decentralized management that allows the collaboration of all elements to improve and innovate the organization's system.

In relation to the main theme of this study, strategic management, we found that most organizations define their strategic plan, monitoring it and making the necessary corrections. Here we answer the first question of the general objectives defined at the beginning of this study.

When we approached the topic of strategic tools, we noticed that many organizations recognize their importance and use them, even without being aware that they are doing so. We also noticed that these organizations use only the basic tools of strategy, such as mission, vision, definition of objectives, SWOT analysis, among others.

With this knowledge we conclude that there is a great ignorance about the usefulness of these tools and the improvement they could make in the various aspects of management (strategic, financial, human resources, etc.) of a social organization (answer to question 2 defined in the introduction).

Finally, on the topic of organizational sustainability, we confirmed that SOs are highly dependent on state support. In this sense, we found that these organizations should create new sources of income through the extension of partnerships (for example: companies) and the creation of innovative and creative ideas that increase the sources of income (for example: social laundry, organic garden, sale of handicrafts).

In response to the third question defined in the introduction ("Can strategic management help create self-sustainability for social organizations?"), we realize that yes, organizations can create various strategies that increase their own revenue, but currently the system of these organizations is very closed and maintains a high dependence on donations and financial support from state programs. An "outside the box" manager can create efficient and effective strategies that improve the dynamics of social organizations, differentiating them in the market and making them more profitable. He or she should know the organization, analyze its strengths and weaknesses, and through his or her in-depth knowledge of strategic management should seek to implement, use, and evaluate strategic tools and direct the management of the organization to maintain its sustainability independently. Always having the idea that all profits would be for the betterment of the organization.

The end of our questionnaire was directed to the

preparation of organizations to face crisis situations, such as the case of the current pandemic. This situation proved to us that organizations must be prepared to deal with improvisation and have the ability to adapt to change. This crisis highlights the need to make these organizations sustainable, so that they can create increasingly efficient and quality social responses to meet the needs and expectations of their community.

Through the research conducted around the initial question (in response to the starting question), we verified that from Sawhill and Williamson's (2001) perspective, since non-profit organizations (NPOs) are gaining size and creating dimension in the society in which they are inserted, they should begin to assess their resources and their capacity for autonomy, innovation, and sustainability. Therefore, to face the constant market changes, organizations need to have a good management based on strategy tools, planning, evaluations of economic and non-economic indicators, which allow the success of their mission (Marques, 2014).

After this research we found that social organizations need to invest in a paradigm shift. In this sense, these organizations should take the risk of implementing tools and practices that help the organization to improve its quality and efficiency in the long term, as well as its sustainability capacity. Organizations should seek to identify new management practices that allow them to maintain their sustainability, analyzing the social, financial, and environmental areas, and thus, verify if relating strategic management to sustainability has an impact on the management of an organization.

When a literature search on management in social organizations was carried out, it was found that the information provided is very scarce and generalized. These organizations invest little in management and planning models, professional qualification, and innovative and entrepreneurial ideas.

## 6 Acknowledgments

This work is funded by National Funds through the FCT - Foundation for Science and Technology, I.P., within the scope of the project Ref<sup>a</sup> UIDB/05507/2020. Furthermore, we would like to thank the Centre for Studies in Education and Innovation (CI&DEI) and the Polytechnic of Viseu for their support.

## References

- Boas, C. (2015). O Sistema de Gestão de Qualidade nas Respostas Sociais: caracterização dos sistemas certificados e proposta de um modelo de processos [Dissertação de mestrado, Instituto Politécnico do Cávado e do Ave]. Repositório Institucional do Instituto Politécnico do Cávado e do Ave. <http://hdl.handle.net/11110/1140>
- Fonseca, SMSR (2014). Uma orientação para o mercado social: inovação, aprendizagem organizacional e desempenho: um Estudo nas Misericórdias Portuguesas [Tese de doutoramento, Universidade Trás-os-Montes e Alto Douro]. Repositório Institucional da Universidade Trás-os-Montes e Alto Douro. <http://hdl.handle.net/10400.19/4188>
- Lei n.º 30/2013 da Assembleia da República, (2013). Diário da República: I série, n.º 88. <https://data.dre.pt/eli/lei/30/2013/05/08/p/dre/pt/html>
- Mações, M. (2018). Manual de Gestão Moderna. (2.<sup>a</sup> Edição). Actual Editora. <https://www.topleituras.com/livros/manual-gestao-moderna-teoria-pratica-2o-edicao-d565?fbclid=IwAR0PRWawOItnJMVD15WWyDlmePKmlIR65djEK0qXtvQcO0g2XbMGMnI40sU#leitura>
- Mainardes, E., Ferreira, J., & Raposo, M. (2011). Conceitos de estratégia e gestão estratégica: qual é o nível de conhecimento adquirido pelos estudantes de gestão? FACEF Pesquisa, 14(3), 280-286.
- <http://periodicos.unifacef.com.br/index.php/facefpesquisa/article/view/296>
- Marques, S. (2014). A importância da gestão na sustentabilidade de Organizações Sem Fins Lucrativos prestadoras de serviços sociais [Dissertação de mestrado, Universidade de Coimbra]. Repositório Institucional da Universidade de Coimbra. <http://hdl.handle.net/10316/27778>
- Rodrigues, V. (2014). Liderança estratégica e pensamento estratégico [Trabalho de investigação individual, Instituto Universitário Militar]. Repositório Institucional do Instituto Universitário Militar. <http://hdl.handle.net/10400.26/10082>
- Santos, A. (2008). Gestão Estratégica: Conceitos, modelos e instrumentos Escolar Editora.
- Serra, F., Ferreira, M., Torres, M., & Torres, A. (2010). Gestão Estratégica: Conceito e práticas Lidel.
- Silva, B. (2014). Sustentabilidade das organizações do terceiro setor: uma análise com base nas IPSS do concelho de Aveiro [Dissertação de mestrado, Universidade de Aveiro]. Repositório Institucional da Universidade de Aveiro. <http://hdl.handle.net/10773/16564>
- Silva, S. (2014). Estratégias de sustentabilidade financeira das IPSS [Dissertação de mestrado, Universidade de Aveiro]. Repositório Institucional da Universidade de Aveiro. <http://hdl.handle.net/10773/15620>
- Valente, J. (2018). A implementação de ferramentas de gestão estratégica nas Organizações da Economia Social: Um estudo sobre as organizações sociais do concelho de Castelo de Paiva [Dissertação de mestrado, Escola Superior de Tecnologia e Gestão de Lamego]. Repositório Científico do Politécnico de Viseu. <http://hdl.handle.net/10400.19/5625>
- Vieira, T. (2015). Os Papéis das Organizações do Terceiro Setor na resposta aos Problemas Sociais [Dissertação de mestrado, Universidade de Coimbra]. Repositório Institucional da Universidade de Coimbra. <http://hdl.handle.net/10316/29684>