Self-organization in the social economy:
A success story – not only during the pandemic crisis?

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Abstract

This paper explores how concepts of self-organization or agility fit for the challenges of the social economy. With the help of an empirical study carried out between 2021 and 2022, key factors for the successful development and implementation of agile concepts in social economy organizations are outlined.

System-theoretical considerations show why the social economy is ideally suited to work with agile approaches and increased self-organization. These conclusions are reflected by the self-reported practical experiences of social economy managers, who have experience in self organization. A range of factors are crucial for the development of self-organized leadership and management processes in the social economy. In addition, the organizational resilience of self-organized companies is discussed. This appears to be effective during times of crisis and was apparently quite successful at the onset of the COVID-19 pandemic crisis.

Keywords: Self-organization, agility, transformational leadership, crisis management, participation

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1. Introduction

In the digital age social politics and social policy are increasingly characterized by strict economization (Tabatt-Hirschfeldt 2018). New forms of steering, controlling, and managing the social economy were developed (Zimmermann 2009). However, authorities still push the use of management-oriented controlling and financing in social organizations (Jehle et al. 2021). For this reason, social economy-organizations have developed new approaches towards management and leadership, for themselves. These concepts differ greatly in terms of objectives and interpretations. However, many approaches have one thing in common: they are based upon concepts of agility or self-organization.

But how do these managerial approaches perform in the field of social economy? Experiences in other branches show that quick wins due to more agility may cause new problems in the long run: For example, an initially reported increase in employee satisfaction or productivity can turn into increasing frustration and new bureaucracy (Culen 2017). Similarly, higher levels of flexibility may become increasingly overruled by new forms of monitoring or control. Therefore, a closer examination questions the logic of the system and its environment: While outcomes of self-organized entities in a social economy are difficult to show, the economic contributions made by a for-profit organization can be more readily evaluated. Measurable results could constitute the traction that substitutes for the power of hierarchy in agile organizations, within the profit-sector. However, the system-immanent conditions of social economy-organizations are fundamentally different from those of dynamic IT or business enterprises. Therefore, adaptations of leadership or management approaches from the business-sector are likely to require certain conditions to succeed in social economy.

2. Research Approach

This paper is based on an explorative, empirical study with six Swiss social organizations (Zimmermann 2022). The organizations have several years of experience with self-organization but differ in size, purpose and legal form. In 2021, various expert discussions were held with employees and consultants. In addition, six semi-structured interviews with key persons were evaluated. The interviewees each take on different roles in their organizations, but all see themselves as driving forces in their company's transformation to

self-organization. Since the forms and levels of self-organization vary, the interviews were deliberately kept open. Thus, narrative elements allowed conclusions about the context and meaning behind superficially rational arguments and could be processed constructively or reconstructively (Döring/Bortz 2016). This field-oriented qualitative perspective leaves the constructivist space for new - not predictable or theoretically derived - heuristic knowledge.

3. Concepts of self-organization

Since the industrialization, business management has mainly been based upon a causal-deterministic logic: Planning, steering, implementation, and controlling were defined by strategic guidelines and sequential processes. Aims and strategies were hierarchically determined and provided with targets and measures. Due to the social and economic dynamics of recent decades - above all globalization and digitalization - these approaches no longer fit to business reality. New agile management approaches or forms of self-organization can bring more speed, flexibility and resilience to organizations. Therefore, since the turn of the millennium heterarchy and agility approaches have been on the rise. The software industry launched the "Agile Manifesto" (AgileManifesto 2001), the cornerstone of numerous cross-industry management concepts that invoke agility. In principle, these turn away from traditional hierarchical planning logic and increasingly rely on self-organization and self-control of systems: These concepts are less hierarchical, more self-developed and more flexible. In general, there is a shift from the organizational structural elements like functions or job descriptions to concepts of role-taking and role-making. This allows a much more dynamic response to changes in the environment. Hierarchical "pyramids" are reorganized into heterarchical "circles". At the same time new holistic attributions to organizations are gaining popularity: Organizations are seen less as a functional structure or "means to an end" but more as "evolutionary organisms" with only an end in themselves. Managers should not tell the organization what to do, they should listen, become its partner, dance with it and discover where it takes them (Laloux 2015). This interpretation highlights that a social system can determine its own destiny and that organizations, or parts of them, can seize an emergent autopoietic power to develop their own aims and paths.
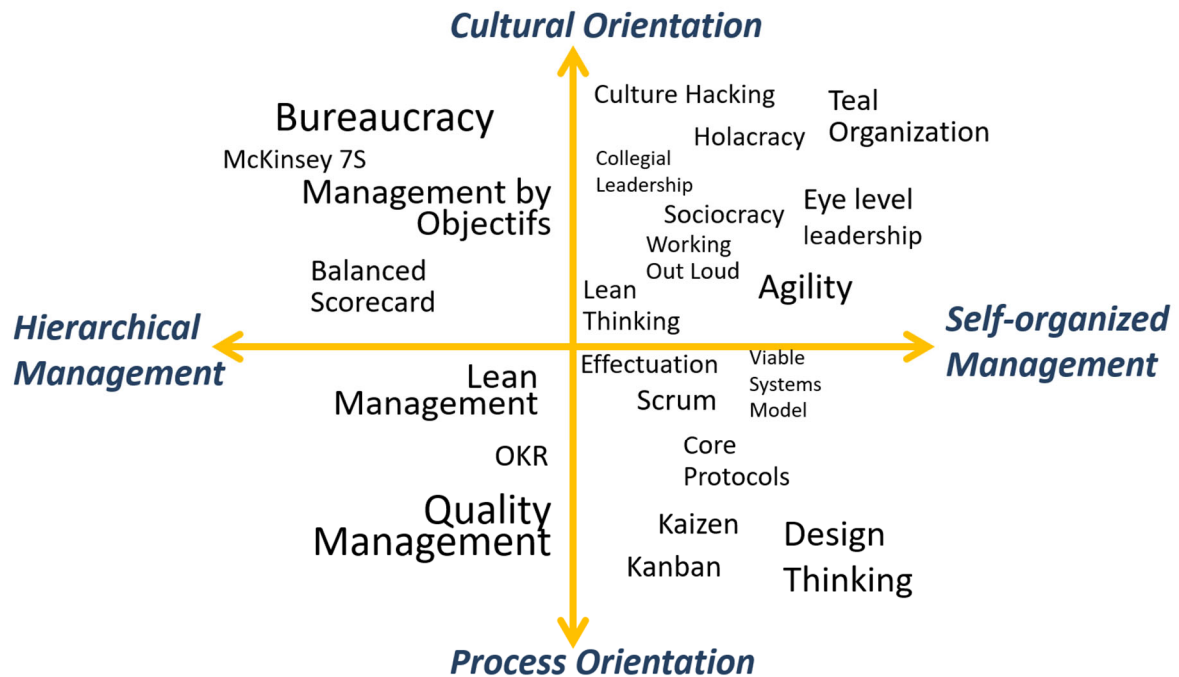
Management Frameworks

Figure 1: Management Frameworks (own elaboration)

Concepts of self-organization are commonly based on the above considerations: Some concepts are centered around team-performances for processes, projects, and innovations. Others have the whole organization, its leadership and culture in their sights. Figure 1 provides a structured overview of some of these approaches and frameworks: On the left side of the axis are the more traditionally hierarchical management concepts, on the right the more self-organized approaches. At the top, there are concepts that focus more or less on the entire organization (second-order change), and at the bottom those that are mainly process-oriented (first-order change).

Internally within the company, self-organization approaches enable coping with bureaucracy, demographic developments, changing values and the individualization of employees. Towards the outside of the company, dynamics, complexity, customer orientation and uncertainty are cited as reasons for more self-organization (Häusling/Kahl 2018). These general attributes apply in particular to the social economy sector: Work on societal issues and with people is always exposed to diversity, complexity, and uncertainty. If the core work-orientations of self-organization are contrasted with those of many social economy

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paradigms, their parallelism is obvious; Such approaches are co-creative, participatory, solution-oriented, open, transparent, customer- or client-oriented, empowering, holistic, equal. However, most organizations of the social economy are managed in a hierarchical or bureaucratical way.

But if the external relations with clients or stakeholders are patterned by co-creative, participative, or cooperative processes, shouldn't social organizations also have an internal culture with similar values and principles? Wouldn't it be more valuable if there was a mutual integrity between the social work and the way it is organized? This might be the reason why management concepts that propose participation and openness are now attracting greater interest, in the social economy. Apparently, the number of self-organized teams, departments, and operations in the social sector is steadily increasing.

Four different organizational concepts considered in this study are briefly presented below. They were developed as co-dependent concepts. In practice, mixed forms also exist.

(1) *Sociocracy* is a structural model for self-organization based on the work of the Dutch engineer Gerard Endenberg from the 1970s (Strauch/Reijmer 2018). This self-organization concept is guided by four basic principles: (a) Decisions via consent: decisions are only made if none of the participants has a justified objection. This procedure is more efficient than consensus and fairer than democratic decision-making, in which minorities are outvoted. (b) Double coupling - upward and downward – accomplishes more transparency and participation between hierarchical levels. (c) open election of role holders and (d) the circle principle instead of line organization are further concepts of sociocracy, which however still allows hierarchical structures.

(2) *Holacracy* is a self-organization approach developed by Brian Robertson from the USA (2016). It is based upon many basic features of sociocracy, thus, the approach also works with circle models and roles. In contrast to sociocracy, the circles are linked with "double-linking" by individual representatives not only to the next higher or lower circle but also to neighboring circles. This prevents one-sided communication and vertical hierarchical structures can be completely abolished. Therefore, it is not the management that is the final authority, but the "holacratic constitution".

(3) The concept of *Teal, evolutionary* or *integral organization* is based on the book "Reinventing Organizations" by the Belgian management consultant Frédéric Laloux (2015). According to Laloux, self-organized organizational units no longer need leadership. Employees are accompanied by coaches but decide independently about their field. The

decisive factors for employees are not leadership structures or guidelines, but cultural and relational values such as trust and purpose orientation.

(4) The *Collegial leadership model* or *"agile organizational development"* was designed by the German authors Bernd Oestereich and Claudia Schröder (2019). This organizational approach is based on a systemic-integral value system along the lines of the above concepts. It advocates radical decentralization with comprehensive employee ownership. The model suggests an incremental transformation so the new value-system can be experienced and developed during the change process.

4. Research findings on self-organization for the social economy

Within an empirical study, it was possible to identify factors that are important for the transformation and success of self-organization in the social economy (Zimmermann 2022). The findings are mainly based on statements made during interviews, conversations with, and documents created by the practitioners. They were analytically reflected on and then clustered into the following core themes.

4.1. *Systems and references*

Social systems, such as organizations, divisions, teams, or work groups, fundamentally possess autopoietic self-creating forces (Luhmann 2000). Management approaches based on self-organization take advantage of this principle: By reducing directive specifications, the degrees of freedom within the organization rise. Teams and team members can unfold in a way that increases motivation, efficiency, and innovation.

In the context of this study, two different images of self-organization emerged; one sees an outwardly relatively stable system, which organizes itself primarily within its boundaries. Structural guidelines and rules define the framework for self-organized processes and decisions. The other sees a more open system that continues to develop its intentions. Clear pivots such as mission statements or stable value systems within the system provide orientation, reference or identity. However, the organization transforms as a whole with its values and culture. These two basic conceptualizations are hardly distinguished in practice. Yet the distinction has a significant influence on organizational development: if these

concepts are merely interpreted as means and handled as an optimization (first-order change), this suggests manageable change approaches with a defined beginning and end. However, when the overall system is consciously involved in change (second-order change), more complex processes of system development become relevant. Self-organization in this way reflects a fundamental systemic way of looking at order and disorder. Questions of what is thereby enabled or prevented, what is made visible or what is concealed, what is to be retained or what is to be changed must be anticipated (Geramanis/Hutmacher 2020). This consideration makes clear that the introduction of self-organization demands the development of a fundamental value and thinking attitude (Hutmacher 2020). This holistic approach towards system growth requires the inclusive consideration of working environments. If the organization limits itself too much to its own self-organization, external influences are perceived only as a disturbance. The organization is preoccupied with itself, without the reflection necessary for a sustainable development of values and beliefs. To counteract this, stakeholders can also be integrated into the self-management process. Visits in other organizations or external consultants may also be used to avoid excessive internal referencing.

As part of the referencing process, the role of the models or concepts must also be estimated. Due to their specifications, the concepts not only create structural orientation, but also demand value attributions themselves. For the success of self-organization it seems crucial that all participants share these values. However, if these values are derived through structural models, this increases external referencing. Instead of elaborated systemic communication, decision-making and controlling processes, conceptually predefined structures such as circle models or decision-making procedures are used. Various interviewees confirmed that conceptually-based processes of decision-making, discussion and development had to be discontinued because they did not lead to useful solutions. The staff members seemed to be primarily concerned with themselves in the meetings and lost touch with the client-oriented work. For others, identification with the new organizational model led to a dogmatic use of the concepts and therefore to a new formalization. Thus, self-organized organizations lose their agility if they strictly follow these concepts.

Another decisive factor is how key people in change processes deal with the opening of the system. A decreasing of hierarchical structures and power may in a first phase cause uncertainty and disorientation. The system-immanent striving for order leads to a search for a new orientation. Therefore, the openness created risks that were compensated for, by

introducing new forms of system closure. Conceptual guidelines such as delegation forms, decision-making processes or discussion rules help to provide the necessary orientation and security. Extensively applied, however, they can lead to over-regulation, which can undermine the desired degree of freedom.

4.2. Power and opening

Only those who have, and exercise power can share it. Therefore, self-organization is usually introduced hierarchically and is thus dependent on individual leaders (Strauch/Reijmer 2018). This argument highlights the paradox that the shift towards democracy needs addressable autocracy. Hierarchical patterns cannot simply be dissolved. A reflective process of learning and awareness is required, on the part of those involved. This is also a reason why the dissolution of formal power structures cannot prevent informal power (Kaegi/Zängl 2019). Explicit power structures can transform into implicit ones (Eugster Stamm/Kaegi 2019). Thus, it is not surprising that in the organizations considered in this study, single persons were identified as driving forces in each case. In general, these individuals were managing directors or division heads in strongly hierarchical positions. They gave different motives for the introduction of self-organization in their organizations: like succession planning, existing over-structured organization, inappropriate control or better relationships with the clients. The positioning in the labor market was mentioned several times as a motive for self-organization: Self-organization seems to be more attractive for Generation Z professionals. Some organizational representatives emphasized that self-organization serves growth: New departments or entire divisions can perform without the lengthy process of building up structures and establishing managers. Representatives of other organizations mentioned the changed political framework conditions which increased the pressure on innovation: Due to self-organization, new products or services, higher flexibility and more efficiency are expected.

In addition to the rational arguments for the introduction of self-organization, all interviewees also mentioned value-oriented motives: They were looking for alternatives to directive hierarchy and associated role perceptions and praised the holistic approach of self-organization. These statements point to a motivation for adopting the new organizational form that goes beyond purely rational justifications: these individuals believe that an organizational form with holistic principles and distributed responsibility fits better to their

social organization. They are convinced that both organization and employees benefit from more self-organization. Since they failed to connect objective evidence to this argumentation, ideological motives are also likely to be influencing their perspective.

Democracy, anti-authoritarian approaches and collectivism are reflected in a basic understanding of social economy. Similar concerns were already important in the development of sociocracy, in the middle of the last century. Today, social change through emancipation, humanization or subjectification of employees (or people per se) still appears to be a motivation for self-organization (Geramanis/Hutmacher 2020). If the social economy adopts approaches to self-organization, these values are also largely adapted. In practice, however, business arguments often override this ideologically driven (cultural) development in self-organization.

As we have seen above, it is mostly individual leaders who force the transformation to self-organization. They predominantly cite economic reasons for changing the organizational form. But since their roles are also directly affected, personal motives are also involved: directors or managers no longer see themselves as sole leaders; they want to share responsibility in the future, or they want to retire. In these cases, the personal decisions of directors or managers initialize the organizational transformation, even though they argue with objective reasons.

At the beginning of the transformation, the employees concerned are uncertain of which direction the organization is going in. This reinforces the hierarchical divide (at least informally), in the short term. The drivers see themselves as reference persons in the transformation process. At the same time, they seem to be aware that they have to step back to facilitate self-organization. This leads us to another ambiguity: On the one hand, leaders are needed to introduce self-organization and provide orientation and trust during the transformation. On the other hand, managers need to step back and away from the hierarchical system to allow more freedom for employees. Therefore, leaders must overcome their previous role expectations and interpretations as part of the development of self-organization: They must credibly accept personal limitations such as loss of authority, power, status, benefits, pay, and overcome their self-centeredness or narcissism. These are important prerequisites for success because self-organization must be trustworthy and credible for all participants. The new form of agile leadership must be patterned by openness, the ability to deal with conflicts, tolerance and time reserves for regular communication and clarification.

4.3. Introduction and orientation

All of the organizations considered in this study were originally organized in a classic hierarchical way. They sought different ways to break through the hierarchical structures and introduce forms of self-organization. As the formal executive director of a mobile home-care service put it: "Many want to take a structural approach. Business management logic is static and inflexible. This thinking is the wrong approach. The traditional hierarchy and this form of leading must be dismantled so that it is clear that it is not the boss who knows everything better."

Individuals reported that some of their staff were initially skeptical about developing self-organization approaches . As several interviewees said, it was important for employees to feel, early-on, that they had more (personal) responsibility and that management was really relinquishing its power. Several organizations spoke of a "symbolic act" to demonstrate management's credibility at the very beginning of the transformation: One organization declared that participation in all meetings was to be voluntary. Those who attended the meetings could also have a say. Those who wanted to have a say but could not attend could submit their vote in writing. Another organization with various individual operations, such as residential homes and work integration facilities, asked the leaders of these operations to relinquish their leadership within a year. After that, these leaders were put on an equal footing with other team members and their pay was reduced. One of the organizations first worked on a common new mission statement that would communicate the new values associated with self-organization. All 380 employees were involved in the development process. The same organization also changed the dress code of its employees: In the future, they should no longer appear in professional clothing, but in their own choice of clothes - with the symbolism of perceiving employees as people and not only according to their function. The participatory development of a common understanding for self-organization e.g., in the form of a written vision or mission statement, is likely to be a key element for successful implementation. The value orientation and traction of a vision fits well with the concerns of self-organization. However, the process for this vision must be open-ended so that new values and thoughts can evolve. Such interventions are critical to helping a social enterprise, department, or team become more self-led and more organized. All participants and thus the entire system develop referentially towards the estimated goal of self-organization. Only in this way do the learning processes emerge that make self-organization possible.

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Whether the orientation towards a management concept such as sociocracy, holacracy or collegial leadership proves successful is judged differently. The majority of the interviewees emphasize that these concepts conveyed security to themselves and their employees. Since self-organization was new to most employees, the conceptual guidelines provided orientation (employees felt that others had done it before), whereas leaving the conceptual framework sometimes led to uncertainty among employees. However, the use of overly comprehensive sets of rules also deterred others. Holacracy and sociocracy approaches, in particular, carry the risk of over-structuring. Thus, the organizational developer of one interviewed organization emphasized that: "Only about 20% of decisions and structures need to be reorganized. 80% can be decided bilaterally as before. [...] At first, employees had started to make even simple or unimportant decisions according to the methods of Holacracy, that's when we had to intervene, that was highly inefficient." Consequently, self-organization should only be applied where it brings a concrete solution to a problem (Strauch/Reijmer 2018). Functioning processes that are well-rehearsed and have no need for change do not need to be transformed.

All organizations made individual adjustments - mainly simplifications - in the course of development and deviated at least partially from the conceptual recommendations. Self-organization is - at least from a business perspective - not a cause for itself. Therefore, self-organization should only become an organizational principle where it achieves a recognizable benefit.

4.4. Inclusion and roles

Self-organization is seen by some authors as an evolutionary achievement of organizations (Laloux 2015, Robertson 2016, Oestereich/Schröder 2019). This view places high expectations on the organization and its employees. The motivation of employees to want to participate in leadership plays a central role here: Most of the social economy employees surveyed personally prefer participative leadership. However, they also emphasize the time required to learn, develop and implement this approach. Specialists would also be required more often for coordination and communication issues. This additional effort represents a hurdle for the success of self-organization in the social economy. In most cases, the demand for social services and products is higher than the available resources, which means that the

workload of social organizations and their employees tends to be very high. For many employees, however, self-organization means taking on additional tasks and responsibilities. In order to convince the employees to develop self-organization, work on relationships is often effective: Personal conversations serve to convey the innovations and to take on board the fears of the employees. At the same time, the new roles of the interlocutors can be clarified.

Trust is a top priority for all respondents: Managers in particular need to signal their trust in employees and confirm it in their day-to-day work. An important prerequisite for this is the communication of fault tolerance and security. Only when employees feel a sufficient degree of psychological security can they implement agility. Discussions with stakeholders confirm that managers` attitudes are more important than the tools they use. Employees must be able to transfer from the predefined protected function offered by a classic hierarchy to a self-organized learning role. Teams need to learn and practice working within a culture of openness, tolerance and feedback, otherwise a fear of exposure and failure arises, which prevents self-organization. This learning process must be supported with routines. Through the constant application and cultivation of these values, they lead to the normalization of the flat hierarchy.

The observed organizations speak of change processes lasting several years. These transformations take much longer than usual change projects. Ideally, they result in a constantly renewing, learning organization. The self-organized companies describe their structural organization as "circles" instead of hierarchical "cones" or "pyramids". The circles have different attributions in the organizations. Employees assume different roles in two or more circles. Usually, these new roles are taken-on voluntarily, so not all employees are given additional responsibilities. However, taking on these different roles has hardly been a problem for the social economy staff. They are accustomed from their professional work to repeatedly taking on different roles in different situations. As a result, social economy employees seem well equipped to implement the required role diversity of self-organization. The essence of social economy is to master difficult tasks. Therefore, we can confidently rely on the competencies of its employees to bring these abilities to bear in the internal context of a social organization. The basic openness and systemic understanding for the successful implementation of self-organization in social organizations can also be assumed for most employees.

4.5. Information and knowledge

Thanks to today's data and information availability as well as fast ubiquitous communication technology, the classic hierarchical downward communication can hardly be justified anymore. The adherence to "level-appropriate information" suggests power- or micropolitical calculations on the part of management or even a certain distrust of one's own employees. The concepts of self-organization take the opposite approach: information and knowledge should basically be available to all employees. It's an approach that needs full transparency, including sensitive data (Laloux 2015).

It is clear from the interviews that a high value is placed on knowledge and information management: Information should no longer be passed on using a top-down approach, but rather all information should be available to all employees, as far as possible. Only then will employees be able to assume their responsibilities and make important decisions. In addition, stakeholders should have access to relevant information. This is seen not only as an aspect of information distribution but also as a question of values regarding transparency and trust. The individual organizations are also trying to implement this requirement with the help of digital solutions. Web-based interactive platforms are proving their worth for rapid, comprehensive access and exchange of information. Filing systems with all accessible data records are suitable for sustainable knowledge management.

In practice, however, these demands for availability of information in self-organization led to problematic expectations: Some employees obviously had difficulties making decisions because they felt they had too little information. These employees seemed to compensate for their uncertainty before making decisions, with the need to obtain as much information as possible. Sometimes, however, this claim on information was apparently also tantamount to a claim to power. This possible contradiction between demands and availability of information stems from the need for security and the lack of experience of certain employees. These uncertainties or demands for more information can be countered with the development of a higher failure culture. After all, it is specifically in agility that mistakes are seen as learning opportunities.

4.6. Coupling and resilience

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The operational cohesiveness, inherent logic and autonomy of social systems necessitates their extensive self-control (Willke 2001). In systems theory, therefore, the form of coupling of social organizations with their upstream instances and commissioning bodies is significant. It is likely to be a particular challenge for formal-hierarchical foundation boards, executive boards, administrative boards or official bodies to steer self-organized organizations (Minnig/Zängl 2019). In principle, decentrally organized and less formalized organizations are more suitable for the transition to self-organization than formally hierarchical organizations. Person-centered social service organizations with their decentralized client* relationships are therefore more suitable than, for example, social insurance (Aye 2020). However, service organizations are also bound by formal regulations. Certain functions, for example, must be recorded in public registers in a person-specific manner. As a result, certain roles may correspond to classical hierarchical control even in self-directed organizations. The decisive factor is apparently less the formal-legal framework than the role interpretation: "Agility is an attitude, if the management does not have this attitude, then there are conflicts" (department head of a rest home and nursing home). In practice, what counts is how the (former) managers live(d) out self-organization.

This includes concrete specifications that have to be enforced hierarchically, such as the COVID-19 measures in 2020. The direct - and thus close - coupling of the self-organized teams with higher-level specifications (e.g., the Federal Government`s COVID-19 prevention measures) and the simultaneous loose coupling within the organization enabled the teams to deal with the situation actively and self-determinedly. With the necessary transparency, the collective intelligence was given the freedom to unfold, could work out new solutions and quickly draw adequate conclusions. Several interviewees confirmed: self-organized teams were better organized and better able to deal with this challenge during the onset of the COVID-19 pandemic, compared to hierarchical teams. This shows that self-organized teams are probably more crisis-resistant and thus more resilient than hierarchical teams. Those affected confirmed that learning processes, professionalism and flexibility in action were demonstrated and proven during the crisis.

Self-organization also proved its worth at other times of crisis. Empirical observation confirmed that teams facing downsizing were able to manage this reduction in a self-organized way. One interviewee described the reduction of a team as a "natural change" that was worked out, implemented and carried by the employees.

4.7. Successes and limitations

The results of the study show that additional effort is required to introduce self-organization. However, this effort is recouped after the introduction, through increased motivation, satisfaction, and identification. In addition, work can be carried out more efficiently thanks to fewer meetings. Some respondents point out that decision-making sometimes takes longer. However, since balance and broad support of these decisions are generally higher than ordinary top-down decisions, they are much more sustainable. In addition, the employees need less instruction or control, because they share the responsibility for the decisions.

In some organizations, management positions were not necessary anymore because of self-organization and thus led to direct economical savings. However, according to some interviewees, this profit should not be withheld but flow directly back into the team for financing of further training, additional personnel or, for example, in the form of wage increases.

Some of the interviewees pointed out that, in practice, self-organization leads to an increase in social control. Absenteeism, for example, is decreasing not only because employee motivation is higher but also because the immediacy of absence and feedback are much higher. However, this increase in social control can also lead to an increase in tensions within teams. For example, there are reports of recriminations that had to be dealt with by means of appropriate conflict management.

The managing director of a social organization with distinctly self-directed teams referred to a healthy form of competition among the teams. Employees would compare performance among themselves and thus receive incentives to continuously improve. If too much power was exercised in one team, the overall system reacted. Thus, social control also has a leveling effect within and between teams.

The decision of a social organization to move towards self-organization and the selection of a concept correspond to a positioning in the perceptual space of clients, commissioners or potential employees. In this sense, the principle of organization also acts as a label to distinguish itself from other organizations. Those responsible in self-organized social organizations confirm that this is an advantage in a competitive market for skilled workers. Self-organized social organizations apparently have fewer problems with overtime and staff shortages. They use existing human resources more effectively thanks to self-organization by being able to respond more flexibly to demand. The conscious promotion of social

relationships among the organization members and with clients also lead to less emotional stress. This, in turn, may be seen as a reason for the low absenteeism and high satisfaction noted among employees. According to several interviewees, self-organized social organizations appear more attractive to potential employees, so that recruiting them is easier today.

The most critical factors in the implementation of self-organization concepts are the credible motivation of key personnel and sufficient resources. Where management motivation remains unclear, self-organization concepts are likely to be ineffective. The reference to resources is also a significant factor: Already overburdened employees will not be able to provide the initial effort that self-organization needs. The introduction, learning, testing and further development of self-organization approaches takes a lot of time, perseverance and stamina, as all practical case studies have shown. Financial implications also need to be considered, at least during an initial phase: Additional costs for consulting, overtime or new IT systems had to be borne by all organizations.

The financial restrictions do not only have an effect during the introduction of self-organization. Interviewees mentioned, that even after introducing self-organization, the financial situation can override this form of management. This highlights that self-organization is exposed to the latent risk of being overridden by directive interventions. When a formal dependence on outside systems regulations is strong, the implementation of self-organization reaches its limits. We see this, for example, in the highly formalized social insurance system, which hardly moves in the direction of self-organization. However, the increase in economization, steering, quality management, controlling and evaluation in the social sector also increases the formalization of people-oriented service work (Jehle et al. 2020). This limits the scope for the introduction of self-organization. The expectations of clients, commissioners or society as relevant environments must also be taken into account. For example, society expects largely bureaucratic structures from a social insurance institution. The clear regulations or, in systems theory terms, "tight couplings" that prevail there convey security. Thus, these organizational structures act as a protection against the volatile environment.

5. Conclusions for the social economy

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5.1. Common values

The preceding considerations lead to the conclusion that the social economy benefits from management concepts of self-organization. The concepts provide orientation for a new form of participation. Especially in a phase of transition, these concepts show the stakeholders and organizational members the intentions and framework conditions of the transformation. They can provide both employees and their environment with the necessary security and communication basis. At the same time, the formal framework must not be placed in the foreground too much, as its set of rules can deter employees. Rather, the development of self-organization is less of a conceptual framework from the specialist literature than a specific adaptation and development of a shared understanding within the organization. Social economy organizations must develop a shared perception of their very own self-organization through participatory development and learning processes. Only then can a collective understanding and culture be created that serves for both structure and development.

In the interviews and the conversations with employees of self-organized organizations of the social economy, there was always a sense of passion for this form of management. Self-organization in the social economy apparently led to development and higher levels of satisfaction among the employees. Their socialization in the social economy has taught them values and actions that they also seek in their organizational context. They are used to primacy of people and participative governance. Moreover, they are used to taking responsibility from their relational work with clients. Thus, they have the experience and often have the competencies to take on greater responsibility in the work organization.

A deviation of values from the external work purpose increases the dissatisfaction of the employees – especially in the social economy. A positive feeling only comes into effect when relationships within an organization (with colleagues, superiors and employees) are coherent with the values that are lived, the purpose and clients outside the organization . Where an organization has a social commitment to its clients and its environment, it must also have fair and transparent structures inside (Herzka 2013). Practical cases have shown: This coherence of values seems possible - and fruitful - with more self-organization in people-oriented social economy organizations. As a head of department in a nursing home put it: "Employees become more alive, which also has an effect on the clients. They feel it and are more alive themselves". Thus, it is precisely this connectivity of internal self-organization to

external, people-oriented work with the client system that is a strength of self-organization approaches. Social economy, its organizations, its employees, and above all its clients thus profit from self-organization.

However, the euphoria aroused among social economy employees for self-organization carries the danger of becoming too self-absorbed. Devoting oneself to the search for the "self" in the team can endanger efficiency and impact. Organizational members discuss their own roles, points of view, and the group in the context of self-organization. Too much focus on the self-organizing concept or a decision-making system can also lead to excessive self-referentiality. This can create group dynamics that push the cause and content of a decision into the background. Employees in social organizations with self-organization need to become aware of this and work on prioritizing the handling of the social problem, customer satisfaction or economic result.

5.2. Human-orientation

The success of self-organization depends on the basic values of those driving the organization and their attitude towards people (Arnold Basler/Wehner/Schulze 2021). This counts even more for social economy organizations. Thus, the key element in implementing self-organization approaches in social work is the attitude of the people involved. Thus, leaders must credibly build trust in order to distribute leadership to more heads. Participation, openness and transparency must be lived convincingly and continuously. The human image of motivated and capable colleagues must be reciprocally present. In order to successfully implement self-organization, those involved must develop attitudes that are demanding: Taking responsibility, being curious, seeking negotiation, respecting individuals and other opinions, acting in solidarity, being role-flexible and resource-oriented or being open to the competencies of others. These attitudes are largely equivalent to the value attitudes that most social economy employees have already internalized in their professional work: Social economy entrepreneurs and employees are veritable experts in self-organization because of their intrinsic motivation and socialization.

The harmony of the values and the attitudes towards people described in concepts of self-organization with those of social economy have a positive effect on client and employee satisfaction. The successes of social organizations that have introduced self-organization

approaches do not stem from any specific concept. Rather, it is evident that self-organization as an organizational principle is fundamentally suited to people-oriented economy.

5.3. Organizational resilience

Self-organized social economy led to more organizational resilience during the onset of the COVID-19 pandemic. Although this hypothesis could not yet be conclusively verified with this study, the signs are clear. Self-organization enabled employees in the social economy to make adequate decisions quickly and sustainably. Employees at the lowest operational level were most aware of the consequences of the pandemic for their area of responsibility. Where self-organization was applied in this period of crisis, it overcame the illusion of hierarchical control. After all, in such complex situations, directors and managers did not have more reliant information than their specialist staff. Professionals of the social economy were able to implement the decisions made themselves in a self-organized manner with conviction and could quickly adapt them if necessary. Because of their socialization and motivation employees of the social economy seem to be predestined for self-organization and self-organized crisis management.

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