

WISEs and their potential to transform the Croatian skill-formation regime

NIKOLA BUKOVIĆ, Ph.D.*
DANIJEL BATURINA, Ph.D.*

Article**

JEL: I21, I26, I30, J24, P13

<https://doi.org/10.3326/pse.49.3.4>

* The authors would like to thank two anonymous reviewers for their valuable comments.

This paper is developed within and partially financially supported by the B-WISE (Blueprint for Sectoral Cooperation on Skills in Work Integration Social Enterprises) project, 2021-2024; co-founded by the Erasmus + Programme of the European Union. Project info: <https://www.bwiseproject.eu/>.

** Received: December 10, 2024

Accepted: April 17, 2025

Nikola BUKOVIĆ

Faculty of Law, University of Zagreb, Trg Republike Hrvatske 14, 10000 Zagreb, Croatia

e-mail: nikola.bukovic@pravo.hr

ORCID: 0000-0002-1810-7506

Danijel BATURINA

Faculty of Law, University of Zagreb, Trg Republike Hrvatske 14, 10000 Zagreb, Croatia

e-mail: danijel.baturina@pravo.unizg.hr

ORCID: 0000-0002-9063-305X



This is an Open Access article distributed under a Creative Commons Attribution-NonCommercial 4.0 International License which permits non commercial use and redistribution, as long as you give appropriate credit, provide a link to the license, and indicate if changes were made.

Abstract

Work Integration Social Enterprises (WISEs) combine social and economic goals and support vulnerable groups by offering employment and skill development opportunities. This paper explores their potential to transform Croatia's skill-formation regime. By analysing data from 13 European countries, we examine the current state of WISEs in Croatia, assess their capacity to influence skill development practices and position them in a broader post-socialist context. The findings suggest that while Croatian WISEs are limited by the small size of the sector, the absence of systematic support and comparative underinvestment in staff, they still hold the potential to transform the Croatian skill formation regime in the direction a more coordinated/collectivized approach. Authors recommend introducing a clearer distinction between WISEs primary orientated towards permanent or transitional labour market integration; and incentivizing WISEs oriented towards transitional integration to engage with the provision of vocational education and training, adult education and active labour market policy.

Keywords: work integration, work integration social enterprises, social enterprises, skill formation, Croatia

1 INTRODUCTION

This paper stands thematically at a crossroads of two research traditions in contemporary social science. The first one is close to the field of social policy and is concerned with developing interventions cutting across educational, welfare and (active) labour market systems (Taylor-Gooby, 2004; Armingeon and Bonoli, 2006; Hemerijck, 2013; Cooney, 2016). It is based on a broadly accepted argument that support for vulnerable social groups in modern societies necessarily needs to be multidimensional in order to have a relevant chance of success. This is because barriers to social inclusion that individuals belonging to vulnerable social groups face are also usually multidimensional and highly interconnected; meaning that support in one area is unlikely to meet the mark if not matched with timely and adequate interventions in others. For instance, educational support for students with disabilities will usually mean little if issues such as material deprivation, access to basic health services and transportation are also not resolved in a timely and satisfactory manner. Work integration social enterprises (hereafter: WISEs) are one type of social innovation that attempts to bridge that gap. WISEs are organizations dedicated to achieving successful insertion of workers with support needs (hereafter: WSNs) into the labour market, while adapting their overall business model and day-to-day functioning to varying limitations characteristic for their respective workforce. WISEs also tend to function within their own institutional policy framework, as outlined in the following section.

The other research tradition this paper relies upon emerged in the field of political economy and is concerned with the structure, internal dynamics and social impact of skill-formation regimes (Streeck, 1992; Thelen, 2012; Busemeyer and Trampusch, 2012; Tütlys et al., 2022). The relationship between stability and change (Buković, 2021), the structural features of regimes and their impact on social mobility/social

inequalities (Nikolai and Ebner, 2012; Doolan, Lukić and Buković, 2016) and the quality of skills they produce (Streeck, 2012) are some of the more interesting aspects of this research tradition from the perspective of this paper.

The paper sets out to achieve two overall objectives. Firstly, it summarizes findings on the state of play in the WISE sector in Croatia. Secondly, the paper assesses the transformational potential of the WISE sector for the workings of the Croatian skill formation regime. Analysis builds on the existing theoretical and empirical sources, primarily research undertaken within the Erasmus Plus project: “Blueprint for Sectoral Cooperation on Skills in Work Integration Social Enterprises¹”. The analysis will draw on the synthesis research report covering the state of WISEs across 13 participating EU countries² (Galera et al., 2022). This is supplemented with comparisons of segregated data for Croatia, Bulgaria, Latvia and Slovenia across several survey items relevant for the objectives of the paper.

The following section outlines the current state of affairs concerning development of the WISE sector in Croatian and European contexts. The third section elaborates on logical linkages between the WISEs and skill formation regimes on a theoretical basis, while the fourth section underpins this logic with selected findings of the B-WISE project research report. The fifth section provides an assessment of the current transformational potential of the Croatian WISE sector relying on segregated data collected for the purpose of the B-WISE research report. The sixth section entails discussion of possible directions of policy reforms, preconditions for their success and possible sources of policy learning. The concluding section summarizes key findings and outlines the broader contribution of ideas developed in this paper as well as their current limitations.

2 WISEs IN THE EUROPEAN AND CROATIAN CONTEXT

2.1 CHARACTERISTICS AND TRENDS OF WISEs IN EUROPE

Work integration social enterprises are a diverse group of firms that function at the crossroads between the educational system, welfare system and (open) labour market with the explicit goal of addressing social exclusion (Spear et al., 2001). Their basic purpose involves helping individuals who are at risk of permanent social exclusion as well as disadvantaged groups in the labour market (like the long-term unemployed, migrants, low-qualified workers, ex-prisoners, and persons with disabilities; in this paper also referred to as workers with support needs) to integrate into the labour market and into society via productive activity. They produce two types of output simultaneously: goods and services sold to private or public clients according to market and contractual logic; and work integration services that stimulate the development of skills and competencies that enable disadvantaged workers to be competitive in the open labour market (Galera, 2010). For integration purposes, WISEs provide a range of services: training, social support and employment by which disadvantaged persons are developing professional and social competencies,

¹ Project website: <https://www.bwiseproject.eu/en/project>.

² Austria, Belgium, Bulgaria, Croatia, France, Greece, Italy, Latvia, The Netherlands, Poland, Romania, Slovenia and Spain.

while at the same time reinforcing their economic independence (Defourny and Nyssens, 2008; Defourny, Gregoire and Davister, 2004).

They appeared in Europe as early as the 70s, and soon after they were recognized as stakeholders in the process of developing active labour market policies (Nyssens et al., 2012), having incrementally evolved to become today a tool for implementing national and regional labour market policies (Cooney, 2016). Nowadays WISEs are well recognised across Europe. Mapping of the social enterprise ecosystem in Europe (Borzaga et al., 2020) indicates that social and economic integration of the disadvantaged and excluded (work integration and sheltered employment) are key activities of social enterprises in Europe. The European Social Economy Action Plan of the European Commission (2021) recognises work integration social enterprises as a common type of social enterprise across Europe that specialises in providing work opportunities for disadvantaged people³. The International Comparative Social Enterprise Models Project (ICSEM) compared social enterprise models worldwide, and observed that in both Western and Eastern Europe, distinct clusters of WISEs emerge in different social entrepreneurship models (Defourny and Nyssens, 2021) witnessing to their diversity and proliferation. Nyssens (2014) states that more than 50 different variations of social enterprise initiatives for labour integration have emerged in the European environment. A significant number of EU countries have statuses recognising WISEs (Galera et al., 2022).

As compared with their significance, WISEs have not generated an appropriate volume of research. Based on recent estimates made within the framework of the B-WISE project, there are 75,000 active WISEs in Belgium, Italy and Spain alone (Galera et al., 2022). The economic sector in which WISEs are the most active in 2022 is transport, followed by waste collection and treatment, provision of temporary staff/employment facilitation, agriculture and environment, construction, public works and textile sectors (ENSIE, 2022). Similarly, Galera et al. (2022) claim that WISEs are most prevalent in, manufacturing, construction, cleaning, gardening and maintenance of green areas. They also assert that many WISE sectors are in labour-intensive industries that predominantly cater for low added-value jobs. The Impact WISEs Study (ENSIE, 2022) reports positive outcomes related to professional outcomes for most workers in European WISEs. In 2022 a majority of those who followed integration pathways in WISEs either found a job in the open labour market, became self-employed or started with an educational program⁴.

Defourny, Gregoire and Davister (2004) established four main modes of labour market integration commonly deployed by WISEs⁵: transitional occupation, creation

³ Looking beyond Europe an argument can be made that WISEs now constitute a major sphere of social enterprises activity globally (Cooney, 2016).

⁴ In 2022, the results for the 80,113 disadvantaged workers, who have followed an integration pathway in 2,072 work integration social enterprises from 10 countries, are as follows: 40% – Found a job on the labour market; 21% – Became self-employed or started an education program; 39% – Other (unemployment, sickness, retirement, etc).

⁵ The typology was done based on the study of the 160 WISEs in the PERSE project (The socio-economic performance of social enterprises in the field of work-integration): <https://emes.net/research-projects/work-integration/perse/>.

of permanent self-financed jobs, professional integration of WSNs with permanent subsidies and socialisation through a productive activity. Their analysis defined four main categories of WISEs, which are most clearly distinguished by the mode of integration they adopt: a) enterprises offering occupational integration supported by permanent “subsidies” (which include mostly the oldest forms of WISE, i.e. those for the persons with disabilities (PWDs); b) WISEs that provide permanent, self-subsidised employment, i.e. stable jobs, economically sustainable in the medium term to people who are disadvantaged in the labour market; c) WISEs that mostly aim to (re)socialise people through productive activities (generally do not provide employment but rather an occupational activity; and not a work contract but rather an occupational status); and d) WISEs offering transitional employment or traineeship (this group was the largest one).

In the context of this paper the key functional distinction is the one between WISEs offering transitional workplaces⁶ that provide work experience and on-the-job training with a view to supporting the integration of the target group into the open labour market and those that create permanent self-financed jobs that are sustainable alternatives for workers disadvantaged in the open labour market (Galera, 2010). Recent analysis (Galera et al., 2022) also recognizes the emergence of two distinct models of integration: a permanent and a transitional one⁷ and that in most European countries the permanent model is dominant. WISEs that predominantly adopt a transitional or mixed model of integration tend to integrate a wider range of workers with support needs (hereafter: WSNs) than WISEs aiming to permanently employ WSNs.

2.2 WISEs IN A CROATIAN CONTEXT: A SHORT INTRODUCTION

Social enterprises as a specific area of practice are a relatively new phenomenon in Croatia. WISEs are part of the social entrepreneurship field, which is rather unrecognized in Croatian policy and practice (Vidović, 2019; Baturina and Babić, 2021). The Strategy for Development of Social Entrepreneurship in Croatia 2015-2020 (Ministry of Labour, Pension System, Family and Social Policy, 2015) triggered a stronger interest in social enterprises. That period saw the emergence of new social enterprises, new courses and educational programmes, incubators, accelerators and other forms of development (Ferreira et al., 2018; Vidović, 2019). However, the Strategy has not been fully implemented, and currently we are witnessing a diminished policy interest in the social economy and social enterprise (Vasseur et al., 2021; Baturina and Babić, 2021; Vidović, Šimleša and Baturina, 2023).

There is no “rich” tradition of WISE development in Croatia. Disadvantaged persons are predominantly supported through state measures (Marković et al., 2017). However, besides the “old fashioned” WISE that stems from the sheltered

⁶ The transitional model is a more recent and dynamic evolution of the traditional (permanent) model of integration and it was not the priority of all the first initiatives of WISEs that emerged in Europe in the 1980s (Borzaga, Galera and Nogales, 2008.; Galera et al., 2022).

⁷ Same authors also note that some WISEs simultaneously adopt both integration pathways, acting as a springboard to the labour market for some of the integrated workers, while offering permanent jobs to others.

workshops tradition, we observe the rise of WISEs coming from the third sector (Marković, Baturina and Babić, 2017), mostly from the association or (social) cooperative initiatives. WISEs are not a legal form *per se* but can operate under different legal forms such as associations, (social) cooperatives, veterans' social working cooperatives, limited liability companies, sheltered or integrative workshops, and public benefit organizations.

A report on WISEs in Croatia has estimated that there are some 80 of them in Croatia (Anđelić et al., 2023); some others, however, estimate more modest numbers, like 23 (Majetić et al., 2019). WISEs exist in different organizational forms and fields (Šimleša et al., 2015; Vidović, 2019; Vidović and Baturina, 2021; Anđelić et al., 2023). WISEs operate in various industries; in Croatia, they are involved in the wood industry, textile industry, food processing and catering. Other companies pursuing explicit social aims that operate as not-for-profits are present in the IT industry, namely hi-tech assistive technology for PWDs, sustainable tourism of local communities, and the metal industry (Šimleša et al., 2015; Vidović and Baturina, 2021). Šimleša and associates (2018) established that most WISEs surveyed in the year before worked with PWDs, long-term unemployed and persons over 55 years old and a very few with Roma people, homeless people, refugees and early school leavers. A Croatian social entrepreneurship monitors research study (Vidović, Šimleša and Baturina, 2023) states that 60% of organizations from the sample have disadvantaged social groups as their users (mostly children and youths, persons with physical disabilities and long-term unemployed). The existing research does not include specific data on the structure of the workforce, but we can reasonably assume that PWDs, the long-term unemployed and other vulnerable groups (like the Roma population or nowadays migrants) are the most commonly employed by Croatian WISEs. Croatian social entrepreneurship monitor (Vidović, Šimleša and Baturina, 2023) noted hybrid financing (their income comes from the market and various non-market activities) as an important feature of social entrepreneurship in Croatia.

Research conducted within the B-WISE project (Galera et al., 2022) ascertains that the permanent model of integration is dominant among different WISE legal forms in Croatia. Results of other studies also indicate orientation towards the more permanent mode of integration (for example Baturina and Mrdeža-Bajs, 2023).

Galera and associates (2022) also note that Croatia is among the countries that have a weak support system for WISEs. A specific analysis of the Croatian context (Anđelić et al., 2021) shows the absence of comprehensive support measures addressed to WISEs (targeting either entrepreneurs or WSNs). There is no differentiation between measures for those who provide transitional labour market integration and those focused on more permanent labour market integration. However, some specific forms of support do exist. The strongest support system is in place for those who work with PWDs, with some specific measures⁸ and a well-established

⁸ For example, The Act on Vocational Rehabilitation and Employment of PWDs defines some aspects of financial and expert support for the employment of PWDs. Also, the Ordinance on incentives for the employment of PWDs allows for certain subsidies.

quota system. Those measures are not specifically tailored to WISEs, but are extensively used by those focused on permanent labour market integration. Sheltered and integrative workshops have characteristics of WISEs (Vidović, 2019), by legal requirements are orientated towards PWDs and can access forms of support for that population. Apart from that, the most notable support for the education and employment of WSNs for WISEs in different legal forms in Croatia comes from the possibility of access to different measures of active labour market policies. Active labour market policy measures (hereafter: ALMPS; some of which will be mentioned later) provide compensation designed to encourage enterprises to employ and educate disadvantaged workers. Analysis (Anđelić et al., 2021) also highlights the role of EU funds, particularly the European Social Fund, in funding a variety of programs for the development of skills and activities oriented towards the social and work integration of vulnerable population. However, this kind of support for WISEs is sporadic, given the nature of the available funding opportunities. Other forms of WISE, such as veteran social working cooperatives, also have some specific forms of support (sporadically provided by the Ministry of Croatian Veterans) but are currently largely under-researched in the Croatian context (Tišma et al., 2023).

3 WISEs AND SKILL FORMATION REGIMES: THE MISSING LINK?

Research on skill formation still largely revolves around typology developed by Busemeyer and Trampusch (2012: 12). Entailing two cross-cutting dimensions: public commitment to vocational training and involvement of firms in initial vocational training; this typology discriminates between four main types of skill formation regimes, outlined in table 1.

TABLE 1
Typology of skill formation regimes in advanced industrial democracies

Public commitment to vocational training	High	Statist skill formation (Sweden, France)	Collective skill formation (Germany, Austria, Denmark, The Netherlands...)
	Low	Liberal skill formation (USA, UK, Ireland)	Segmentalist skill formation (Japan)
Involvement of firms in initial vocational training	Low		High

Source: Busemeyer and Trampusch (2012: 12).

Busemeyer and Trampusch (2012: 16) supplemented the conceptual framework with 4 additional questions (“neuralgic points” is the exact quote): (1) who controls skill formation? (2) who provides skill formation? (3) who pays for skill formation? (4) what is the relationship between vocational education and training and general education?

The primary function of these additional questions is to explain the considerable variation within each regime type. The typical response to each question is differ-

ent for each of the four types. However, individual country-cases are best thought of as situated along a continuum, with considerable differences in the degree to which this response is applicable to them. For instance, although both belong to the statist type, France and Sweden differ in the degree of control exercised by the state; while Austria and The Netherlands both belong to the collective type of skill formation, but Austrian employers as a rule invest more in skill formation than their Dutch counterparts.

Recent research in the field acknowledged that this research framework, while highly potent in the context of advanced industrial democracies, fails to fully meet the mark when it comes to countries that fall outside this spectrum. The most ambitious development in this context (Tütlys et al., 2022) covered 12 European country-cases with post-communist legacies, including Croatia (Matković and Buković, 2022). This research programme points to a considerable variation within the group of post-communist countries. It also outlines the emergence of new, hybrid sub-types of skill formation regimes that tend to “borrow” from one or more Western “role-models”, but end up with institutional frameworks and policy outcomes that ultimately look rather different. Croatia is no exception here.

Matković and Buković (2022: 266) label the Croatian skill formation regime as “predominantly statist, with partial collectivism in training for occupations in skilled trades”. This is because central state actors with their subsidiaries control, deliver and fund most of the skill formation in Croatia. General educational tracks enjoy more social prestige than the vocational ones, another common indicator of statism. However, a notable exception, inserting an important degree of hybridity into the regime, relates to the involvement of the Croatian Chamber of Trades and Crafts (hereafter: CCTC), which plays a significant role in the design, delivery and administration of programmes for occupations in skilled trades (for more detail see: Buković, 2021; 2022).

But why is all this important to WISEs, or more specifically, why even analyse WISEs from the perspective of skill-formation? There are two main reasons. Firstly, WISEs are firms, but usually skill providers as well. The latter especially holds true for WISEs primarily oriented towards temporary labour market integration, which is about equipping individuals with skills necessary to succeed in the open labour market. This is very similar to what vocational schools, training centres or adult education institutions aim to achieve. Thus, it is logical to assume their functioning is influenced by workings of the skill formation regime they belong to. Secondly, and more importantly from the aspect of this paper, some results of the B-WISE research synthesis report indicate that across different EU countries WISEs approach skill formation in a way that might have broader transformational implications, especially for skill formation regimes such as Croatian.

4 THE WISE APPROACH TO SKILL FORMATION AND ITS TRANSFORMATIONAL POTENTIAL

The primary data collection method in that research was a face-to-face survey conducted on a purposive sample of three categories of workers employed in WISEs. The first category of workers, dubbed “enablers”, correspond to managers, coordinators or in specific cases, high-ranking specialists (for instance, in charge of ICT or finance). The second category of surveyed workers are “supporters”, whose job (among other things) includes providing direct help and instruction to the third category of respondents: “workers with support needs” (hereafter: WSNs). This paper relies on findings based on data collected from enablers and supporters.

The research team selected some 5-10 relevant WISEs per country, taking into consideration the varieties of WISE models. The rationale involved parameters such as: size, legal forms, target groups, model of integration, fields of economic activity and geographic focus (Galera et al., 2022: 196). In the Croatian case, the survey was conducted among enablers coming from six different WISEs, while supporters were recruited from three WISEs. In view of the estimate of fewer than 80 WISEs currently operating in Croatia (Anđelić et al., 2021) this small sub-sample represents a considerable share of the entire sector. The results for Croatia should be considered as informative, but not definitive, particularly because all participating WISEs came from the northern part of Croatia and not all possible WISE legal forms were covered by the sub-sample. Corresponding estimates of total number of WISEs are 256 for Bulgaria (Hristova, Dobрева and Seyfetinova, 2023), 53 for Latvia (Zeiļa and Švarce, 2023) and 486 for Slovenia (Cotič, 2023). Similar limitations also apply when interpreting results of comparative analysis for these countries⁹.

Looking at survey results, two findings particularly stand out. Firstly, as visible from table 2, when confronted with skill gaps, WISEs across 13 countries included in this research usually respond by either providing or securing training courses for their workers.

TABLE 2

*Measures in the pipeline to address skill gaps for enablers, supporters and workers with support needs (% values)**

Type of measure	Enablers	Supporters	WSNs
Training courses	51.7	65.2	54.5
Recruitment of new staff	27.0	27.0	20.7
Internal re-organization of staff	27.0	23.6	24.1
No measures	19.1	11.2	19.3
Other measures	12.4	15.7	22.1

**Data for enablers and supporters is based on responses from enablers, while data for WSNs is based on responses from supporters.*

Source: Galera et al. (2022: 135).

⁹ Rationale behind specific country-case selection is outlined in section 5.

Secondly, WISEs covered by the B-WISE research effort commonly fund upskilling of their workers from their own income. Such practices are followed by strong reliance on public funding (table 3). Use of these two options need not be mutually exclusive, as indicated by the high share of WISEs relying on public co-funding, rather than full funding.

TABLE 3
*WISEs training activities funding schemes (% values)**

Self-funded	67.1
Co-funded by public funds	55.2
Funded by public funds	35.5
Funded by private funding schemes	9.2
Paid by employees	2.6
Other	2.6

**Responses from enablers.*
Source: Galera et al. (2022: 137).

Reliance on training, equitably funded by employers and the state, as the primary mechanism of responding to skill gaps, indicates that most WISEs covered by this research actually practise a collective approach to skill formation. Typical response of employers in segmentalist regimes would also be to upskill, but usually in-house. In the statist regime, the state would be expected to adapt the curricula of vocational schools and set up public training schemes for adults. Most employers in liberal regimes would either pursue headhunting or proceed to find ways to cut costs in order to restore competitiveness, even if that entails considerable de-skilling. Following that logic, it is not surprising that collective regimes are commonly praised for their simultaneous ability to invest in their workforce and be responsive to changes in market conditions (Busemeyer and Trampusch, 2012: 4), with Germany commonly being outlined as the frontrunner of this group (Culppeper and Finegold, 1999).

The Croatian business community has demonstrated little appetite for a collective approach to skill formation thus far. One notable exception is active involvement of employers in delivering three-year vocational programmes for occupations in skilled trades. This arrangement is mediated by the relatively strong institutional position of the CCTC, which can be traced to legislative changes of 1993. However, even in this segment CCTC’s own commissioned research established numerous problems in implementation, including the common practice of withholding the legally guaranteed allowance from apprentices or widespread deviations from the official training curricula (Herceg, 2010).

Matković and Buković (2022) see abundance of skilled and relatively cheap labour during the first 25 years of Croatian independence as a main factor de-stimulating many employers from even considering skill formation as a relevant element of their business models. Similarly, Mršić (2018) states that most employers in Croatia tend to base their competitiveness strategies on efficiency (in other words, cost reduc-

tion), rather than innovation and high quality of production, which are key pillars of competitiveness in most collective (and segmentalist) skill formation regimes. Also, the latest Eurostat results of the continuing vocational training survey for 2020 indicate that Croatia lags behind the EU-27 average by some 19% (48.2% vs. 67.4% respectively) in total share of firms over 10 employees that in the respective year provided training for their employees (Eurostat, 2022). For these reasons, it is very interesting to examine if practices of the Croatian WISE sector are closer to those of the “B-WISE-13” or those of the broader Croatian business community, which is subject of the following section.

5 ASSESSING THE TRANSFORMATIVE POTENTIAL OF CROATIAN WISE SECTOR IN COMPARATIVE CONTEXT

To enrich this analysis, segregated data for Croatia are compared with those for Bulgaria, Slovenia and Latvia. When considering case selection, the idea was to achieve a reasonable degree of commonality allowing for comparison, while also leaving some room for variation. All these countries are small, “new” EU member states, joining the Union in the last three rounds of accession. They all share the legacy of communist/socialist rule and experience of multiple transitions in the early 1990s: from single party rule to democracy; from public (or in the Croatian case, social) to private ownership and from a socialist planned economy to a capitalist market economy. However, as Bohle and Greskovits (2012) point out in their seminal contribution on the varieties of capitalism in post-communist countries, important differences existed during the socialist/communist rule, and commonly persisted or even expanded after the transitions of the 1990s¹⁰.

Latvia, belonging to the group of “Baltic tigers”, opted for “shock therapy” of abrupt and radical decoupling from the communist past that was characterized by direct Soviet rule, high degree of political repression and practically no autonomy in the area of economic policy. It emerged as one of the prime examples of neoliberal economic (and) social regimes. The remaining three countries covered by this comparison: Bulgaria, Croatia and Slovenia in Bohle and Greskovits’ classification of post-communist capitalist regimes belong to the same group: the South East European. However, the authors are clear that this is by far the most diverse group of post-communist regimes. It included countries that experienced communism quite differently: Slovenia and Croatia through the Yugoslav “self-management experiment” and comparatively higher levels of personal and political freedoms; and Bulgaria (with Romania), under indirect Soviet rule, executed by a national communist leaderships that exercised some level of autonomy. Transitions were also markedly different, with Slovenia avoiding the devastations of war and emerging as the clear frontrunner of the group in terms of economic performance, relying on gradual transition coupled with policies aimed at protecting most of the strategic industries. This resulted in the successful insertion of the country’s economy into European value production chains. It also developed

¹⁰ The avoidance of treating CEE as homogenous, which research has shown is not the case is also noted in cases of sectors close to WISEs like civil society (Mayer et al., 2020; USAID, 2021).

comparatively effective state governance capacities and elements of institutional design compatible with coordinated market economies (Hall and Soskice, 2001), which largely overlaps with that of collective skill-formation regimes. Croatia suffered war devastation, an economic transition that for the most part can be considered as predatory, leaving the country without most strategic industries and relatively reliant on tourism, construction and the (foreign-owned) financial sector. Bulgaria was also unsuccessful in protecting production capacity during the economic transition, but although avoiding war emerged with a weaker state policy capacity than Croatia and especially Slovenia. All this contributed to its position as the least developed EU member state, which it retained even after the Croatian accession.

Relevant insights also came from literature covering the fields of welfare state transformation and social entrepreneurship development in post-communist countries. Kuitto (2016) states that there is no Central and Eastern European model of welfare. Instead, this author verifies the emergence of differing hybrid models of welfare across the post-communist countries but also highlights the economic crisis that impacted the scope of welfare benefits as well as criteria for acquiring them. Generally, post-socialist countries have poor coverage of services of general interest and limited recourse to implement ALMPs, which can provide space for the development of alternative integration pathways such as social entrepreneurship (Ciepielewska-Kowalik et al., 2021).

A closer examination of social entrepreneurship in Latvia, Bulgaria and Slovenia (Līcīte, 2018; Jeliaskova, 2019; Rakar and Kolarič, 2019; Kalkis et al., 2021; Marinova and Yoneva, 2021) indicates that factors that enabled its development were related to the transition to a market economy (and problems caused by that transition), fast expansion of nonprofits and other similar organizations; but also the weakness of the welfare state. The situation was particularly compounded by a combination of multiple economic crises, leading to poverty and social exclusion for part of the population. Although some policies, (in some countries even specific laws), new legal forms and funding mechanisms were developed, the social entrepreneurship sector is still rather small, unrecognized and lagging behind many developed European countries.

Comparative analysis in the CEE region highlights the employment-generation mission in social entrepreneurship models and notes that focus on the employment of disadvantaged groups is tempting for all actors as it facilitates access to public funding. Furthermore, legal frameworks were designed to promote such initiatives because work integration ranks very high on the political agenda (Defourny, Nysens and Brolis, 2021).

Finally, it is worth mentioning an important commonality among these countries: despite differences in economic performance and emerging welfare regimes, all four have developed a predominantly permanent model of integration within their WISE sectors (Galera et al., 2022: 44). For this reason, it makes sense to compare the

transformational potential of the Croatian WISE sector with those that have a similar overall approach to integration and some similarities in the social and economic contexts, but differ in terms of current economic structure and overall policy capacity.

As a main proxy for examining WISE sectors' potential for transforming skill-formation regimes we use relationship to training. Namely, we examine how often WISEs use training to respond to skill shortages among different categories of workers, how they fund their delivery and what they perceive as the main barriers to making this happen. Notably, this proxy primarily works as an indicator of the WISE sector's capacity to transform in the direction of collective or segmentalist skill-formation regime, as it points towards their potential to disseminate know-how on direct firm involvement in skill formation and/or support policy initiatives to that end. Seeing that the focus of this paper is Croatia, with a predominantly statist regime of skill formation with some element of partial collectivism, we consider this to be a legitimate approach, especially in the light of positive contributions collective regimes exhibit to economic competitiveness and social welfare. Naturally, the dataset allows for different types of queries as well, for instance by specifically assessing WISE's potential to push skill-formation regimes in a more liberal direction. However, considering that in almost all countries WISE sectors function within regulated institutional frameworks and enjoy some degree of state protection, we deem this option less feasible.

TABLE 4

*Use of training to address skill gaps for enablers, supporters and WSNs/selected countries (ratio between responses per item and total number of responses)**

Country/category of workers	Bulgaria	Croatia	Latvia	Slovenia
Enablers	2/5	3/6	2/6	3/9
Supporters	4/5	2/6	1/6	7/9
WSNs	3/7	2/6	0/4	11/12

* Data for enablers and supporters is based on responses from enablers, while data for WSNs is based on responses from supporters.

Source: B-WISE F2F survey (2021).

Findings outlined in table 4 present propensity to use training in order to address skill gaps among three different categories of workers¹¹. These findings clearly establish Slovenia as a frontrunner in terms of training offer for supporters and WSNs, with data for enablers offering less of a clear picture. Interesting is the case of Bulgaria which presents a particularly strong showing when it comes to training provision for supporters. Findings for Croatia are not particularly encouraging from the standpoint of transformative potential, indicating that Croatian WISEs are less prone to training supporters and WSNs compared to their Slovenian, or even Bulgarian counterparts.

¹¹ Instead as percentages, data is presented as a ratio between responses per item and total number of respondents. We consider this approach more appropriate and informative when dealing with small-n (sub) samples, such as in this case.

The lower response rate should be taken into account when considering reliability of findings outlined in table 5. This issue notwithstanding, data point towards relative prevalence of combining WISEs’ own resources and public funding schemes to co-fund participation of WISE staff in training activities across all four countries. In that sense, all four countries in broad terms follow a pattern established through the analysis of the entire dataset, but to a different degree. It especially stands out that all Slovenian WISEs covered by this research make use of co-funding schemes in order to secure participation of their workers in training activities. Considered in conjunction with the already established frontrunner status of Slovenian WISE sector in terms of training offer, this finding also points towards the importance of a stable and adequate system of public (co)funding in shoring up training provision for WISE workers.

TABLE 5
*WISEs training activities funding schemes/selected countries (ratio between responses per item and total number of responses)**

Country/source of funding	Bulgaria	Croatia	Latvia	Slovenia
Paid by employees	0/2	0/4	0/4	0/9
Self-funded	2/2	2/4	4/4	4/9
Co-funded by public funds	1/2	2/4	3/4	9/9
Funded by public funds	1/2	2/4	0/4	2/9
Funded by private funding schemes	0/2	1/4	0/4	0/9
Other	0/2	0/4	0/4	0/9

**Responses provided by enablers.*
Source: B-WISE F2F survey (2021).

The issue of barriers to shoring up adequate training provision for WISE workers is examined in table 6. Financial barriers feature prominently among Bulgarian and Slovenian respondents. The latter points towards a “need for more” type of attitude among Slovenian respondents, showing that despite widely accessible co-funding schemes (as per data in table 5) current educational offer fails to meet their needs. Latvian respondents point towards a lack of tailored training opportunities as a key reason for abstaining from training WISE staffers. This indicates that poverty of educational offer may also represent an important barrier, irrespective of financial commitments made by public bodies and firms (which according to findings outlined in table 5 in the Latvian case seem adequate). As for the values for Croatia, they indicate that the most commonly recognized challenge is lack of time to organize/involve staff in training, which is very much in line with features of the existing skill-formation regime where training and upskilling expectations are typically directed towards the state. It is interesting that two Croatian respondents reported no barriers in securing training provision. As both of these respondents earlier reported their WISE delivering some type of training for their staffers, this tentatively may point towards a small core of organizations that remain committed to investing in their workers, even in the face of unfavourable institutional conditions.

TABLE 6
*Barriers to providing training for WISE staff/selected countries (ratio between responses per item and total number of responses)**

Country/source of funding	Bulgaria	Croatia	Latvia	Slovenia
Lack of funds	4/5	2/6	2/6	7/9
Lack of time to organize/involve staff in training	0/5	3/6	2/6	5/9
Lack of knowledge about training opportunities	0/5	1/6	0/6	0/9
Lack of tailored training opportunities fully matching the WISE skill gaps	0/5	2/6	4/6	4/9
Other	0/5	0/6	0/6	0/9
Not applicable (no barriers detected)	0/6	2/6	1/9	0/9

**Responses provided by enablers.*
Source: B-WISE F2F survey (2021).

In sum, the findings of this comparative segment indicate a rather limited transformational potential of the Croatian WISE sector, particularly compared to the Slovenian one, which emerged as a relative frontrunner of the group. However, this is hardly a foregone conclusion. As noted before, findings are best considered informative, primarily due to sample limitations. Apart from not being representative, the Croatian sample for instance does not include sheltered and integrative workshops, WISE organizational forms with the greatest tradition and institutional stability in the Croatian context. Additionally, the mere existence of the B-WISE project points towards the emergence of a more tightly knit international network of organizations and actors that can exchange information, practices and possibly launch joint initiatives. All this has the potential to shake up the *status quo*. In the following section we provide a (very broad) blueprint for action in two fields considered instrumental for boosting the transformational potential of Croatian WISEs in the field of skill formation: policy reforms and mutual learning.

6 POLICY REFORMS FOR DEVELOPING AND HARNESSING TRANSFORMATIVE POTENTIAL OF CROATIAN WISEs

The authors of this paper are not opponents of permanent labour market integration *per se*. We assess that for certain categories of WSNs, having a stable job which is fully aligned with their abilities, in an organizational environment that is supportive of their needs, may be the best possible outcome; even if that job is in a WISE that provides a permanent type of integration. Considering evidence that sheltered workshops in Croatia are increasingly operating as entrepreneurs (Galera et al., 2022: 30) responding to palpable social and economic needs, albeit within a more regulated institutional framework, we see no need to forcefully push them into the open labour market. However, we see the rationale for incentivising those WISEs with capacities, managerial affinities and necessary WSN profile to move from a permanent towards a transitional mode of integration. Some larger organizations can also move towards a mixed mode of integration, where they can differentiate

between jobs aimed at permanent or temporary integration. Apart from creating a system that aids WSEs to achieve their full professional potential, developing a strong group of WSEs oriented towards temporary integration would radically boost the sector's capacity to influence a broader skill-formation regime. Although at times necessary and useful, permanent integration is likely to remain more closely connected to the welfare system. WSEs providing temporary integration are positioned at the intersection of the educational system and broader business community. As such, they are in a good position to influence both.

The first step is profiling WSEs with the objective of examining their existing capacities, interest and willingness to move towards a temporary approach to labour market integration. Apart from scoping, this exercise could also be used for awareness raising, because it is likely that many WSEs never took the time to consider the possibility of profiling their operations into one direction or the other. With an estimate of around 80 WSEs currently operating in Croatia, this ought to be feasible.

The next step is developing a support system that differentiates between WSEs that are primarily oriented towards permanent compared to those oriented towards temporary or mixed integration. Defining the criteria appropriately will likely make all the difference. The Strategy for Development of Social Entrepreneurship in Croatia 2015-2020 (Ministry of Labour, Pension System, Family and Social Policy, 2015) serves as a vivid cautionary tale, failing to implement its most fundamental measure – establishing a national register of social entrepreneurs (Babić and Baturina, 2020; Vasseur et al., 2021; Baturina and Babić, 2021). As establishing feasible criteria represents a critical assumption for the success of the entire support system, a comprehensive and thorough consultation process is highly recommended. Another important aspect is deciding upon the most adequate way of recognizing/regulating status of WSEs generally; and those oriented towards temporary vs. permanent integration specifically. This primarily relates to the choice between regulation or some forms of “softer” recognition, such as labels or integration of criteria into an appropriate strategic policy document(s). In doing so policymakers should keep in mind that the research (Galera et al., 2022) ascertained that lack of clear recognition does not always translate into lack of strong supportive policies for WSEs and vice versa.

Furthermore, an existing support system needs to be updated and expanded. This primarily refers to WSEs deciding to specialize, fully or partially, towards temporary integration. Stable institutional links need to be established with the regular vocational schooling, system of active labour market policy and adult education. In the regular upper-secondary vocational system, WSEs could play a critical role, offering apprenticeships or other type of work-based placements, depending on the type of vocational programme. The target group should be pupils facing certain disadvantages or are at risk of early school leaving, but who are nevertheless assessed as feasible candidates for subsequent employment in the open labour market. This would represent a form of well-targeted early social investment (Hemerjick, 2017; Bežovan, 2019: 88), with an additional potential of making WSEs hubs of knowledge on how to conduct work-based learning with pupils facing more severe disadvantages in regular vocational schooling. This would be highly useful consid-

ering that vocational programmes, particularly those lasting up to three years, are commonly attended by a disproportionate share of pupils facing different forms of social exclusion (Matković et al., 2013; Doolan, Lukić and Buković, 2016).

Further, WISEs could find a more significant role in the implementation of active labour market policy¹². It seems that some of the existing ALMPMs could be adapted to accommodate a more meaningful insertion of WISEs into this system. This is particularly important in the light of a prevailing discrepancy between the continuously high share of long-term unemployed registered with the Croatian Employment Service and their participation in ALMPMs. For instance, the annual share of those unemployed for over a year in total registered unemployment stood at 46.4% in 2021 and 38.7% in 2022¹³, while that group accounted for only 17.1% and 11.8% respectively of participants of ALMPMs. Naturally, this translates into extremely low coverage: in 2021 only 8.8% of those who were unemployed for over a year took part in an ALMPM, with the share even slightly decreasing in 2022 to 7.6%. Comparatively, coverage in the traditionally “most employable” group, those who were registered as unemployed for up to 6 months stood at 46.6% in 2021 and even at 58.7% in 2022 (HZZ, 2023: 17; 39). This is in line with well-documented failures of Croatian employment policy to design active measures that effectively target those who are in greatest need of such an intervention (Franičević, 2008; Matković, 2019; Ipsos and HZZ, 2016).

WISEs could cater towards those from vulnerable and disadvantaged groups, disproportionately represented among the long-term unemployed CES beneficiaries. The greatest potential lies in adapting existing or previously implemented work-based placement interventions, which could be coupled with some forms of additional professional and psychological support. For instance, it would make sense to recast the measure of traineeship without commencing employment (in Croatian: *stručno osposobljavanje bez zasnivanja radnog odnosa*). This ALMPM was unceremoniously, and for the most part justifiably, abandoned after series of evaluations establishing its adverse effects on employment (Ipsos and HZZ, 2016; Ipsos, 2019). However, if recast as a measure targeting disadvantaged groups of unemployed adults, giving them an opportunity to attend a year-long traineeship in a well-established WISE, traineeship without commencing employment still may become an effective tool. Similarly, public works could also be reformed to rely more extensively on WISEs. This would entail moving away from this ALMP’s exclusive emphasis on activation and introducing a simultaneous focus on short-term skill development, aiming ultimately for a more permanent (open) labour market integration. Allowing for local adaptations, implementation of public works has already shown some characteristics of social innovation in Croatia (Bežovan, Matančević and Baturina, 2016). It is important to note that similar policy practices are documented in Austria where a subset of WISEs¹⁴ delivers ALMPMs providing temporary employment for various vulnerable groups, particularly the long-term unemployed (Galera et al., 2022: 111).

¹² Dobrotić (2016) asserts that policymakers in Croatia mostly ignore a “productivist” function of the welfare state, resulting in low employment rates, underdeveloped ALMPMs and social inclusion measures.

¹³ These are the latest available annual averages published by the Croatian Employment Service.

¹⁴ These are specifically socioeconomic enterprises (SÖB) and common benefit employment projects (GBP).

Adult education is another sector that might see a more significant inclusion of WISEs, as it is currently undergoing a significant sectoral expansion through the voucher schemes that feature very prominently within the National Recovery and Resilience Plan 2011-2026 (Vlada RH, 2021: 36) and ESF+ Programme “Efficient Human Resources 2021-2027” (Vlada RH, 2021: 134-136). In advocating their involvement WISEs could also invoke the Council Recommendation on Upskilling Pathways: New Opportunities for Adults (Council of the European Union, 2016) which represents a vital EU policy framework aimed at supporting adults without the upper-secondary (EQF 3 or 4) educational qualification or equivalent. WISEs could be vital providers of work-based learning components for low-qualified and low-skilled adults within a broad spectrum of adult education programmes. For instance, the Amsterdam-based WISE called Roetz Bikes specialized in reusing and recycling old bikes has been providing apprenticeship programmes to WSNs as a part of a broader educational scheme entitled MBO Praktijkleren (Galera et al., 2022: 228-229). Naturally, such infrastructure and know-how could also be used within the framework of regular secondary vocational schooling or ALMPMs delivered by WISEs.

Expected public investment into adult education could also be used for setting up a feasible system of educational support and upskilling for all categories of WSN workers: enablers, supporters and WSNs. However, in order to shore up sustainability, but also maintain collective character of their own skill formation, all public investment should be matched with those coming from WISEs’ market generated income.

Apart from stability of public (co)funding, another key precondition for success of these reforms is effective inclusion of the WISE sector in processes of formulation, monitoring and evaluation of dedicated policy efforts. This on one hand entails creating some type of formal or non-formal structure capable of conducting consultations within the WISE sector and articulating its interests in the policy spheres. On other hand, such structure should be included in key deliberative policy forums in fields of vocational education policy, adult education policy and active labour market policy. Those that come to mind as the most prominent are National Human Resource Development Council, Council for Vocational Education and Training and Advisory Body for Adult Education. Naturally, these structures should in fact exercise some palpable degree of policy influence, which according to existing sources (Matković and Buković, 2022; Buković, 2018) is not a foregone conclusion. Finally, WISEs in Croatia should respond to these favourable changes in their institutional environment with enhanced openness towards international learning and additional investment into internal capacities to adapt and integrate best practices. The B-WISE project highlights the emergence of an international network of organizations and actors that can exchange information, practices and foster joint collaboration. This is vital because Croatian social enterprises and the WISE sector thus far have not been strongly involved in international networks. Recent research (Vidović, Šimleša and Baturina, 2023) shows that around half of social enterprises stated that they are not part of any supportive network.

7 CONCLUSIONS

WISEs in Croatia are small, niche sector¹⁵ with underdeveloped policy or support mechanisms. This sector can operate under a variety of legal forms, however there is no clear recognition of the sector. By the nature of their work WISEs could be an integral part of the undeveloped welfare mix in Croatia (Bežovan, 2010; Matančević, 2014) in the development of new ways for the welfare state to develop skills and integrate disadvantaged groups. This requires a more elaborated differentiation between WISEs orientated towards transitional labour market integration and the ones focused on more permanent labour market integration.

The Croatian labour market and ALMPMs have been struggling with the integration of the different disadvantaged groups, in this paper referred to as WSNs. On the other hand, there are different challenges to develop their skills. The development of their skills in an innovative way in WISEs and the potential role of WISEs in the changing skills production regimes towards more collectivist ones in Croatia has been the focus of this paper. Research shows there is a need for personal, systematic, personalised and sustained support over time to facilitate the transition from work-integrated social enterprises to ordinary markets (Yurrebaso, Arostegui and Villaescusa, 2023) and the specificities of upskilling the most vulnerable have also been a challenge for the public educational system.

Apart from the wider consideration of the WISEs' unique position in training and work integration, this paper puts forward an analysis based on insight gained from the research conducted as a part of the “B-WISE” project. The paper also entails a comparison of the results with those of selected countries from similar post-socialist contexts (Slovenia, Bulgaria and Latvia) to position Croatian WISEs in a wider perspective.

Findings of this comparative segment indicate the limited potential of Croatian WISEs to transform the Croatian skill formation regime towards a more coordinated/collectivized approach. Croatian WISEs are for example comparatively less likely to train supporters and WSNs in other countries. Croatian WISEs, like their counterparts from other countries covered by the comparison, rely on the combination of their own resources and public funding schemes to co-fund the participation of WISE staff in training activities. However, it seems that in terms of scope and stability of available funding opportunities Slovenia represents a clear frontrunner of the group. Barriers to shoring up adequate training provision for WISE workers in Croatia are mostly related to the lack of time to organize/involve staff in training, largely consistent with a statist tradition of skill formation. However, the sample did not involve all the WISE organizational forms in Croatia, sheltered and integrative workshops that tend to exhibit the highest degree of institutional stability.

¹⁵ There is also a certain recognized “danger” of narrowing the meaning of the wider social entrepreneurship sector to WISEs as governmental agencies are mostly interested in the employment of marginalized social groups feature of the sector (Vidović, 2019; Vidović and Baturina, 2021).

This means that the book on WISEs' potential to transform the Croatian skill production regime remains largely unfinished. In this vein, this paper sets forward a set of policy reforms aimed at maximising WISEs' transformational potential in the context of skill formation. The key proposals entail profiling WISEs with a primary orientation towards permanent versus temporary labour market integration and developing a coherent system of support for both groups. This should primarily entail a more pronounced role in the delivery of secondary vocational schooling, adult education and ALMPs. Their ability to provide a comprehensive and well-adjusted support to different types of disadvantaged groups should be fully capitalized here. It is vital to increase WISE sectors' involvement in the processes of formulating, monitoring and evaluating respective policy fields. Finally, embedding Croatian WISEs into international peer networks should result in a significant increase of their capacity to raise funding for their programmes, transfer and adapt best practices; and constructively participate in the processes of formulating, monitoring and evaluating relevant policies.

There are two critical limitations to the policy proposals set out in this paper. Firstly, they are based on a highly limited analytical effort. While the desk segment of this analysis can be considered relatively thorough (albeit hampered by relative scarcity of secondary sources), the comparative segment is quite narrow as its setup was determined by the relevant data available within the B-WISE research which ultimately had a set of overall objectives that considerably differed from those of this paper. For this reason, we propose a more comprehensive research effort as a first reform step, outlined in more detail in section 6. Secondly, it is important to reiterate that the transformational potential of the Croatian WISE sector in the area of skill formation is largely determined by its small size. Namely, a group of some 80 organisations that at this point lack even a basic coordinating structure cannot hope to impact the skill formation system comprehensively, but rather follow a niche strategy as developed in the literature on social innovation (for example: Geels, 2002).

As for broader contributions of this paper, it represents a pioneering effort to apply the theoretical toolbox of skill formation to WISEs. We consider this approach promising as it may open pathways to deeper understanding of WISEs' role in the broader political economy, but also their potential to impact one of its vital segments (which skill formation most certainly is). For this reason, it may even serve as a basis for constructing a more ambitious comparative research programme. In a more practical sense, the proposals for policy reforms set out in this paper could spur a meaningful public deliberation, ultimately leading to a better recognition of WISEs in the Croatian context and the development of a more effective support system. This in turn should allow them to be more successful in fulfilling their dual social and economic purpose.

Disclosure statement

The authors have no conflict of interest to declare.

REFERENCES

1. Anđelić, J. [et al.], 2021. *B-WISE country report: Croatia*. Brussels: B-WISE project.
2. Anđelić, J. [et al.], 2023. *B-WISE country fiche: Croatia*. Brussels: B-WISE project.
3. Armingeon, K. and Bonoli, G., 2006. *The politics of post-industrial welfare states. Adapting Post-war Social Policies to New Social Risks*. London: Routledge. <https://doi.org/10.4324/9780203099520>
4. Babić, Z. and Baturina, D., 2020. Current challenges and future potentials of social economy in Croatia. *Calitatea Vieții*, 31(1), pp. 5-23. <https://doi.org/10.46841/RCV.2020.01.02>
5. Baturina, D. and Babić, Z., 2021. *Socijalna ekonomija i socijalno poduzetništvo*. Zagreb: Pravni fakultet Sveučilišta u Zagrebu.
6. Baturina, D. and Mrdeža Bajš, I., 2023. Examples of collaboration between work integrations social enterprises (WISEs) and conventional enterprise in Croatia. In: G. Galera and B. Franchini, eds. *Production and Employment Chains: Examples of collaboration between work integration social enterprises and conventional enterprises in Croatia, Spain and France*. Trento: EURICSE, pp. 12-25.
7. Bežovan, G., 2010. *Achievements and Challenges of the Development of Welfare Mix in Croatia (Research Report)*. Zagreb: CERANEO.
8. Bežovan, G., 2019. Hrvatska socijalna politika u vremenu globalizacije i europeizacije. In: G. Bežovan, ed. *Socijalna politika Hrvatske*. Zagreb: Pravni fakultet Sveučilišta u Zagrebu, pp. 59-108.
9. Bežovan, G., Matančević, J. and Baturina, D., 2016. Socijalne inovacije kao doprinos jačanju socijalne kohezije i ublažavanju socijalne krize u europskim urbanim socijalnim programima. *Revija za socijalnu politiku*, 23(1), pp. 61-80. <https://doi.org/10.3935/rsp.v23i1.1279>
10. Bohle, D. and Greskovits, B., 2012. *Capitalist Diversity on Europe's Periphery*. Ithaca; London: Cornell University Press.
11. Borzaga, C. [et al.], 2020. *Social enterprises and their ecosystems in Europe. Comparative synthesis report*. Luxembourg: Publications Office of the European Union.
12. Borzaga, C., Galera, G. and Nogales, R. (eds.), 2008. *Social enterprise: a new model for poverty reduction and employment generation. An Examination of the Concept and Practice in Europe and the Commonwealth of Independent States*. Bratislava: UNDP Regional Bureau.
13. Buković, N., 2018. Analiza mogućnosti transfera politike iz austrijskog u hrvatski sustav razvoja vještina. *Suvremene teme*, 9(1), pp. 97-118.
14. Buković, N., 2021. Institucionalni ustroj i formulacija politike srednjeg strukovnog obrazovanja u Hrvatskoj: akteri, strategije i „promjena koja ništa ne mijenja“. *Politička misao*, 58(3), pp. 208-242. <https://doi.org/10.20901/pm.58.3.08>
15. Buković, N., 2022. *Akteri, kontinuitet i promjena: analiza institucionalnoga ustroja hrvatske politike strukovnoga obrazovanja*. PhD thesis. University of Zagreb.

16. Busemeyer, R. M. and Trampusch, C., 2012. The Comparative Political Economy of Collective Skill Formation. In: R. M. Busemeyer and C. Trampusch, eds. *The Political Economy of Collective Skill Formation*. Oxford: Oxford University Press, pp. 3–40. <https://doi.org/10.1093/acprof:oso/9780199599431.003.0001>
17. B-WISE, F2F Survey, 2021. *Enablers and Supporters* [internal project database]. Brussels: B-WISE project.
18. Ciepielewska-Kowalik, A. [et al.], 2021. The Influence of Historical and Institutional Legacies on Present-Day Social Enterprises in CEE Countries: Lessons From Poland, Hungary, the Czech Republic and Croatia. In: J. Defourny and M. Nyssens, eds. *Social Enterprise in Central and Eastern Europe*. New York: Routledge, pp. 201–217. <https://doi.org/10.4324/9780429324529-15>
19. Cooney, K., 2016. Work integration social enterprises in the United States: operating at the nexus of public policy, markets, and community. *Nonprofit Policy Forum*, 7(4), pp. 435–460. <https://doi.org/10.1515/npf-2016-0009>
20. Cotič, G., 2023. *B-WISE synthetic country fiche: Slovenia*. Brussels: B-WISE project.
21. Council of the European Union, 2016. Council recommendation of 19 December 2016 on upskilling pathways: new opportunities for adults. *Official Journal of the European Union*, C 484/1.
22. Culpepper, P. D. and Finegold, D. (eds.), 1999. *The German Skills Machine: Sustaining Comparative Advantage in a Global Economy*. New York: Berghahn Books. <https://doi.org/10.1515/9781789203806>
23. Defourny, J. and Nyssens, M., 2008. Social enterprise in Europe: recent trends and developments. *Social Enterprise Journal*, 4(3), pp. 202–228. <https://doi.org/10.1108/17508610810922703>
24. Defourny, J. and Nyssens, M., 2021. *Social enterprise in Central and Eastern Europe: Theory, models and practice*. New York: Routledge. <https://doi.org/10.4324/9780429324529>
25. Defourny, J., Gregoire, O. and Davister, C., 2004. Work integration social enterprises in the European Union: An overview of existing models. *EMES Working Papers*, No. 04/04.
26. Defourny, J., Nyssens, M. and Brolis, O., 2021. Testing the relevance of major social enterprise models in Central and Eastern Europe. In: J. Defourny and M. Nyssens, eds. *Social Enterprise in Central and Eastern Europe*. New York: Routledge, pp. 273–290 <https://doi.org/10.4324/9780429324529-19>
27. Dobrotić, I., 2016. Crisis and Croatian Welfare State: A New Opportunity for Welfare State Retrenchment? In: S. Schubert, P. de Villota and J. Kuhlmann, eds. *Challenges to European Welfare Systems*. Switzerland: Springer International, pp. 301–324. https://doi.org/10.1007/978-3-319-07680-5_14
28. Doolan, K., Lukić, N. and Buković, N., 2016. The Embodiment of Class in Croatian VET System. *European Journal of Education, Research and Policy*, 51(3), pp. 345–359. <https://doi.org/10.1111/ejed.12183>

29. ENSIE, 2022. *2022 IMPACT-WISEs study results. The empowerment of people through social entrepreneurship for a sustainable and inclusive society.*
30. ESF+ Programme “Efficient Human Resources 2021-2027”, 2021. *Official website of the Ministry of Science, Education and Youth.*
31. European Commission, 2021. Communication from the Commission to the European Parliament, the Council, the European Economic, COM(2021) 778 final.
32. Eurostat, 2022. *Statistics on continuing vocational training in enterprises.* Eurostat.
33. Ferreira, S. [et al.], 2018. The multidimensional reality of social enterprise in Central and Eastern Europe. *Stakeholders brief*, No. 1.
34. Franičević, V., 2008. *Decent work country report-Croatia.* International Labour Office, Regional Office for Europe and Central Asia.
35. Galera, G. [et al.], 2022. *Report on trends and challenges for work integration social enterprises (WISEs) in Europe. Current situation of skills gaps, especially in the digital area.* Brussels: B-WISE project.
36. Galera, G., 2010. Social enterprises and the integration of disadvantaged workers. In: L. Becchetti and C. Borzaga, eds. *The Economics of Social Responsibility.* Abingdon: Routledge, pp. 117-134.
37. Geels, F. W., 2002. Technological transitions as evolutionary reconfiguration processes: a multi-level perspective and a case-study. *Research Policy*, 31(8-9), pp. 1257-1274. [https://doi.org/10.1016/S0048-7333\(02\)00062-8](https://doi.org/10.1016/S0048-7333(02)00062-8)
38. Hall, P. A. and Soskice, D., 2001. An Introduction to Varieties of Capitalism. In: P. A. Hall and D. Soskice, eds. *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage.* Oxford University Press: Oxford, pp. 21-74. <https://doi.org/10.1093/0199247757.003.0001>
39. Hemerijck, A., 2013. *Changing welfare states.* Oxford: Oxford University Press.
40. Hemerijck, A., 2017. Social Investment and Its Critics. In: A. Hemerijck, ed. *The Uses of Social Investment.* Oxford: Oxford University Press, pp. 3-39. <https://doi.org/10.1093/oso/9780198790488.003.0001>
41. Herceg, I., 2010. *Povezanost kvalitete izobrazbe za obrtnička zanimanja i zapošljivosti*, No. 70669. Zagreb: Hrvatska obrtnička komora.
42. Hristova, N., Dobрева, N. and Seyfetinova, S., 2023. *B-WISE synthetic country fiche: Bulgaria.* Brussels: B-WISE project.
43. HZZ, 2023. *Godišnjak 2022.* Zagreb: Hrvatski zavod za zapošljavanje.
44. Ipsos and HZZ, 2016. *Vanjska evaluacija mjera aktivne politike tržišta rada 2010.-2013. Sumarno evaluacijsko izvješće.* Zagreb: Ipsos; HZZ.
45. Ipsos, 2019. *Evaluacija Inicijative za zapošljavanje mladih u sklopu Operativnog programa Učinkoviti ljudski potencijali 2014. – 2020. za 2018. godinu. Završno izvješće.* Zagreb: Ipsos.

46. Jeliaskova, M., 2019. *Social enterprises and their ecosystems in Europe. Country report Bulgaria*. Luxembourg: Publications Office of the European Union.
47. Kalkis, H. [et al.], 2021. Challenges for social enterprises in Latvia. In: J. Defourny and M. Nyssens, eds. *Social Enterprise in Central and Eastern Europe*. New York: Routledge, pp. 102-122. <https://doi.org/10.4324/9780429324529-8>
48. Kuitto, K., 2016. *Post-communist welfare states in European context: Patterns of welfare policies in Central and Eastern Europe*. Cheltenham: Edward Elgar Publishing. <https://doi.org/10.4337/9781784711986>
49. Ličite, L., 2018. *Social enterprises and their ecosystems in Europe: country report Latvia*. Luxembourg: Publications Office of the European Union.
50. Majetić, F. [et al.], 2019. Performance of work integration social enterprises in Croatia, Slovenia, and Italian regions of Lombardy and Trentino. *Economics & Sociology*, 12(1), pp. 286-368. <https://doi.org/10.14254/2071-789X.2019/12-1/17>
51. Marinova, T. and Yoneva, E., 2021. Social enterprises in Bulgaria: Historical and institutional perspective. In: J. Defourny and M. Nyssens, eds. *Social Enterprise in Central and Eastern Europe*. New York: Routledge, pp. 23-39. <https://doi.org/10.4324/9780429324529-3>
52. Marković, L., Baturina, D. and Babić, Z., 2017. Socijalna poduzeća za radnu integraciju u postsocijalističkim zemljama. *Hrvatska revija za rehabilitacijska istraživanja*, 53(1), pp. 129-148. <https://doi.org/10.31299/hrri.53.1.11>
53. Matančević, J., 2014. *Characteristics of the welfare mix model in the provision of social services in Croatia*. PhD thesis. Zagreb: Pravni fakultet, Zagreb.
54. Matković, T. [et al.], 2013. *Destination Uncertain? Trends, Perspectives and Challenges in Strengthening Vocational Education for Social Inclusion and Social Cohesion*. Luxemburg: Office for Official Publications of the European Communities.
55. Matković, T. and Buković, N., 2022. Croatia: Impact of Europeanization on Skill Formation. In: V. Tütlys [et al.], eds. *Skill formation in Central and Eastern Europe. A search for Patterns and Directions of Development*. Peter Lang, pp. 265-290.
56. Matković, T., 2019. Politika zapošljavanja i nezaposlenost. In: G. Bežovan, ed. *Socijalna politika Hrvatske*. Zagreb: Pravni fakultet Sveučilišta u Zagrebu, pp. 195-285.
57. Meyer, M. [et al.], 2020. Civil Society and Its Institutional Context in CEE. *Voluntas*, 3, pp. 811-827. <https://doi.org/10.1007/s11266-019-00106-7>
58. Ministry of Labour, Pension System, Family and Social Policy, 2015. *Strategija razvoja društvenog poduzetništva u Republici Hrvatskoj za razdoblje od 2015. do 2020. godine*. Zagreb: Ministry of Labour, Pension System, Family and Social Policy.
59. Mršić, A., 2018. *Procesi definiranja problema i prioriteta u stvaranju inovacijske politike u Hrvatskoj iz perspektive diskurzivnog institucionalizma*. Ph.D thesis. Zagreb: University of Zagreb.

60. Nikolai, R. and Ebner, C., 2012. The Link between Vocational Education and Training and Higher Education in Switzerland, Austria and Germany. In: R. M. Busemeyer and C. Trampusch, eds. *The Political Economy of Collective Skill Formation*. Oxford: Oxford University Press, pp. 234-258. <https://doi.org/10.1093/acprof:oso/9780199599431.003.0009>
61. Nyssens, M. [et al.], 2012. *Work integration social enterprises and public policy: an analysis of the European situation*. Liege: EMES.
62. Nyssens, M., 2014. European Work Integration Social Enterprises: Between social innovation and isomorphism. In: J. Defourny, L. Hulgård and V. Pestoff, eds. *Social Enterprise and the Third Sector: Changing European Landscapes in a Comparative Perspective*. Abingdon; Oxon: Routledge, pp. 211-229.
63. Rakar, T. and Kolarič, Z., 2019. *Social Enterprises and Their Ecosystems in Europe: Country Report Slovenia*. Publications Office of the European Union.
64. Šimleša, D. [et al.], 2015. *Mapiranje novih obzora. Izvještaj o stanju društvenog poduzetništva u Hrvatskoj*. Zagreb: Institut društvenih znanosti Ivo Pilar.
65. Šimleša, D. [et al.], 2018. *D.T1.1.4 Regional Report Croatia*. INNO-WISEs project report.
66. Spear, R. [et al.], eds., 2001. *Tackling social exclusion in Europe. The contribution of the social economy*. Aldershot: Ashgate Publishing Ltd.
67. Streeck, W., 1992. *Social Institutions and Economic Performance: Studies of Industrial Relations in Advanced Capitalist Economies*. London: Sage.
68. Streeck, W., 2012. Skills and Politics: General and Specific. In: R. M. Busemeyer and C. Trampusch, eds. *The Political Economy of Collective Skill Formation*. Oxford: Oxford University Press, pp. 317-352. <https://doi.org/10.1093/acprof:oso/9780199599431.003.0012>
69. Taylor-Gooby, P., ed., 2004. *New risks, new welfare: the transformation of the European welfare state*. Oxford: Oxford University Press. <https://doi.org/10.1093/019926726X.001.0001>
70. Thelen, K., 2012. Foreword. In: R.M. Busemeyer and C. Trampusch, eds. *The Political Economy of Collective Skill Formation*. Oxford: Oxford University Press, pp. v-x.
71. Tišma, S. [et al.], 2023. Braniteljske socijalno-radne zadruge kao potencijalni model društvenog poduzetništva u Republici Hrvatskoj. *Nova prisutnost*, 21(2), pp. 301-315. <https://doi.org/10.31192/np.21.2.4>
72. Tütlys, V. [et al.], eds., 2022. *Skill formation in Central and Eastern Europe. A search for Patterns and Directions of Development*. Berlin: Peter Lang.
73. USAID, 2021. *2020 Civil society organization sustainability index. Central and Eastern Europe and Eurasia*. Washington: United States Agency for International Development.
74. Vasseur, T. [et al.], 2021. *Vrednovanje djelotvornosti, učinkovitosti i učinka operativnog programa učinkoviti ljudski potencijali 2014. – 2020. GRUPA 7: Vrednovanje društvenog poduzetništva. Završno izvješće o provedenom vrednovanju*. Zagreb: Ministarstvo rada, mirovinskoga sustava, obitelji i socijalne politike.

75. Vidović, D. and Baturina, D., 2021. Social enterprise in Croatia: Charting new territories. In: J. Defourny and N. Nyssens, eds. *Social Enterprise in Central and Eastern Europe*. New York: Routledge, pp. 40-55. <https://doi.org/10.4324/9780429324529-4>
76. Vidović, D., 2019. *Social enterprises and their ecosystems in Europe: Country report – Croatia*. Luxembourg: Publications Office of European Union.
77. Vidović, D., Šimleša, D. and Baturina, D., 2023. *Hrvatski monitor društvenih poduzeća 2022*. Čakovec: ACT Grupa.
78. Vlada RH, 2021. *Nacionalni plan oporavka i otpornosti 2021.-2026*. Zagreb: Government of the Republic of Croatia.
79. Yurrebaso, G., Arostegui, I. and Villaescusa, M., 2023. Transition from work integration social enterprises to ordinary employment in situations of low employability: results of an intervention programme. *Social Enterprise Journal*, 19(5), pp. 502-518. <https://doi.org/10.1108/SEJ-11-2022-0109>
80. Zeiļa, R. and Švarce, L., 2023. *B-WISE synthetic country fiche: Latvia*. Brussels: B-WISE project.