

# Social Entrepreneurship as a Catalyst for Reducing Urban Inequalities: Challenges and Opportunities in Montijo, Portugal

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**Abstract:** Social entrepreneurship has stood out as a promising approach to addressing socio-economic vulnerabilities in urban contexts. This study explores the main structural challenges and opportunities for social entrepreneurship in the parishes of Montijo and Afonsoeiro, Portugal. Using a qualitative approach based on focus groups with local stakeholders, including civil society representatives, social entrepreneurs, associations, and government entities, the research identifies key barriers such as limited access to economic opportunities, social exclusion, and inadequate infrastructure. The findings reveal the transformative potential of socially oriented entrepreneurial initiatives, particularly when supported by strong and collaborative local networks. This work contributes to the understanding of urban vulnerabilities and highlights the importance of supportive ecosystems in promoting inclusive and sustainable development. The insights generated are relevant for policymakers, social entrepreneurs, and civil society organizations committed to fostering social innovation in similar urban settings.

**Keywords:** Social Entrepreneurship; Socioeconomic Inequality; Local Development; Urban Communities; Support Ecosystems.

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## 1. Introduction

The social problems that affect urban territories continue to require responses that go beyond traditional public policy solutions. Among these responses, social entrepreneurship has been gaining ground, due to its ability to involve different actors and mobilize local resources around collective objectives. This article seeks to analyze the role of social entrepreneurship in urban regeneration and in the promotion of inclusion, based on the empirical study carried out in the Union of Parishes of Montijo and Afonsoeiro. From a perspective guided by the concepts of ecosystem and social innovation, it is proposed to understand how these territories can constitute a favorable environment for the emergence and consolidation of community-based initiatives.

## 2. Literature Review

Social entrepreneurship has been assuming a prominent place in academic and political discourse and is increasingly recognized as an effective way to address complex social problems and promote structural transformations (Trabskaia et al., 2023). This field encompasses organizations that seek to generate both social and economic value, playing a relevant role in promoting prosperity and responding to societal challenges, especially in contexts marked by instability and crisis (Trabskaia et al., 2023).

The consolidation of social entrepreneurship as a research area has been notorious, with a special focus on its impact in urban contexts and its connection to social innovation (Angelidou and Mora, 2020; Audretsch et al., 2022). This form of entrepreneurship is distinguished by a mission focused on creating social value and a problem-solving approach (Marshall and Jang, 2020). Authors such as Philip Roundy, R. During, K. Mehta and M. S. Ramírez-Montoya stand out for their scientific production and relevant contributions to the development of this field (Trabskaia et al., 2023). Even so, the literature has highlighted different strands and approaches, many of them focused on vulnerable populations and specific territorial contexts.

Among these approaches, the study of how social entrepreneurship promotes the inclusion of vulnerable groups stands out. Kiss et al. (2022), for example, look at the work of social enterprises with marginalized populations, such as the Roma community (commonly known as "Gypsies" or "cigányok") and people with disabilities, in Hungary. The authors show that these organizations are involved in the provision of essential services, in the

dynamization of community support networks and in the promotion of professional integration. These efforts illustrate the potential of social entrepreneurship to mitigate inequalities and strengthen social cohesion and equity (Kiss et al., 2022; Marshall and Jang, 2020; Micelli et al., 2023).

Another relevant contribution is related to the role of social entrepreneurship in the sustainable development of cities. Marshall and Jang (2020) point out that these initiatives contribute not only to job creation, but also to direct support for vulnerable groups, promoting practices aligned with corporate social responsibility and socio-environmental progress. This perspective reinforces the idea that social entrepreneurship has an impact that goes beyond the immediate response to social problems, positively influencing the resilience and sustainability of urban communities.

In parallel, the concept of entrepreneurial ecosystem has gained prominence as an analytical tool to understand the external factors that shape entrepreneurial activity (Audretsch et al., 2022; Cantner et al., 2020; Xu and Dobson, 2019). This approach goes beyond the individual analysis of the entrepreneur, privileging the understanding of the networks of actors, institutions and dynamics that, together, create conditions for the flourishing of entrepreneurial initiatives (Angelidou and Mora, 2020). Despite its initial application in contexts of technological innovation, to explain systems that promote high-growth companies, the need to develop ecosystem models more adjusted to the specificities of social entrepreneurship has been recognized (Angelidou and Mora, 2020; Audretsch et al., 2022).

In this context, the concept of social entrepreneurship ecosystem (SEE) gains prominence, whose definition is still evolving. Trabskaia et al. (2023) underlines that SEEs are a different reality from other types of business ecosystems, given the profile of their actors, their collaboration dynamics and the type of impact they seek to generate. The characterization and delimitation of these ecosystems requires, therefore, a more systematic theoretical and empirical deepening.

Recent research has also been broadening the geographical focus of ecosystem analysis, privileging more circumscribed regional and local contexts, such as cities, peripheral areas and economically fragile territories, where social challenges are manifested with particular intensity (Audretsch et al., 2022; Barki et al., 2020). These territories tend to have structural weaknesses such as unemployment, low qualification, social exclusion, poor articulation with labor markets, and housing precariousness (Barki et al., 2020; Xu and Dobson, 2019). The study carried out in the Union of Parishes of Montijo and Afonsoeiro contributes to this line of research, by offering a detailed diagnosis of local vulnerabilities in a specific urban context. This contribution consolidates the understanding of how contextual factors shape the environment for social entrepreneurship (Barki et al., 2020; Micelli et al., 2023; Xu and Dobson, 2019).

In these scenarios, social entrepreneurship has been pointed out as an innovative response adapted to local needs (Barki et al., 2020; Trabskaia et al., 2023). Its decentralized nature rooted in communities allows it to generate more appropriate and participatory solutions, especially when a bottom-up innovation logic is promoted (Angelidou and Mora, 2020). According to the authors, these solutions generated from the bottom up tend to be more equitable, responsive and aligned with the needs of citizens, gaining greater social and economic impact. Scaffidi et al. (2025) highlight the role of these entrepreneurs in sustainable urban regeneration, showing how, through coworking spaces, cultural centres, social housing and educational programmes, they contribute to revitalising neglected urban areas and promoting social cohesion. These initiatives not only boost the local economy, but also favor inclusion, citizen participation and the sustainable development of the territories.

Even so, the success of social entrepreneurship depends on the existence of a support ecosystem that enhances its development. The literature has been clear in pointing out that the absence of resources, whether economic, human or institutional, compromises the sustainability of the initiatives (Audretsch et al., 2022; Barki et al., 2020). Therefore, it is essential to ensure an articulated set of support factors, which includes financing, adequate public policies, infrastructure, support networks, training, and entrepreneurial culture (Audretsch et al., 2022; Micelli et al., 2023). The systemic vision proposed by ecosystem models reinforces that investment must be directed to all structures and interactions, and not just to entrepreneurs, otherwise a fragmented and ineffective logic will be perpetuated.

One of the aspects often emphasized in the literature concerns the importance of collaboration between the different actors in the ecosystem (Barki et al., 2020; Scaffidi et al., 2025; Trabskaia et al., 2023). The case of Montijo and Afonsoeiro reinforces this idea, by showing that the creation of local and regional collaborative networks is crucial to find sustainable and integrated responses. This cooperative dynamic between civil society,

the public sector, the private sector and intermediate organizations has been pointed out as one of the pillars of the SEE. It is a collective process, which requires coordination, sharing of objectives and mutual strengthening of capacities (Barki et al., 2020; Trabskaia et al., 2023).

This joint work between the different stakeholders is particularly relevant in urban regeneration processes, where the complexity of the challenges imposes a multisectoral and integrated approach. Social entrepreneurs, by collaborating with municipalities, local associations, companies and citizens in the community, can mobilize resources and legitimize their interventions, increasing the impact of their actions. The ability to build trust, manage conflict and promote a shared vision is identified as a critical factor for the long-term success of regeneration initiatives (Scaffidi et al., 2025).

Barki et al. (2020) reinforce this understanding by analyzing the role of intermediary organizations, which work as a bridge between entrepreneurs and available resources. Through a multilevel approach, the authors demonstrate that effective action in vulnerable territories depends on the existence of mechanisms that articulate different scales, promote interorganizational learning networks and consolidate social capital. The figure of the "ecosystem manager" emerges here as a central element in the coordination of actions and in the creation of a favorable environment for entrepreneurship.

In a complementary way, Scaffidi et al. (2025) analyze cases of urban regeneration led by social entrepreneurs with a focus on heritage. The study shows that these actors can play a transformative role, if they are inserted in robust ecosystems, capable of ensuring continued support, articulation between sectors and favorable structural conditions. The recommendations point to the need to build solid collaborative networks and establish public-private partnerships that sustain regeneration processes over time.

In summary, the literature on social entrepreneurship in an urban context point to its growing relevance in promoting social inclusion, sustainability and revitalization of vulnerable territories. Studies such as those by Marshall and Jang (2020) and Kiss et al. (2022) help to theoretically frame these dynamics, while contributions such as those by Barki et al. (2020) and Scaffidi et al. (2025) offer robust empirical evidence on the factors that condition the success of initiatives. The construction of supportive ecosystems, based on collaboration, trust and shared vision, thus emerges as an essential condition for social entrepreneurship to realize its transformative potential.

### **3. Methods**

This study adopted a qualitative research design to explore the ecosystem of social entrepreneurship in the urban-peripheral parishes of Montijo and Afonsoeiro, conceptualized as an adaptive and complex system shaped by the dynamic interaction of multiple actors and institutional logics. The empirical component was conducted between June 2023 and September 2024 and involved the organization of six focus groups, each corresponding to one of the six analytical pillars proposed by Audretsch et al. (2022) and based on Isenberg's framework: Market, Human Capital, Culture, Institutional Support, Finance, and Public Policies.

The focus groups followed a purposive sampling strategy, designed to ensure a diverse and contextually relevant sample of stakeholders with knowledge of the local territory. In total, 36 participants were involved across the six sessions. While individual identities were protected through strict confidentiality protocols, participants represented a range of stakeholder profiles, including: public sector representatives from municipal and regional institutions; entrepreneurs and social entrepreneurs operating in the territory; leaders of civic and community associations; professionals from business incubators and support programmes; cultural and educational agents; academia; civically engaged residents with strong community ties.

Each focus group lasted approximately 1 hour and 20 minutes, and was guided by a semi-structured thematic script, aligned with the respective analytical pillar. The scripts were informed by the conceptual contributions of Isenberg (2011), Audretsch et al. (2022), and Pinto et al. (2021), allowing both comparability with existing models and the emergence of context-specific insights. Sessions were moderated by experienced qualitative researchers, who fostered a dialogical and reflexive environment conducive to the sharing of grounded knowledge.

All sessions were audio-recorded and transcribed precisely, with the informed consent of participants and strict adherence to research ethics principles. No personal identifiers were collected, and participants were informed of their right to withdraw at any time. Anonymity was guaranteed through the use of generic labels in the transcripts.

For data analysis, a systematic qualitative content analysis was employed, involving iterative coding and thematic categorization of the transcribed data. This method enabled the identification of recurrent patterns and key thematic dimensions, capturing both explicit and latent meanings within participant narratives. The results offer an empirically grounded and nuanced understanding of the factors that enable or constrain social entrepreneurship and urban regeneration in Montijo and Afonsoeiro.

This methodological approach enabled the construction of a robust empirical basis for assessing the enabling and constraining factors of social entrepreneurship in the urban context of Montijo and Afonsoeiro.

## **4. Results**

This section presents the main findings, organized around the six pillars of the entrepreneurial ecosystem framework by Audretsch et al. (2022) and Isenberg (2011): Market, Human Capital, Culture, Institutional Support, Finance, and Public Policies. These dimensions offer a comprehensive view of the conditions shaping social entrepreneurship in Montijo and Afonsoeiro and highlight how different factors intersect and interact within this complex ecosystem.

### **4.1 Market**

The analysis of the market dimension in Montijo and Afonsoeiro highlights a set of structural and social challenges that directly shape the conditions for social entrepreneurship. One of the most recurrent issues raised by participants is the profound shortage of local labour, which affects both the availability and quality of the workforce. This perception is captured in the remark: "We have a huge lack of workforce, not just of people, but of quality in people. And it's not a matter of paying more or less, they simply don't exist".

This shortage is further exacerbated by bureaucratic constraints associated with hiring foreign workers, as one participant emphasized: "All the bureaucracy to process the documentation is very complicated".

Participants also expressed dissatisfaction with the performance of public employment services, which are seen as ineffective in matching labour supply and demand. As noted by one interviewee: "I've tried several times to recruit through the Institute for Employment and Vocational Training (IEFP) and only people who don't want to work, who want subsidies, come up. I gave up". These limitations were reported as directly restricting the capacity of social initiatives to mobilize suitable human resources and respond to community needs.

Housing and transport issues also emerged as substantial barriers, impacting workforce stability and participation in social entrepreneurship projects. One participant observed: "This is a real problem", while another described: "There is no other form of transport because the Montijo station is outside the city. This is a problem that demonstrates the total lack of transport integration here". These challenges undermine access to employment and constrain the economic viability of community initiatives.

Moreover, social exclusion and discriminatory attitudes were reported as significant obstacles to labour market integration for marginalized groups. One participant remarked: "I've never had a gypsy come and ask me for work", revealing patterns of exclusion that continue to reinforce structural inequalities and limit opportunities for inclusive entrepreneurship.

Participants also referred to the existence of informal and exploitative labour practices, such as illegal clam harvesting, which were said to distort the functioning of the local economy: "There's a big problem with illegal clam harvesting. They're there in plain sight; it's a trafficking network". These dynamics create parallel economies that compete with formal social enterprises, undermining their viability.

Finally, skill mismatches between formal qualifications and actual labour needs were highlighted as a persistent challenge. One participant illustrated this by stating: "A girl who did hotel and restaurant service didn't even know how to carry a plate!". This gap indicates the need for tailored training aligned with local labour market requirements to support the emergence and growth of social entrepreneurship initiatives.

Overall, the market conditions in Montijo and Afonsoeiro are marked by structural labour shortages, weak institutional support mechanisms, and informal economic dynamics, all of which pose significant constraints to the development of a robust and inclusive entrepreneurial ecosystem.

## 4.2 Human Capital

The analysis of the human capital dimension reveals significant social and cultural vulnerabilities that shape the context for social entrepreneurship in Montijo and Afonsoeiro. One critical issue identified was the social isolation of elderly individuals, which is evident in the excerpt: “there are many elderly people in isolation”, suggesting the need for community-based initiatives to foster inclusion and support.

Another challenge relates to the fragmentation of local communities and the decline of associative life, illustrated by the participant's remark: “people are no longer willing to spend time with associations, and forgive me because you two are clearly younger than me, but people my age, I am 42 years old, are no longer willing to get off work and still go to the Neighborhood Association”. This points to a significant erosion of social participation and collective belonging.

The integration of immigrants and challenges related to family reunification emerged as a structural vulnerability within the territory. Participants reported that migration processes are often fragmented and prolonged, with families living apart for extended periods. As one participant remarked: “Most of the people who come here do not bring their children initially. They leave their children in their home country and come looking for better opportunities and to send money back”. These dynamics highlight the need for support mechanisms that facilitate integration and promote family stability.

Territorial exclusion and institutional discrimination emerged as critical barriers, exemplified by the comment: “I have already heard people say they refuse to speak another language, only Portuguese”. This underscores discriminatory practices that limit inclusion and necessitate interventions in cultural mediation.

The persistence of ethnic enclaves and limited interethnic interaction was also identified. One participant noted: “They enjoy themselves, they have parties among themselves, and they invite Portuguese people and little else”. While these networks can provide internal cohesion, they may also hinder broader societal integration. In parallel, language and relational barriers in public services were repeatedly mentioned: “People in public services are always in a bad mood and hate foreigners”. These perceptions point to the urgent need for culturally competent and inclusive public service provision.

Finally, participants observed the loss of community support and intergenerational solidarity, with a striking statement: “the sense of community has completely disappeared in some neighborhoods”. This highlights the urgent need for community-building initiatives that foster intergenerational solidarity, promote active citizenship, and restore trust in collective forms of participation.

In summary, the findings reveal a context marked by social isolation, weakened community ties, and limited migrant integration, all of which undermine the collective capacity to sustain inclusive social entrepreneurship. Strengthening this dimension requires proximity-based approaches and culturally sensitive interventions that rebuild trust and participation.

## 4.3 Culture

The analysis of the culture dimension underscores key elements that shape an entrepreneurial mindset within the social ecosystem of Montijo and Afonsoeiro. A prominent theme is the historical experience of Montijo as a welcoming territory, which provides a cultural foundation perceived as conducive to community-based initiatives. As one participant stated: “Montijo, in historical terms, has always been a welcoming land. In the 1940s, it received people from the Algarve to work in cork, as well as people from the Alentejo, also to work in cork, and people from the Beira region to work in agriculture”. This narrative of openness, however, is now facing tensions arising from more complex and diverse migratory flows. As noted: “Now, the challenge is different, but the culture that has historically existed is now resisting, mainly these new realities”. These accounts suggest a growing disconnect between cultural memory and current integration dynamics, with potential implications for the cohesion needed in inclusive social entrepreneurship.

Empowerment through grassroots initiatives and self-organization further characterizes the entrepreneurial culture in this context. One participant highlights the emergence of local initiatives: “Very concrete initiatives have already been taken. I think that the next time we meet it will be precisely to outline the statutes and sign the creation of a residents' commission for the entire neighborhood”. Such examples illustrate how communities leverage collective action to respond to shared challenges, reinforcing the participatory ethos critical to social entrepreneurship.

Creativity and innovation also play a central role in this cultural landscape, serving as resources for strengthening social bonds and fostering new forms of collaboration. This is particularly evident in educational and artistic projects that cultivate cooperative skills and collective responsibility. One participant affirms: “Orchestras in schools, for example, are an excellent idea. Through an orchestra, you start working in community, with small groups within each section, and the final result depends on everyone working together”. Such initiatives highlight the transformative potential of cultural activities in building inclusive and resilient social structures.

Moreover, the role of education as a catalyst for fostering collaboration and bridging cultural divides is strongly emphasized. A participant notes: “I think that the school has a tremendous importance in changing some of the school curricula so that our young people become much more collaborative with each other”. This perspective situates education at the core of entrepreneurial culture, positioning it as a fundamental mechanism for empowering younger generations to engage proactively in social innovation and collective well-being.

Collectively, these narratives illustrate how historical hospitality, grassroots mobilization, creative expression, and educational engagement contribute to shaping a locally rooted entrepreneurial culture. This cultural dimension enhances the viability of social entrepreneurship initiatives by strengthening community agency, promoting inclusive participation, and supporting collaborative responses to complex social challenges.

#### **4.4 Institutional Support**

The exploration of institutional support within Montijo and Afonsoeiro reveals a landscape marked by intermittent technical assistance, bureaucratic complexity, and strong dependence on central structures. Discussions highlighted the centrality of the IEPF as the main institutional actor. One participant noted: “the IEPF is seen today as salvation, because there is nothing else”. This perception reflects a context of institutional scarcity, where few alternatives exist for those seeking support. However, this reliance also exposes local actors to the limitations of a system often perceived as rigid and distant.

Technical support entities also play a fundamental role in fostering initiatives, although constrained by structural and logistical challenges. One participant described the process of technical accreditation: “There is a process of accreditation with the IEPF, and then there is a territorial division decided centrally. After that decision, six months later, there may be a regional decision to include new territories for these technical support entities”. However, these technical supports face obstacles due to complex regulations, as admitted: “Regulations with 40 or 50 pages end up not being easy to be understood by everyone”. This reveals the tension between the need for robust governance and the accessibility of institutional support.

Another critical factor is the coordination with local governments and the involvement of municipalities in creating supportive environments. Nevertheless, challenges arise in synchronizing efforts, as reflected by the remark: “We have conditions to do it, but it is not always easy to reconcile everything: schedules, willingness, and whether there is transport or not in the place”. This statement indicates that while institutional structures are in place, logistical issues often hinder the full potential of support initiatives.

A further recurring theme was the ambivalence of institutional engagement, particularly in interactions with the IEPF. While the institution plays a regulatory and funding role, it is rarely perceived as a partner in the entrepreneurial process. One participant observed: “We do not have the accompaniment of the IEPF that is there to help: 'Do you have doubts? I will help you'. With us, it is different: 'Where did you spend this? Was this invoice real or not?'”. This comment illustrates a perception of institutional mistrust and excessive bureaucratic control, which discourages initiative and creates barriers to project development.

Overall, the findings reveal an institutional ecosystem marked by centralization, bureaucratic complexity, and weak local coordination. While structures like the IEPF offer formal support channels, their limited proximity and lack of proactive engagement reduce their effectiveness. Likewise, municipal and technical entities remain underutilized due to logistical and governance constraints. These dynamics hinder the formation of a cohesive support system, underscoring the need for more decentralized, accessible, and trust-based institutional frameworks.

#### **4.5 Finance**

The analysis of the financial dimension in Montijo and Afonsoeiro underscores the main instruments of financial support available for entrepreneurial initiatives. A central mechanism identified is the set of measures from the IEPF. As one participant explained: “For those who want to start something new, the IEPF’s supports are organized that way: either you use the unemployment subsidy to create a new business or acquire a share of an

existing one, or, being in a situation of unemployment, you can access lines of credit with subsidized interest rates". These pathways provide aspiring entrepreneurs with essential starting points to pursue economic activities in the territories.

In addition to direct financial incentives, the IEPF promotes programs that combine financial assistance with employability strategies. As described: "These measures are professional internships, where afterwards there is hiring... The internship is for those who have completed a degree, higher or middle school, and want to integrate into an employer". This reflects a multifaceted approach, linking financial support to broader socio-economic integration.

A critical concern raised by participants is the reduction in direct funding mechanisms specifically targeted at social entrepreneurship: "We had created direct social entrepreneurship, which no longer has measures". According to participants, this contraction of resources has disproportionately affected rural and marginalized territories, where entrepreneurial ecosystems are more fragile and dependent on external support. The loss of these funding lines was seen as a barrier to the emergence and continuity of inclusive, community-based initiatives.

Finally, participants called for greater responsiveness and commitment from the government to expand and adapt funding structures that address the realities of these territories and the needs of socially vulnerable populations and newly arrived migrant communities. As stated: "There should be an opening and financial availability on the part of the Government. I am speaking outside of the IEPF".

In summary, although financial mechanisms such as those provided by the IEPF offer important entry points for entrepreneurial activity, their scope and accessibility remain limited in the context of social entrepreneurship. The withdrawal of targeted funding and the lack of tailored financial instruments constrain the development of inclusive initiatives in vulnerable territories, underscoring the need for more responsive and territorially adjusted financing strategies.

#### **4.6 Public Policies**

The analysis of the public policies dimension in Montijo and Afonsoeiro reveals a landscape in which municipal leadership and collaborative governance are central to fostering social entrepreneurship. One participant highlighted the proactive role of the municipality and its partnerships: "There have been several projects, including those we have addressed and with which we have been partners, mainly with the municipality, but also with other local actors at the level of social entrepreneurship". This underscores the municipality's role as a catalyst in the creation of inclusive, community-based economic initiatives.

The scope of these policies extends beyond the urban center, addressing rural contexts as well. As one participant noted: "It already exists, a first approach has already been made. Work has been developed in this sense". This statement points to an incipient but deliberate effort to include peripheral and rural areas within the reach of social entrepreneurship policies, reflecting an emerging territorial integration perspective.

Infrastructure limitations also emerged as a significant concern, directly impacting the capacity of social initiatives to operate: One participant remarked: "We have the problem of not having space. But even so, we have several associations operating in spaces ceded by the municipality". This speaks to the role of public policy in enabling access to essential resources for community initiatives.

Participants further emphasized the importance of local networks and collaborative structures in enhancing social entrepreneurship efforts: "The social network is very important because it gives opinions within the scope of social equipment". These networks foster not only knowledge exchange but also the legitimacy and effectiveness of social innovation initiatives.

Capacity-building and professionalization of third-sector organizations were also highlighted, as noted: "The entities have these things organized and make them known to their members". This demonstrates how regulatory frameworks can simultaneously encourage accountability and enhance the impact of community-led projects.

Finally, the dual nature of these frameworks was acknowledged, reflecting both their administrative burden and their potential to strengthen organizations: "We can see this from two points of view. From the point of view that it complicates, it is true. But on the other hand, it empowers". This duality illustrates how policies can be both an obstacle and an enabler in the ecosystem of social entrepreneurship.

In summary, public policy in Montijo and Afonsoeiro is marked by municipal initiative, emerging territorial inclusion, and structural limitations. While policies contribute to enabling conditions for social entrepreneurship, they are constrained by infrastructural gaps, bureaucratic complexity, and uneven implementation capacity. Addressing these tensions requires better-aligned, community-informed frameworks that balance governance with grassroots adaptability.

## **5. Conclusion**

This study started from the premise that social entrepreneurship can be an innovative and situated response to urban inequalities, if it is framed in an ecosystem that values territorial specificities and local dynamics. The qualitative analysis carried out in the parishes of Montijo and Afonsoeiro allowed us to confront this hypothesis with the concrete reality of an urban-peripheral territory, where structural vulnerabilities and latent capacities coexist.

The diagnosis revealed a territory marked by asymmetries, from the shortage of qualified labor to the fragility of community support networks, but also by potentialities that are often invisible, such as local self-organization, the role of schools as engines of cohesion and creativity anchored in collaborative cultural practices. It is in this balance between obstacles and possibilities that the real challenge of social entrepreneurship lies: not only to make projects emerge, but to build ecosystems that sustain them and make them grow.

Through the model proposed by Audretsch et al. (2022), inspired by the systemic design of Isenberg (2011), it was possible to map the main constraints of the local ecosystem. The investigation identified significant blockages, such as territorial exclusion, disarticulation between entities, scarcity of resources, but also signs of collective agency and historical openness to diversity.

From a theoretical point of view, the study reinforces the contributions of authors such as Kiss et al. (2022), Marshall and Jang (2020) and Scaffidi et al. (2025), by applying the concept of social entrepreneurship ecosystem in a non-metropolitan territory. In this way, the empirical field of research is expanded, still predominantly centered on large cities.

The data highlight the critical importance of collaborative networks, inter-institutional mediation and local capacity building for the sustainability of initiatives. This conclusion is in line with the most recent literature that values multi-scale approaches and shared governance models (Barki et al., 2020; Micelli et al., 2023).

The results reinforce that well-intentioned public policies are not enough, it is essential that they are designed with and from the territory. Local experience has shown that when there is room for trust and mutual listening, fairer and more sustainable solutions emerge. However, without continuous support networks, many initiatives remain fragile and ephemeral.

The study offers a useful reading grid for public decision-makers and civil society organizations, helping to identify roadblocks and potential levers for more integrated responses. For future research, longitudinal monitoring of initiatives and comparative analysis with other peripheral territories are recommended.

Ultimately, this work aimed not only to study the territory, but also to listen to the voices of its people. In those voices, we found not only the diagnosis of deficiencies, but also the seeds of transformation. Social entrepreneurship, understood as a situated, collaborative and critical practice, proves to be a promising path for a more cohesive, resilient and inclusive Montijo and Afonsoeiro.

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## **Ethics Declaration**

This research did not require formal ethical clearance as it did not involve any vulnerable populations or sensitive topics. All participants provided informed consent prior to their participation in the study.

## **AI Declaration**

No generative artificial intelligence (AI) was used in the writing or editing of this work.

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