

SOCIAL WELFARE POLICIES AND ORGANIZATIONAL RESILIENCE IN GREECE

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Abstract: This paper examines how social welfare policies contribute to organizational resilience in Greece. It synthesizes evidence on income and employment protection, active labor market policies, healthcare, family support, and human resource practices. A structured narrative review was conducted using peer-reviewed studies, policy evaluations, institutional reports, and official statistics published mainly between 2010 and 2026. The findings show that welfare instruments strengthen employee security, health, employability, labor market attachment, and career continuity. These resources support retention, knowledge preservation, recruitment, productivity, and adaptive capacity when combined with participatory human resource systems and effective institutional coordination. Social welfare policy therefore functions as both social protection and an institutional investment in workforce continuity and sustainable business performance. The review provides a multilevel framework linking public welfare provision with employee, organizational, labor market, and institutional resilience in Greece.

Keywords: Greece, organizational resilience, social welfare policies

1. INTRODUCTION

Social welfare policy forms part of the institutional environment in which employees, organizations, and markets operate. Income maintenance, unemployment protection, healthcare, childcare, family benefits, employment services, and vocational training protect households from social risks and also support labor participation, human capital, and economic stability. These instruments can preserve workforce capacity during disruption and facilitate adaptation to technological, demographic, and occupational change (OECD, 2025a).

This relationship is especially relevant to Greece, which since 2010 has experienced a sovereign debt crisis, fiscal adjustment, labor market restructuring, the pandemic, energy price pressures, population aging, and digital transition. These shocks increased social needs while changing the fiscal and administrative conditions of welfare provision. Subsequent reforms expanded targeted income assistance, active labor market measures, skills programs, family support, healthcare initiatives, and digital public services (Matsaganis, 2012; OECD, 2024b).

Organizational resilience is the capacity to anticipate threats, cope with disruption, preserve essential operations, learn, and adapt. Ducheck (2020) conceptualizes it as a dynamic capability involving anticipation, coping, and adaptation. Employees are central to each stage because they recognize signals, maintain relationships, implement responses, transfer knowledge, and develop new routines. Strategic human resource management strengthens this capability through competencies, cognitive flexibility, cooperation, and supportive organizational conditions (Lengnick-Hall et al., 2011).

Welfare policy and organizational resilience therefore intersect through several pathways. Income protection stabilizes households and employment relationships, healthcare sustains workforce capacity, family support facilitates career continuity, and training develops employability. Organizational practices can convert these public resources into commitment, retention, cooperation, and adaptive performance. The present study examines these mechanisms in Greece and develops a multilevel interpretation connecting individual resources, organizational systems, labor market institutions, and public policy.

Recent Greek reforms increasingly connect welfare provision with participation and skills development. The transformation of the Public Employment Service introduced digital services, career planning, vocational training, employer cooperation, and more individualized support. Childcare expansion and improved access to skills similarly influence the capacity of people to enter or remain in employment. These measures matter to firms because labor shortages, demographic pressures, and technological change increase the value of workforce availability, employee retention, and occupational mobility. Welfare policy can consequently affect business performance through the quality and continuity of the labor resources available to organizations (OECD, 2024b).

2. LITERATURE REVIEW

SOCIAL WELFARE AS A PRODUCTIVE INSTITUTION

Social welfare combines transfers, services, regulations, and insurance arrangements addressing unemployment, illness, disability, poverty, family responsibilities, and aging. Beyond redistribution, contemporary approaches view social protection as a productive institution supporting consumption, human capital, labor market

participation, and transitions between jobs. Its protective function absorbs income and health shocks, while its investment function develops capabilities required for future employment and productivity (International Labour Organization, 2026; OECD, 2025a).

The Greek welfare system historically emphasized pensions, employment-based insurance, occupational status, and family care. The debt crisis exposed gaps in coverage and stimulated reforms in pensions, healthcare, social assistance, and employment policy. Greece later expanded minimum-income provision, housing assistance, child benefits, unemployment support, and digitally administered services. The distribution of expenditure still reflects demographic priorities. Old-age and survivor benefits represented 62.3 percent of social protection expenditure in 2024, healthcare 23.4 percent, and family and child benefits 4.7 percent (Eurostat, 2025).

Welfare pathways to organizational resilience

Income support reduces financial vulnerability and preserves purchasing power during employment interruptions. It can enable job search, training, and occupational mobility while reducing the psychological pressure associated with sudden income loss. Tax and benefit design also shapes disposable income and incentives associated with employment transitions (OECD, 2026b). For organizations, preserved employment relationships reduce replacement costs and protect accumulated knowledge. Employee well-being provides a broader pathway because economic security, health, leadership, and working conditions are associated with satisfaction, engagement, retention, and productivity (Pandey et al., 2025).

Active labor market policies connect protection with employability through vocational training, counseling, job matching, wage subsidies, work experience, and entrepreneurship support. Their importance in Greece reflects long-term unemployment, regional disparities, aging, and skills mismatch (Antonopoulos et al., 2022). Evaluation of Greek training and wage-subsidy programs found higher employment probability, cumulative earnings, and days in employment among participants, supporting more targeted and individualized services (OECD, 2024a).

The productive value of these measures depends on program relevance and accessibility. Training aligned with labor demand can help workers renew occupational competencies, while counseling and competency matching can reduce information gaps between employers and jobseekers. Wage subsidies can support recruitment when candidates require initial experience or additional development. For organizations, these mechanisms expand the available skills base and facilitate adjustment when technology, regulation, or customer demand changes. For employees, they preserve labor market attachment and provide pathways toward more sustainable employment.

Healthcare sustains labor participation through prevention, treatment, rehabilitation, and sickness protection. Family benefits, parental leave, childcare, and flexible working arrangements influence the ability of parents to remain employed and develop their careers. Together, these policies widen the available talent pool and support attendance, retention, gender inclusion, and organizational diversity. Their effects become stronger when public provision is complemented by supportive workplace practices.

At the organizational level, sustainable human resource practices integrate well-being, development, participation, and long-term performance. Evidence links such practices with employee resilience, engagement, and performance (Lu et al., 2023). This relationship supports a multilevel model. Welfare instruments strengthen individual security and capability, human resource systems translate these resources into organizational behavior, employment services improve workforce allocation, and coordination among public institutions, firms, and educators supports system-level adaptation.

3. METHODOLOGY

The study applied a structured narrative literature review to integrate evidence from social policy, labor economics, public administration, organizational behavior, and human resource management. Academic and institutional sources published primarily between January 2010 and June 2026 were identified through Scopus, Web of Science, Google Scholar, ScienceDirect, SpringerLink, Wiley Online Library, and official OECD, European Union, International Labour Organization, and Greek sources. Seminal earlier publications were retained when they provided an essential theoretical foundation.

Search terms covered social welfare, social protection, income support, healthcare, family benefits, unemployment protection, active labor market policies, training, employee well-being, workforce stability, organizational resilience, business continuity, and Greece. Selection emphasized thematic relevance, methodological quality, institutional authority, and direct contribution to the research purpose. Evidence was organized around economic security, activation and skills, healthcare and well-being, family support, and organizational human resource practices. Narrative synthesis compared empirical studies, conceptual research, policy evaluations, and official statistics and interpreted their implications at individual, organizational, labor market, and institutional levels (Snyder, 2019).

Credibility was strengthened through source triangulation. Peer-reviewed findings were compared with official statistics, policy evaluations, and publications from recognized national and international institutions. The analysis distinguished reported empirical results from the review's conceptual interpretation. This procedure

supports a transparent synthesis of heterogeneous evidence while retaining the study's focus on the mechanisms through which public provision may influence employees and organizations.

4. THEMATIC FINDINGS

Economic security and employment continuity

Income protection and employment support stabilize household resources and preserve labor market attachment during disruption. Evidence from the first pandemic lockdown in Greece shows that employment protection measures maintained established job matches, while adjustment occurred mainly through reduced recruitment, especially in seasonal tourism activities (Betcherman et al., 2023). This mechanism protected occupational experience and enabled organizations to resume operations with experienced personnel. Economic security therefore functions as an organizational resource through workforce continuity, lower replacement costs, knowledge preservation, and faster recovery.

Labor market activation and skills

The evidence indicates a transition from passive income protection toward activation, training, counseling, and competency matching. The Greek Recovery and Resilience Plan allocates approximately 770 million euros to active labor market policies intended to increase full-time employment and improve access for long-term unemployed and disadvantaged groups. It also supports more than 23,000 additional early-childcare places, linking employment activation with family support (European Commission, 2026b).

The modernization of employment services extends this approach through digital access, personalized counseling, and competency-based matching. Individual employment histories, benefit information, and skills profiles can help institutions identify people requiring intensive support and direct them toward appropriate training or vacancies. Coordination with health, housing, social, and legal services can also address barriers that prevent sustained employment. For employers, a more individualized system improves access to candidates and creates clearer pathways from social protection into paid work (OECD, 2026a).

Training supplies digital, green, managerial, and technical competencies needed for changing production models. Counseling and data-based matching facilitate mobility across sectors, while wage support can help firms recruit people with limited occupational experience. These instruments expand the recruitment pool and reduce skill-related frictions. They contribute to organizational resilience by joining immediate protection with longer-term capability development and by improving the correspondence between employee competencies and emerging business requirements.

Healthcare and workforce well-being

Health system resilience is an essential component of economic and organizational capacity. Access, workforce capacity, infrastructure, digital innovation, crisis preparedness, and sustainability remain central priorities for Greece (OECD & European Observatory on Health Systems and Policies, 2025). An assessment of the system under a hypothetical sudden reduction in healthcare personnel highlighted the value of reliable workforce data, governance, balanced staffing, service coordination, and adequate resources (Kaitelidou et al., 2023). These findings have wider organizational relevance because shortages, uneven skill distribution, and limited succession capacity can interrupt operations across sectors.

Employee well-being further influences commitment and retention. A Greek study of nurses associated higher moral resilience with lower burnout, occupational detachment, and turnover intention (Galanis et al., 2024). Public healthcare and workplace support therefore operate as complementary resources. Access to care protects population health, while workload design, autonomy, ethical leadership, training, and professional support shape everyday working conditions. Their combined operation strengthens attendance, motivation, and sustained performance during demanding periods.

Family support and inclusive participation

Childcare, parental leave, maternity protection, flexible work, and family transfers influence career continuity and workforce availability (De Micheli & Smilari, 2024). Female employment among people aged 20 to 64 reached 59.9 percent in Greece in 2024, while the gender employment gap remained 18.8 percentage points. The arrival of a first child was associated with an estimated reduction of 37.9 percent in women's employment, underscoring the importance of childcare, leave design, workplace flexibility, and social norms (Matsaganis et al., 2025). Family support consequently contributes to retention, gender equality, leadership development, and access to a broader talent pool. Expanded childcare and employment activation can further strengthen female labor participation (European Commission, 2025).

Human resource practices and integrated resilience

Public policy creates an external foundation of income security, health, family support, and employability, while human resource practices determine how these resources become organizational outcomes. Organizational resilience emerges across individual, team, organizational, and network resources (Su & Junge, 2023). Research on high-involvement work systems found that teamwork, training, participation, information access, recognition, and knowledge sharing supported organizational resilience, performance, satisfaction, mental health, and retention, with transformational leadership strengthening these relationships (Nguyen et al., 2024).

Individual well-being resources and team coordination contribute complementary forms of resilience (Singh et al., 2024).

The resulting pathway is cumulative. Welfare instruments strengthen security, health, family stability, and skills. These resources support psychological well-being, participation, labor market attachment, and workforce continuity. Human resource systems subsequently transform them into commitment, collaboration, learning, retention, productivity, and adaptive performance. Organizational resilience therefore depends on coordinated contributions from public agencies, employers, educational institutions, and social partners.

5. DISCUSSION

The synthesis positions social welfare policy within the resilience infrastructure of the Greek business environment. Income protection supports coping by stabilizing households and established employment relationships. Healthcare preserves the physical and psychological capacity required for sustained work. Family policy enables career continuity and inclusive participation. Training and employment services strengthen anticipation and adaptation by renewing skills and facilitating occupational transitions. These mechanisms align with the stages of resilience identified by Duchek (2020).

The organizational contribution of public welfare depends on complementarity with human resource management. Public programs provide resources, while firms determine how those resources interact with leadership, participation, workload, learning, and career systems. Supportive and high-involvement practices can transform individual security into engagement, knowledge sharing, and adaptive behavior. Fragmented workplace practices can limit the organizational value of otherwise effective welfare instruments. Policy and management should therefore be evaluated as an integrated system rather than as separate fields.

The Greek case also highlights the importance of coordination. Social insurance, income assistance, healthcare, employment services, family benefits, and training are administered through different structures. Integrated digital services, individualized employment assistance, and information sharing can improve access and connect labor supply with organizational demand. Cooperation among government, employers, educational institutions, and social partners can also align training with emerging digital, green, health, and service-sector needs.

This coordination can contribute to sustainable business performance. Stable employment preserves firm-specific knowledge, workforce health supports attendance and productive capacity, inclusive participation expands the talent pool, and continuous learning enables adaptation. These effects are particularly important during demographic, technological, and economic transitions. Treating welfare expenditure solely as a short-term cost overlooks its potential to support labor supply, domestic demand, social cohesion, and organizational continuity. A resilience perspective instead evaluates whether policy design creates accessible and coherent resources that employees and firms can mobilize before, during, and after disruption.

The findings have practical implications for organizations. Firms can map public benefits and employment programs alongside internal health, flexibility, training, and employee-assistance measures. Human resource plans can incorporate childcare availability, skills subsidies, healthcare access, and support for occupational transitions. Small and medium-sized enterprises may gain particular value because public provision can supplement limited internal resources for employee welfare and development.

The review also identifies priorities for empirical research. Firm-level studies can examine relationships between access to social protection and absenteeism, commitment, turnover, productivity, and adaptive performance. Longitudinal designs can follow organizations across different stages of disruption. Sector comparisons involving tourism, healthcare, retail, manufacturing, and digital services can test how seasonality, caring responsibilities, health risks, and skill shortages alter policy effects. Research can also evaluate whether coordinated public and workplace provision produces stronger outcomes than isolated programs.

Program quality also requires attention. Formal eligibility does not ensure effective access when administrative complexity, limited information, digital barriers, or regional service gaps reduce take-up. Future research can distinguish the effects of coverage, adequacy, duration, accessibility, and integration across welfare instruments. It can also assess how organizational size shapes the value of public support. Larger firms may possess extensive internal welfare and development systems, whereas smaller firms may depend more strongly on public healthcare, training subsidies, employment services, and family infrastructure.

The narrative design integrates heterogeneous evidence and defines the scope of interpretation. The synthesis identifies recurring mechanisms and develops a conceptual framework rather than estimating a pooled causal effect. Future quantitative and qualitative studies can test the proposed individual, organizational, labor market, and institutional pathways and clarify how program coverage, accessibility, adequacy, and administrative coordination shape resilience outcomes.

6. CONCLUSIONS

Social welfare policies provide institutional foundations for organizational resilience in Greece. Income and employment protection, healthcare, family benefits, employment services, and vocational training support

employee security, participation, and workforce continuity. These resources contribute to retention, knowledge preservation, productivity, learning, and adaptive capacity.

Their organizational value develops through interaction with human resource systems. Public institutions supply essential resources, while employers translate them into engagement, cooperation, skills development, and sustainable performance. Stronger coordination among welfare agencies, firms, educational institutions, and social partners can promote social cohesion and enhance long-term organizational competitiveness. Social welfare policy therefore represents both a protective mechanism and a strategic investment in resilient employees, organizations, and labor markets.

COMPETING INTERESTS

The author declares that there are no competing interests related to this study.

DATA AVAILABILITY STATEMENT

The evidence synthesized in this narrative review is available in the cited publications and institutional documents.

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