

'As well as providing funds and pro bono support, the most valuable contribution from SVA has been the belief in the model and the ability of the SoFA team to introduce it in Australia.'

Caroline Crosse Executive Director
Social Firms Australia



Melbourne, VIC

Focus Area Employment for People
with a Disability or Mental Illness

Web www.socialfirms.org.au

Mission

To create accessible employment for people with a disability or mental illness through the development of social firms and the promotion of the support strategies used in broader workplace environments.

Social Firms Australia

Model

Social Firms Australia (SoFA) seeks to create employment opportunities for people with a disability or mental illness through the development and support of social firms. A social firm is a real business with social and economic objectives that provides good-quality jobs to people with a mental illness or other disadvantage in a supportive, integrated working environment. The lessons from social firms are being documented as part of a workplace modifications project which can subsequently be transferred to the broader workplace and organisations who wish to set up social firms.

Growth

- SoFA started in 2004 and the first social firm *Cleanable*, a start-up commercial cleaning business, was launched in October 2005. *Cleanable* has been growing strongly and at the end of FY08 had 22 staff, 12 with a mental illness, compared with five staff with a mental illness and a manager in 2005.

- Together with SVA and Eastern Access Community Health, SoFA acquired *Bonsai – The Imagination Tree* (Bonsai), in September 2006. This was the first 'acquisition' of a business to transition into a social firm. SoFA and SVA worked closely to pilot the acquisition model.
- In FY08, SoFA supported six enterprises operating as social firms that had a total of 218 employees, 113 with a disability. SoFA provided social firms *Cleanable* and *Outlook Victoria* with a combination of workplace modifications support and assistance to replicate their successful enterprises. SoFA has also provided ongoing support to *Bonsai*. Seven other organisations have been working with SoFA to establish or convert businesses to the social firm model.
- SoFA has developed partnerships with clinical teams to ensure best practice support and rehabilitation is provided to employees at social firms. SoFA has also developed a team of mentors, business consultants and consumer advocates to support social firm development.

Initial SVA distribution			2005
Total distributions from SVA to date			\$323,500
SVA in-kind support			\$250,000
SVA brokered support			
– Matrix on Board financial systems assessment (2007)			\$10,000
– Freehills (2005)			
SVA distributions to SoFA affiliated social firms			
– <i>Bonsai</i> (2006-07)			\$44,500
– <i>Cleanable</i> (2005)			\$30,000
SVA brokered support to SoFA affiliated social firms			
– 'Soft loan' to <i>Bonsai</i> from an SVA private investor			\$120,000
– Mallesons Stephen Jaques for <i>Bonsai</i> due diligence			\$60,000
– Social Return on Investment report for <i>Bonsai</i> (2008)			\$30,000
– Social Return on Investment report for <i>Outlook Environmental</i> (2008)			\$30,000
– Social Return on Investment report for <i>Cleanable</i> (2007)			\$25,000
	FY05	FY08	CAGR
Revenue	\$135,401	\$520,311	56.6%
Marginalised employees supported *	8	113	141.7%

* Through affiliated social firms



www.socialventures.com.au

Impact

- SoFA has been working in partnership with the Psychosocial Research Centre to develop a Quality of Life Evaluation Framework. This has been piloted with employees with a mental illness in social firms and other workplaces. Preliminary findings validate experiential evidence that employees in social firms have improved social cohesion in the workplace as well as improved mental health and self-esteem which also positively impacts their families.
- SVA's Social Return on Investment (SROI) toolset has been used to report on the financial and social value generated by social firms, with positive SROIs for *Cleanable*, *Bonsai* and *Outlook Environmental*. The findings show that these social firms are viable businesses which also have significant social returns through creating employment for previously unemployed people with a disability or mental illness.
- The work experience trainee program at *Bonsai* has had a remarkable 50 per cent success rate in securing paid employment for trainees following their experience at *Bonsai*.
- SoFA's impact extends to informing the sector about the social firms model. SoFA's Executive Director has presented to more than 1000 people in the UK and Australia extending the reach and awareness of social firms.

Looking Ahead

SoFA plans to continue supporting organisations to develop social firms, primarily in Victoria. The target for FY09 is to support seven to 10 social firms with a total of 72 employees with a disability or mental illness. There are a number of organisations SoFA is currently assisting to develop social firms, including Options Victoria and Prahran Mission. In addition, SoFA plans to transfer the skills learnt from social firms to the broader workplace. There is also significant interest from government (state and federal) in social firms, workplace modifications and the development of the sector.