
*Social Enterprise Organizations:
Supporting TANF Eligible Populations with
the Strength of the For-Profit World*

July 31, 2019
1-2:30 pm ET



ADMINISTRATION FOR
CHILDREN & FAMILIES

Welcome

- **James Butler, Family Assistance Program Specialist,
Office of Family Assistance, Administration for
Children and Families**



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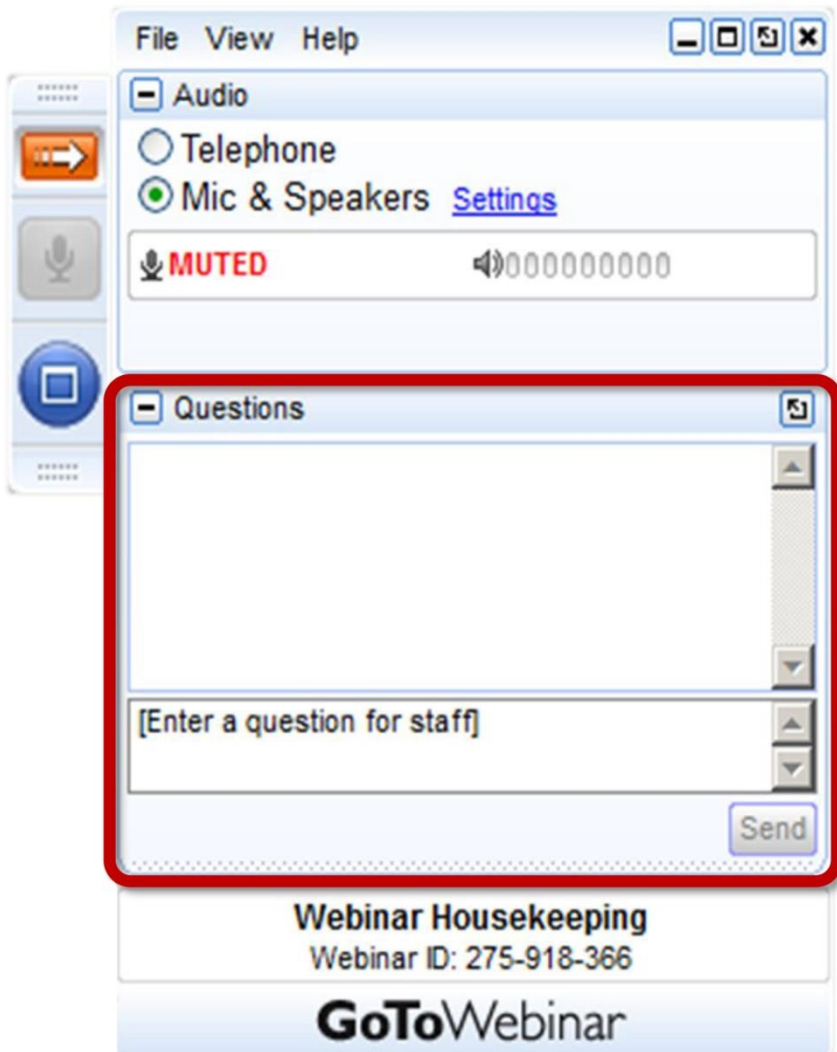
Learning Objectives



- ❑ Examine strengths and challenges of various models of SEOs;
- ❑ Gain exposure to three examples of SEOs and explore the unique contexts that allowed their fruition and success; and
- ❑ Learn how specific SEOs impact TANF Eligible families.



Using GoToWebinar

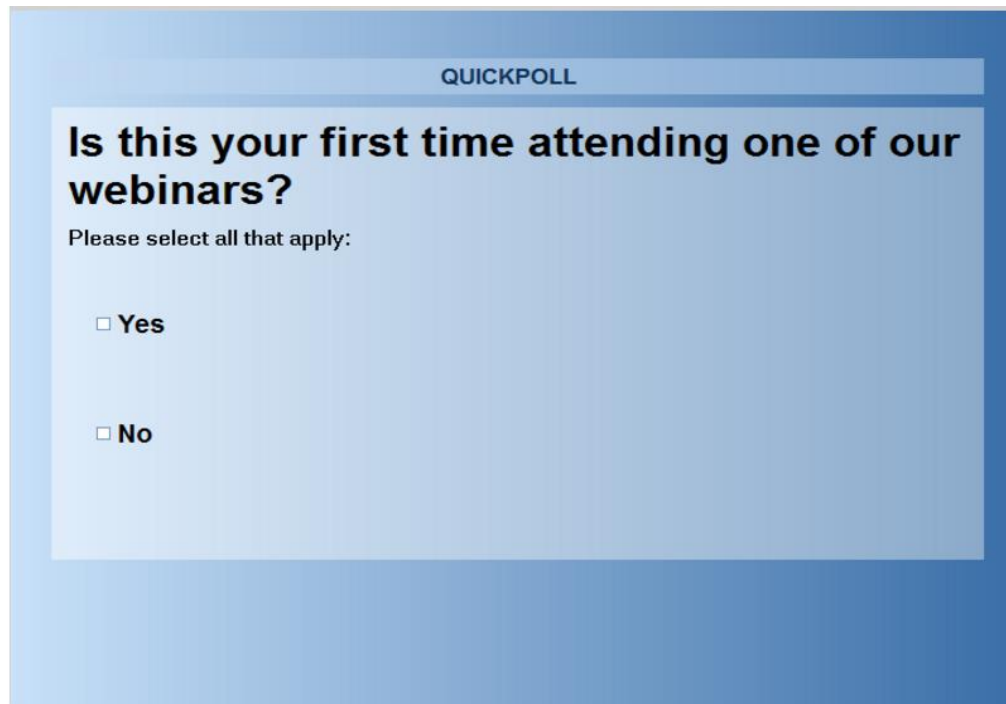


The screenshot displays the GoToWebinar interface. At the top, there is a menu bar with 'File', 'View', and 'Help'. Below this, the 'Audio' panel is visible, showing options for 'Telephone' and 'Mic & Speakers' (selected). A 'MUTED' indicator and a volume slider are present. The 'Questions' panel is highlighted with a red border and contains a large text input area with the placeholder text '[Enter a question for staff]' and a 'Send' button. At the bottom, the text 'Webinar Housekeeping' and 'Webinar ID: 275-918-366' is displayed, along with the 'GoToWebinar' logo.

Your Participation

Please submit your text questions and comments using the Questions panel.

GoToWebinar: Responding to Polls

A screenshot of a GoToWebinar poll interface. The poll is titled "QUICKPOLL" and asks "Is this your first time attending one of our webinars?". Below the question, it says "Please select all that apply:" and provides two radio button options: "Yes" and "No".

QUICKPOLL

Is this your first time attending one of our webinars?

Please select all that apply:

Yes

No

To respond to the poll, click the radio button next to your preferred response.



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Presenters

- ❑ Carla Javits, President and CEO, The Roberts Enterprise Development Fund (REDF)
- ❑ Holly Morales, Senior Director, Employment & Training, Cook Inlet Tribal Council, Inc.
- ❑ Shelly Kells, Senior Director of Finance, Cook Inlet Tribal Council, Inc.
- ❑ Brad Turner-Little, Senior Director, Strategy Goodwill Industries International



Polling Question #1

How familiar are you with Social Enterprise Organizations?

- Very familiar*
- Somewhat familiar*
- Somewhat unfamiliar*
- Very unfamiliar*



Carla Javits

President and CEO, The Roberts Enterprise
Development Fund (REDF)



ADMINISTRATION FOR
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REDF

An investment that works.

*Investing in American Jobs & Worker Economic Stability & Mobility
Through Social Enterprise*

Carla Javits, President and CEO
July 2019



CONTEXT



9 million Americans are not working or earning at capacity

- High barriers include: histories of incarceration, homelessness, limited education, mental health and substance use challenges



- A subset are TANF eligible or eligible for other public assistance



Traditional workforce development systems achieve limited results for them and are hard to sustain and grow with only contributed revenue



Reducing persistent unemployment is essential to address poverty, increase economic stability and mobility, and reduce inequities

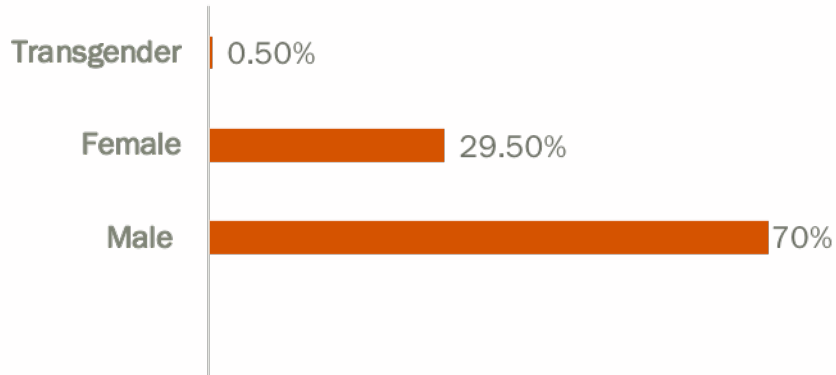
SOCIAL ENTERPRISE – A KEY PART OF THE SOLUTION

- Self-sustaining businesses earn revenue and reinvest in hiring and supporting more people.
- Sell products and services in the competitive marketplace and hire employees who face high barriers to finding/keeping a job.
- Improve lives, strengthen families and communities, and help spending for government programs go further.
- For 20+ years, REDF has helped social enterprise businesses increase their effectiveness and scale their impact so that more people have the opportunity to work and build a stable future.
- We all benefit from living in a society where everyone has the opportunity to contribute.

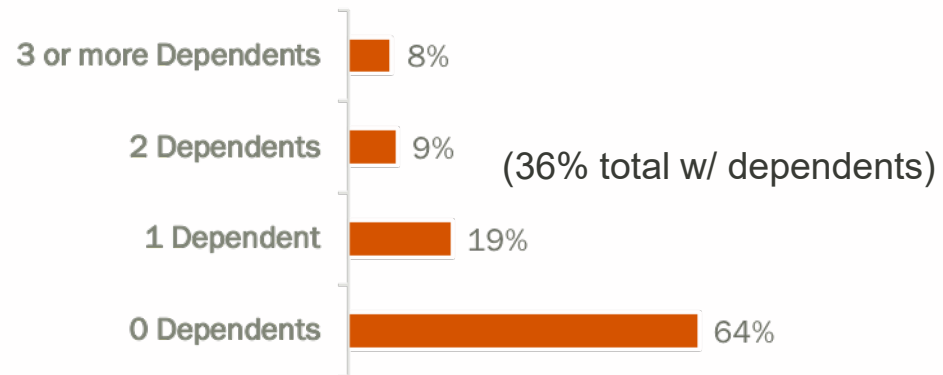


PEOPLE WORKING IN SOCIAL ENTERPRISES

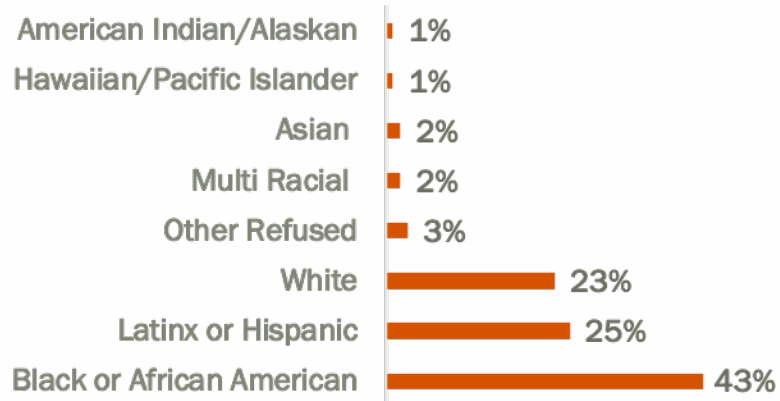
Gender



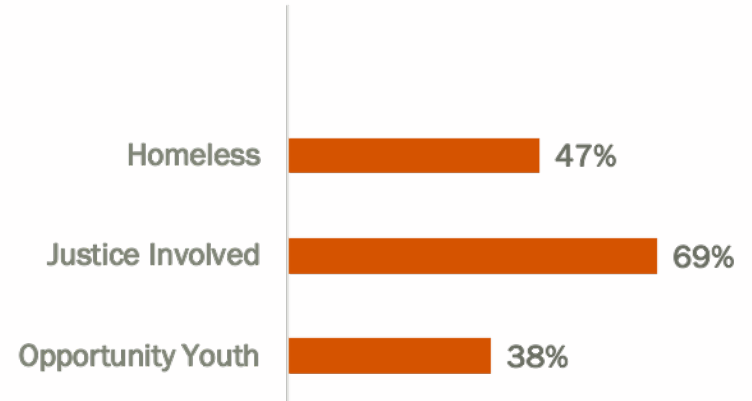
Number of Dependents



Race & Ethnicity



Target Populations



SOCIAL ENTERPRISE MODEL – HOW IT WORKS



1

**Recruitment,
Assessment,
and Soft-skills
Training**

- Sustainable businesses
- Jobs with a paycheck



2

**Social Enterprise
(Transitional) Employment**

Job Coaching
and Supports

Job
Development
and Placement



3

**Job
Placement**

Retention
Services

SOCIAL ENTERPRISE SKILLS DEVELOPMENT/TRAINING

The goal is to support and promote employees, while the social enterprises also maximize business revenue and establish market position

All employees receive extensive essential (soft) and technical skills development

Technical Skills:

- ✓ On the job training
- ✓ Industry-recognized training credentials offered by the social enterprise or funding provided
- ✓ High school diploma or GED offerings
- ✓ Uniforms and equipment offerings

Soft Skills:

- ✓ Supportive management
- ✓ Specialized case managers
- ✓ Public benefits and tax prep assistance
- ✓ Life skills training, child care, financial literacy and inclusion, and transportation assistance

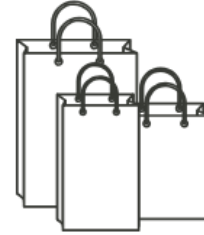
SAMPLE BUSINESS LINES



Cleaning & Maintenance



Consumer Goods
& Services



Retail Services



Temporary Employment &
Staffing Services



Food Preparation &
Serving



Office Administration



Environmental Services &
Sustainable Development

REDF's SOCIAL ENTERPRISE PARTNERS





RESULTS



BEFORE SOCIAL ENTERPRISE:
15% IN STABLE HOUSING

AFTER SOCIAL ENTERPRISE:
53% IN STABLE HOUSING



BEFORE SOCIAL ENTERPRISE:
71% OF INCOME CAME
FROM GOVERNMENT

AFTER SOCIAL ENTERPRISE:
24% OF INCOME CAME
FROM GOVERNMENT



BEFORE SOCIAL ENTERPRISE:

69% HAD BEEN CONVICTED OF A CRIME

DURING SOCIAL ENTERPRISE:

ONLY **4%** REPORTED AN ARREST

IMPACT ON SOCIETY



Every \$1 SEs spend has a return on investment of \$2.23 in benefits to society



The revenue generated by SEs reduces the amount of money government and philanthropy need to pay for programs

BENEFIT RECEIPT*

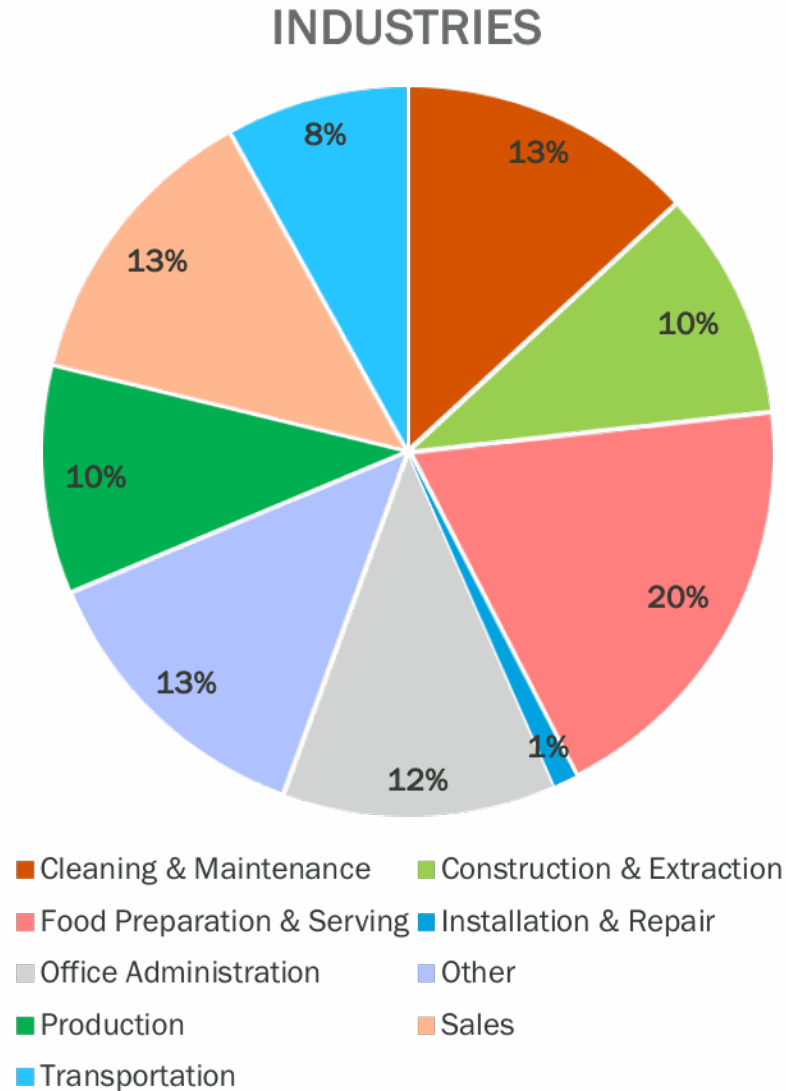
	Baseline Receiving income last month:	Follow-up 12 months post-intake	Difference
Sample size	242	242	NA
Food stamps, SNAP or WIC	63	31.7	-31.3
Welfare Programs (TANF or CalWORKs)	44.5	10.1	-34.4

* REDF partnered with the Mathematica Policy Institute, an evaluation firm with deep expertise in social policy research. Mathematica aimed to investigate the impact of REDF's capital and expert technical assistance on the beneficiaries of the social enterprises we supported. The Mathematica Jobs Study (MJS) published in 2015, looked into whether or not participants at these social enterprises had higher employment and better life stability one year after they began their social enterprise jobs. In addition, the MJS delved into the economic case of social enterprise by conducting a cost benefit analysis of REDF's portfolio.

POST ESE: WAGES AND INDUSTRIES

Average Hourly Wage
Upon ESE Exit: **\$12.67**
(120% minimum)

Hourly wage range at
ESE exit: **\$7.25 - \$32.00**



REDF'S VALUE PROPOSITION

✓ Sole venture philanthropy in the US investing exclusively in employment social enterprises (ESE)



✓ Provides the right mix of capital and deep advisory services informed by 20+ years of experience



✓ Selects the most promising enterprises

✓ Measures and achieves results: social return of \$2.23 for each \$1 spent

- Raises financial performance and outcomes
- Beneficiaries work and earn more; reduces government support
- Fewer homeless or incarcerated

✓ Builds the field: shares best practices and facilitates partnerships

ADVISORY SERVICES

From in-depth analysis to help shape and define the enterprises' long-term strategy, to meticulous measurements of outcomes, REDF provides tailored, coordinated business and capacity-building assistance to help our social enterprise partners thrive.

Examples of our services include:

Business Growth

- Business Development
- Market Analysis
- New Business Feasibility Analysis
- Strategy

Employee Outcomes

- Employee Supports Strategy
- Program Design
- Recruitment and Placement Strategy

Sustainability

- Data Capture and Analysis
- Hiring Support
- Operations Mapping
- Systems Implementation Support

20+ YEARS OF IMPACT



REDF's Impact: 2016 – 2018

REDF's goal for 2016 – 2020: 50,000 people employed

- 42,000 people employed*
- \$576 million in earned revenue
- 134 Social Enterprises supported in 26 states

* ALL REDF programs

INVESTMENT NEEDED FOR...

- Social costs
- Start-up costs
- On-going expansion capital



SOCIAL COSTS

Social costs are costs incurred above and beyond the “normal” costs of doing business due to the social mission

Example Social Costs



**Employee
Supports**



**Transitions
and Turnover**



**Measurement
and
Evaluation**



Training

START UP COSTS

Access to capital helps social enterprises launch by covering some start-up costs

Example Startup Costs



Sprayers
Safety gear
Chemicals
Trucks
Storage shed
Salaries
License fees



Salaries
Training
Transportation
Support program
Uniforms
Rent



Equipment
Space
Cleaning supplies
Chemicals
Training



Truck
Equipment
Permits
Cooking supplies
Food
Salaries

ON-GOING GROWTH CAPITAL

As social enterprises grow and become more established, they still have continuing need for funding, for example:



Capacity building



Equipment



People served



Growth of business



Social supports



Measurement & Data

BENEFITS OF SOCIAL ENTERPRISES

Employment

- ❖ Creates wage-paying jobs
- ❖ Provides jobs and a paycheck
- ❖ Builds soft and hard skills
- ❖ Pathway to career advancement

Sustainability

- ❖ Covers a portion of program costs with earned income

Outcomes

- ❖ Business-like results orientation
- ❖ Positive impacts beyond workforce development
 - ✓ reduced government benefits
 - ✓ improved housing stability
 - ✓ lower recidivism
 - ✓ healthcare access
 - ✓ life stabilization

RESOURCES

A curated list of ESE research studies can be found on [REDFworkshop](https://redfworkshop.org/learn/social-enterprise-studies):

<https://redfworkshop.org/learn/social-enterprise-studies>

ETJD Publications

<https://www.mdrc.org/project/enhanced-transitional-jobs-demonstration#related-content>

CEO and DCJS

https://ceoworks.org/assets/images/CEO-Improving-Long-Term-Employment_042319_print.pdf

LA:RISE Implementation Study

<https://www.spra.com/wordpress2/wp-content/uploads/2018/11/LARISE-SPR-Interim-Evaluation-Report.pdf>.

Mathematica Jobs Study

<https://redfworkshop.org/learn/mathematica-jobs-study/>

CEO 2012 MDRC Study

https://www.acf.hhs.gov/sites/default/files/opre/more_than_job.pdf

Pay for Success

<https://www.brookings.edu/wp-content/uploads/2016/07/Impact-Bondsweb.pdf>

BEES

Building Evidence on Employment Strategies for Low-Income Families.

<https://www.mdrc.org/publication/building-evidence-employment-strategies-low-income-families>

Apples to Apples

Apples To Apples: Making Data Work for Community-Based Workforce Development Programs (2016).

<http://skilledwork.org/wp-content/uploads/2016/05/A2A-update-full-report-FINALMay102016.pdf>

US GOVERNMENT: SUPPORTING SOCIAL ENTERPRISE

- **Federal Department of Health and Human Services**
 - Office of Community Development: JOLI and CED programs
 - New Accelerator program
 - SNAP E&T and TANF (locally-directed support)

- **Corporation for National and Community Service -- Social Innovation Fund**
 - Leveraged \$26M private resources
 - 8,000 people employed
 - First major study of outcomes and impact: Mathematica Jobs Study

- **Bipartisan Evidence-based Policy Commission**
 - “Whether deciding on funding allocations, assessing proposed regulations, or understanding how to improve processes for efficiently providing services, evidence should play an important role in key decisions made by government officials.”

- **Social Impact Bonds**
 - Center for Employment Opportunities
 - ROCA

- **Small Business Administration**
 - Modest support to CDC-owned social enterprises

- **WIOA**
 - Modest support for some SE’s at the local level (larger programs in Los Angeles, San Diego)

- **AbilityOne**
 - Federal preference for social enterprises employing individuals with severe disabilities

WHAT'S AHEAD: ACCELERATING GROWTH

- Most social enterprises founded 2010 or later
- Diverse industries
- Most serve individuals who are overcoming a **variety of barriers**
- Based on limited scan, REDF identified 500
 - Likely generates annually over **\$1B** in earned revenue and employs over **61,000** people
 - We believe this is roughly half of existing field
- From 2016-2018, compound annual growth with REDF assistance
 - Earned revenue: up 10.6%
 - People employed: up 15.4%

REDF plans to provide its signature blend of advisory services and financial support to many more early and growth-stage social enterprises across the US

SUCCESS STORIES: ORELETTA



“I got the job training and motivation,” she explains, “but also the opportunity to talk about personal issues that I had never addressed before... that’s what I really needed. That made all the difference.”

— Oreletta,
Breast Cancer Navigator
Past Cara Participant



TESTIMONIALS

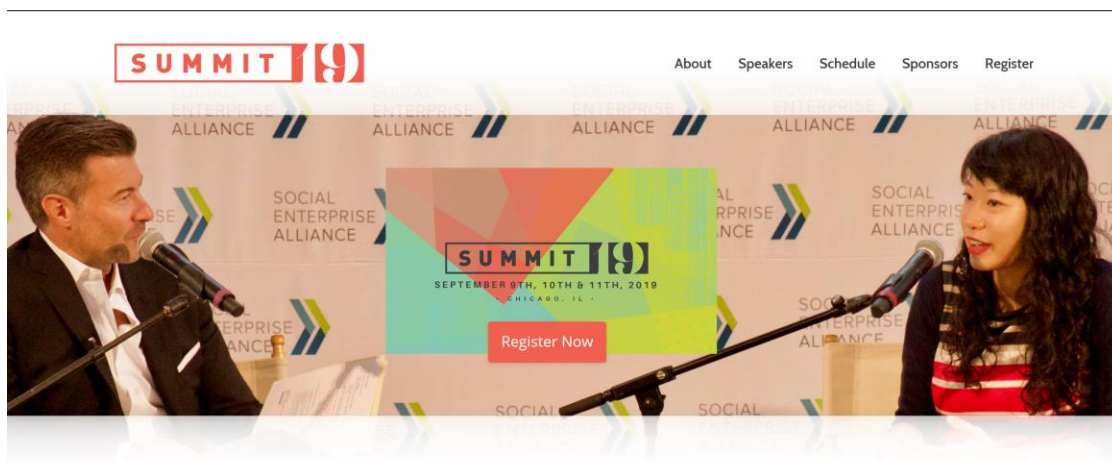


The California Wellness Foundation invests in REDF because their work advances health and wellness for thousands of men and women. REDF's success in strengthening pathways to obtaining and retaining employment for people overcoming great adversity not only improves health outcomes, it brings hope and a sense of belonging to people when they need it most. We're thrilled to be a partner to REDF in this important work.

— **Judy Belk**

President and CEO, The California Wellness Foundation

Social Enterprise Alliance's Summit '19



<https://summit19.us/>

Social enterprise's premier, national convening: Summit '19 in Chicago, IL

Social Enterprise Alliance empowers social enterprises with the tools and resources they need to succeed, and works to foster a social enterprise ecosystem in which they can thrive. Since our founding, we have convened the robust social enterprise field – practitioners, enthusiasts, experts, funders and more – at the Summit.

This year we'll gather in the heart of downtown Chicago for three days of

Featured Speakers of Summit '19



Jailan Adly
CEO, RefuSHE



Carla Javits
CEO, REDF



Maria Kim
President & CEO, Cara

Social Enterprise Alliance's Summit '19
September 9th, 10th & 11th, 2019 in Chicago, IL



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Poll Question #2

What barrier have you found to be the most challenging in starting/maintaining your social enterprise organization?

- Challenging government regulations*
- Multiple barriers that participants face*
- Lots of competition*
- Low funding opportunities/lack of capital*





*Holly Morales, Senior Director,
Employment & Training, Cook Inlet
Tribal Council, Inc.*

*Shelly Kells, Senior Director of Finance,
Cook Inlet Tribal Council, Inc.*



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CHILDREN & FAMILIES

PARTNERSHIP



COOK
INLET
TRIBAL
COUNCIL

Celebrating more than **35 years** of Impact

CONNECTING PEOPLE TO THEIR POTENTIAL THROUGH PARTNERSHIP

PEOPLE

POTENTIAL



OUR BUSINESS IS...

OUR PEOPLE

COOK INLET TRIBAL COUNCIL

OUR SERVICES

**Employment
& Training**

**Child &
Family**

**Recovery
& Reentry**

**Education &
Innovation**

Partners:

AK Native Justice Center
Clare Swan Early Learning
CEI & E-Line Media



POTENTIAL



OUR MISSION:

*To work in partnership with
Our People to develop
opportunities that fulfill Our
endless potential.*

OUR VALUES

Interdependence
Resilience
Accountability
Respect
Humor





CITC EMPLOYMENT & TRAINING



CITC 477 Services

PROGRAMS INTEGRATED

Department of the Interior

- Job Placement and Training
- Higher Education
- Johnson-O'Malley
- Welfare Assistance

Department of Labor: Workforce Investment Act (WIA)

- Comprehensive Services
- Supplemental Youth Services

Department of Health and Human Services

- Native Employment Works (NEW)
- Child Care Development Fund (CCDF)
- Tribal Temporary Assistance to Needy Families (TANF)
- Community Services Block Grant (CSBG)



CITC 477 Services

TANF (477) STAFF

Fraud

- 1 Supervisor
- 1 Compliance Officer
- 1 Office Asst.

Anchorage Office:

- Intensive Case Management – 1 Supervisor, 5 staff
- Job Coaches – 1 Supervisor, 9 staff
- Youth Services – 1 Manager, 2 Case Managers, 1 Intake
- 1 Life Skills Instructor
- Eligibility – 1 Supervisor, 8 Eligibility Workers
- Office Assistants – 3 staff

Matsu Valley Office:

- 1 Coordinator
- 1 Case Manager
- 1 Eligibility Technician
- 1 Office Assistant

Program Summary

Caseload ranges 500-600 (FY18)

- Adult Not Included (ANI) cases are approx. 23% of Caseload
- 2 Parent Case are approximately 15% of Caseload



ADVANTAGES FOR TRIBES

Why it was important to provide TANF

- **Realistic Work Participation:**
 - CITC Work Participation Rate is 35% and 30 hours/week for family participation
- **Work Activities:**
 - Cultural Activities, Subsistence, Traditional Work Activities, Work Readiness Workshops
- **Reinvest in Program:**
 - Use saving to expand services and include purposes 3 and 4.
- **Wrap Around Services:**
 - Services are not siloed, integrated and seamless
- **Policy changes:**
 - Ability to change processes and policy



CITC REINVESTS IN OUR PEOPLE

Best Practices

- **Supportive Services:**
 - Incentives, expand services, post TANF services
- **Youth Services:**
 - Supportive services, case management, workshops, incentives, subsidized employment
- **Financial Assistance to Non-TANF:**
 - Reunification
- **Subsidized Employment for Non-TANF:**
 - Non-custodial parents, Families that reached lifetime limit, Parents of children in OCS, Non-TANF Needy Youth Employment and Supportive Services
- **Nonrecurring Short-Term Benefits:**
 - Emergency or crisis assistance to needy families
- **Activities for Purposes 3 and 4:**
 - Youth Employment, Other Activities
- **TANF App:**
 - An application for workforce development



Other Services Expanded

Creating Solutions

Some additional changes to assist families:

- Full Time ABE and GED Instructors
- Cultural Workshops
- Back to School Incentives
- School Attendance Requirements
- Compliance Unit
- Peer to Peer



CITC Employment & Training 2018 Impact:

3,522

793

403

People found **HELP** securing employment and developing job skills in CITC's **CAREER DEVELOPMENT CENTER**

Individuals started new careers, including **437** people who moved from temporary assistance to **gainful employment**

Families got help caring for **660** children at CITC's **CHILD CARE DROP-IN CENTER**





conferen

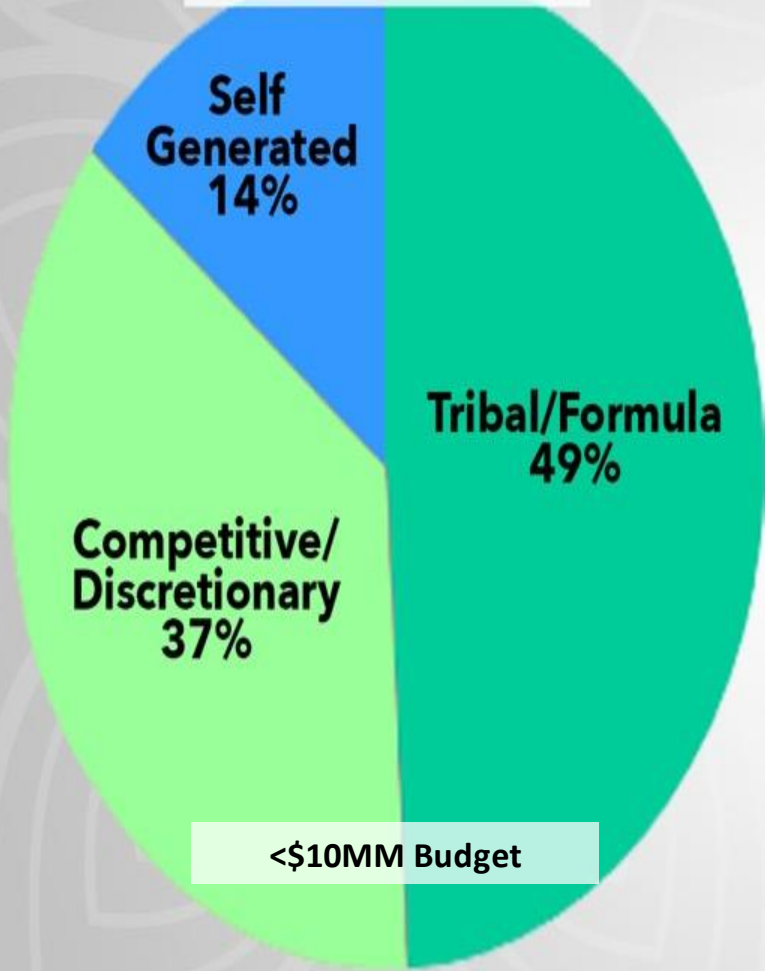
CITC EMPLOYMENT PARTNERS

Dozens of partner companies

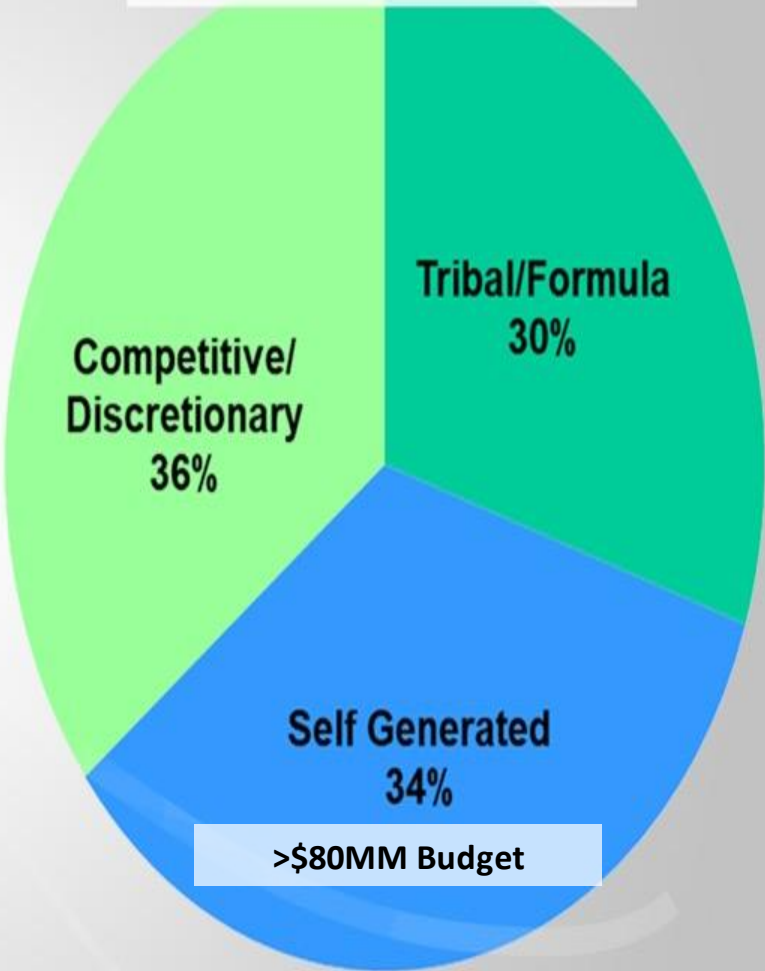


CITC OPERATING REVENUE COMPONENTS

1998 ACTUAL



2019 PROJECTED





SOCIAL ENTERPRISES

24

People provided on the job training through Chanlyut Businesses

10

Positions for Coho Cup operations dedicated to training & supporting customer service skills



CITC ENTERPRISES, INC. (CEI)





CEI | CORE FOCUS

- **Strategic** investments
- **Innovative** for-profit model
- **Sustainable** revenue stream
- Path to **Self-determination**

*CEI has a total holding value of **\$13.8 million** which includes an approx. **32% stake** in E-Line*

*E-Line Media 2019 releases:
Beyond Blue & Endless Mission*



PARTNERSHIP

THANK YOU!



COOK
INLET
TRIBAL
COUNCIL

Celebrating more than **35 years** of Impact

CONNECTING PEOPLE TO THEIR POTENTIAL THROUGH PARTNERSHIP

PEOPLE

POTENTIAL

Brad Turner-Little

*Senior Director, Strategy Goodwill
Industries International*



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Goodwill Industries International



Goodwill[®] takes gently used items...



...AND TRANSFORMS LIVES



An American Icon

1

Brand Doing the Most Good

(enso World Value Index, 2016, 2017)

2

NPT Top 100

(The NonProfitTimes, 2017)

15

America's 200 Top Charities

(Forbes, 2018)

3 years

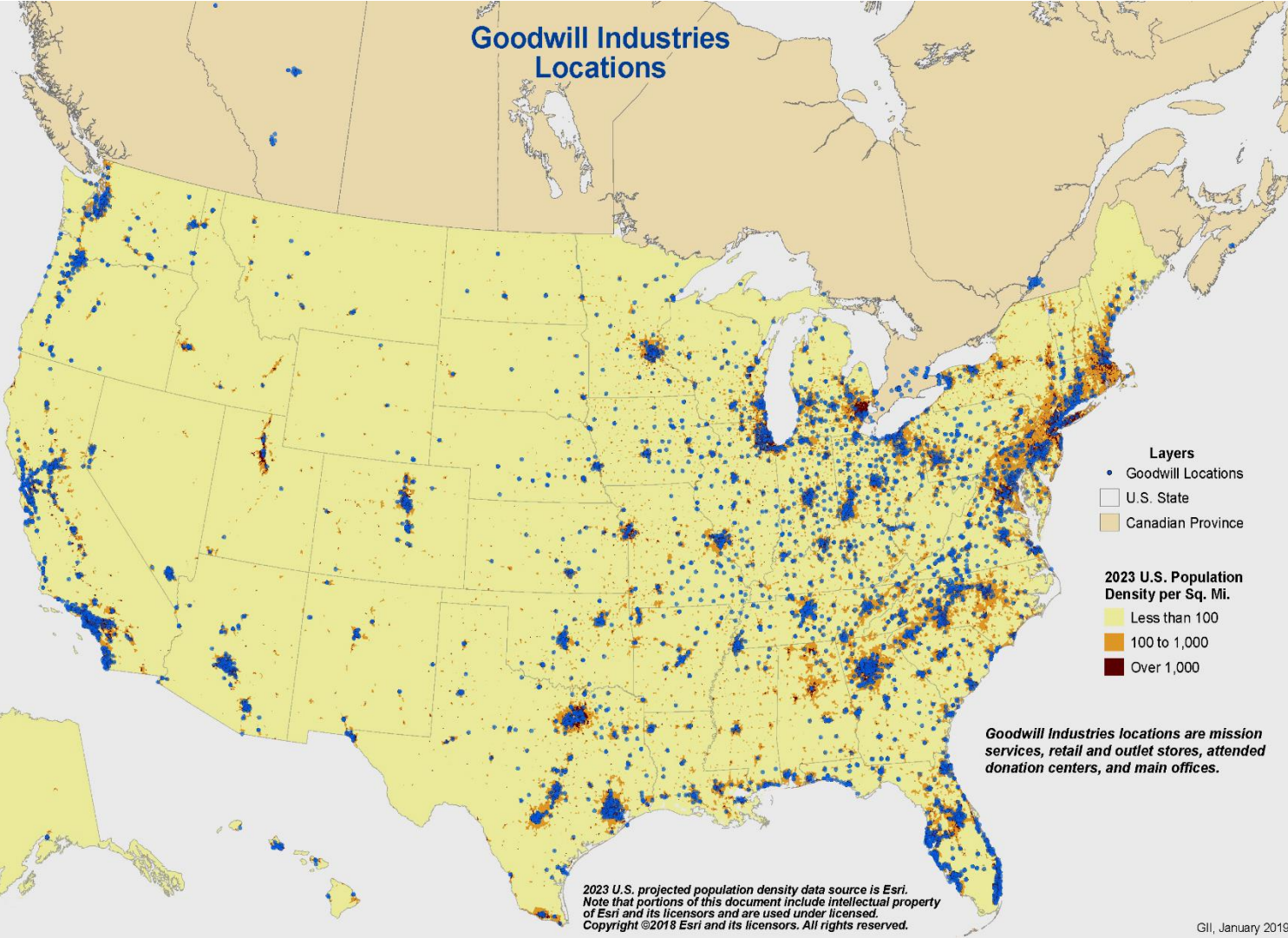
Top 25 Most Inspiring Companies

(Forbes, 2012–2014)



®

Goodwill Industries Locations



82% of the U.S. population resides within **10** miles of a **Goodwill** location

GII, January 2019



IN 2018...

161
member organizations

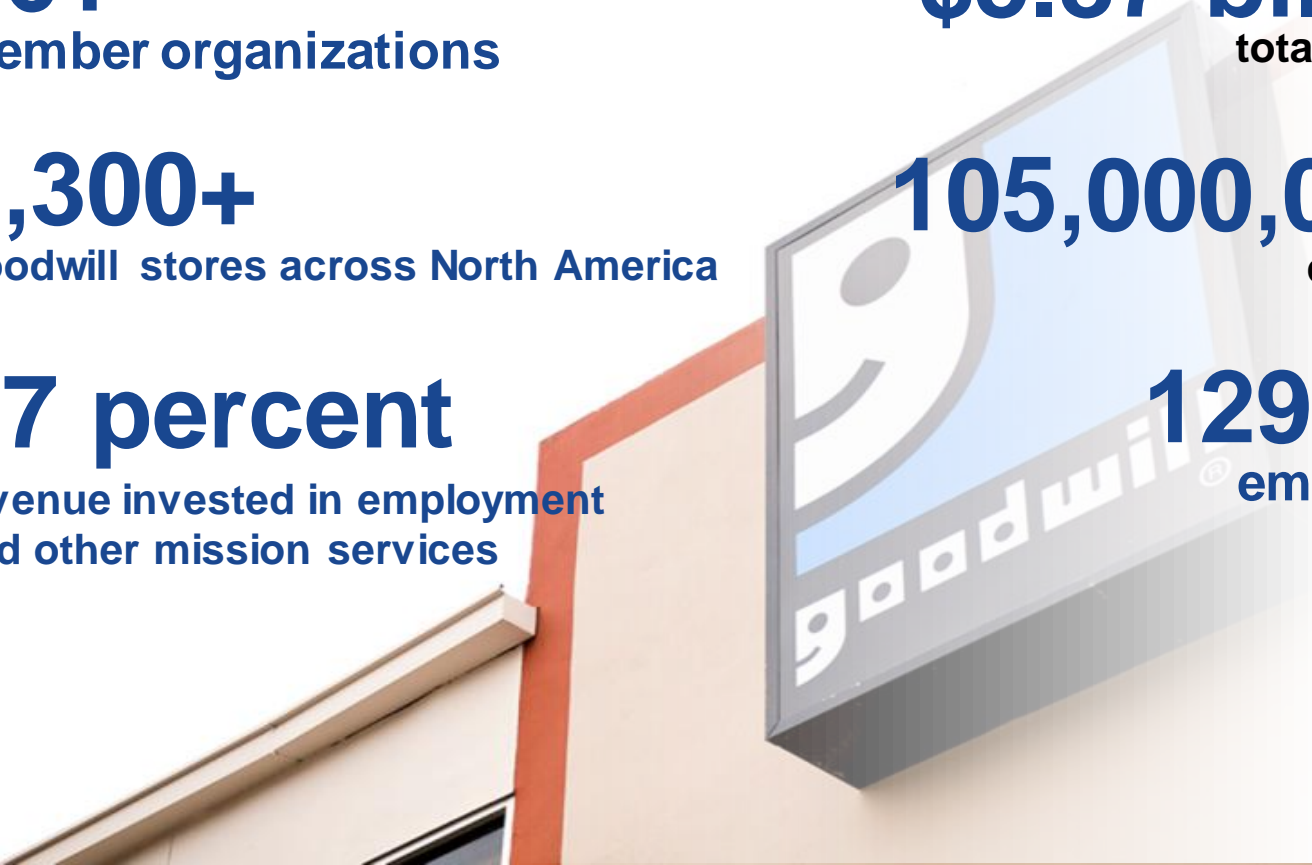
\$5.87 billion
total revenue

3,300+
Goodwill stores across North America

105,000,000+
donations

87 percent
revenue invested in employment
and other mission services

129,000
employees



Goodwill serves

2.1 million

face-to-face

36 million

virtual services

youth

older workers

returning citizens

people with disabilities

underserved communities

veterans and military families

unemployed and underemployed





Goodwill Industries Innovation as a Social Enterprise



Social Enterprise

Organizations that address a basic unmet need or solve a problem through a **market-driven** approach.

Social Enterprise Alliance



Dr. Helms on Social Enterprise

Goodwill cannot make its present necessary and Godly service an end in itself. It must be prophetic. **Its idealism must point to a higher idealism for all industry.**

(National Institute, 1929)

“Goodwill Industries is a **business PLUS**. It exists for service not for profit. Goodwill Industries is a **social service PLUS**. It offers not alms but opportunity.”

(Legacy, 1942)

The beginning of Goodwill business diversification

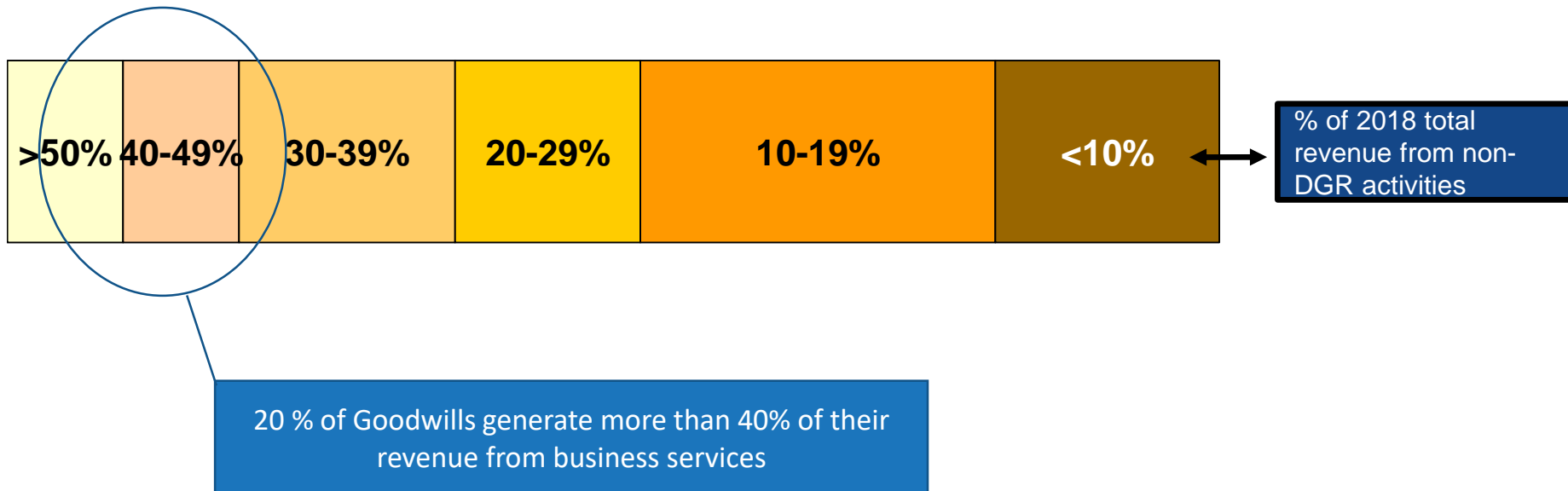
1942

Dayton, Ohio

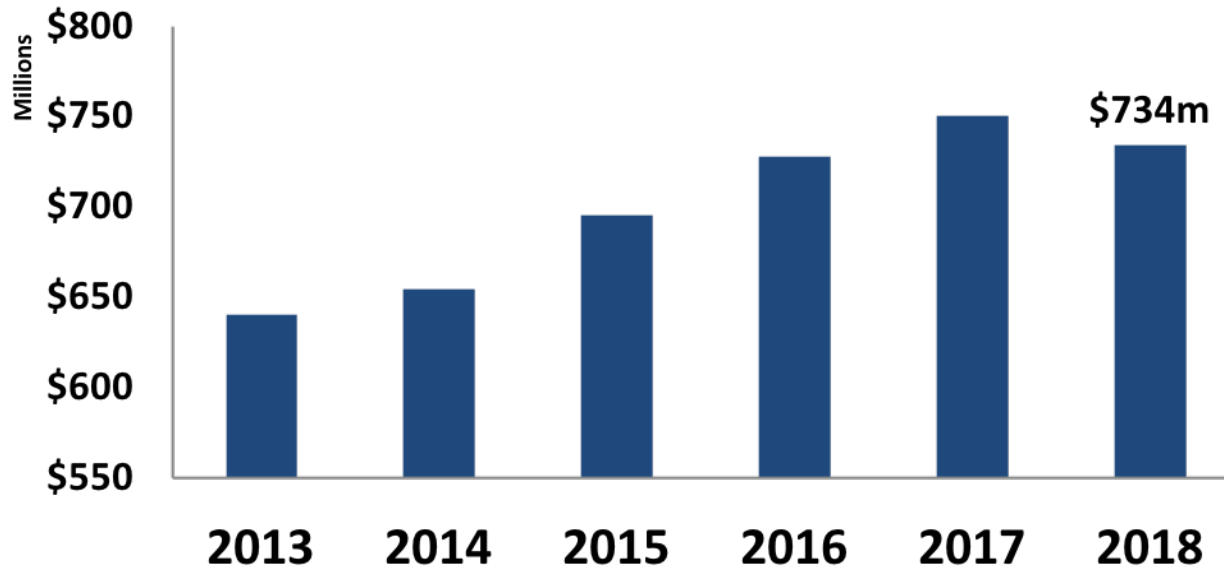
Provided 140,000 patented cam clips for cable anchors. Led to assembly of 26 components into survival kits for airborne troops

For the Love of People, Lewis, 1977, pg 255

Some Goodwills are completely reliant on donated goods retail for revenue; others have a highly diverse revenue portfolio

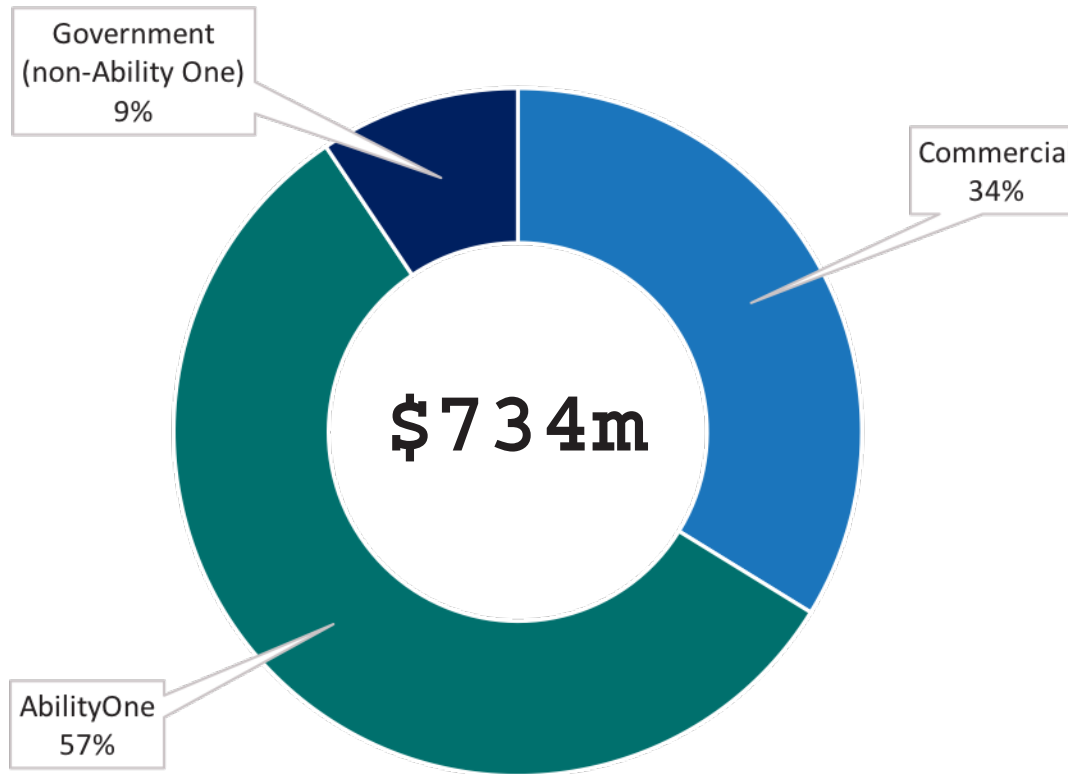


GOODWILL BUSINESS SERVICES REVENUES



OPERATING 23 BUSINESS LINES

2018 Business Services Customers were from government and the commercial sector



Variety in diversification

Janitorial	Staffing Services	Food Services	Manufacturing
Packaging	Laundry	Grounds Keeping	Document Management
Warehousing/ Distribution	Call Center	Recycling	E-Cycling
	Fleet Maintenance	Sewing	

LARGEST REVENUE BUSINESS LINES

Janitorial Services	Staffing Services	Food Services	Manufacturing
\$211,300,000	\$114,400,000	\$93,500,000	\$66,300,00
84 Goodwills	31 Goodwills	18 Goodwills	16 Goodwills

MOST COMMON BUSINESS LINES

Janitorial Services	Grounds Keeping	Packaging/ Packing	Staffing Services	Sub-Assembly
84 Goodwills	45 Goodwills	36 Goodwills	31 Goodwills	25 Goodwills
\$211,300,000	\$28,850,719	\$34,990,880	\$114,400,000	\$47,885,094

Key Considerations

Addressable Market Size

(Market Assessment; Growth Potential)

Mission Alignment

(Intended Purpose)

Level of Effort

(Capital Investment/Resource Required)

Competitive Advantages

(Why us? Why now?)



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Poll Question #3



What topics would you like to see in future webinars?

Please enter response in Questions box.



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Additional Information

- ❑ OFA PeerTA website (<http://peerta.acf.hhs.gov>)
- ❑ Webinar transcript and recording
- ❑ Future webinar topics (peerta@icf.com)



Webinar Feedback

- Please remember to provide your feedback using the brief survey that will launch when the webinar ends.



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