

Professional Development in Work Integration Social Enterprises (WISEs)

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(This essay is for academics who want to apply social enterprise principles during the re-integration of people into the workplace after periods of illness or unemployment. It builds on a lecture given in Japan in 2014).

Introduction

In 2014, I visited Japan and delivered a lecture-seminar on work integration social enterprises (WISEs). In the first part of this essay, I would like to review the main points from that visit to outline the purposes and possibilities of WISEs in the UK, USA and Italy. As part of this, I will examine new developments in social enterprise theory to set out a theoretical framework for a discussion of professional profiles when WISEs adopt different approaches to work integration.

Since my last visit, I have been participating in an EU project involving specialists from five countries. This started in November 2014 and will finish in October 2016. Organisations in Belgium, Austria, Portugal, United Kingdom and Italy have taken part. They collaborated with ENSIE (the European Network of Social Integration Enterprises) and Social Enterprise Europe to create 10 case studies about coaching and marketing in WISEs. In this paper, I will outline their development of a theory of coaching and marketing that informs the professional training of coaches and marketers working for WISEs.

Advances in Social Enterprise Theory

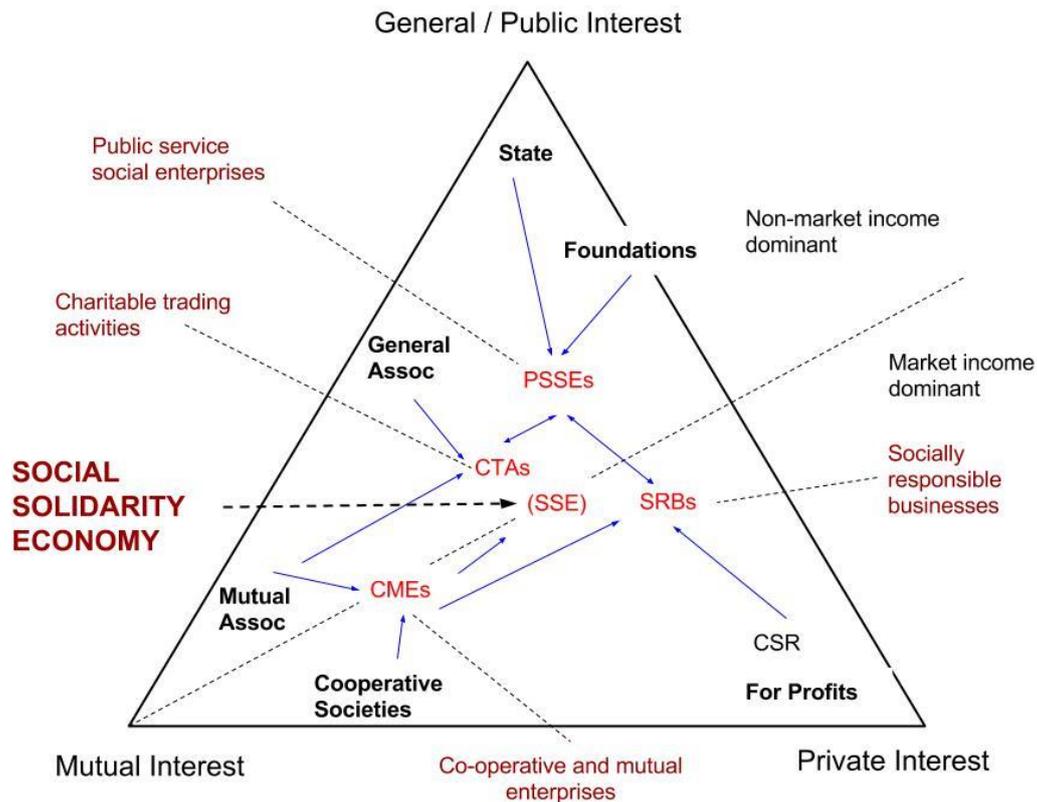
At the moment, there are many social enterprise researchers from the EMES network participating in the ICSEM study. This project seeks to map variations in models of social enterprise and understand the logics that drive them. Lead researchers in the EMES network (Defourny and Nyssens, 2015) have developed a theory that social enterprises combine general, mutual and private interests to produce different models of social enterprise.

Figure 1 shows how these interests are combined. Public service social enterprises (**PSSEs**) develop out of a commitment to working with public authorities or charitable foundations to create a public benefit or service. In the UK, Remploy was an example of a WISE structured as a PSSE providing sheltered employment to disabled workers. It closed its factories to save costs. Some Remploy workers established new organisations using a different approach to social enterprise (Brown, 2013). Workers at Remploy Leeds invested their redundancy money in a co-operative to protect their jobs and develop training in computer skills.

Foundations and charitable associations may develop trading activities (**CTAs**) to support their social projects. Building on the work of Greg Dees (1998), EMES researchers refer to these as *enterprising* non-profits (Dees, 1998; Defourny and Nyssens, 2015). A UK example is

the Royal National Institute for Blind People (RNIB) who used charitable funds to support the development of trading activities at Viewpoint Research CIC. Workers who were partially sighted were provided with supported employment using RNIB funds so they could undertake paid survey work needed by housing associations. In nearly all cases, the trading established by Viewpoint resulted in permanent employment through the creation of sustainable jobs within Viewpoint (Ridley-Duff and Ponton, 2013).

Figure 1 – Combining Interests to Generate Models of Social Enterprise



(See Appendix A for further details of each approach)

In Japan, as well as in Europe, North America and Africa, cooperative and mutual enterprises (**CMEs**) have become important for securing community well-being and local control of economic resources (Restakis, 2010). Social co-operatives are CMEs that trade to create health and well-being amongst their members (Savio and Righetti, 1993). In Italy, many WISEs are structured as social co-operatives to enable carers, medical professionals and patients to work on improving members' health (CECOP-CICOPA, 2015).

Lastly, social enterprises may be led by entrepreneurial individuals who are unusually committed to advancing the public good. When enterprises are structured to access private investment and promote entrepreneurial control, they are framed as socially responsible businesses (**SRBs**). An example of an SRB is Ben and Jerry's who prioritise organic produce, fair trade, anti-corruption and employment creation while running a profitable business (Newall, 2013). Ben and Jerry's have opened dozens of 'partnership stores' which act as WISEs. In the UK, they partnered the Furniture Resource Centre (FRC) in Liverpool to open a

store that recruits disadvantaged young people in long-term unemployment. They are given a year's sheltered employment before transitioning into supported employment.

Figure 1 and Appendix A shows how private, mutual and public interests can be combined to create four approaches to social enterprise (Defourny and Nyssens, 2015; Ridley-Duff and Bull, 2015). When they are taken together, they provide pathways for social entrepreneurs to build a social solidarity economy (SSE).

Work Integration Social Enterprises (WISEs)

We can study WISEs using this theory of social enterprise. Firstly, there are enterprises that extend the work of the state by helping people to find work. Spear (2001) called these WISEs intermediate labour market organisations (ILMOs) - frequently abbreviated to ILMs. These are either funded by the state, or act as a public service in their own right, by finding work for people who are marginalised in the labour market. These WISEs serve as PSSEs but may vary in the legal form they adopt.

Spear (2001, p. 256) also discusses enterprises that "try to provide real jobs for people with disabilities". In this case, enterprises are created that are able to sustain themselves in the market (perhaps with initial support from a private foundation or state subsidy). Unlike ILMs, they do not act as a broker to find people jobs. They create jobs by expanding niche markets. Charitable associations or private foundations may support trading activities, subsidiary businesses, or new member-led associations and co-operatives.

The benefits created by WISEs are discussed in a volume of works edited by Denny and Seddon (2014). There is a range of evidence about the social benefits of working in, or with, a WISE. Workers confidence improves and social isolation decreases (Barraket, 2014). Hard to reach people can be re-engaged in meaningful work (Hazenberg, 2014). There are ways to reduce the overall cost to the state, but it may be that the benefits are enjoyed by *other* state agencies to the one funding the WISE. As a result, new accounting procedures will need to be put in place to understand the cost implications of WISEs (Borzaga and Depredi, 2014). Barraket notes some of the downsides to existing WISE provision. There can be a mismatch between the capacity of a WISE network and the needs of refugees (particularly displaced professionals). For example, skilled workers can end up in unskilled jobs because their qualifications are not recognised.

Based on this early review, I suggested that WISEs are under-developed in the UK and US relative to Italy, and also that outcomes from Italian social co-operatives were stronger than their UK and US counterparts (Cooney, 2013). Since then, ENSIE - the European Network of Social Integration Enterprises - has mapped its membership. It found 27 national and regional WISE networks within the EU with over 2,500 member organisations. Collectively, they employ about 400,000 people.

The literature review suggests that the poorest outcomes occur in WISEs that provide *sheltered employment* as this tends to hide rather than resolve problems of employability amongst the workforce. Better outcomes occur in projects that provide *supported employment*. In this case, support is provided through CTAs or SRBs to help with job searching, then coach people in their new job role. The beneficiaries are not 'sheltered' as

they work alongside others as equals. The best outcomes, however, occurred in CMEs where the principle of *supported membership* was dominant. In this case, access to job training and care packages co-exist with membership that develops decision-making skills. Borzaga and Depredi (2014) found that 65% of people in social co-operatives found another job within 3 years.

In the next section, I report on an EU project about the emergent professional profiles (EPP) of WISE coaches and marketers in five European countries. Using 10 case studies, the project partners developed a theory of coaching and marketing in different types of WISE.

Study Methodology

10 case studies (2 per country) were undertaken by five of the project partners. For each case, document analysis was supplemented by one-to-one interviews with the people fulfilling the coaching and marketing roles. A case template was completed by each partner to document organisational characteristics as well as coaching and marketing practices. Project partners visited at least one of the case studies in each country which enabled them to hear presentations and engage in discussions and debate with selected staff. Qualitative research techniques (interview records, document analysis, observation notes) were used as source data.

As the coaching function was regarded as the distinguishing feature of a WISE, this became the primary focus for theory building through dialogue between the partners. A theory developed that marketing was linked to the coaching offered because it shaped communications with clients and beneficiaries. At the outset of the project, marketing was theorised in two ways: firstly, there was work to develop the profile of the WISE *as a business* (classical marketing); secondly, there was *advocacy work* to legitimise the concept of a WISE (social marketing).

WISEs were varied. The oldest began in 1949. The newest formed in 2010. The smallest employed 9 staff. The largest had over 2000 staff. Seven were SMEs (< 250 workers). Table 1 shows a list of the case organisations, their legal format, WISE model and work activities.

Table 1 – Summary of Cases in EPP Project

Country	Case	Legal Format	WISE Model	Work Activities
Austria	A	Non-profit association acting as a CME with CTAs.	Training + temporary <i>supported employment</i>	Bicycle repairs / sales
	B	Non-profit company acting as a PSSE with CTAs.	Training + temporary <i>supported and sheltered employment</i>	Personnel leasing + WISE subsidiaries in cleaning, building, catering, laundry, ICT (66% state funded).
Belgium	C	Non-profit association with subsidiary SRBs	Training + permanent <i>sheltered employment</i> (strong market trading)	Domestic services / eco-renovations, catering, industrial cleaning.
	D	Group of 4 non-profit associations and six SRBs	Training + permanent <i>sheltered employment</i> (strong market trading)	Recycling (textiles, glass, paper, plastic), transport, construction (panels), training

Country	Case	Legal Format	WISE Model	Work Activities
Italy	E	Social co-operative (CME)	Supported membership to find <i>supported employment</i>	Graphic design / printing, 95% trading income.
	F	Co-operative consortium (PSSE structured as a CME)	Infrastructure body for social co-operatives	Replication of Belgian / French cooperative consortia (100% state funded)
Portugal	G	Social solidarity association (PSSE)	<i>Sheltered and supported employment</i> (50/50 split) (no market trading)	Agriculture (70% state funded / 30% donations)
	H	Social solidarity association (PSSE with CTAs)	Training + <i>supported employment</i>	Services for children and elderly (70% state funded / 30% trading)
UK	I	Community Interest Company (CLG), structured as an SRB.	Training + <i>supported employment</i>	Job coaching (education and support) funded by personal care budgets (state subsidized).
	J	Community Interest Company (CLS), structured as a CME.	<i>Supported membership + supported self-employment.</i>	Package of business support for micro-enterprise (state subsidized)

Coaching and Marketing in WISEs

Based on the case studies in Table 1, we found a range of approaches. In contrast to the literature, cases C and D provided good quality sheltered employment and were growing rapidly with minimal state support. Whilst the legal format was a non-profit association, quarterly general assemblies and participatory HRM practices made it similar to a social co-operative. Nevertheless, we found that most cases (A, B, E, G, H, I) favoured supported employment by coaching people into private sector jobs. In cases A and B, only short term supported employment was guaranteed, but in cases E, G, H, I, the goal was long-term support for employment.

Case J was different and sufficiently unique to have its own ‘annex’ in EPP project reports. It drew on French examples of creating micro-businesses supported by CMEs that act as marketing co-operatives (Grenier, 2012). Across the whole study, some WISEs showed a preference for supported employment through PSSEs, SRBs and CMEs that return people to jobs in the private sector. Alternatively, others prioritised sheltered employment through CTAs, SRBs and CMEs that created permanent jobs. Some WISEs offered more than one solution. For example, both cases B and E offered sheltered employment as a bridge into supported employment.

Starting from the Needs of Disadvantaged Workers

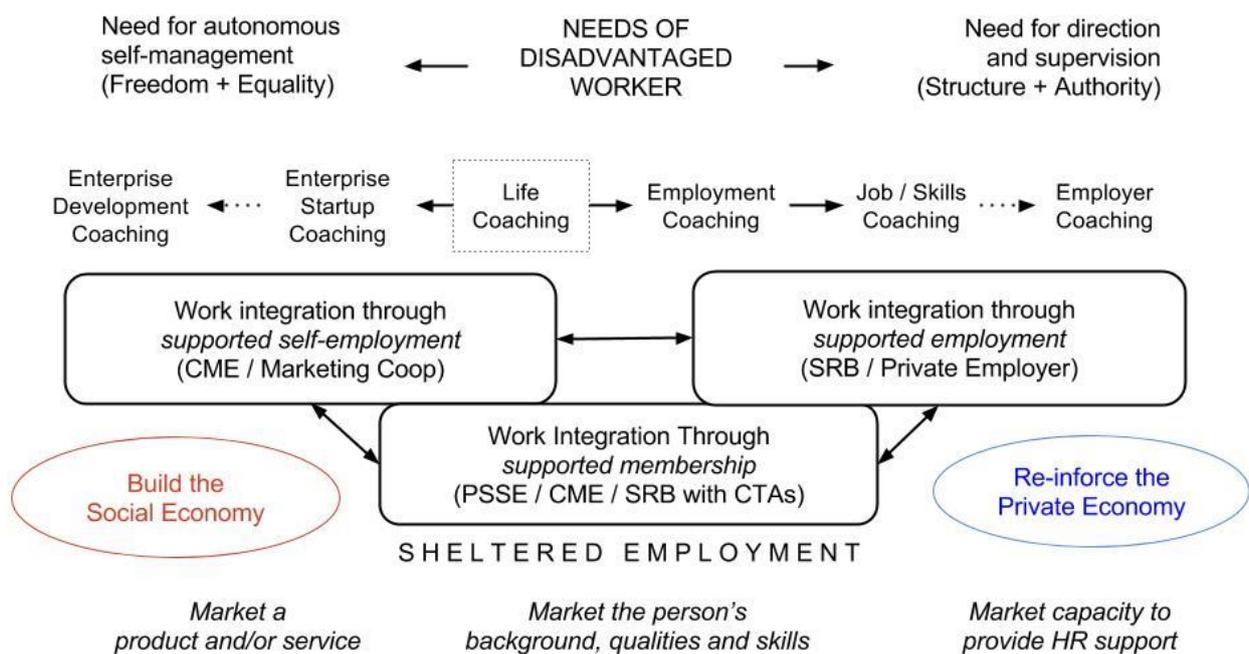
The EPP project team noted the uniqueness of the needs of a sub-population of people who struggle to work successfully as an employee. The need for non-traditional working arrangements came either from medical conditions or personal circumstances that made working 9 – 5 much harder. Case J (UK) was established to serve the needs of people with learning disabilities, but we received reports from the organisers of both cases A and B (Austria) that a number of people did not cope well with employment.

We concluded that there are people that need to work flexibly, or on a part-time contract, to successfully juggle in-work and out-of-work demands. Consequently, a core skill for a WISE coach is to provide **life coaching** to help a person decide whether their quality of life would benefit more from an environment in which they can exercise **autonomy and self-management** skills, or whether they prefer to be **directed and supervised**.

Types of Coaching

The initial evaluation of a beneficiary’s needs is a factor in the type of WISE that will benefit them most. When a coach supports people who will benefit from a flexible working environment, the professional pathway is **life coaching** that leads to **business start-up coaching**. Once micro-businesses are established, this is followed by **enterprise development coaching**. Contrasted with this is the situation where a coach supports people with the long term goal of employment. In this case, **life coaching** assesses the person’s situation and non-work needs to prepare for **employment coaching**. Each person is taught about searching for a job, writing a job application and developing interview skills. Upon securing work, there is a further need – perhaps provided by a different coach - for **job and skills coaching**, including the social skills for holding onto employment.

Figure 2 – A Theory on Emerging Professional Profiles in WISEs



As we learnt during the visit to case B (Austria), it is not just employees than need coaching. When job counsellors were asked about the service they provided, one stated “employers need help to understand what they need by way of employees - they do not always understand how to develop an HR recruitment service.” Whereas a WISE like case D (Belgium) developed in-house HR skills, case B offered **employer coaching** to help their clients (whether private or social enterprises) develop HR capacity and skills. This combination of personal and employer coaching was characteristic of cases B, G and I.

In the proposed theory (Figure 2), the full range of possible coaching types appears underneath 'needs of disadvantaged worker' based on whether they will thrive better under conditions of freedom and equality (supported self-employment / micro-enterprise) or under conditions where there are structures, rules and authority figures (supported / private employment).

Are types of WISE linked to types of coaching?

The different types of coaching provided by WISEs can be linked to different types of WISE (Figure 2). **Supported employment** can be provided by both social and private enterprises who train people marginalised in the labour market. Hazenberg's (2014) study found that social enterprises are more open than their private sector counterparts, and achieved similar outcomes with more challenging trainees. In cases B and E, beneficiaries were provided with sheltered employment to prepare them for supported employment. In both cases, the WISEs aims to eventually broker a job opportunity in the **private sector**.

We did, however, also find **supported employment** as the goal of *social co-operatives*. In Figure 2, we show this as **supported membership** overlapping with supported employment. In case E (Italy), beneficiaries are members of their enterprise because it is constituted as a Type B social cooperative. This equalises the status of members through inclusive governance processes and participative decision-making. Supported co-operative membership in case E, however, was a precursor to **supported employment**. However, we also found evidence that sheltered employment could be a stepping stone to **supported membership** in case D.

In case J the coaching for **supported self-employment** occurs alongside **supported membership**. The delivery of support takes place through the legal structure of a marketing co-operative. Micro-business owners are simultaneously co-operative members and micro-business owners. Unlike the social co-operative where membership is likely to be temporary, the micro-business is intended to provide permanent work (for as long as the micro-business is trading). The creation of micro-businesses within a marketing co-operative builds a **social economy** (based on member-ownership and shared property), rather than a private economy (based on employment in private firms).

Implications for the Emergence of Professional Profiles

Figure 2 shows three types of WISE (supported self-employment, supported membership and supported employment) that each require different types of marketing. Where WISE members are developing micro-businesses, the marketing effort is geared towards **product/service marketing**, and the disadvantages of the micro-entrepreneur do not feature in the marketing approach (although the social values of the marketing co-operative *could* be part of the marketing strategy for a group of micro-businesses). This **product/service marketing** also applies to situations where a WISE develops its own subsidiary businesses (as witnessed in case B).

In the context of a social co-operative, the issues faced by the disadvantaged worker (health, unemployment, age) might become part of the rationale for placing them with specific SRBs that prioritise the employment of disadvantaged people. However, in securing

placements in private businesses, the disadvantages are less likely to be emphasised, while their skills, abilities and qualifications become important. In both cases, it is the **person's background, skills and abilities** that become central to the marketing effort. Job counsellors and coaches work out the best match between an employer's needs and the people available to work.

The big surprise - particularly in case B (Austria) - was the extent to which a WISE might market its own HR capacity to small firms. They can market themselves as an HR manager to small employers, act as an employment agency for categories of agency worker, and even provide HR planning services to SRBs. In this case, it is their **HR capacity** that the WISE markets to employers.

The learning from these cases is that professional *profiles* are hard to establish outside a specific WISE context. It is more meaningful to talk of professional *pathways* based on the career choice of a coach to work on supported self-employment, supported membership or supported employment. Each pathway will demand a slightly different combination of coaching skills. A coach providing supported self-employment will combine life coaching, enterprise start-up and development coaching. A coach providing supported membership will combine life coaching with employment and job/skills coaching. A coach providing supported employment combines life coaching with employment and employer coaching, but will probably leave job/skills coaching to a client.

Conclusions

This study provides insights into the complexities of WISEs as they develop professional practices. The simplistic view that sheltered employment produces worse outcomes than other approaches is challenged by the findings. We found that sheltered employment occurs across many types of WISE. In cases C and D, a strong market orientation with a commitment to creating permanent jobs was facilitated by growing the market for recycled goods. Furthermore, the supported employment found in cases A and B tended to result in short term employment, while the sheltered employment in cases C and D results in permanent jobs. From the perspective of the person helped (rather than the state), permanent work builds economic, social and human capital more effectively than supported employment.

Table 2 shows the links established by the study between WISE approaches and the coaching skills needed to support them. All approaches start with life coaching. Supported employment adds employment coaching to this. Sheltered employment replaces employment coaching with job/skills coaching. Supported membership links all three while supported self-employment replaces the need for employment coaching with enterprise coaching.

On marketing, the EPP project partners confirmed the presence of classical marketing to establish markets for goods and services, but they divided social marketing into two types. Social marketing to beneficiaries and funders was designed to increase confidence in the WISE model itself. Social marketing to employers, on the other hand, was designed to

establish their needs to build confidence in the HR capacities of the WISE, and the people they could place in supported employment.

Table 2 – Findings from the EEP Project into Emergent Professional Profiles

Professional Profiles for Coaching			
WISE Approach	SE Approaches	Source Cases	Coaching Types
Sheltered Employment	<ul style="list-style-type: none"> • CMEs • CTAs (in PSSEs) 	C and G B	Life, Job/Skills
Supported Employment	<ul style="list-style-type: none"> • PSSEs • CTAs (in PSSEs / SRBs) • SRBs • CMEs 	G, H A, B I E	Life, Employment
Supported Membership	<ul style="list-style-type: none"> • CMEs 	E, F	Life, Job/Skills, Employment
Supported Self-Employment	<ul style="list-style-type: none"> • CMEs 	J	Life, Job/Skills, Enterprise
Professional Profiles for Marketing			
Classical marketing	Creative communications based on market research to raise the profile of the business and the benefits it offers to potential customers (Cases: A, B, C, D, E, H, I, J)		
Social marketing (to beneficiaries and funders)	Creative communications to express the mission of WISEs and persuade people of the benefits to individuals and wider society from the integration of disadvantaged people into the labour market (Cases B, F, J)		
Social marketing (to employers)	Communications to establish the employer needs / job demand and persuade clients that WISEs have the HR capacity to find the right people for their vacancies (Case B).		

The main limitation of this study comes from the limited time spent building each case, and the limited number of cases. Whilst these are sufficient to begin the process of developing a theory, it also raises questions. More research is needed to establish the variability of outcomes from sheltered employment. Further research can be designed to investigate how the social enterprise approach, its legal framing and governance arrangements, might influence the outcomes for both funder and beneficiary. This study also highlights how important it is to consider 'success' from the point of view of the beneficiary. Offers of supported employment varied from six months to three years in different countries. In Austria, beneficiaries might go through the WISE several times before securing permanent employment. Their perception of success may be quite different from funders who judge it by looking at the number of times people are helped into work.

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Appendix A - Summary of approaches to social enterprise development

Approach	Acronym	Typical forms	Characteristics	Social Value
Co-operative and Mutual Enterprises (includes social co-operatives and solidarity enterprises)	CMEs (SSE)	Cooperative Societies Mutual Societies Credit Unions Building Societies Social Co-operatives Solidarity Co-operatives	Led by member-owners Elected governors Democratic participation Production for use and market	Social inclusion via: <ul style="list-style-type: none"> • Co-ownership • Participation • Equitable profit sharing • Improved working and living conditions
Public Service Social Enterprises	PSSEs	Charities and/or Companies and/or Corporations and/or Co-operatives that... ...work closely with state institutions to extend public service provision	Public servants/community leaders Partnerships with other types of social enterprise Public investment Favours production for use	Improved access and/or higher quality public services .
Charitable Trading Activities (Referred to as 'enterprising non-profits' in EMES global study).	CTAs	Foundations Charities Community Benefit Co-operatives Non-Profit Enterprises Charity Trading Subsidiaries	More entrepreneurial than traditional non-profits Protect assets for community / public benefit They mix grant/donor income with trading. Production for use and/or market	Provision of goods and services that produce a public benefit .
Socially Responsible Businesses (also called 'social businesses')	SRBs	Company / Corporation with social objects Benefit Corporations Community Enterprises	Use of private / commercial finance Corporate partnerships Ethical / impact investment Favours production for market	Market action to achieve sustainable development goals.



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