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Active inclusion through social investment: the case of flemish social enterprises

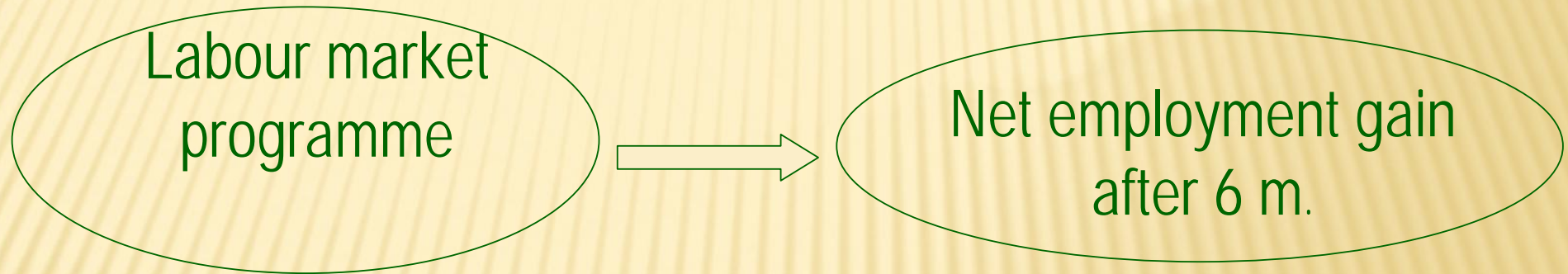
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THREE TYPES OF SOCIAL INSERTION ENTERPRISES

- ✘ Learn & work centres (LWC): transitional employment + training
- ✘ 'social workshops' (SW): permanently subsidised jobs
- ✘ 'insertion enterprises' (IE): degressively subsidised permanent jobs

EVALUATION TRADITIONAL FRAMEWORK



Problem: tautology
(employment through subsidised employment ?)
except for transitional employment

EXTENDED FRAMEWORK: INSIGHTS FROM MODERN WELFARE THEORY

- ✘ Welfare / social inclusion means more than employment or income (social integration, health, family life, etc.)
- ✘ Integration > 6 months (long term)



WHAT DOES SOCIAL INCLUSION REALLY MEAN ?

THEORETICAL BACKGROUND

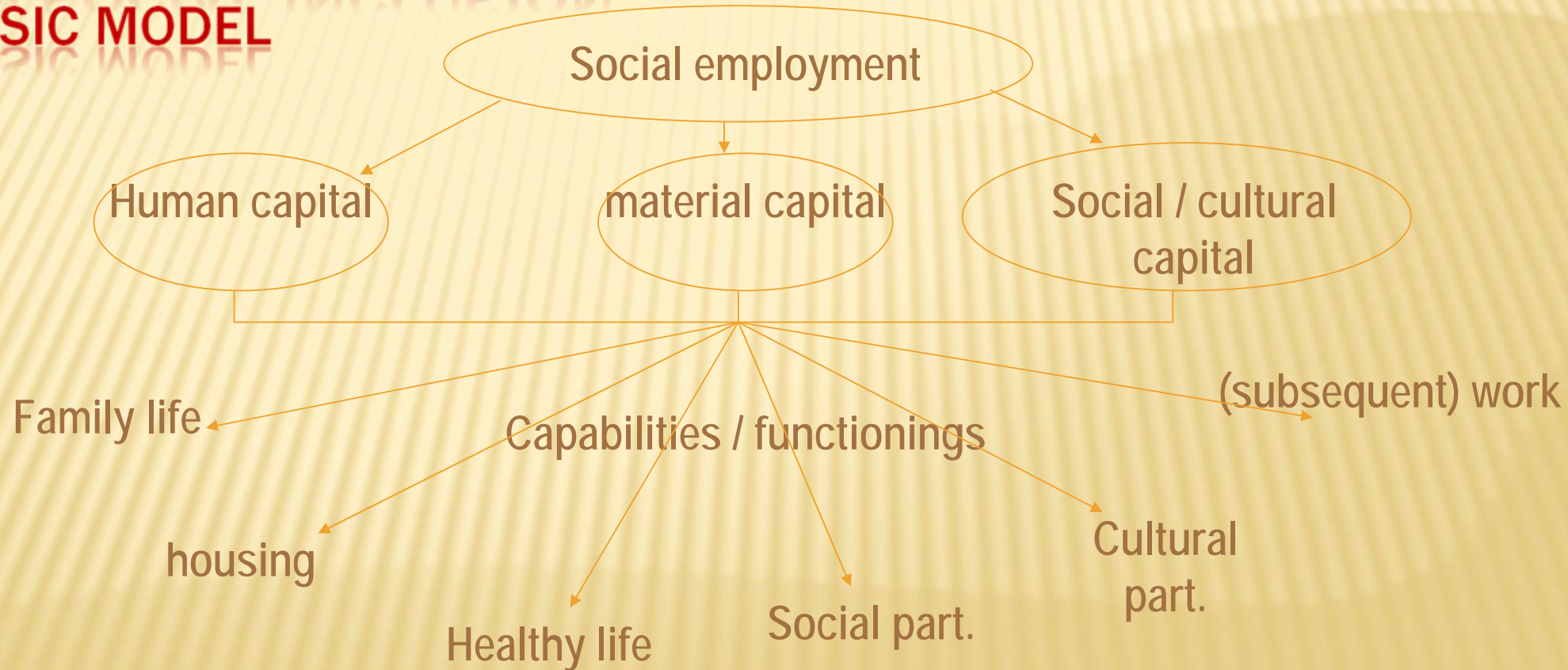
A. Sen:

- ✘ capabilities = all possible (actual and potential) combinations of 'functionings' (in relation to family life, social and cultural participation, health, recreation etc.)

B. Dworkin:

- ✘ Resources (and exogenous conditions) determine the capacities of individuals

EFFECTS OF SOCIAL EMPLOYMENT ON SOCIAL INCLUSION BASIC MODEL



MEASURING 'RESOURCES'

Type	Factors	Variables
Human capital	<ul style="list-style-type: none"> ■ Schooling ■ Physical vulnerability ■ Psychological Vulnerability ■ Work experience ■ Vocational training 	<p>Reading and writing, diplomas</p> <p>Physical problems, physical disability, use of specialised medical care</p> <p>Use of ambulant / residential psychiatric services, mental disability</p> <p>Work experience</p> <p>Vocational training</p>
Material capital	<ul style="list-style-type: none"> ■ Financial comfort ■ Housing security 	<p>Difficulties in making ends meet, saving</p> <p>type and ownership of dwelling</p>
Social & cultural capital	<ul style="list-style-type: none"> ■ Participation in associations ■ Social background ■ Institutional stigma ■ Family stigma 	<p>Political / social associations, associations for personal devt or recreation, charities</p> <p>Financial comfort of parents, occupational status of father</p> <p>(past) residential placement(s) of individual</p> <p>Broken relationships, residential placement of children</p>

EFFECTS ON RESOURCES

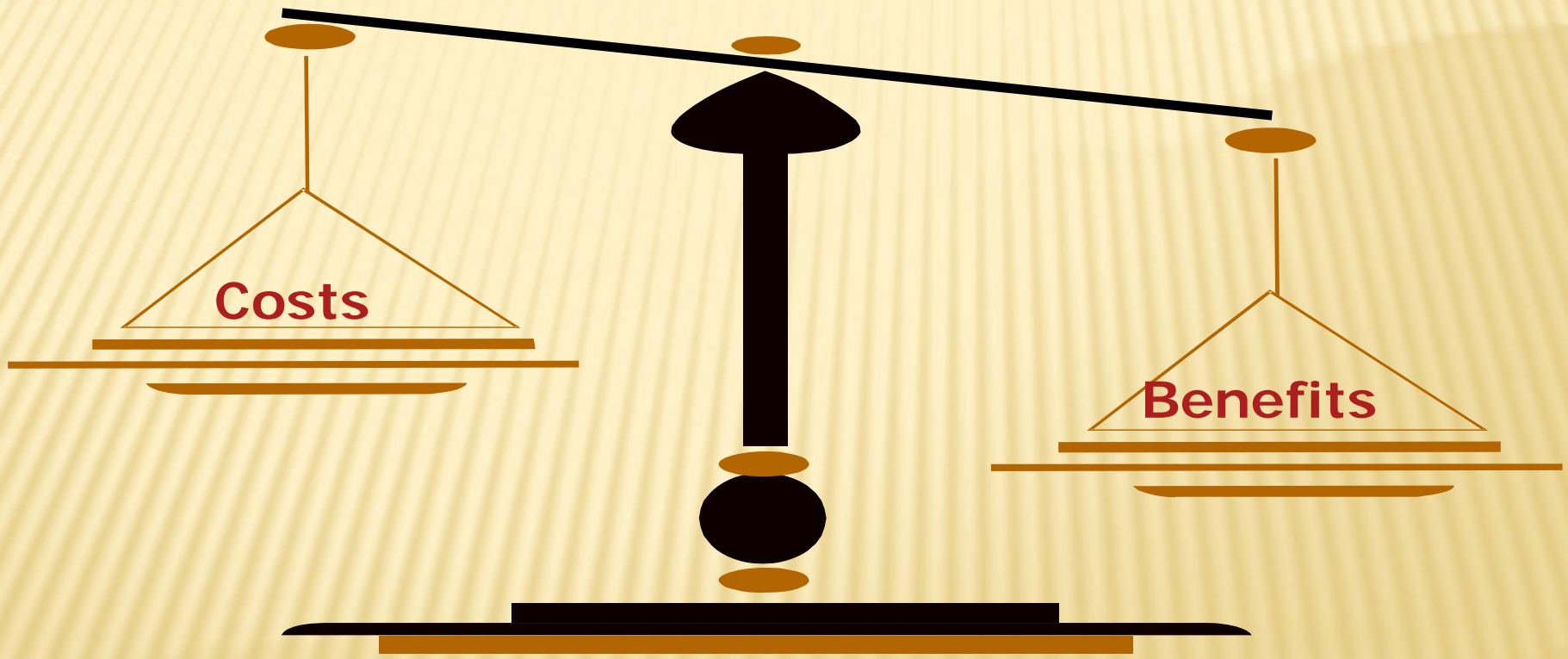
2001 (long term)		Learn & work centre	Social Work- shops	Insertion enterpr.	
Human capital					
Schooling					
physical vulner.					
psychol. vulner.					
work experience					
vocat. training					
Soc. & cult. cap.					
associations					
social backgr.		-	-	-	
family stigma					
instit. Stigma					
Material capital					
financial comfort					
housing security					

EFFECTS ON WELL-BEING

Do increased resources affect functionings ?

	Healthy life	Family life	Housing	Social / cultural partic.	work
Human capital	Yes	Yes	No	Yes	Yes
Material capital	No	Yes	Yes	Yes	Yes
Social / cultural captial	No	Yes	No	Yes	Yes

SOCIAL COST-BENEFIT ANALYSIS



SROI - GENERAL FRAMEWORK

	costs	benefits
firms		
workers		
clients		
tax-payers		
social security		
other third parties		

LEARN & WORK CENTRES

Net benefit per hour subsidised in year 1

	5 years	10 years
workers	9,19	15,11
social enterprise	-0,13	-0,13
government	15,57	30,86
Third parties	0,00	-0,00
Total	24,63	45,84

SOCIAL WORKSHOPS

Net benefit per hour subsidised

	5 years	10 years
employee	0,84	0,86
Social enterprise	-0,85	-0,81
government	-6,76	-6,08
Third parties	-0,03	-0,03
Overall	-6,80	-6,06

INSERTION ENTERPRISES

Net benefit per hour subsidised

	5 years	10 years	New syst.
employee	1,74	2,16	1,29
Social enterprise	4,52	4,53	2,74
government	-4,34	-2,19	-4,13
Third parties	2,63	4,72	1,85
Overall	4,55	9,22	1,75

CONCLUSION

- ✘ Social enterprises do not just produce employment. They (should) invest in the 'resources' of workers - in the broadest meaning: human, material, social and cultural capital
- ✘ These investments can be profitable for society at large
- ✘ Learn & work centres (unexpectedly) have broad and sustainable impact on social inclusion
- ✘ Social workshops produce employment, but have ambivalent outcomes in terms of social inclusion (locking-in?)