

Social Enterprises in the COVID-19 Crisis: Impact, Resilience, and Adaptation. Evidence from Romania

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Abstract

This study examines the Romanian social economy in the context of the COVID-19 pandemic, focusing on NGOs and social enterprises. The analysis highlights that Romania's social economy remains an emerging, fragmented sector, with NGOs (associations and foundations) as the dominant actors. Many operate under an "entrepreneurial nonprofit" model, combining mission-driven work with income-generating activities to ensure financial sustainability. Despite the introduction of a formal legal framework through Social Economy Law No. 219/2015, the sector remains difficult to measure due to inconsistent and incomplete data sources, which limit accurate assessments of its size and dynamics. Post-pandemic trends indicate an increase in newly established NGOs, but this is accompanied by weaker activity indicators, including reduced financial reporting compliance, lower citizen participation, and only a partial recovery in financial performance. This suggests a disconnect between organizational growth and operational sustainability. We conducted a quantitative analysis to map NGOs' navigation of the pandemic. COVID-19 had a profoundly disruptive impact on NGOs, with many reporting reduced funding, restricted activities, and declines in staff and volunteer numbers. However, it also accelerated digital transformation, strengthened inter-organizational cooperation, and prompted shifts toward health and education-related services. NGOs played a crucial role in crisis response by supporting hospitals and vulnerable communities, reinforcing their function as an informal welfare buffer. Survey results show generally positive perceptions of NGOs' role in sustainable development, though concerns persist about a low culture of volunteering and uneven private-sector support. Social enterprise NGOs do not differ significantly from other NGOs in pandemic impact, suggesting that legal status offers limited protection against systemic shocks. Overall, the sector demonstrates both resilience and vulnerability.

Keywords

Nonprofit Sector; COVID-19; NGOs; Social Enterprise; Romania.

Introduction

Recent international initiatives, reports, and policy papers have highlighted the role of the social economy during the COVID-19 crisis and in the post-crisis economy and society (Social Economy Europe, 2020; OECD, 2020; World Economic Forum, 2020). For example, according to OECD Policy Responses to Coronavirus (COVID-19), Social economy and the COVID-19 crisis: current and future roles (30 July 2020), *"the social economy has played an important role in addressing and mitigating the short- and long-term impacts of the COVID-19 crisis on economy and society. In the short term, social economy actors have assisted the recovery from the crisis by providing innovative solutions that are aimed at strengthening public services to complement government action. In the long term, social economy organisations can help reshape the post-crisis economy by promoting inclusive and sustainable economic models"* (OECD, 2020, p.1). OECD report highlighted a series of key arguments for the role of the social economy during and post-COVID-19 crisis, of which we mention some also relevant to the Romanian case: social economy organizations operated at the forefront of the crisis to address urgent sanitary and social needs; the social economy has proven to be a pioneer in identifying and implementing social innovations and alternative ways of organizing economic activities; the activities and services that a range of social economy organizations provide – for example in the health sector, social services and work integration – mitigate the direct impacts of the crisis (OECD, 2020). At the same time, the COVID Response Alliance for Social Entrepreneurs was launched in April 2020

by 60 leading social-sector organizations, raising awareness of the vital role of social entrepreneurs in tackling the COVID-19 crisis and beyond (World Economic Forum, 2020).

A recent Social Economy Europe report shows that to contribute to rebuilding the post-COVID-19 crisis economy, it is important to raise awareness of the social economy as a business model that leaves no one behind. *“Social economy solutions such as collective entrepreneurship for job creation, and the transfer of businesses to employees to save jobs and companies across the EU should be encouraged and facilitated through the recovery plans”* (Fiorelli & Gaforio, 2020, p.17).

A scholarly effort was also recently dedicated to analyzing the social economy's response and role during and beyond the COVID-19 crisis. Research findings revealed that during the first wave of the pandemic, social enterprises and other third-sector organizations demonstrated resilience, rethinking their activities and services and focusing on their relationships with the community (Borzaga & Tallarini, 2021; Sarma et al., 2022). The academic discussion went even further, calling for a re-evaluation of the role of social entrepreneurs and a shift in their role – from individual agents of change to collective resource orchestrators in response to the demands of the crisis (Bacq & Lumpkin, 2021). We place our research in this global context, which emphasizes the role of the social economy in the face of a crisis, given its significant capacity to increase economic and social resilience and boost (social) innovation. We also consider the specific challenges Romanian social enterprises faced as small actors in an emergent social economy sector, like Romania's, while doing the utmost to support individuals, particularly those most vulnerable.

There is still a research gap in Romania regarding the impact of the COVID-19 crisis on social economy enterprises and the proven resilience of social economy actors, who can provide rapid solutions during times of crisis. Only a few research efforts have analyzed the Romanian case regarding the organizational resilience of social enterprises during the COVID-19 pandemic and how the social economy is coping with the COVID-19 crisis (Racolța-Paina & Pop, 2023; Suciu et al., 2022; Zbucnea & Barna, 2020). In such a crisis, solidarity was the only possible answer. The social economy could be a viable alternative, helping to adapt and transform society and the economy. For example, in the first initiative of the authors to approach the subject, the following dimensions of the impact of the COVID-19 pandemic have been observed: *“the organizational impact varies among organizations, which confront mainly with one of the following situations: closing the activity completely or only some programs; restricted activities and partial adaptation; or new activities valorizing the opportunities related to the pandemic”* (Zbucnea & Barna, 2020, p. 13). On the other hand, in a relevant European study on the impact of the COVID-19 crisis on social economy enterprises (Fiorelli & Gaforio, 2020), Romania had only one respondent.

Therefore, our research advances the state of the art in the subject investigated, bringing more relevant insights into the difficulties faced by Romanian NGOs and social enterprises during the COVID-19 pandemic and their capacity to demonstrate resilience and adapt to the crisis. This study is relevant because it provides insights into how social economy - community-based and value-driven organizations - can strengthen societal resilience in the face of future health, environmental, and economic crises. It could highlight mechanisms through which these organizations support adaptability to systemic shocks. The findings can also inform the design of more inclusive and shock-resistant policy frameworks that better prepare societies for complex and unpredictable future challenges.

Setting the scene: Romanian social economy coping with the COVID-19 crisis

Aspects of the evolution of the Romanian social economy

The social economy sector in Romania is still emerging compared to other European countries, with only moderate recognition, *“coexisting alongside other concepts such as the nonprofit sector, the voluntary sector, and social enterprises”* (Monzon & Chavez, 2017, p. 34). Romania's main social economy actors are the traditional social economy sector (associations and foundations, cooperatives, credit unions) and the emerging sector of certified social enterprises, which emerged in 2015 with the Social Economy Law no. 219. Our paper focuses on associations and foundations (NGOs), which are

private, formal, voluntary, and autonomous organizations established under Ordinance No. 26 of 2000, as amended. They carry out activities in the general interest, the interest of local communities, or the personal, non-pecuniary interests of their members. At the same time, they may carry out any other direct economic activities if they are of an ancillary nature and are closely linked to the main purpose of the legal person.

Many Romanian NGOs were pioneers of the social economy, choosing to develop market activities centered on the social mission or even social enterprises to support their social mission better. If we refer to the main social enterprise models proposed by Jacques Defourny and Marthe Nyssens in 2016, we can say that the entrepreneurial nonprofit model is prevalent in Romania. This model refers to nonprofit organizations (associations, foundations, federations, etc.) that develop income-generating activities to support their social mission. Income-generating strategies can take different forms: any commercial activity unrelated to the social mission whose surplus supports the social mission; any subsidiary set up by a nonprofit organization to develop a commercial activity and generate profits that go back to the parent organization; and any market activity focused on the social mission developed by the organization (Defourny & Nyssens, 2016). In Romania, this model is widespread, as social-economy initiatives first developed within entrepreneurial NGOs. From this point of view, our study, which aims at the situation of social enterprises developed by NGOs, is representative of the situation in Romania.

The national legal framework for the Romanian social economy was established by Law no. 219/2015, regarding the Social economy. This defines the concepts of social economy and social enterprise. According to the Social Economy Law No. 219/2015, in Romania, the *"social economy is the set of private activities of an economic and social nature, serving the general interest, the interests of a community and/or personal non-patrimonial interests, by increasing social inclusion and/or providing goods, services and/or works."* The following categories of entities are recognized as part of the social economy (they can obtain the social enterprise certificate): cooperative societies, credit cooperatives, associations and foundations, mutual aid houses for employees and pensioners, agricultural societies, agricultural cooperatives, and any other category of legal entities, regardless of the field of activity, which complies, according to the legal acts of establishment and organization, cumulatively, with the definition and principles of the social economy laid down by the law. Also, Social Economy Law No. 219/2015 defines the social enterprise *"as any legal person governed by private law which carries out activities in the field of social economy and holds a social enterprise certificate."* The certificate is granted based on the provision in the acts of establishment and operation of cumulative compliance with a set of criteria laid down by law: (i) act for a social purpose and/or in the general interest of the community; (ii) allocate at least 90% of the profit/surplus made to the social purpose and the statutory reserve; (iii) undertake to transfer the assets remaining after liquidation to one or more social enterprises; and (iv) apply the principle of social equity towards employees and administrators, ensuring fair wage/remuneration levels, between which there cannot be differences exceeding the ratio of 1 to 8.

Public data available have been used in several national studies and reports (Barna, 2014; Kivu et al., 2017), which reflected the size and dynamics of the Romanian social economy sector, considering the main types of social economy actors (associations and foundations, cooperatives and credit unions). These data were also complemented by survey data and relevant analyses conducted by social economy representatives (Vameşu, A., 2021). Although there are some online platform meant to present an updated database of the Romanian NGOs, such as the National Register managed by the Ministry of Justice (<https://www.just.ro/registrul-national-ong/>), the Special Register of Associations and Foundations, or CONECT – the Catalogue of Nongovernmental Organizations (<https://conect.gov.ro/1/harta-interactiva/>) developed by the Romanian Government to consult transparently the sector, the actual information on the evolution as well as present state of the sector considering the active NGOs escapes a rapid investigation. For instance, the National Register automatically enrolls all new NGOs, while the Special Register includes only observations made by the organizations themselves regarding significant changes in their activity (Oprea, 2023). Therefore, the second one offers information on active organizations, which, for instance, register changes in their operative structure. Information on active organizations can also be obtained from ANAF (National

Agency for Fiscal Administration). This data is the most reliable but difficult to access. Overall, all centralized information on the sector is scarce, unreliable, and difficult to obtain. An analysis of them is provided by FDSC (Voicu, Andersen & Țălnar-Naghi, 2021). Once every several years, the Foundation for the Development of Civil Society (FDSC) published comprehensive national sectoral studies:

- Romania 2010. The nongovernmental sector – Profile, trends, challenges (Lambru & Vameșu, 2010)
- Romania 2017. The Nongovernmental Sector – Profile, Trends, Challenges (Kivu, 2017)
- Romania 2024. The Nongovernmental Sector – Profile, Trends, Challenges (Voicu, 2024)

According to Romania 2024 (Voicu, 2024, p. 21), the number of newly established NGOs increased after the pandemic, after a long decline (Figure 1). Still, the study or the available data does not necessarily link this increase to the pandemic. Nevertheless, it might be related to the economic downturn following the COVID-19 pandemic, as well as the start of the war in Ukraine and its additional pressures in 2022.

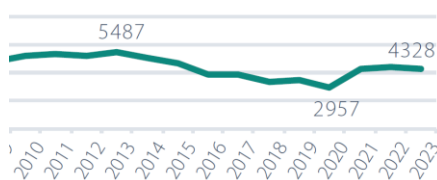


Figure 1. Evolution of newly established NGOs in the past years, in Romania

Source: Voicu, 2024, p. 21

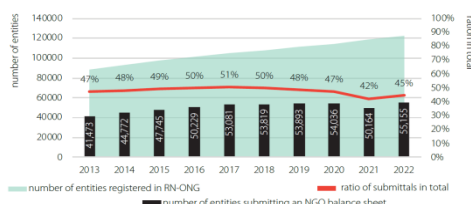


Figure 2. Submissions of annual balance sheets of the Romanian NGOs over a decade

Source: Voicu, 2024, p. 22

Not all legally established NGOs are active. The analysis of Voicu et al. (2024) reports a 63% percent (p. 29), with 37% declaring assets (p. 33), while 45% submitted financial declarations the same year (p. 22). Even more, the rate of NGOs submitting their annual balance sheets was lower after the pandemic, suggesting greater difficulties in developing/ maintaining their activities (See Figure 2).

While the value of NGOs' assets increased a little after the pandemic (which could be related to their increased number), the financial outcome remained relatively constant. Additionally, we mention a slight increase in declared income (p. 35), but this figure is surely included in the inflation. The evolution of net results improved slightly after the pandemic compared to the pre-pandemic period, but the data are inconclusive, as the available information ends in 2022 (p. 36). It is also worth mentioning that the Romanians' participation in NGOs decreased slightly starting in 2017 and continued through post-pandemic times, reaching 25% in 2023 (p. 26).

Social enterprises are also part of the nonprofit sector/social economy. Some social enterprises are set up by or function as NGOs. Their legal status is regulated by the Social Economy Law No. 219 in 2015, which also established the Unique Register of Social Enterprises, providing official data on the emerging sub-sector of certified social enterprises. Data show a constant increase in accredited social enterprises from 2021 to 2023, but an abrupt decrease to almost half, 1391, in 2024 (Iftimoaie & Gabor, 2025, p. 64). This decline could be related to operational factors and economic conditions, as well as to the accreditation criteria. Interestingly, in the same timeframe, the number of protected social enterprises increased significantly from 19 in 2021 to more than 400 in 2024 (Iftimoaie & Gabor, 2025, p. 70). An in-depth analysis covering 2016 – 2020 showed that, of the 1642 certified social enterprises in March 2021, 41% were associations, 7% were foundations, and 1% were federations (Vameșu, 2021, p. 24).

The impact of the pandemic on the Romanian social economy. Literature review

Nonprofit organizations were at the forefront of the fight against COVID-19 in various ways. 62% supported public hospitals, 60% supported communities, and 17% offered information on COVID-19

(Nemțeanu & Dabija, 2020, pp. 630-631). Results are similar to other studies, developed in 39 countries, including Romania, showing that NGOs were involved mainly through social assistance, responding to health-related needs, cooperating with other types of organizations to address specific challenges, mobilizing funds, and increasing awareness (Garcia, Carrigan, & Wiepking, 2023). The pandemic was a favorable context for formal and informal representatives of civil society to show solidarity and contribute to the wider good (Saghin, Lupchian, & Luchesc, 2022). The solidarity was manifested at a wide level, both in central and peripheral areas (Ilovan, Ciupe, & Horváth, 2022). Nonprofit organizations developed new offerings to address emerging needs during the pandemic, such as health-related products and services (Racolța-Paina & Pop, 2023).

A brief qualitative investigation shows that the pandemic had a heterogeneous impact depending on the field of activity, but disruptions tended to be the norm (Suciu et al., 2022). Additionally, the COVID-19 pandemic had negative psychological consequences. At the same time, it stimulated cooperation and networking as survival strategies. The long-term implications are difficult to assess, but there is agreement on the need for sustainable digital transformation.

Some funding and operational shifts have been observed. The volatility of attracting funds required innovative fundraising approaches (Racolța-Paina & Pop, 2023).

Voicu et al. (2024) note that the working practices in Romanian NGOs were influenced first by the COVID-19 pandemic, then by the economic recession, the war in Ukraine, and digitalization (p. 120). On the one hand, the pandemic positively influenced NGOs by forcing them to adapt to the digital world and the associated restrictions. On the other hand, they had to face additional pressures associated with reduced mobility and operational capacity, financial difficulties, and staff reductions, as well as uncertainty about sustainability. Some of them shifted their focus to health and educational support, filling critical gaps during the pandemic.

Romanian nonprofit organizations adapting to the COVID-19 pandemic

Methodology

The current study investigates the differences between NGOs and social enterprises (linked to NGOs) in how they perceive the nongovernmental sector in Romania, as well as how these two types of organizations have been affected by the COVID-19 Pandemic in terms of activities, number of employees, collaborators, and volunteers. To our knowledge, this is the first study in Romania focusing on the NGO sector, including differences between social enterprises and non-social enterprises. Consequently, we formulate the following research questions:

- *RQ1: What are the perceptions of the key representatives of the NGOs on the role of NGOs in society?*
- *RQ2. What are the differences on these aspects between social enterprises NGOs, and non-social enterprises NGOs*
- *RQ3: How has the COVID-19 pandemic affected the activity of the tertiary sector in Romania?*
- *RQ4. How has the COVID-19 pandemic affected the activities of social enterprise NGOs compared to the rest of NGOs?*

Method

Data were collected in October-December 2020 using an online questionnaire addressed to key representatives of NGOs, including those listed as social enterprises. A survey based on a questionnaire has been addressed to representatives of different NGOs in Romania, who have key roles in their organizations and are in a position to know the current situation of the respective NGO, as well as the situation prior to, during, and after the COVID-19 pandemic. The questionnaires have been

distributed online via a database of NGOs in Romania, via email, followed by subsequent reminders to fill out the questionnaire. Participants from 112 NGOs completed the questionnaire on a voluntary basis, and their data were anonymized during data analysis and storage, in accordance with all ethical requirements for academic research.

Sample structure

A total of 112 NGOs from various cities in Romania (54 from Bucharest) were included in the analysis after the questionnaires were collected and the data were cleaned. Questionnaires were administered online, and all personal data were anonymized. Answers were confidential, and the analysis followed statistical procedures using SPSS 20. Table 1 describes the structure of the sample across the main domain of activity. Among the 112 NGOs we investigated, 32 were also social enterprises, representing approximately 30% of our sample. Also, 99 of the NGOs were Romanian organizations (88.4% of our sample), whereas 13 were international (11.6% of our sample).

Table 1. Domains of the NGOs from our sample (N=112)

	<i>Frequency</i>	<i>Percent</i>
Culture	9	8,1
Social/Charity	48	43,2
Education	23	20,7
Health	13	11,7
Civil society	5	4,5
Sustainable development/ tourism/ ecology	9	8,1
Other	5	4,6
Total	112	100,0

As we can see in Table 1, most of the organizations come from the social domain, including organizations with charitable purposes that help people with various risks and vulnerabilities. Such organizations constitute 43.2% of our sample. Other organizations were built around educational purposes (20.7% of our sample) or were activated in the health service and health support (11.7%). So more than 2/3 of organizations in our sample (75.6%) target individuals and groups with various economic, social, and educational risks and vulnerabilities, whereas 8% of our sample is formed by organizations with sustainable/ecological goals. This is consistent with the NGOs' spectrum in Romania and gives an idea, especially of the locally based NGOs (particularly Romanian NGOs).

Table 2 shows that we managed to capture a wide range of NGOs, from relatively small organizations with 3 employees to large organizations with 250 employees. The mean size of the organization was approximately 17 full-time employees, whereas a mean-size organization would have approximately 4 part-time employees. Still, as the median value is 3 full time employees and 2 part time employees and the standard deviation is very high ($SD = 41.46$), we can notice a situation of the NGO sector in Romania – with a polarization in size: many very small organizations with less than 3 employees in total, but also few very large organizations having a large human capital and therefore more resources to manage crises, as the COVID-19 pandemics.

Table 2. The size of the NGOs – number of employees (N=112)

	<i>Number of full-time employees</i>	<i>Number of part-time employees</i>
Mean	17,37	3,84
Median	3,00	2,00
Std. Deviation	41,46	6,86
Minimum	3	4
Maximum	250	40

From each organization, one person answered our questionnaire: 87 women (77%) and 25 men (23%). This percentage is consistent with the gender distribution in the nongovernmental sector, which is highly populated by women. Though our sample is not representative, it gives an overview of the NGO sector in Romania. Most of the respondents had 10 years or more of experience in the NGO sector, and the experience varied from 1 year (Min.) to 30 years (Max.), with a mean of 13 years and a standard

deviation of 7.5 years. Again, based on these data, we are confident in the relevance of the information our respondents provided about their NGOs and in the pertinence of their opinions regarding the tertiary sector in Romania. The age of the participants ranged from 24 to 71 years of age, with most of the participants being between 35 and 40 years of age ($M = 43$ years; $SD = 9.6$)

Most of the respondents (85, representing 76% of our sample) were in top management positions at the time we conducted the survey, so they were indeed able to assess the NGO's situation at a general level. The top management included positions such as general director, manager, executive director, and president of the NGO. A smaller number of respondents (12%, 13 respondents) were in the vice-president position or other key executive roles, whereas 12% (13 participants) held other positions (e.g., social workers, responsible for a certain program, lawyers, advisors). Generally speaking, we managed to include in our sample people who were familiar with the NGOs they reported on and had a general knowledge of the organization's activities and challenges.

Findings

Views on the role of NGOs in society

Table3. Participants' evaluations of the roles of NGOs in society (N=112)

	<i>NGOs play an important role in Romania's sustainable development.</i>	<i>NGOs play an important role in Romania's sustainable development.</i>	<i>NGOs play an important role in Romania's sustainable development.</i>	<i>NGOs play an important role in Romania's sustainable development.</i>	<i>NGOs play an important role in Romania's sustainable development.</i>
Mean	4,61	2,76	2,28	2,58	2,22
Median	5,00	3,00	2,00	3,00	2,00
Mode	5	3	1	3	3
Std. Deviation	,716	1,07	1,17	1,17	1,07
Minimum	1	1	1	1	1
Maximum	5	5	5	5	5

* 5 point Likert scale has been used from 1 = totally disagree, to 5 = totally agree

Our results show that respondents were rather homogeneous in their perceptions of the role of the tertiary sector in the country's sustainable development ($M = 4.6$, $SD = 0.7$). On the contrary, they appreciate that the NGO sector is marked by lower interest in voluntary work in Romania ($M = 2.2$, $SD = 1.07$). Data from Eurostat also confirms that interest in voluntary work in Romania is lower than in other EU countries, so our participants' perceptions reflect the reality and challenges of the tertiary sector. The role of NGOs in the sustainable development of Romania is more present in the views of the respondents from the international organizations, than in the views of respondents from the local NGOs (Romanian-based) – a paradoxical aspect ($F(df=109) = 11.11$, $p < .01$; $t = -3.04$; $p < .01$).

Younger respondents were more likely to appreciate the role of NGOs in the sustainable development of Romania ($r = -.20$, $p < .05$) - the younger respondents, the more likely they are to agree with this statement. Also, the revenues of the NGOs were positively correlated with agreement regarding the role of the tertiary sector in the country's sustainable development ($r = .25$, $p < .01$) – the higher the revenues, the more likely to agree with the statement.

Particularly the social enterprises NGOs differ from the rest of the NGOs in our sample, on their representatives' views on two statements: (1) the level of support from private companies (statement 4), $t(df=108) = 4.49$, $p < .001$; and (2) the interest for doing voluntary work (statement 5), $t(df=107) = 2.18$, $p < .05$. More specifically the social enterprises NGOs tend to estimate to a larger extent that there is no interest for voluntary work in Romania and that private companies do not support the tertiary sector.

How the COVID-19 pandemic has affected the activity of the tertiary sector in Romania

We asked NGO representatives to rate the situation regarding the number of employees in their NGO during the pandemic. One third of the participants (30%) estimated that the number of employees had decreased. In contrast, approximately half of the organizations (51%) estimated that the number of employees had remained unchanged. Similarly, 40% of the participants estimated a decrease in the number of volunteers and external collaborators, with 34% of the NGO representatives estimating the same number of volunteers during the COVID pandemic.

According to the estimations of our participants, 47% of the NGOs have restricted their activities during the COVID-19 pandemic, having a decrease in activities (number of projects, services, etc.) they ran during that period (first 6 months of the pandemic –as they were asked specifically about this period of time), whereas for 21% the situation of the activities remained unchanged. More dramatically, the COVID-19 pandemic has impacted the amount of funds the NGOs have managed to attract (at least according to the estimations of their representatives), with more than 65% of the NGOs reporting a decrease in funds, and 17% reported that the amount of funds their organization has managed to attract stayed the same during the COVID-19 pandemic.

When only representatives of the social enterprises were asked, we recorded the following issues that occurred during the first six months of the COVID-19 pandemic, in their opinion:

- 72% “strongly agree” that *the COVID-19 pandemic has affected the activity of social enterprise in a negative way*
- 25 % “strongly agree” that *the COVID-19 pandemic has reduced the number of employees of their social enterprise*
- 11 % “strongly agree” that *the COVID-19 pandemic has increased the risks of closing the social enterprise for the next period of time*
- 3 % “strongly agree” that during the COVID-19 pandemic, the social enterprises have been supported (by dedicated means) by the authorities (local/ national)
- 26 % “strongly agree” that during the COVID-19 pandemic, the social enterprises have been actively involved in the crisis, by assisting vulnerable people or providing certain services/equipment

However, we found no differences between the two types of NGOS on each of the 5 aspects tested in our survey.

Conclusions and discussions

The analysis shows that the social economy is still in an emergent stage in Romania, with slow development and a moderate level of institutionalization compared to other countries. NGOs dominate the sector, operating increasingly in an entrepreneurial nonprofit mode, including by setting up social enterprises with fluctuating long-term results.

Nevertheless, it is difficult to map the sector, as reliable, up-to-date statistical data remains scarce, fragmented, and difficult to access. Where available, as in the case of social enterprises, the observed evolutions in statistics are difficult to interpret, making a qualitative investigation a must. All these make comprehensive monitoring and evaluation of the social economy challenging, and the results should be critically considered.

In this line, we observe that the number of newly established NGOs increased after the COVID-19 pandemic in Romania. However, overall activity indicators show that a significant share of NGOs remain inactive or do not consistently submit financial reports, suggesting that actual activity decreased. Financial indicators suggest relative stagnation in NGO performance, with only slight increases in assets, income, and net results, likely driven by inflation rather than real-sector growth.

Even more, public participation in NGOs has slightly declined since 2017, including after the pandemic, indicating a potential weakening of civic engagement over time and posing additional challenges for Romanian NGOs.

During the COVID-19 pandemic, Romanian NGOs played a relevant role in crisis response, particularly in supporting hospitals, communities, and information dissemination, demonstrating high adaptability and solidarity. The pandemic accelerated digital transformation, intensified cooperation and networking, and prompted NGOs to diversify services, though it also created financial instability, operational disruption, and workforce pressures. These findings, based mostly on qualitative approaches, have been confirmed by our questionnaire-based study.

The Romanian social economy showed a mixed but overall resilient response to the disruptions caused by the COVID-19 pandemic. While workforce reductions were relatively common, most NGOs managed to retain their core staff, ensuring continuity of essential activities. Volunteer engagement, however, declined overall, although some organizations, particularly those without a social enterprise component, were able to mobilize increased volunteer support. External collaboration networks proved moderately resilient, even if a significant share of NGOs experienced reduced engagement with partners. At the same time, many organizations were forced to reduce the scope of their projects and services, reflecting operational constraints and uncertainty during the crisis.

Financial resources proved to be the most vulnerable dimension, with NGOs facing significant funding instability and reduced financial predictability, underscoring their dependence on external support. Despite these pressures, resilience was evident in the differentiated responses across the sector. Some NGOs not only maintained but even expanded their activities, projects, and partnerships by adapting quickly to new needs and conditions. This variation highlights an uneven but meaningful capacity for adaptation within the Romanian social economy, where flexibility, mission-driven motivation, and local engagement enabled certain organizations to withstand shocks more effectively than others.

Considering the research questions defined, we have identified the following aspects:

- RQ1. Respondents expressed a very high level of agreement that NGOs contribute significantly to Romania's sustainable development, while showing considerably lower confidence in public trust toward NGOs, the quality of cooperation with public authorities, private-sector support, and, especially, the level of interest in volunteering. The younger the respondents, the higher the trust. These perceptions suggest that, although NGO leaders strongly recognize the sector's societal value, they also perceive important structural barriers that limit its effectiveness and long-term sustainability. The findings further indicate that these perceptions vary according to organizational characteristics. Representatives of international NGOs, younger managers, and organizations with higher revenues were more likely to emphasize NGOs' contributions to sustainable development.
- RQ2. The identified differences between social enterprise NGOs and other NGOs were relatively limited. The two groups shared similar views on most aspects of the NGO sector. However, representatives of social enterprise NGOs were significantly more critical of the level of corporate support and the public's interest in volunteering. This suggests that organizations combining social missions with economic activities may experience resource mobilization challenges more directly than traditional NGOs, leading to a more critical assessment of the external environment. This might be linked to a public perception that they do not need support, since they generate their own income through the products and services they offer.
- RQ3. Overall, the pandemic had a substantial negative impact on the Romanian tertiary sector, affecting human resources, organizational operations, and, especially, financial sustainability. Approximately one-third of organizations reported a decline in employees, around 40% experienced reductions in volunteers and collaborators, nearly half reduced their activities, and almost two-thirds reported declining funding during the first six months of the pandemic. These results demonstrate that the pandemic significantly weakened the operational capacity of many NGOs.

- RQ4. The effects of the COVID-19 pandemic on social enterprise NGOs were largely negative, with 72% strongly agreeing that it adversely affected their activities. Nevertheless, despite concerns about employment, financial stability, and the risk of closure, a considerable proportion also reported actively supporting vulnerable groups during the crisis. Interestingly, despite these descriptive differences, statistical analyses found no significant differences between social enterprise NGOs and other NGOs regarding the five pandemic-related dimensions examined. Therefore, RQ4 can be answered by concluding that social enterprise NGOs experienced the pandemic in much the same way as the rest of the Romanian NGO sector, indicating that COVID-19 represented a systemic challenge affecting the tertiary sector as a whole rather than disproportionately impacting one specific category of organizations.

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