

# VALUE CREATION IN THE STRATEGIC MANAGEMENT OF CHURCH SOCIAL INSTITUTIONS IN PORTUGAL

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## ***ABSTRACT***

The Socio-Charitable Service composes one of the fundamental pillars of Catholic Church action in Portugal and in the world, defining itself as an active agent at the service of the preservation of human dignity, the principle of subsidiarity and the promotion of the common good.

The problem underlying this paper resides in the way the Church's Social Institutions in Portugal organize their resources and capabilities to empower the development of their mission in the face of the characteristic high dynamism of their environment.

Allied to this research is the question: in what way does the identity of the Church's Social Institutions exert an impact on its value-creation process?

Thus, we face a set of organizations that, having faith as the basis of their action and their mission, hold a singular identity whose impact reaches not only their internal processes but also their relational dimension and its results.

The answer to the research question was achieved through the adoption of a multiple-case-study methodology with semi-structured interviews with different Caritas in Portugal officials. This aimed to gauge through a macro perspective how the "churchiness", analysed as a resource by the application of the VRIO model interferes in the mechanisms of support, governance and networking intrinsic to this type of organizations.

The results suggest that the value spectrum of these organizations is marked by a humanistic dimension resulting from the weight of this identity, whose potential isn't adequately explored due to the inoperativeness of their organizational capacity.

**Keywords:** Mission; Strategic Management; Identity; Value Creation

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## 1. INTRODUCTION

The multidimensional nature of poverty and other social problems requires an "integrated and coordinated"<sup>1</sup> approach that encompasses all links in society (the Person, family, community and organizations) and is guided by a strategy that promotes measures focused on problem-solving and encourages the practice of social initiatives. It is in this sense that institutions of social solidarity arise, which, being "a multi-century reality in portuguese society" (Sousa, 2012), are dispersed throughout the country and develop a work of commitment to people in need, providing them the aid possible with their means and requiring the subsidiary intervention of the State as co-responsible and regulator.

Among the different practices carried out in Portugal in the context of solidarity, which include, according to the Basic Law of the Social Economy, Cooperatives, Mutual Associations, Mercies, Solidarity Foundations and Social Solidarity Associations, it is essential, due to its specificity and nature, to look with particular emphasis on the Church's Social Institutions and their role in social and community development.

The Church's Social Charitable Action, understood as the set of activities carried out in the ambit of justice and charity (JM<sup>2</sup> 35 and GS<sup>3</sup> 69) as an imperative of the very nature of the Church, finds its expression through the action of the communities of the faithful, its services, institutions and groups, whose purpose is to contribute to the prevention and solution of problems and situations that affect people's lives and to the straight and just ordering of society (GS 39 and AA<sup>4</sup> 5-7). This ecclesial service (the service of charity or socio-charitable) encompasses a set of formal and informal organizations whose action assumes the Person, in his dignity, as a subject of rights and as a central subject of his development. It must, therefore, exercise a transforming intervention: "an action that, in addition to giving fish and teaching to fish, guarantees the right to fish" (Dias, 2004).

We are talking about a set of bodies with a unique mission that materializes in developing specific social responses to meet the needs and deprivations of communities. The complexity of their role in society, the multiplicity of means that their action involves, the restrictions of different natures to which they are subject, the problems and challenges they face and the vast network of relationships in which they are immersed lead to their structuring must be accompanied by a strategic approach.

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<sup>1</sup> *Estratégia para a Promoção do Emprego e a Dinamização do Desenvolvimento Local enquanto esteios da inclusão social* - Caritas Portuguesa (2013)

<sup>2</sup> JM - Documento final do Sínodo dos Bispos *Convenientes ex Universo* (1971)

<sup>3</sup> GS - Constituição pastoral conciliar *Gaudium et spes* (1965)

<sup>4</sup> AA - Decreto Conciliar *Apostolicam actuositatem* (1965)

Dias (2004) emphasizes that the role of the Church's Social Institutions cannot be reduced "to mere assistance". However, the Church does not have theoretical models to propose for structuring the responses it provides. Defending those accurate and effective models can only be born thanks to the effort of those responsible who face concrete problems in all their social, economic, political and cultural aspects that intertwine each other (CA<sup>5</sup> 43).

The Church's Social Institutions must, in this sense, develop their action according to rigorous processes that lead to the pursuit of their mission and allow efficient use of resources, which opens the way to the implementation of the Strategy as a system of coordination of "actions that aim to achieve specific goals" (Hudson, 2009), to these organizations.

The operationalization of this application presupposes that the resources of each institution are assumed as essential elements - "assets (tangible and intangible), competences, processes, attributes, information, among others, which they control, allowing the conception and implementation of strategies designed for the improvement of its efficiency and effectiveness" (Barney, 2014) - and its organizational capabilities - which relate to its endogenous attributes that allow the coordination and exploitation of resources. It is the combination of resources through capabilities that enables organizations to develop specific actions in order to maximize the value that is generated - "the difference between the benefits derived and the costs incurred that results in a higher level of benefits than that which the target audience currently holds" (Sirmon et al., 2007). The present study intends to assume itself as a connecting factor between the literature on the so-called Non-Profit Organizations and the Strategic Management tools that focus on understanding the value creation process of organizations from the study of its surroundings. Its focus will be on the Social Organizations of the Catholic Church, starting from its particular identity deeply rooted in the faith.

The operationalization of the study will naturally force the delimitation of its object, so the analysis will not only be limited to the Portuguese context but also to that which is the action of Caritas as an official entity of the Catholic Church for the promotion and coordination of its social-charitable work.

It is following the line of reasoning presented that the underlying problem of the research emerges and lies in the way in which the Church's Social Institutions in Portugal organize

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<sup>5</sup> CA - Carta Encíclica *Centesimus annus* (1991)

their resources and capacities in order, given the high dynamism inherent in their surroundings (internal and external), to be able to enhance the performance of their mission. The research question is: **in what way does the identity of the Church's Social Institutions exert an impact on its value-creation process?**

Exposing in general terms the structure inherent to the reflection carried out, it will be sought that the theoretical background presents a sector of society with very particular characteristics, both in terms of its structuring and in terms of its intervention, exploring how the resources, capacities and the webs of relationships that are connected to it can contribute to the leverage of its action, what is the role assumed in this sphere of intervention by the fundamentals and practices of management, to what extent the Church's Social Institutions, as a consequence of their particular identity, hold, in this context, a distinctive position and what has been, over time, their role in Portuguese society.

After this initial framework of a prominent theoretical-conceptual nature and the explanation of the research methodology followed, an attempt will be made, by resorting to a qualitative approach, to establish the intersection between the ideological dimension of literature and the tacit knowledge deriving from the direct contacts established with different Caritas officials in Portugal through fieldwork the reality under analysis.

## **2. THEORETICAL BACKGROUND**

The study of Strategic Management in the Church's Social Institutions in Portugal requires the development of a theoretical framework with a double focus: on the one hand, a focus on the structural characteristics that distinguish these institutions from organizations in the for-profit sector and, on the other hand, an approach centered on the exploration of the dimensions of strategic management that will support, based on the established objectives, the answer to the research question.

### **2.1. Non-Profit Organizations and their Role in Portugal**

Non-profit organizations are described by Hudson (2009) as organizations whose primary objective is not economic but social; they are "pervasive institutions that influence our lives and the world around us in numerous ways" (Andreasen & Kotler, 2008). Hudson (2009) places these organizations in a specific economic sector, which he calls the "third sector" or "civil society sector" or even "social economy", whose scope extends to entities

that cumulatively, in a "structural/operational" prism (Salamon & Anheier, 1992), are characterized by: i) having a markedly social primary purpose and not predominantly centered on profit; ii) be independent of the State, being managed by groups of people disconnected from any governmental structures or authorities; and iii) reinvest their financial surpluses in their services or their activity.

Lipsky and Smith (1990) highlight the pivotal role of non-profit organizations in directly supporting populations and promoting social protection structures, often replacing the State itself.

Salamon et al. (2004) summarize five characteristics of a structural and operational nature that consensually define the entities of the civil society sector: i) organized - their operations follow some structure and regularity, a fact that is materialized in the promotion of regular meetings, in the existence of members and in some structuring of decision-making processes regardless of whether they are formally constituted or registered; ii) private - they are institutionally separated from the State, but may receive financial support from these; iii) non-distributing profits - its primary purpose is non-commercial, not distributing any profits to directors, shareholders or managers, but may, however, generate positive operating results whose application affects investments aimed at achieving its objectives; iv) self-governed - they have their own internal governance mechanisms, being able to control all their activity; v) voluntary - it is not a condition of citizenship nor required by law to be a member, participate or contribute in time or money to these organizations.

It is worth noting the importance that Franco et al. (2008) attribute to the role of the Catholic Church in developing the civil society sector in Portugal. However, the country had its origins in 1143, and many of the Church's charitable organizations were already established in the national territory before that date, which motivated that all socio-charitable action, which will be discussed later, was institutionally and structurally marked by christian values.

The first forms of social protection developed in Europe "were born closely linked to christian piety" (Garrido, 2016) as a solidarity response to the poverty spreading in feudal societies. Assistance, supported by rudimentary self-help mechanisms, provided the poorest with organized ways to meet their most basic needs and guarantee support for social problems.

## 2.2. Identity in Faith-Based Organizations

The non-profit sector incorporates a wide diversity of organizations and social missions whose expression is not only highly flexible (ability to overcome and respond to problems at any time) and flexible (ability to reach where necessary with relative ease) but also requires solid internal guidance underpinned by "the ability to point in the right direction and ensure success over time" (Young, 2001). These characteristics are significant when faced with difficult decisions since it is on these occasions, as Albert and Whetten (1985) emphasize, that organizational identity comes into play, often with very particular goals and values being at stake, the very reason for being of the organization.

The study of organizational identity allows us to "examine how non-profit organizations struggle to restructure or reinvent themselves in order to survive or thrive in a changing environment" (Young, 2001) and establish relationships with other elements of management; not only with those related to structure (architecture through which the parts of the organization interact) but also with those associated with strategy (set of policies and practices through which the organization achieves its purposes). Identity corresponds, therefore, according to Whetten and Godfrey (1998), to an "idiosyncratic configuration of people who share some attributes, who pursue a collective purpose through a given activity (core business) and using a limited number of principles".

In the specific case of the Church's Social Institutions, identity appears sustained by faith and materializes in a pastoral intervention centered on the "values of truth, freedom, justice and charity"<sup>6</sup>, making, therefore, sense to analyze them as an integral part from the set of Faith-Based Organizations (FBO), which Clarke and Jennings (2008) define as those "whose inspiration and guidance derives from the teachings and principles of the faith or a particular interpretation or school of thought".

James (2009) states that identity arising from faith "can have profound implications within the organization", affecting not only internal practices - related to leadership, relationships, culture and implemented policies - but also how the organization relates externally and with whom - partners, benefactors and other stakeholders. It is, therefore, a dimension that influences one's abilities, and it is, therefore, essential to maintain a "clear identity and purpose", doing so in an "inclusive, positive and sensitive way" (James, 2009). From the conclusions of the research developed by James (2009), the

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<sup>6</sup> in *Responsabilidade solidária pelo bem comum*, Carta da Conferência Episcopal Portuguesa (2014)

conviction still emerges that a clear identity based on faith is likely to lead to a more effective organization.

Therefore, it is expected that there will be consistency between decision-making aimed at the operationalization of faith and those that affect other areas, given that the organization will be stronger the greater the level of internal consensus achieved.

### **2.3. The Social Charitable Action of the Church in Portugal**

Focusing the present research on the social institutions whose basis is the faith of the Catholic Church, it is crucial to explore in some detail the identity and doctrinal pillars that support them, taking into account not only their framework in a pastoral perspective but also the explanation of their positioning.

The Church's Social Doctrine finds expression in a pastoral action embodied in "three ecclesial activities" (Szentmártoni, 2000): the Prophetic Pastoral - actions of the Church linked to the proclamation and teaching of the Word of God in its different forms to the different sectors of communities, aiming at communication and the maintenance of the faith; Liturgical Pastoral - ecclesial actions (celebration and prayer) connected to the exercise of worship through a conscious, active, full and fruitful participation of the faithful; and the Social-Charity Pastoral - actions of the Church in the whole exercise of Charity, which includes both the aspect of evangelical morality and the organization of a government in ecclesial life, materializing in service to others and total gratuitousness.

The Church's Social Doctrine is an integral part of the Church's ministry of evangelization, of what concerns the human community - situations and problems concerning justice, liberation, development, relations between peoples, peace (EN<sup>7</sup> 29), proposing its direct consequences in the life of society and framing daily work and struggles for justice in the witness of Christ (CA 5). The permanent principles of the Church's Social Doctrine constitute the true and proper axes of Catholic social teaching: the principle of the dignity of the human person, based on the full recognition of the dignity of every person, created in the image of God; that of the common good, understood as the social and community dimension of the moral good; that of subsidiarity, according to which higher-order bodies must be in an attitude of help - subsidium - of support, promotion and advancement concerning the smaller ones; and the principle of solidarity, which reveals the innate sociability of the human person, the equality of all in

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<sup>7</sup> EN - Exortação apostólica *Evangelii Nuntiandi* (1975)

dignity and rights and the typical path of men and peoples towards an increasingly convincing unity. These principles derive from the encounter of the Gospel message and its demands with the problems that emanate from the life of society (LC<sup>8</sup> 72).

The Church's Social Action emerges as a living and concrete manifestation of a Church aware of her mission to evangelize the social, economic, cultural and political realities of the world, inspired by the fundamental principle of the centrality of man (CA 54) and aiming to promote awareness of the good of each one as an inexhaustible resource for the progress of all social life.

Similar to what happens with most structures of the Catholic Church in Portugal, it can be said that the organization of its social or social-charitable action - "an expression consecrated in the Church's means" (Antunes, 1983) - is based on the principle of territoriality, developing at the level of Dioceses and Parishes. Furthermore, Antunes (1983) highlights that "practically all the territorially based organizational elements" of the Church "dynamize or promote actions of this type", having been verified, over time, due to the emergence of new social cases arising from the evolution of society and of the problems associated with the conjuncture or the social structure of each environment, the emergence of new forms of response that make the Church one of the only organizations capable of intervening with specific social categories that are significantly marginalized in portuguese society.

Joaquim (2009) reveals, however, the existence of some generic problems that characterize the functioning models of the Church's Social Institutions, alerting to the absence of organizational projects, the low value attributed to the dimensions of planning and evaluation, to the existence of from "weak levels of participation and commitment" at the level of internal structures, to the low involvement of the community "as an active agent and participant in the discussion of problems and the search for adequate responses to them", to the reduced rate of innovation in the responses and services provided, for structuring according to models of a "monocratic nature" based on the low turnover of those responsible, and for the existence of "an ambiguous relationship with the State" that fosters a growing financial dependence.

These gaps reflect a notorious difficulty that, according to Fonseca (2011), has, over time, stood out and accompanied the organized practice of the Church's social-charitable work: "the persistence, for lack of political, social and ecclesiastical conditions, a marked

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<sup>8</sup> LC - Instrução *Libertatis Conscientia*, Congregação para a Doutrina da Fé (1987)



assistance action" (Fonseca, 2011) that prevents rejuvenation and development from reaching this pastoral sector. Alongside this, there remains a certain "sociopolitical and religious manicheism, hierarchical stratification, clericalism and anticlericalism, as well as the traditional problematic relationship between state and ecclesial institutions" (Fonseca, 2011). These constraints require a deep reflection not only in terms of pastoral guidelines but also at an organizational and strategic level, seeking to define to what extent the social institutions of the Church in Portugal can enhance the performance of its mission from what is, today, its context.

#### **2.4. Strategic Management in Non-Profit Organizations**

The path that will make it possible to open space for the realization of the necessary reflection of an organizational and strategic scope in the plan of the socio-charitable pastoral of the Church in Portugal seems to pass, as Teixeira (2013) advocates, by transporting to non-profit organizations, with the necessary adaptations, the strategic management tools used by companies.

According to Carpenter and Sanders (2009), Strategic Management emerges as the process through which an organization conducts the formulation and implementation of its own strategy. Its implementation must pass, in the prism of Heijden (1996), through the sharing of thoughts and ideas among managers, the consequent exploration of the various possible scenarios for organizational action and the establishment of consensus regarding the development of the one that will create a viable continuity mechanism that allows adaptation to the conditions of each moment.

This process is not, however, exclusive to entities in the for-profit sector. Nowadays, we are witnessing what the author calls the "colonization" of the third sector by Management, a fact that results from a growing lack of these organizations "becoming more effective" (Wellens & Jegers, 2013). Weerawardena et al. (2010) emphasize that the dynamic context in which we live leads to the need to build lasting and stable institutions, stimulating the adoption of strategies that enhance the growth of the levels of efficiency and effectiveness associated with the provision of their services.

##### ***2.4.1. Creating Economic and Social Value in the Mission of the ONL***

Rothschild (2012) clarifies that any organization, whether for profit or not, creates economic value by generating additional benefits by increasing its revenues or decreasing expenses.

The most significant contribution of non-profit organizations resides, however, according to Weerawardena et al. (2010) advocate the creation of social value, that is, the provision of "essential goods and services" (Felicio et al., 2013) with a view to "promoting community development, defending more inclusive and fair policies" (Austin et al., 2006) and adopting appropriate behaviors to overcome social problems.

Wilson and Post (2013) emphasize that the simultaneous creation of economic and social value entails more demand, rigor and complexity for organizational processes, which is why non-profit organizations, as they need to develop their activities with a high degree of efficiency, maximizing the (economic and social) value generated, are forced to seek their sustainability by focusing "on the strategic and operational levels of management" (Weerawardena et al., 2010).

According to Porter and Kramer (2006), it is up to each organization to identify the social problems it is best to help solve since contact with social issues according to a sharing logic will allow the construction of self-sustaining solutions and not dependent on public or private subsidies.

Courtney (2013) states that value creation in the non-profit sector is a consequence of the strategic choices made by organizations from the inside out (inside-out), through the combination of resources and capabilities of their internal context, and how organizations interactions with the various stakeholders condition, from the outside in (outside-in), the position he assumes.

#### ***2.4.2. The Role of Resources and Capabilities in Value Creation***

The value creation process in non-profit organizations emerges, according to Morris et al. (2011), as the result of the search for solutions to society's problems through innovative strategies that involve the combination of resources (assets available within the organization), the exploration of opportunities, the satisfaction of needs and the development of goods and services.

It is therefore pertinent to explore this process in the light of two complementary approaches: the VRIO model (Barney, 2014) - which assumes that in addition to possessing valuable, rare and inimitable resources, entities must also be, or be, organized to take advantage of these resources, transforming them into competitive advantages - and the model of dynamic capabilities, supported by Eisenhardt and Martin (2000), according to which the dynamic capabilities of organizations correspond to "a set of specific and identifiable processes" that allow them to "integrate, build and reconfigure

internal and external competencies to cope with rapidly changing environments" (Teece et al., 1997).

Looking in detail at the VRIO approach, it appears that Barney (2014) argues that resources, being heterogeneous and immobile and not being able to be traded on the market as factors, to concentrate the necessary potential for the creation of sustainable competitive advantages, must possess four characteristics:

*Value* - resources are only considered as such when they generate value and enable organizations to design and implement strategies leading to the improvement of their levels of efficiency and effectiveness, which is why it can be said that an attribute creates value and becomes a resource (valuable) when it provides the neutralization of threats and/or the exploitation of opportunities.

*Rarity* - based on the conviction that competitors with the same valuable resource tend to exploit it in the same way and implement identical value creation strategies, the idea emerges that resources only concentrate the potential to create competitive advantages when they are rare or scarce, that is, when their possession is confined to a reduced number of agents.

*Inimitability* - the possession of valuable and rare resources gives organizations a temporary competitive advantage because if they are easily imitable, it is expected that, either through direct duplication or through substitution, competitors will imitate them; hence it can be said that valuable and rare resources that are equally difficult to imitate are enablers of sustained competitive advantage.

*Organization* - the potential for sustainable competitive advantages, materialized in possession of rare, valuable and inimitable resources, can only be exploited through specific organizational processes, such as macrostructures, compensation policies and management (formal and informal).

Cardeal (2014) highlights that capabilities can be seen as the intangible processes with which organizations exploit their resources to carry out daily operations, establishing a correspondence between these and the "organization" concept of the VRIO model. "This link between resources and capabilities is critical. In practice, resources alone cannot have the potential to create competitive advantages" (Cardeal, 2014); this results from how organizations operate and correlate their resources through concrete processes.

From the reflection carried out by Cardeal and António (2012), the conviction emerges that capacities correspond to intermediate outputs between resources and competitive advantage and that resources alone have no value because only the organization imposed by capabilities generates utility.

Eisenhardt and Martin (2000) emphasize that the value of capabilities lies in the ability they give organizations to change their resource base, create, integrate, recombine, and release. The exposed view suggests an expansion of routines based on the redefinition of strategic processes, the use of similarities (commonalities) between organizations and the use of acquired knowledge as an efficient way to ensure their adaptation to change in different types of markets.

Augier and Teece (2008) show that while exploring existing opportunities, organizations are forced to develop capabilities to conquer new opportunities, thus adapting to changes in their environment. This point of view is in line with the perspective of Barreto (2010) when he states that capabilities correspond to the (non-imitable) potential of organizations to solve their problems systematically, this potential being formed by their propensity to identify threats and opportunities by their aptitude timely, market-oriented decisions and the ability to change its resource base.

It follows from this, taking as a reference the line of thought of Sirmon et al. (2007), that the simple possession of valuable and rare resources does not guarantee the achievement of competitive advantage; this only occurs through the continuous creation of value made possible by the "reconfigurations" (Morrow et al., 2007) of organizational capabilities.

### **3. RESEARCH SETTING AND METHOD**

#### **3.1. Methodological Procedure**

The question underlying this research required the application of a methodology that would allow, on the one hand, a deep understanding of the specificities of the sector and organizations under study and, on the other hand, the justification of the applicability or not of existing theoretical models to their operational context.

Considering the diversity of formal and informal structures that serve as the basis for the Social Charitable Action of the Church in Portugal, the present study focused on what is assumed by the Church itself as the coordinating entity of Social Pastoral, as an organized

activity of the Church in a service response to people's needs, in the diversity of its manifestations (Pinho, 2009): Caritas.

Since the present research aims to explain a process "in the context of real-life" over which "it is not possible to exercise control" regarding the behavior of agents (Yin, 2009), it can be said that the applied case study to the reality in question (Caritas) seems to be the most appropriate method to meet the objectives set.

However, it is essential to emphasize that, due to the organizational model that Caritas assumes in Portugal, based on the total administrative autonomy granted to Caritas Diocesan, we are faced with a unit of analysis subdivided into multiple and distinct contexts, which requires the use of a that Yin (2009) classifies as multiple-case design. This approach, which presupposes the observation of instrumental cases to develop a deeper understanding of the phenomena, undoubtedly contributed to the enrichment of the research since, as advocated by Herriott and Firestone (1983), the evidence obtained from several cases makes the study as a whole more attractive and robust.

Regarding the selection of cases to be explored, it must be taken into account that, as argued by Creswell (2009), the determination of the sample size in qualitative research is not fixed a priori (before data collection). Although a type of unit of analysis is established (in this specific research, the different structures of Caritas in Portugal), the final sample will only be known "when the units that are being added do not provide new data - saturation of categories" (Sampieri et al., 2013). Therefore, a non-probabilistic sampling was used (the selection of elements depended on the researcher's assessment) since the choice of elements was based on reasons inherent to the characteristics of the research, with no intention to generalize in terms of probability.

Although preliminary to the fieldwork, the extension of the study to all Caritas structures in Portugal was considered, and the diagnosed data saturation led to the selection of a sample.

Data collection was carried out through the application of semi-structured interviews with Caritas officials in different parts of the national territory to establish direct contact with their opinions, experiences and perceptions regarding the horizon of the study.

The guide that served as the basis for the interviews carried out was prepared in such a way that it was possible to assess the position of each institution in the sample about six different categories: their characterizing elements as a means of evaluating the level of homogeneity of the sample from the point of view of structural view; the importance of strategic management in the institutional context, as a monitoring factor of current

planning levels; the attributes that, in the internal and external spheres, mark its performance; the impact that their resources and capabilities have on the value creation process itself; the network dynamics that exist between the various stakeholders in the sector; and the contours of the relationship between these organizations and ecclesial structures.

The interviews took the form of a face-to-face meeting to talk and collect information with an interlocutor designated by each of the selected structures. They served as a basis for the construction of meanings regarding the topics addressed, given that there was, at each moment, the possibility of placing other questions "to clarify concepts or obtain more information" (Sampieri et al., 2013).

Once the information was obtained, a "systematic description of the content" (Berelson, 1952) was carried out with a view to its interpretation. An attempt was made to conduct the complete analysis in a clear and precise way to ensure that the results achieved can be verified by any researcher working on the same information and that all the content was ordered and integrated into categories chosen according to the objectives initially traced. Hence the relevance of proceeding with interpreting the data resulting from the research through the application of Content Analysis.

This analysis, marked by a dynamic perspective based on the intersection between the data obtained and the observations made, proved to be crucial for the presentation of a model of value creation that encompassed the various categories explored and synthesized the ideas and concepts developed.

### **3.2. Application and Coding Context**

The selection of sample elements had as a starting point criteria of representativeness and geographic coverage. Therefore, in addition to the President of the Board of Caritas Portuguesa, 15 heads of Caritas Diocesanas (representing 75% of the universe of Caritas structures in Portugal) from North to South of Mainland Portugal and Madeira were interviewed in an attempt to guarantee the coverage of the three districts most populous (Lisbon, Porto and Setúbal) and the three dioceses with the most significant geographical extension (Évora, Beja and Portalegre-Castelo Branco). All interviews were carried out at the head office of each of the Caritas structures that were part of the sample and their duration varied between 15 and 87 minutes, as shown in Table 3.1..

The recordings were preserved in an audio file, with the consent of the participants, after the research purposes were explained to them, without any anonymity requirements being

imposed. The author assumes full responsibility for the transcription, encoding and interpretation of the data obtained.

No.	Institution	Office	Duration
1	Caritas Portuguesa	President	66m:28s
2	Caritas Diocesana do Algarve	President	37m:42s
3	Caritas Diocesana de Aveiro	President	39m:43s
4	Caritas Diocesana de Beja	President	41m:34s
5	Caritas Diocesana de Bragança	President	16m:44s
6	Caritas Diocesana de Coimbra	President	87m:59s
7	Caritas Arquidiocesana de Évora	President	31m:15s
8	Caritas Diocesana do Funchal	President	18m:27s
9	Caritas Diocesana de Leiria-Fátima	Worker	15m:12s
10	Caritas Diocesana de Lisboa	President	38m:35s
11	Caritas Diocesana de Portalegre-Castelo Branco	President	66m:45s
12	Caritas Diocesana do Porto	Board Member	44m:48s
13	Caritas Diocesana de Santarém	Ecclesiastical Assistant	47m:53s
14	Caritas Diocesana de Setúbal	Services Director	48m:59s
15	Caritas Diocesana de Viseu	President	50m:46s
16	Caritas Diocesana de Vila Real	Services Director	33m:28s

Table 3.1. - *Synthesis of the Interviews carried out during the Field Work*

An initial coding system was designed that allowed the organization of the information obtained through a set of categories. This system was based on the firm purpose of proceeding with the segmentation of the data collected through an analysis scheme that could systematically absorb all the dimensions of the target organizations.

In this sense, three code levels were defined; the first level intended to capture more general information and the second and third aimed at incorporating information with a progressively higher degree of specificity.

Bearing in mind that the focus of the entire analysis is the answers of the interlocutors contacted to the questions contained in the prepared interview guide, the aim was to ensure that the degree of coverage associated with the various codes would simultaneously allow the various responses to be framed and meet the objectives outlined for the research. The first coding level was, in this sense, designed based on eight different codes: Critical Success Factors, aimed at encompassing the aspects identified as crucial for the effective promotion of the work of the institutions under study; Contextual Analysis, aimed at capturing data that characterize both the internal context (strengths and weaknesses) and the external context (threats and opportunities and challenges) of the target organizations; Social Charitable Pastoral of the Church, oriented towards the incorporation of the characteristics and dynamics of the social-charitable work promoted by the Church in Portugal; Funding Sources, focused on identifying the various ways of obtaining funding by each institution contacted; Employees, focused on quantifying the

volume of workers inherent to them; Rede Caritas intended to absorb the elements that characterize the Caritas network and the interactions established between the various instances of this organization; Actions and Projects, determined to assess the nature of the services provided and the projects developed; and Management Elements, aimed at incorporating all data related to organizational structuring processes, financial management, monitoring, strategic guidance and planning.

Subsequently, using the MAXQDA software, the analysis of the categorized segments was performed, comparing them, establishing relationships between categories, themes or references in the literature and substantiating positions.

## 4. RESULTS

### 4.1. Characterization of Analysis Units

Looking at the main characterizing aspects of the study units from a systematic perspective, the data collected was organized in table 4.1..

Case	Localization	Social Responses	Workers	Scope of Intervention
2	Algarve	4	31	Local Social Action
3	Aveiro	6	40	Mixed Scope
4	Beja	6	40	Local Social Action
5	Bragança	4	26	Local Social Action
6	Coimbra	24	680	Mixed Scope
7	Évora	8	100	Mixed Scope
8	Funchal	1	5	Local Social Action
9	Leiria-Fátima	1	4	Local Social Action
10	Lisboa	6	35	Mixed Scope
11	Portalegre-Castelo Branco	0	2	Diocesan Social Pastoral
12	Porto	1	6	Local Social Action
13	Santarém	0	1	Diocesan Social Pastoral
14	Setúbal	7	135	Mixed Scope
15	Viseu	3	30	Local Social Action
16	Vila Real	6	70	Local Social Action

Table 4.1. - Initial systematization of data from the case studies

The table presented seeks to systematize a first characterization of the study units based on three primary attributes that all interlocutors addressed: the number of social responses, which, in addition to reflecting the size of each institution, reflects the diversity of services provided by them; the number of workers, which, despite being correlated



with the first variable, shows its workforce; and the scope of intervention, which in the present analysis takes the form of a categorical variable, illustrating whether the organization's action is restricted to the district capital, whether it is solely focused on promoting the Church's social-charitable work in the respective diocese without stopping any responses or if it simultaneously owns social facilities and supports ecclesial structures in the field of Social Pastoral.

A solid organizational and structural heterogeneity of the different instances of Caritas in Portugal becomes clear. This heterogeneity is expressed not only in terms of the position adopted concerning what should be the role of each Caritas in its territorial context by each of the institutions but also in terms of practices, organizational models and the degree of scope that underlie its intervention with communities.

It is not the purpose of the present research to develop a comparative analysis of the different case studies; it is only essential, according to a general prism, to highlight the expected correlation between the number of responses promoted by each structure and its number of workers; to note that the scope of intervention and the consequent strategic orientation inherent to each unit is strictly a result of the vision of those responsible and not of the internal organization; and to highlight the distance that Caritas Diocesana de Coimbra has concerning the other Caritas Diocesanans, evidenced by crossing the presented variables.

#### **4.2. Categorization Outcomes**

Caritas, the other institutions and canonical social works (Parochial Social Centers, Mercies, Brotherhoods, Confraternities and other organizational forms) and some informal parish social action groups embody the Church's Social Charitable Service, which constitutes one of the vertices of Catholic Pastoral Action, also formed, as explained by Szentmártoni (2000), by the Worship Services (Liturgical Pastoral) and by the Proclamation of the Word (Prophetic Pastoral).

The structuring of this action from a strategic and operational point of view, however, differs from territory to territory, from Diocese to Diocese, being not only dependent on the involvement of the hierarchy itself (specifically the Bishops and Parish Priests) but also on how each institution, as each Caritas in particular, enjoying the autonomy that is statutorily granted to it, is organized in its different dimensions. We are therefore faced with Church structures that, although sharing the same mission, enshrined in Catholic

Social Doctrine, are free to establish individualized objectives, strategies and performance measures.

Although it can be said that Caritas is globally marked by a solid evaluative dimension resulting from its canonical nature, those responsible reveal some structuring limitations that result from the inexistence of a concerted work between the various bodies responsible for the promotion of the Church's social-charitable work.

In addition to calling attention to the lack of information sharing among peers, some interviewees also warn of the subordinate place many members of the Church hierarchy attribute to Social Pastoral.

The clear conviction that the solution to the identified gaps will necessarily involve a general awareness of the organizational problems that this pillar of ecclesial work faces and, secondly, the promotion of true networking based on the articulation between the various agents.

In the structural and organizational heterogeneity of the various Caritas units in Portugal, other common elements characterize its action and derive directly from an umbilical relationship with the Church. It is clear from the outset that the character of autonomy that the Church confers on its social organizations is a driving force for a diversification of the strategic guidelines followed, which are also dependent on the level of involvement shown by the Bishops and Pastors of each territory.

Although Caritas is marked by a solid evaluative dimension resulting from its canonical nature, in the relationship between Caritas' bodies and between them and the Church, there remain some organizational gaps that condition its ability to eliminate weaknesses and mitigate threats.

Concerning the internal sphere, all the interviewees are consensual in defending the idea that there is a close articulation between the evaluative dimension inherent to the mission of Caritas and some of its organizational characteristics; from the outset, its openness and transparency about its action, the value, solidity and trust associated with the "Caritas" brand and identity, the strong ability to adapt to social changes, the tremendous dedication of human resources to the supported causes, the diversity of services provided and the high reception and response capacity revealed. We are dealing with an organization marked by a strong capillarity - covering the entire national territory (continental and insular) and reaching the most distant villages from the main urban centers; guided by universal principles - although it is a Catholic confessional institution, it is for everyone and does not accept people; directed to all problems; and with an evident aptitude for

promoting the sharing of goods, encouraging the meeting between the will of those who give and the needs of those in need.

In the same way, some weaknesses that are transversal to most of the structures of this organization stand out, namely the strong resistance to change and the reinvention of internal processes and practices; the lack of training in Management on the part of technicians and managers; the low levels of sustainability verified; financial dependence on the State; the soft focus on communication; the difficulty in working in a network; the non-professionalization of the Boards; and the scarcity of shared resources between Caritas. Fundamentally, a lack of own funds is associated with a marked inability to cooperate and take advantage of synergies motivated by certain immobility resulting from the closure of people and their resistance to the entry of new elements with multidisciplinary training carry creativity and new methodologies to look at problems.

On the external front, it should be noted that the economic and financial crisis that hit Portugal in the last decade had as a direct consequence the emergence and aggrandizement of a set of social problems that demanded from solidarity institutions not only the reinforcement of their capacity to response but also their capacity to meet the needs arising from the country's new social reality.

Is also the conviction that, over the years, a predominantly welfare system has been created that instrumentalizes the user, making him a crucial means for the survival of these organizations; this fact led the social institutions of the different communities to foster a struggle for protagonism among themselves, creating a scenario of competition for survival.

Another dimension inherent to the external environment of the Church's Social Institutions concerns how each Diocese and each Parish promotes its social-charitable work; some of the interviewees highlighted the difficulty that, not infrequently, is found in the relationship with members of the Church hierarchy and that, in addition to compromising their service in certain areas, generates a generalized lack of knowledge of what Caritas' action is.

The lack of coordination that exists between the institutions of the social area, combined with the pretension of the municipal authorities to monopolize specific fields of intervention in the sector, are also reasons of substantial concern for those responsible for Caritas since this attitude leads to the reinforcement of imbalances and of the vices that characterize the welfare system.

There is, therefore, a firm consensus that Caritas should assume a more interventionist role, focusing on constructing planning tools that involve all its representations and training its agents and proximity intervention groups.

The interlocutors expressed the wish that the various structures of Caritas in Portugal strengthen their organizational capacity, seeking to understand and respond to emerging social problems and the phenomena of new poverty through the reinvention of practices, the change of mentalities, the adoption of a greater discipline and the updating of technical strategies, thus fostering creativity and innovation in the ways of proceeding.

It becomes evident, from the different perceptions, that both Caritas, in particular, and all the social-charitable actions that the Church develops fundamentally lack more outstanding organization and better coordination, and, according to the interview, this will only be possible through the use of a critical factor - a Strategic Management.

The dynamism in which societies are immersed forces all social-charitable work to be structured according to a strategic perspective that allows the different bodies to be able, at any time, to respond to new social needs. It is for this reason that many of those responsible for Caritas in Portugal consider that the training of its staff is a requirement of the utmost importance for the provision of quality service and, at the same time, for the achievement of a position based on trust and credibility of the work developed.

With this strategic vision, a systemic prism emerges based on a logic of network and cooperation, which, despite being consensually shared and defended by most of the interviewees, has not yet been operationalized.

The various interlocutors are unanimous in defending the conviction that effective networking presupposes that at its base, there is strategic Management duly grounded in concrete objectives and adjusted to the context of the various agents; therefore, it does not make sense to form partnerships based on pre-defined models; network dynamics must be born out of everyday purposes and identify from the outset which resources are to be shared and the ends to be achieved.

The verification of the findings listed, together with the points of view expressed by the interlocutors, thus reveal the idea that Caritas in Portugal has potential for underused value, lacking more and better organization.

Considering that the objective of the research is to explore the extent to which the organization of resources and capacities of the Church's social institutions, and Caritas in particular, contributes to increasing the achievement of its mission and the value created

by it, it will make sense to focus the discussion on the analysis of this latent value and in the understanding of the processes that could lead to its greater use and leverage.

## 5. DISCUSSION

It was clear that we observed a set of institutions that, despite the organizational heterogeneity that underlies them, offers a value proposition that seems to contain, right upstream, a differentiating element from the other non-profits and that is related to "Being Church". This element materialized in belonging to a religious structure that has a temporal doctrinal and evaluative dimension and based on the faith of the faithful, appears clearly as an inspiring factor of the mission of Caritas in Portugal and as a driving component of its intervention, being able, as a result, to be pointed out as a critical and fundamental factor of the entire value creation process of the social-charitable action.

The driving force behind Caritas' mission is the need to meet people's real problems, thus creating a close relationship between the organization's mission and service since "being the Church" impels it to develop an attitude of permanent vigilance so that it can be prepared to intervene whenever it is called upon, wherever it may be, and defying its limitations.

The Church's pastoral guidelines challenge ecclesiastical structures "to leave their comfort and to have the courage to reach all the peripheries" ( *EG*<sup>9</sup> 43) hence the action developed by Catholic social institutions must be based on a logic of proximity and network, given that it will only be possible to broaden the scope of the value generated through a work marked by close articulation with the various local agents by enhancing synergies and the consequent reinvention and creation of innovative practices focused on meeting people's primary needs and promoting a transformative intervention.

"Being Church" thus emerges as the base cell of Caritas' identity in Portugal and, consequently, as a pillar of its value proposition. It is crucial, however, to emphasize that this potential of an identical nature can only be manifested through organized instances that support community needs.

Being supported by a powerful identity dimension, Caritas in Portugal effectively concentrates on the potential to pursue a transformative intervention. In addition to generating economic value (as a measure of the efficiency achieved in the use of resources) and social value (translated into the effectiveness of the service provided and

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<sup>9</sup> EG - Carta Encíclica *Evangelii gaudium* (2013)

the level of well-being provided), these organizations, by "Being Church", can expand the specter of value creation to a "*humanist dimension*" whose expression lies in its intrinsic ability to welcome recipients/users, making them feel "*reconfigured*". It is, therefore, a value that reconfigures, that generates, due to its humanizing character and social cohesion, and can, therefore, be called a cohesive value.

It is essential, however, to understand whether or not the potential conferred by "Being Church" is being used by the organizations under study and whether this effectively constitutes a lever for maximizing the created (economic, social, and cohesive) value.

The identity dimension associated with "being the Church" carries a set of guidelines whose base of incidence extends to most activities and processes inherent to the action of the various Caritas structures in Portugal. Therefore, it is necessary to understand whether this element, explored here as a resource, is or is not used by the institutions studied to propel their positioning and action. To this end, the VRIO model, presented by Barney (2014), will be taken as a reference, and a reflection will be developed from the results obtained.

Applying the VRIO test to the attribute "Being a Church" it appears that:

*a) Value*

The mission inherent to it, and which it carries over to Caritas action in particular, is transformative; it is to go against what is unjust and which constitutes an attack on the dignity of people. This mission promotes, as has been explored before, the humanization of society, neutralizing threats and enhancing opportunities; "being Church" is, following this line of reasoning, a valuable resource.

*b) Rarity*

We are also dealing with a rare resource, the possession of which is confined to a very restricted range of organizations, precisely those that emerge from within the Church itself as a response to needs arising from contexts where poverty is a structural weakness.

*c) Inimitability*

This resource is also distinguished by its inimitability, which stems from a powerful identity, associated with a belief (the Faith of the Church), which is not subject to replication in other contexts; and traditions and customs that have lasted for centuries and are deeply rooted in society.

<b>VRIO Test - "Being Church"</b>			
<b>Valuable</b>	<b>Rare</b>	<b>Inimitable</b>	<b>Organization</b>
✓	✓	✓	?

Table 5.1. - Application of the VRIO Test to the "Being Church" Resource

*d) Organization*

From the fieldwork developed, however, the conviction arises that it will be pertinent to explore the Organization processes associated with the "ownership" of the resource under study, verifying, from the outset, the existence of a gap between the Church's Doctrine for Social Action and its application on the ground.

It should be noted that, at the concrete level of Caritas in Portugal, how its structuring was operationalized does not correspond to the vision presented by the Bishops' pastoral guidelines. One of the last documents prepared by the Portuguese Episcopal Conference (CEP), dated 2011<sup>10</sup>, clearly emphasizes that neither Caritas nor social action groups are responsible for the ownership or Management of social facilities; they are only responsible for cooperating with existing facilities (belonging to the Mercies, to the Parish Social Centers and other works of Religious Institutes) and to be available to assist people in need and to seek solutions. Despite the observed organizational heterogeneity, this idea contradicts the practice of most structures of this institution in Portugal, where we find numerous and diverse social responses: Day care centers, Kindergartens, Leisure Activity Centers, Shelter Centers, Community Centers, Homes for the Elderly, Home Support Services, Social Canteens, among others. There appears to be no consensus within the Church regarding a management model of the pastoral itself in the social sphere, resulting in some difficulties, already mentioned, in credibility and implementation of the social-charitable service.

The reasoning followed unequivocally leads us to the idea that although identity can be considered in the social institutions of the Portuguese Church as a valuable resource, rare and difficult to imitate, they do not have an organization that allows them to explore all its potential. Therefore, as those responsible recognize, it is necessary to develop new ways of operating and correlating their resources through the redefinition of organizational processes through strategic Management.

Caritas in Portugal has a clearly defined and commonly accepted mission based on solid and deeply rooted doctrinal principles. However, there is still a lack of definition regarding the Church's strategic vision for its social institutions. It is interesting to note

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<sup>10</sup> *Serviços paroquiais de ação social para uma cultura de dádiva - Indicações práticas*, CEP, 2011



that this gap occurs both on the side of the hierarchy and ecclesial structures, from a general and macro-structure perspective, or in a more individual dimension on the part of its various leaders, who, despite having, in some cases, horizons of action and defined purposes, are incapable of developing a systemic perspective and aligned with collective guidelines.

Both Caritas and the other social institutions of the Church in Portugal concentrate on themselves, by their nature, the necessary potential to create a "reinforced value" that goes beyond the generation of economic and social benefits, which generates social cohesion, but whose intensity is still conditioned to the development and exploitation of internal processes (capacities) that allow more efficient exploitation of the resources they hold. As a result, the social-charitable action of the Church in Portugal lacks organization - the "O" of the VRIO model - which can only be achieved through better use of endogenous resources (among which the identity itself is included) through capacities and by expanding of partnership relationships, in a logic of effective networking, both between the various instances of the Church and between these and all its *stakeholders*.

The research developed makes it clear, either through the conclusions arising from the analysis of the data obtained or through the application of the VRIO test to the "identity resource", that in the universe of the Church's Social Institutions in Portugal, there is a gap in the consistency of the doctrine - strategy triad - organization. Although solid guiding principles and guidelines for the intervention of social-charitable action are unquestionable, the difficulties related to its applicability and consequent expression in organizational and community contexts are notorious.

The first focus of inconsistency lies precisely, as was denounced by some of the interlocutors, in the lack of reliable and quantifiable information on the work of the Church's formal and informal social intervention bodies in Portuguese territory. The lack as mentioned above entails, from the outset, a general lack of knowledge of the activities carried out at this level (either on the side of ecclesial structures or on the part of civil society itself) and, as a result, conditions any attempt at concerted planning, under a macro point of view, which can be experienced. The compromise of planning efficiency logically calls into question the effectiveness of common strategies and a possible unification of procedures and practices. The persistence of the scarcity of information at this level will feed the organizational heterogeneity between similar bodies and favor the lack of coordination and diagnosed organization.



Another element also pointed out as limiting social-charitable work is within the hierarchy itself and concerns, on the one hand, the subordinate place that some clerics attribute to this dimension, undervaluing it and not channeling any resources to it, and, on the other hand, the ineffective relationship between parish priests and social pastoral workers. In addition to not dignifying this action, these shortcomings are, as already mentioned, an expression of a notorious ecclesial lack of responsibility.

The culture above of disaccountability makes room for the Church's Social Institutions to enter into conflicting "wars" with their identity matrix, from the outset, the connivance with struggles for protagonism based on a competitive logic, as well as the adoption of an individualistic and closed culture hindering joint work.

The great challenge these organizations face begins with their willingness to change, to change the paradigm, first becoming aware of these problems and reinforcing their organizational capacity through mechanisms of strategic consultation that promote the potentiation of individual resources at the service of collective and common purposes.

Regardless of whether or not this conversion process takes place, based on data from the fieldwork and the view of the leaders contacted, a necessary adoption of measures by the ecclesial leaders to reposition and redefine the strategic orientation of Caritas and the other social-charitable institutions of the Church. There seems to be a desire to break with the welfare matrix and move to organizational sustainability, not only in a network logic, in sharing and enhancing resources and in strategic consultation, but also in judicious planning to reduce dependency levels concerning political cycles and government guidelines, professionalization of staff and diversification of funding sources.

The evident aspiration for more organization and better coordination at the service of value creation will be, in this sense, the critical factor for the success of the action of the Church's Social Institutions in Portugal, since from the reflection developed comes the certainty that these, by the strength of their identity matrix - for "Being Church" - they contain a strong potential of economic, social and cohesive value, whose exploitation depends strictly on their organizational capacity.

The formulated value creation model assumes these institutions as an integral part of a relational space that, being necessary to explore and increase through the organization, is markedly conditioned by its identity dimension. This is expressed in terms of the mission translated into the service and in the governance models adopted, in structuring the support activities themselves, or in the network dynamics developed.

Being an integral part of the range of non-profit organizations, and particularly of the group of faith-based organizations, the social institutions of the Catholic Church represent, in our country, a secular and fundamental response to help overcome the most elementary needs of citizens. The multiplicity of resources that its intervention involves and the various capabilities inherent to them require that its processes and practices are based on continuous and circular mechanisms of strategic Management focused on analysis, formulation, implementation and evaluation to obtain solid contextual knowledge and the consequent response to needs in a logic of efficiency and effectiveness.

The primary purpose of these organizations is not evangelization; it involves welcoming any citizen, regardless of race, belief, or culture, and providing them with goods and services that promote their dignity and enable their reconfiguration and humanization in a prism of social cohesion. Such a mission, supported by a strong identity dimension, can only be fully achieved through the efficient use of available resources, through firm organizational structures (managed in a strategic, focused, professional and independent manner); by taking advantage of organizational capabilities in a logic of maximizing the generated value; through the adoption of governance systems adjusted to the defined objectives and oriented towards the satisfaction of the beneficiaries; and with the development of practical networking tools that involve ecclesial structures and other *stakeholders in a concerted manner*.

The results presented thus assume, in general, a confirmatory character on the explored literature, namely on the one that focuses on understanding the preponderance of the identical dimension in faith-based organizations and its impact on the organizational context. However, it is, at the same time, evident that the structural and organizational gaps that remain in the practical context, despite having already of them being the object of reflection in different studies, are a consequence of the non-application in the field of both strategic management tools and the certain management practices that the literature prescribes.

Therefore, the present research does not lead to contradictory conclusions to those that, over time, this same literature has shown and that the following chapter summarizes; the discussion developed, however, serves as an appendix to existing knowledge, developing an approach focused on a specific reality anchored in a singular identity dimension.

## 6. CONCLUSION

The Church's Social Institutions appear, in Portugal, as a set of bodies with a unique mission that materializes in developing specific social responses aimed at meeting the needs and deprivations of communities. However, the complexity of their role in society, the multiplicity of means that their action involves, the restrictions of different natures to which they are subject, the problems and challenges they face and the vast network of relationships in which they are immersed mean that a strategic approach must accompany their structuring.

The research resulted in developing a path whose primary purpose was to understand how these organizations can enhance the pursuit of their particular mission, with the specificities inherent to their internal and external environments as a starting point.

The research carried out made it clear that:

a) The Roman Catholic Church has, since the nation's genesis, a leading role in the expansion of the civil society sector in Portugal; hence all the work promoted by the various solidarity organizations is institutionally and structurally marked by Christian values. In the specific case of the social institutions of the Catholic Church, their identity is sustained by faith. It is materialized in a pastoral intervention marked by the values of truth, freedom, justice and charity. Therefore, it makes sense to analyze them as an integral part of the set of Faith-Based Organizations.

b) The Church's Social Action emerges as a living and concrete manifestation of a Church aware of its mission to evangelize the social, economic, cultural and political realities of the world, expressing itself through vast initiatives of a charitable nature, which the Mercies, Parish Social Centers, Parishes, some specific institutions and movements, brotherhoods, confraternities and other organizational forms, not to mention occasional and informal actions.

c) There are still some generic problems that characterize the operating models of these bodies, namely the absence of organizational projects, the low value attributed to the dimensions of planning and evaluation, the existence of low levels of participation and commitment at the level of internal structures, the low involvement of the community as an active agent, the reduced rate of innovation in the responses and services provided, the structuring according to monocratic models and the existence of an ambiguous relationship with the State that enhances a growing financial dependence; constraints

whose resolution presupposes a deep discussion both at the level of pastoral guidelines and at the structural and strategic levels of organizations.

d) The path that will make it possible to open space for the realization of the necessary reflection requires that the strategic management tools used by companies be transported to this dimension, with the necessary adaptations, given that this transposition necessarily implies focusing on three generic perspectives: an internal perspective (focused on resources and capabilities as sources of uniqueness), an external perspective (based on the sector's structure and the relative positioning of organizations) and a dynamic perspective (based on building bridges between internal and external perspectives).

e) The creation of economic value here assumes a necessary but insufficient condition, and the social value represents a primary intended result in this field. Simultaneously creating economic and social value makes organizational processes more demanding, rigorous and complex. Therefore, the Church's Social Institutions must seek their sustainability by focusing on the strategic and operational levels of Management.

Considering the diversity of formal and informal structures that serve as the basis for the Social Charitable Action of the Church in Portugal, the present study focused on the one assumed by the Church itself as the coordinating entity of its Social Pastoral: Caritas. In exploring the various dimensions connected to it, a methodology classified as *the multiple-case design was applied* based on observing instrumental cases to develop a deeper understanding of the phenomena.

Through this approach, it was possible to show that:

i) There remains a substantial organizational and structural heterogeneity of the different instances of Caritas in Portugal, expressed not only in terms of the diversity of visions regarding what should be the role of each Diocesan Caritas in its territorial context but on the part of its various leaders, but also in terms of practices, organizational models and the degree of coverage that underlie its intervention with communities.

ii) The identity (the "Being Church") constitutes a unifying and transversal element to all the units of analysis, appearing as a critical and fundamental factor in the whole process of creation of value of the social-charitable action. It is proven to be a valuable, rare and inimitable resource that gives the entire Social Pastoral a potential of exceptional value, expressed both in the sphere of mission and service and in the context of structuring its support mechanisms, its management and governance models. Moreover, its relational

component, specifically about interaction with *stakeholders* from a network perspective based on a prism of union around the pursuit of common goals.

iii) In addition to generating economic and social value, these organizations, by "Being Church", can broaden their spectrum of value creation to a humanist dimension, whose expression lies in their intrinsic capacity to welcome the recipients/users, making them feel reconfigured. Cohesive value constitutes a typology of value that reconfigures, which generates social cohesion due to its humanist character.

iv) The Church's socially-charitable action in Portugal lacks organization, which can only be achieved by making better use of endogenous resources (among which one's own identity is included), through capacities, and by expanding relations of partnership, in a logic of effective networking.

The present research thus transposes the strategic management tools typically applicable to the business sector to the context of the Catholic Church's Social Institutions to create value.

The work carried out, however, is subject to a set of limitations motivated by the fact that the analysis was formulated from inductive reasoning applied solely to the particular reality of Caritas in Portugal, without any other entities having been studied counterparts. In this sense, it is understood that the conclusions' generalization should not be assumed without first carrying out studies of a confirmatory nature with other structures of social action of the Church other than Caritas.

As a relationship of strategic dependence between the Church hierarchy and the social institutions became evident, it is suggested that a future research could explore, upstream, the extent to which ecclesial guidelines condition the organizational gaps that characterize social action. -charity of the Church in Portugal. The development of an research of this nature will, however, require the crossing of knowledge between the areas of Pastoral Theology and Management since its conduct implies the understanding of phenomena inherent to the convergence between doctrinal references, organizational mechanisms and religious orientation, forms and processes of leadership and models of governance of Catholic social institutions.

Likewise, it is understood that it would be pertinent to extend the research carried out to the contexts of the various canonical social organizations in Portugal to confirm the conclusions obtained.

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