

Success Themes in Supportive Employment Executive Summary: Employment Social Enterprises (existing or prospective)

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Social enterprises are businesses that market products or services and create a specific social, cultural or environmental value. They are usually operated by a non-profit entity. In recent years, the practice and potential of social enterprise have received significant attention in both developing and established economies. Canada has also enjoyed a steady growth in social enterprise, as has British Columbia, where the number of social enterprises rose from 231 in 2010 to 357 in 2012. The provincial Ministry of Social Development expanded its mandate to include Social Innovation, and declared April 2014 the “Month for Social Enterprise” in recognition of the significant social and economic impact of this sector.

Employment social enterprises (ESEs) are a type of social enterprise which offers the market valued products or services *and* employ individuals facing multiple barriers to employment. ESEs typically provide people either with ongoing employment or with employment that helps them transition to other work. The combination of wrap-around supports with real work for real pay makes a particularly strategic contribution to the economic and social fabric of the province.

Success Themes in Supportive Employment, a report developed by a cross-sector advisory group of ESE practitioners, academics and funders, makes a significant contribution to the body of knowledge around ESEs. The report draws on the considerable accumulated wisdom and insights of 50 ESEs through interviews and case studies. The report is the basis of an online Employment Supports Toolkit that shares these promising practices.

Based on this research, the project team identified 11 practices that, combined with appropriate business models, deliver a powerful engine for socio-economic change in British Columbia and beyond. The 11 leading practices, or “success themes” identified in the report can be adapted to almost any ESE context:

1. Target employees comprise 50% or more of the workforce in most of the ESEs studied. Determining that ***workforce mixture*** is an important and complex decision.
2. The best way to support target employees is to respond with ***flexibility and accommodation*** to their individual needs. The surveyed ESEs provide

flexible scheduling, such as casual and part-time work hours. They also make allowance for absences from work and for extended leaves.

3. **Recruitment and hiring** practices are inclusionary. The surveyed ESEs actively seek people who meet the target employee profile. Community partners and networks usually assist in recruitment. Rather than a “test,” the application process is structured as an opportunity for people to learn, engage and develop.
4. A welcoming process and graduated trial period (**onboarding**) is characteristic of these ESEs. They deliver **training** primarily on the job, but also through community partners or the training program of the parent non-profit.
5. **Supervision** includes a designated Employment Specialist. The specialist assesses people’s needs and helps them to set and achieve goals; s/he connects people to supports, to training and to other employment opportunities. A participatory style of management is also practiced.
6. **Wrap-around life supports** help people address barriers which extend beyond the confines of a job or workplace. Life supports fall into four groups: coaching, counseling and mentorship; skill development and education; providing for basic needs; and health and wellness.
7. There is an explicit aspiration to pay employees more in order to **address issues of poverty** and improve their quality of life. To this end surveyed ESEs provide a number of financial incentives in addition to wages. Profit-sharing, bonuses, matched grant funding for employment development, and emergency loan funds are some examples.
8. Once people start to earn an income, their transition out of poverty can begin. To help employees manage their money, ESEs provide **financial literacy skills**. Employees learn about opening a bank account, budgeting, paying bills and planning, for example.
9. Many target employees start work in a state of income insecurity. Almost all the surveyed ESEs therefore provide **Non-Wage Supports**. They supply employees with uniforms and equipment. They help them access food more readily. They also assist with transportation to and from the worksite.
10. The **community and organizational culture** of these ESE workplaces is “family-like.” Community building and peer-to-peer relationships are actively encouraged. Opportunities are provided to connect with local communities.
11. ESEs base their **performance assessments, promotion and discipline** decisions more on individual merit than relative merit. When employees take mainstream employment, this is celebrated as a success.
(Benefits)

For **prospective ESEs**, *Success Themes in Supportive Employment* offers accumulated wisdom and insights from experienced enterprises. The findings will also help **existing ESEs** assess their own practices and performance, and provide ideas, inspiration and a basis from which expand their impact.

A job in an ESE is often a defining experience that enables people with multiple barriers to employment to experience the benefits of stable employment:

1. ESEs are successful in **addressing the barriers** originally faced by their employees;
2. Employment increases **financial stability** in the lives of employees. They report a greater ability to pay for life necessities, such as childcare, good food and adequate housing. Individuals acquire financial literacy tools and employ money management skills effectively;
3. Employees **improve in physical and mental health**, measured in terms of work absences, hospitalizations, medical leaves and access to health services;
4. An **increased positive personal perception and confidence** is demonstrated in ESE employees in numerous ways; and,
5. ESE employment can result in **increased community and family connections**. The workplace offers greater access to support networks, a sense of belonging and a larger social network.

The report identifies some interesting trends, such as the high retention rates of ESE employees – a finding that warrants additional investigation. Also of interest to both existing and prospective ESEs are the report’s recommendations to government and other partners. These include creating a more supportive ecosystem for ESEs, addressing their higher operating costs, and growing understanding of the benefits they offer to individuals and communities. Uptake of these recommendations will result in continued growth in the ESE sector.

The report makes a variety of recommendations to existing and prospective ESEs, as follows:

1. **Get project start-up funds sufficient for at least five years of operations.** It is important to project the costs for an ESE’s first five years of operation, and the revenue streams that will cover those costs.
2. When planning an ESE, establish whether the goal is to create opportunities for stable, **long term employment** or for **transitional employment**. Then clarify the implications of that goal for the ESE’s financial and social impact.
3. Describe the path which employees generally will take through the ESE (the “lifecycle” of their employment). **Project the personal needs they may experience along the way and the cost of the related life supports.** **Develop a financial strategy** for providing these wrap-around supports.
4. Consider all the essential factors when determining your **workforce mixture**. Few workforces are comprised 100% of target employees. Identify the ratio which will be affordable and sustainable.
5. **Ensure a high-quality service/product and smooth business operations** either by cross-training staff or by maintaining a casual labour pool.

6. Develop **interview practices** that help build the capacity and confidence of applicants.
7. Employees might not work out. In such cases, let the business needs of the ESE take priority. Develop **policies and practices for compassionate termination** of employees who you do not have the resources to accommodate.
8. **Designate an employment support specialist.** If that cannot be managed internally, partner with a community agency to help deliver life supports.
9. **Focus on individual merit rather than relative merit** when hiring, reviewing performance and promoting the business.
10. Explore the **existing shared health plans** that ESEs might join.

Wrap-around supports carry a cost, both in terms of productivity and direct costs. The revenues of the surveyed ESEs are mostly market-based, and supplemented by some funding for employment supports, operations and assets. The market might or might not be able to cover all these costs. Just how great a role funding plays in meeting these costs depends on employee needs, the workforce mixture and supports offered.

ESEs are constantly balancing business and social objectives. They need to provide a competitive, high-quality product or service while managing employees who require significant training and supports. It is a unique model which carries higher costs to the business, offers significant cost savings to society, and can be life transforming for employees. The next step is to create an eco-system where ESEs can flourish and their impacts can scale.