EVALUATION OF THE PAYMENT BY OUTCOMES TRIAL 3

Year 2 Report

Prepared by the Centre for Social Impact Swinburne

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CENTRE *for* SOCIAL IMPACT

SWINBURNE UNIVERSITY OF TECHNOLOGY

Acknowledgement of Country

We respectfully acknowledge the Wurundjeri People of the Kulin Nation, who are the Traditional Owners of the land on which the Centre for Social Impact Swinburne is located on in Melbourne's east, and pay our respect to their Elders past and present. We are honoured to recognise our connection to Wurundjeri Country, history, culture, and spirituality through these locations, and strive to ensure that we operate in a manner that respects and honours the Elders and Ancestors of these lands. We also respectfully acknowledge Swinburne's Aboriginal and Torres Strait Islander staff, students, alumni, partners and visitors.

We also acknowledge and respect the Traditional Owners of lands across Australia, their Elders, Ancestors, cultures, and heritage, and recognise the continuing sovereignties of all Aboriginal and Torres Strait Islander Nations.

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Established in 2014, CSI Swinburne is a highly industry-engaged, practice-oriented research and teaching centre, based in Swinburne's School of Business, Law and Entrepreneurship (SoBLE) and is one of four university-based nodes of the highly respected CSI national network.

CSI Swinburne is focused on people and technology working together for a better world, exploring the intersection between social entrepreneurship and technology, in areas such as social enterprise, social business, and social finance; community services innovation; employment access and equity; and impact evaluation and measurement.

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How to read this report

This is the second of three reports documenting an independent evaluation of the Australian Government's Payment By Outcomes Trial 3 (PBO3). It records the outcomes that stakeholders of PBO3 are experiencing in Year 2 of the trial. It is recommended that this report be read in conjunction with the First Interim Report from CSI's PBO3 Evaluation.

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Executive summary

Background

The Payment by Outcomes Trial 3 (PBO3) is an Australian Government initiative that trials outcomes-based funding for employment services that support people experiencing complex barriers to work. Led by White Box Enterprises (WBE) as the Australian Government's contracted service provider, PBO3 also includes three impact investors and 17 jobs-focused social enterprises.

A unique characteristic of PBO3 is that people are supported into the workforce via employment in 'jobs-focused social enterprises', sometimes known as Work Integrated or Integration Social Enterprises (WISEs). During their employment by jobs-focused social enterprises, people have meaningful, award-wage work as well as ongoing wraparound support within the workplace.

About this report

This is the second report (of three) that documents an independent evaluation of PBO3 through its design and implementation. It records the outcomes that stakeholders of PBO3 are experiencing in Year 2 of the trial (i.e. 1 July 2023 to 30 June 2024). In Part A, the report illustrates the outcomes of employment in jobs-focused social enterprise that PBO3 participants experienced in Year 2. Part B then outlines the service innovations amongst social enterprises that PBO3 funding contributed to in Year 2. To conclude, the report highlights what this evaluation tells us about positioning jobs-focused social enterprises in a reformed employment services system. Research methods are reported in Appendix B.

Key outcomes for PBO3 participants in Year 2

Participating in PBO3 are 132 people who experienced unemployment for nine of the previous 12 months, were eligible for the Disability Employment Service (DES), and receiving Jobseeker or Disability Support Pension (DSP) payments. At the conclusion of the trial's second year (i.e. 30 June 2024), 67% (88 of 132) of PBO3 participants were still in employment: 49% (64 of 132 PBO3 participants) continued to be employed by a social enterprise, while 18% had transitioned to new employment (24 of 132 PBO3 participants). 33% of PBO3 participants were no longer working (n=44).

In our survey of PBO3 participants who *continued to be employed by a social enterprise*:

- **Four in five (80%) said their employment circumstances had improved** over the last 12 months, with the remaining 20% reporting no change rather than a deterioration of employment circumstances;
- **More than three-quarters (76%) said their sense of belonging had improved** over the last 12 months, enabled by new friends at work and feeling a sense of community with like-minded people at work;
- **Almost two-thirds (64%) said their financial circumstances had improved** over the last 12 months, with half (50%) of participants having identified money issues as a barrier they faced in life at the time of the survey; and that

- **Although most respondents reported health improvements, one in five respondents (20%) reported a downturn in either their mental or physical health** over the last 12 months due to factors that were not necessarily work-related.

Only five PBO3 participants *who had left their social enterprise and were no longer working* responded to our survey. Although not representative, it is insightful that their responses varied in terms of whether they felt their lives had improved since finishing up in their social enterprise.

According to program administration data, **the most common factor that caused people to exit PBO3 (and be out of work) was a change of personal circumstances** triggered by a health crisis, medical procedure, change of housing, moving away from the social enterprise employer, child-care commitments, and pregnancy. These types of changes in personal circumstances caused almost 2 in 5 (39%) 'exits' from the PBO3 trial.

This report also includes narratives and reflections from seven PBO3 participants—Melody, Kade, Ethan, Lia, Ben, Joseph and Brett. In their reflections, participants positioned their employment in the context of their broader life stories, and described how their employment, skills development, housing, health, friendships, and sense of self were knitted together. They described how adversity in housing, for example, prevented progression at work. Equally, disrupted employment triggered health conditions and undermined self-belief (or 'self-efficacy'). They reflected on the transformative potential of employment in jobs-focused social enterprises—particularly when this employment provided stable, award-wage employment and wraparound support that enabled people to manage and get through adversities in other areas of life.

Key outcomes for participating social enterprises in Year 2

To 30 June 2024, social enterprises had received approximately $1 million in outcome payments, with six receiving more than $75,000 each, six receiving up to $75,000 and five not receiving any outcome payments. **Financial outcomes were proportional to the number of employees that each social enterprise had enrolled in PBO3.**

Social enterprises with strong financial outcomes had different employment models—ranging from Intermediate Labour Market (ILM) models focused on facilitating transitions to new employment, to providers of long-term, ongoing employment within the social enterprise.

Social enterprises reported **spending PBO3 funding in ways that aligned with their employment models**. Some focused on strengthening the wraparound support within their social enterprise (common among ongoing employment models) and others focused on developing their capabilities around employment transitions (ILM social enterprises and those moving towards ILM models). The former described Year 2 of PBO3 as Business As Usual, whereas the latter actively innovated their transition supports in Year 2.

Social enterprises that had ILM models or were moving towards ILM models used PBO3 funding to hire 'employment coaches' or 'transition coordinators' and to develop new transition-focused resources and procedures. The day-to-day activities of 'employment coaches' or 'transition coordinators' were shaped by the transition support model that each social enterprise was looking to develop. Models included:

(i) **Fresh start transitions**, in which social enterprises worked intensively with their employees to improve their 'employability', providing them with current work experience, developing their transferable skills, and strengthening job application skills and documents;

(ii) **Supported transitions**, in which social enterprises leveraged existing business relationships to find suitable employment opportunities and worked with both the employee and new employer to customise roles, procedures, and support in the new workplace, as needed; and

(iii) **Secondment-first transitions**, in which social enterprises facilitated supported transitions (as above) that included a secondment style agreement during which employees could adjust to a new team and workplace at a client organisation or host employer before formally transitioning to the new employer with a new work contract.

Business models (particularly in terms of the relationships that social enterprises had with their clients) and the support needs of employees, affected which transition model social enterprises considered to be the best fit.

By innovating their transition support models, ILM social enterprises aimed to encourage and actively support PBO3 participants to move to new employment. **Many PBO3 participants who continued to be employed by social enterprises wanted to continue working in their social enterprise for as long as possible.** Participants said they enjoyed the work and the actively inclusive workplace, and did not feel they needed or wanted different employment.

Positioning jobs-focused social enterprises in a reformed employment services system

The House Select Committee on Workforce Australia Employment Services found that programs delivered 'outside of the Commonwealth system…appeared to be of benefit to jobseekers' who 'need assistance on their pathway to suitable employment' (The Committee 2023: 144). The Committee estimates the size of the cohorts that 'would be better assisted through alternative services' at 10-20% of caseload.

Our findings provide broad but clear evidence, that **jobs-focused social enterprises are actively inclusive workplaces that offer alternative pathways for people experiencing complex barriers to employment**. For some employees who have cycled in and out of work and between service providers, employment with a social enterprise was the first time they have found stability.

Our findings illustrate how the diversity of social enterprises participating in PBO3 is enabling the trial to **respond to the diverse employment support needs in 10-20% of employment services caseload**. This is enabled by social enterprises developing unique social impact models (including transition models) and consistently having a person-centred and life-first approaches to wraparound support. It is crucial that policymaking (on how to include social enterprises in the employment services system) is steered by a thorough, evidence-based understanding of the diversity of complex barriers and needs of the '10-20% of caseload' that jobs-focused social enterprises are well placed to support.

Background

The Australian Government and Social Impact Investing

The Australian Government has been developing its social impact investing (SII) agenda for over ten years, with the development of the Australian Government Principles for Social Impact Investing (2017) and a Social Impact Investing Taskforce (2019) being important milestones.

Alongside other programs that aim to grow the SII market, the Government committed $15.7 million to three Payment by Outcomes (PBO) Trials in the social services sector in 2019. The Trials aim to test the effectiveness of social impact investing as an innovative financial model to address social disadvantage (DSS 2023). PBO is a form of social impact investing that involves a contract between a funder (in this case government) and a service provider. Contract payments are typically split between an upfront and a later payment that is conditional on the service provider achieving agreed outcomes.

The PBO Trials build on the Australian Government's objective to be a market *enabler* as outlined in the Australian Government Principles for Social Impact Investing (2017), by addressing regulatory barriers that hinder market development. The Trials are also an opportunity for the Government to explore its capability to be a market *participant*—using policy instruments to become a purchaser of social outcomes as a substitute to grant funding in social service delivery (Social Impact Investment Taskforce 2019). Commissioning its own evaluations of the PBO Trials (Urbis 2023), the Government aims to use insights from the three Trials to inform potential funding arrangements and community sector reform in the future.

Alongside its SII programs, the Government also has a Targeting Entrenched Disadvantage Package (announced in 2023-24) that includes two SII measures. These include a $100 million Outcomes Fund (service delivery focus) and a $11.6 million Social Enterprise Development Initiative (capability building focus).

About Payment By Outcomes Trial 3

The focus of this report is the Australian Government's Payment by Outcomes Trial 3 (PBO3). PBO3 provides government funding (in the form of outcome payments) to jobs-focused social enterprises that support the long-term employment of people experiencing complex barriers to work. 132 people have been enrolled into PBO3, having met the eligibility criteria of being unemployed for at least nine of the last 12 months, receiving specific forms of income support, and being eligible for Disability Employment Services or Community Development Program in remote areas. Their participation in PBO3 commenced with a period of employment at one of 17 participating social enterprises across Australia.

PBO3 uses an aggregator model in which Government has contracted one 'service provider', White Box Enterprises (WBE), to coordinate 17 distinct jobs-focused social enterprises to employ and support PBO3 participants. WBE is a jobs-focused social enterprise intermediary established in 2019 that aims to grow the number and scale of jobs-focused social enterprises in Australia. The aggregator model has reduced transaction costs for social enterprises, with WBE working with Government and other stakeholders to co-develop and implement PBO3 and troubleshoot implementation-related challenges as they arose.

Through their involvement in PBO3, WBE and social enterprises have access to $3.8 million of government funding in the form of outcome payments. As outlined in Figure 1, WBE and social enterprises receive outcome payments when PBO3 participants meet certain employment 'milestones'—measured by the duration of a certain amount of income. WBE and social enterprises also receive outcome payments when PBO3 participants transition to and maintain employment beyond the social enterprise sector.

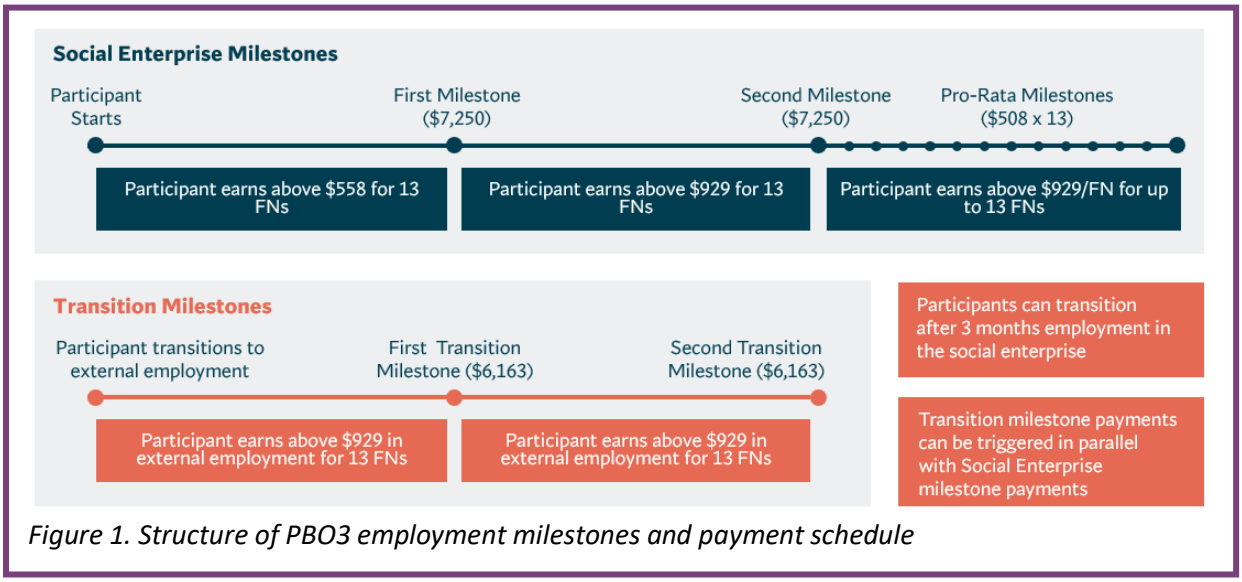


Figure 1. Structure of PBO3 employment milestones and payment schedule

Government payments have been supplemented by upfront working capital from three social impact investors. Additional supplementation has been provided through philanthropic donation/grant capital and pro or low-bono contributions from various professional service providers for trial design and evaluation.

Concurrent policy reforms in employment services and the potential role for jobs-focused social enterprises

While PBO3 is an initiative that has emerged from the Government's SII agenda, it is being implemented at a time when jobs-focused social enterprises (or WISEs) are being identified as service providers that may have a role to play in a reformed employment services system (The Committee 2023).

Government reviews of employment services and disability employment services consistently call for changes that will improve employment outcomes for people seeking work, particularly people who have experienced long-term unemployment (Commonwealth of Australia 2023a; The Committee 2023; Commonwealth of Australia 2023b). According to government reviews and scholarly research, limitations of existing employment services systems arise from:

- A short-term 'work-first' approach that seeks to place participants in any available job, regardless of whether it is the right match for their goals, strengths and needs, or offers any job security or pathway to sustained employment (Campbell et al. 2024; Commonwealth of Australia 2023a; Casey 2022);

- A deficit model that disproportionately focuses on improving individuals' employability, without adequate attention to engaging employers and creating inclusive employment opportunities (Campbell et al. 2024; Commonwealth of Australia 2023a; 2023b); and
- Inadequate collaboration between the various programs and systems that support people with their employment and other needs (Collie et al. 2018; National Social Security Rights Network 2019; Orygen Youth Health Research Centre 2014; Roulstone et al. 2014). Inadequate collaboration between programs and systems becomes a barrier to employment in and of itself. It requires service users to spend time and energy navigating services instead of participating in the labour market, if that is their goal.

Stakeholders have called for policy reform and social change to increase equitable access to work (Commonwealth of Australia 2023a, 2023b). Some recommendations emphasise the need to centre the needs and voices of people in unemployment by:

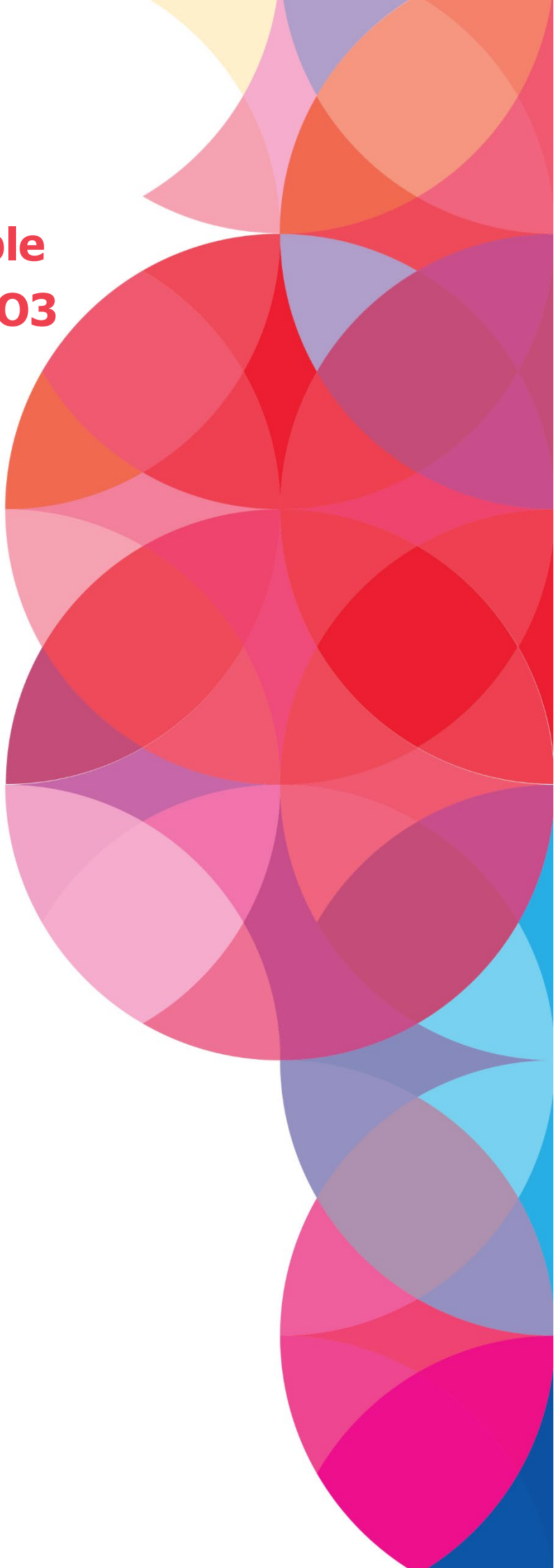
- Co-designing inclusive systems with participants themselves (Commonwealth of Australia 2023b; National Social Security Rights Network 2019);
- Providing employment supports that are based on a person's own self-determined goals (Mental Health Council of Australia 2009; Commonwealth of Australia 2023b), and enabling choice and flexibility of employment supports and work (Gewurtz et al. 2018; National Social Security Rights Network 2019; Commonwealth of Australia 2023b); and
- Providing supports for healthcare, housing, and other factors that can contribute to employment barriers where needs are unmet (Collie et al. 2019; Commonwealth of Australia 2023a).

In a recent review of social enterprise research, Barraket et al (2019) concluded that jobs-focused social enterprise offer an alternative people-centred approach to mainstream employment solutions. Evidence shows that the people-centred approach that is common among jobs-focused social enterprises is particularly effective for people who face complex barriers to employment, and who require more tailored and personalised employment support services.

Accordingly, several government reviews and inquiries have introduced jobs-focused social enterprise into discourse about employment services reform, considering the potential role of jobs-focused social enterprises within reformed employment services systems in Australia (Khan and Barraket 2024). The Government's White Paper on Jobs and Opportunities (2023a) and Rebuilding Employment Services report (The Committee 2023) both consider jobs-focused social enterprises to present opportunities for addressing place-based disadvantage, enabling people who face barriers to employment to develop skills and then find or create well-suited pathways to further employment. In the context of the Disability Royal Commission, social enterprises were framed as potentially important actors that could help phase out segregation and sub-minimum wages for people with disability—whether through the transformation of Australian Disability Enterprises (ADEs) or as employers of people with access to supports through NDIS (Commonwealth of Australia 2023b: Part B).

Evidence gathered as part of PBO3 implementation and evaluation is thus pertinent for decision-making about the appropriateness of outcomes-based funding options for enabling government, employers, service partners and communities to partner to support people who are not currently well-supported by existing employment services, into sustainable employment.

PART A | Outcomes for people participating in PBO3



Outcomes for people participating in PBO3

This section of the report aims to connect the reader with people participating in PBO3. It shares participants' reflections on the effect that employment in a social enterprise has had on their lives. The research team gathered these reflections via a survey and in-depth interviews.

Overall, participants said that working in jobs-focused social enterprises had brought about significant positive outcomes in various interlinked areas of life. This included their employment circumstances, financial circumstances, sense of connection and belonging, health, and choice and empowerment. This aligns with findings from the first wave of data collection for this Evaluation (see Suchowerska et al. 2023) as well as scholarly evidence of the benefits of being employed in social enterprise (Barraket et al. 2019).

There were some areas of life that people said had not changed or had gotten worse for reasons that were sometimes related to and other times unrelated to work. Areas included health, financial skills, and housing. Sometimes, stability (or the absence of change) was positive. Stable housing, for example, often enabled stable employment, whereas changes to housing coincided with a lack of progression at work or disrupted employment.

Alongside findings from the survey, this section includes more in-depth stories and reflections that are in the words of seven people participating in PBO3—Melody, Kade, Ethan, Lia, Ben, Joseph, and Brett. Their stories and reflections frame social enterprises as actively inclusive workplaces that enable employees to sustain employment and navigate other needs and commitments in life. The reflections also reveal a diversity of outlooks among people participating in PBO3 about future employment. Some participants are feeling that they have outgrown their social enterprise workplace, others are uncomfortable about the expectation of moving to a new employer, and others feel safe and supported in a social enterprise that provides ongoing employment. These findings align with literature showing that sustained employment outcomes are influenced by the match between a person and a job, the level of support provided within a work environment, and (for people managing health or disability), strategies for balancing work, health and life (Williams et al. 2016).

A note about survey data

Most of the survey findings presented here reflect the experiences of participants who continue to be employed by social enterprises. People who have exited PBO3 or have transitioned to new employment were also invited to complete the survey, however a low response rate meant a representative sample was not achieved (see Appendix B). The report therefore treats these responses as case studies that provide important insight into the diversity of experience.

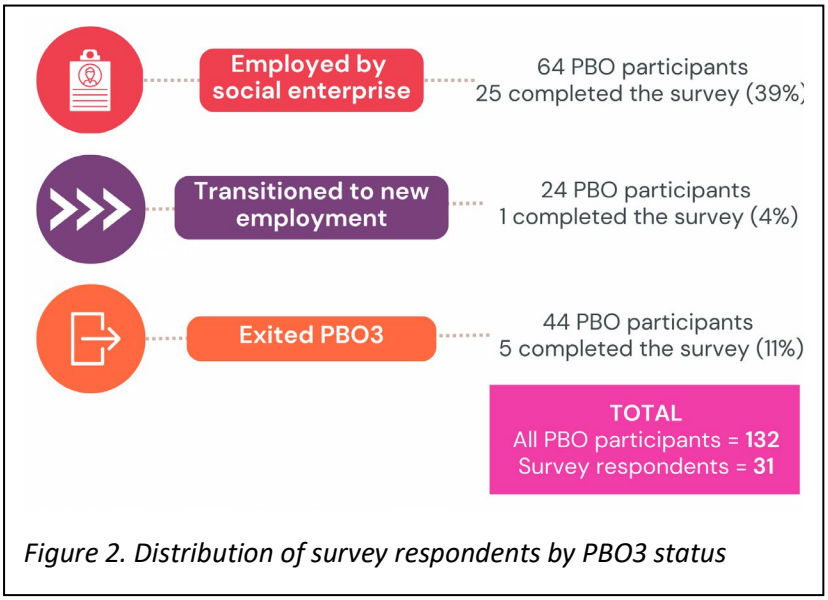


Figure 2. Distribution of survey respondents by PBO3 status

Survey results

Widespread improvements in PBO3 participants' employment circumstances, skills and development

Four in five respondents (80%) who were working in social enterprises reported that their employment circumstances had improved over the last 12 months. The remaining one in five respondents (20%) said there had been no change to their employment circumstances during that time. Reflecting on why there had been no changes in some areas of life, respondents generally considered that their circumstances were satisfactory or positive and not in need of improvement (see Figure 4).

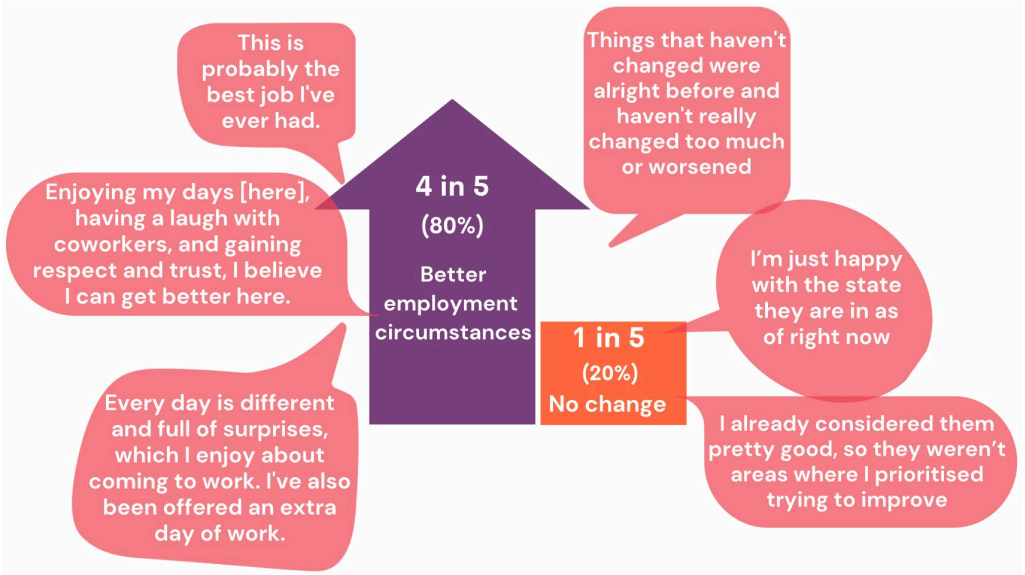


Figure 4. PBO3 participants' employment outcomes (n = 25)

Respondents valued the support they received from their employer to develop skills, including opportunities for formal qualifications (see Figure 3). Almost three-quarters of respondents (72%) said their skills and development had improved over the last 12 months. Almost one quarter (24%) reported no change and only one respondent (4%) reported their skills deteriorated. Almost three in four respondents (71%) had been working in social enterprise for over 12 months and so may have felt that they received most of their training earlier in their employment.

There was an overlap in improvements in employment circumstances and improvements in skills and development, with more than two -thirds (68%) of respondents who were working in social enterprises reporting that *both* areas had improved for them over the last 12 months.



Figure 3. PBO participants' skills and confidence outcomes (n = 25)

Improvements in PBO3 participants' financial circumstances in the context of rising 'cost of living'

Almost two-thirds (64%) of respondents still working in social enterprises reported that their financial circumstances (i.e. their ability to pay for basic expenses like bills and groceries) had improved over the last 12 months. In their own words, respondents explained that their financial circumstances had improved because they had been able to establish some savings and/or their employment income had eased financial pressures in a cost-of-living crisis (see Figure 55). While no respondents said that their financial circumstances had deteriorated, 32% said that they had not changed. One respondent in this situation reflected that their improved financial position had not necessarily made basics like food and power more affordable.

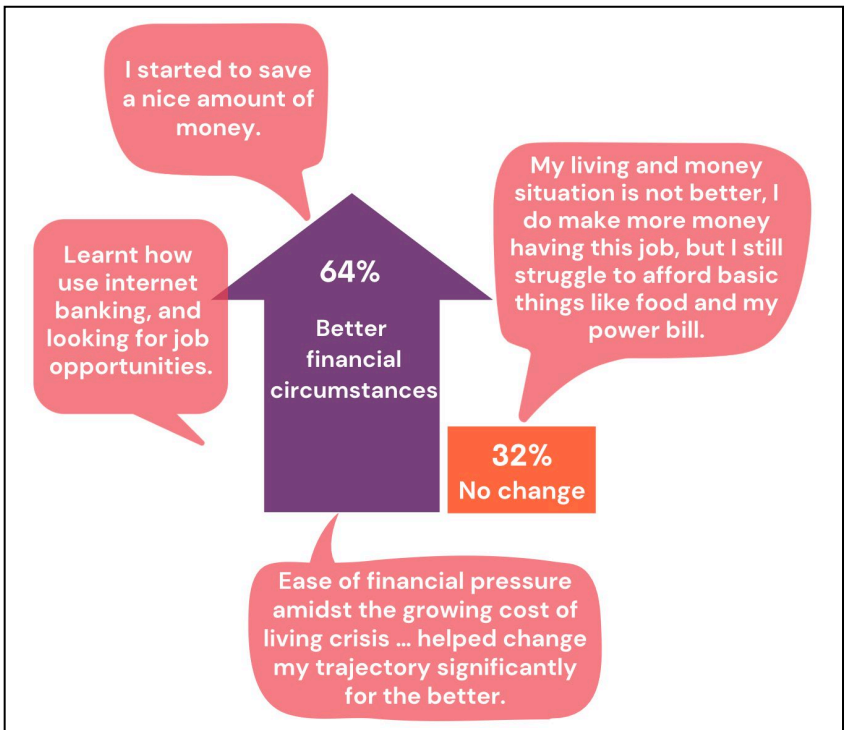


Figure 5. Impact on financial circumstances (n = 25)

While financial circumstances improved for 64% of respondents working in social enterprises, it was less common for respondents to say that their financial skills had improved. Less than a third (32%) of respondents reported improvements in financial skills, and two respondents (8%) said that their financial skills had gotten worse. It was most common for respondents to say that their financial skills had *not changed* in the last 12 months (48% of respondents still working in social enterprises) (see Figure 5).

Feeling that one's financial circumstances had improved was meaningful for PBO3 participants, half (50%) of whom identified money issues as a barrier they faced in life at the time of the survey (see Figure 6). When reflecting on why this barrier existed for them, some reflected on the rising 'cost of living', particularly with regard to housing and health care (see Figure 66). For others, financial literacy was a barrier to improving their financial circumstances. Some respondents felt they were not budgeting successfully, or not tracking their income and/or spending.

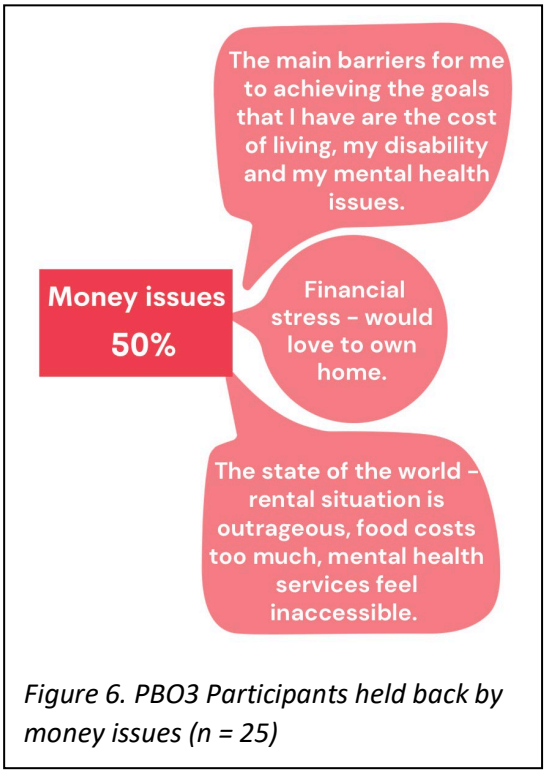


Figure 6. PBO3 Participants held back by money issues (n = 25)

Improvements in PBO3 participants' sense of routine, purpose, and belonging

When reflecting on the impacts of employment on their lives, survey respondents often said that in addition to enabling them to establish a financial base, employment gave them a new sense of routine, enabled them to feel busy or active, and strengthened their sense of connection (Figure 78). Indeed, more than three-quarters (76%) of survey respondents working in social enterprises reported that their sense of belonging had improved over the last 12 months. A stronger sense of belonging was enabled by making friends at work, and feeling a sense of community with like-minded people.

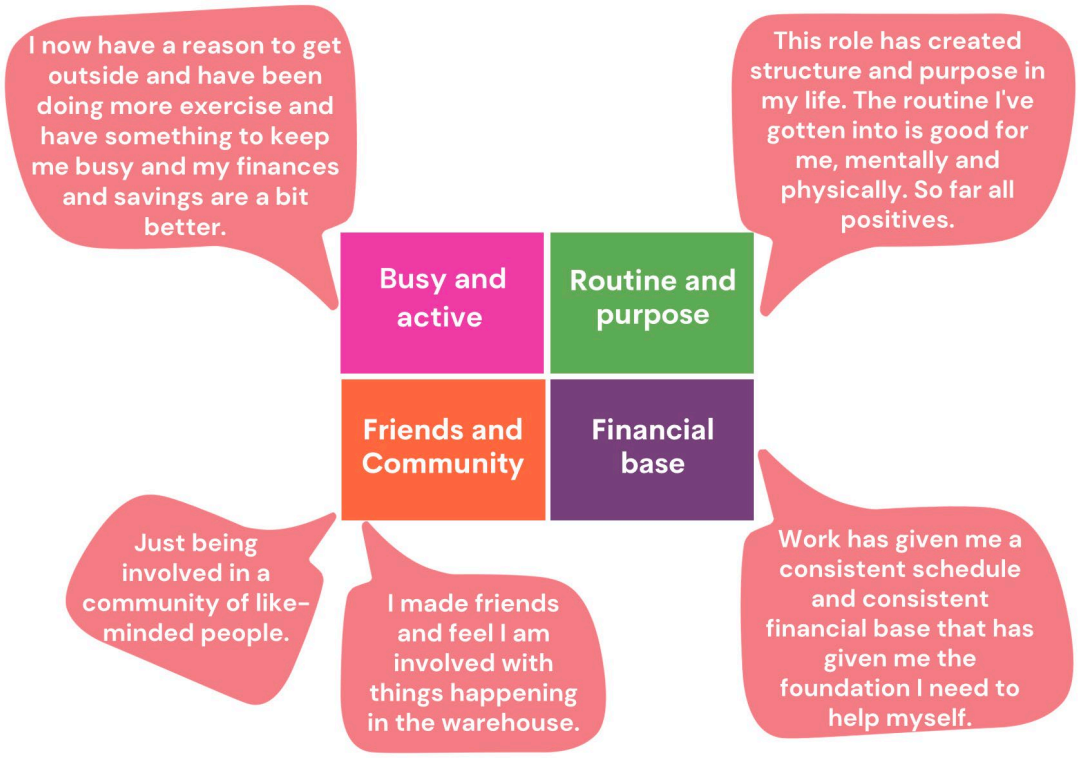


Figure 7. Impacts of employment on daily life (n = 25)

Feeling a sense of purpose and connection, and being active with a routine were important to survey respondents, half (50%) of whom said that a lack of motivation and feelings of helplessness were barriers they faced. Half (50%) of these respondents said that their employer was helping them with their lack of motivation and feelings of helplessness.

More than three-quarters (76%) of respondents working in social enterprises reported an improved sense of choice and empowerment.

Changes in health and personal situations of PBO3 participants varied, and were not always a result of employment

Almost two-thirds (64%) of respondents working in social enterprises reported their mental health had improved in the last 12 months, and more than half (56%) said their physical health had improved. There was an overlap in better mental and physical health, with 44% of respondents reporting that *both* had improved over the last 12 months (see Figure 8). As illustrated in PBO3 Participants' stories (see next section of this report), mental and physical health outcomes often stemmed from a sense of routine, wraparound support from dedicated staff, sense of belonging to the workplace, and a strong sense of choice and empowerment.

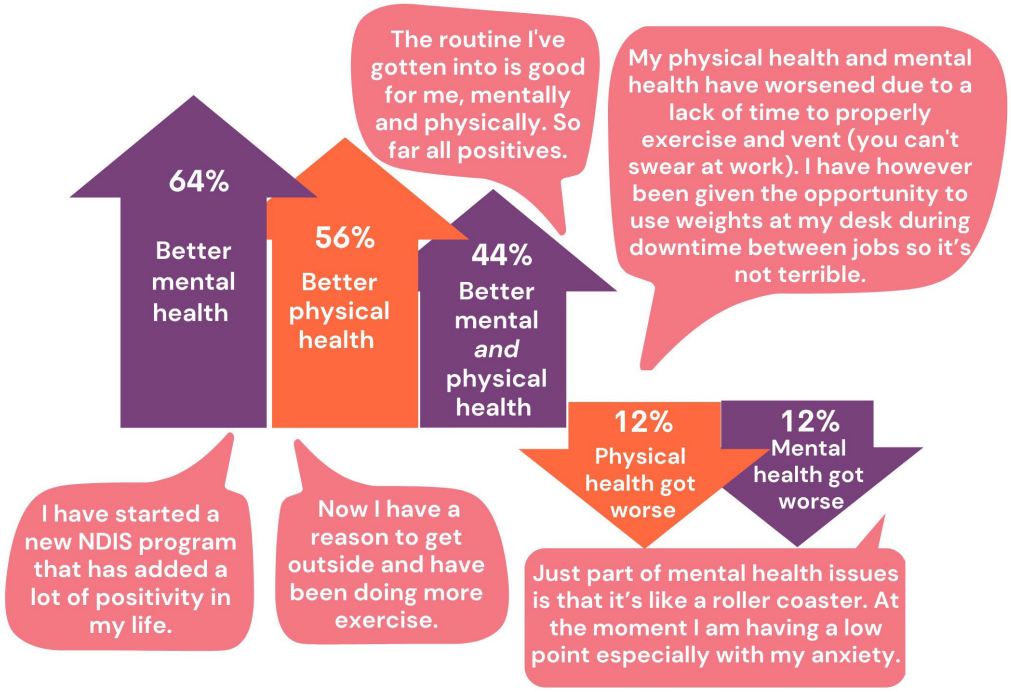


Figure 8. PBO Participants' experiences of mental and physical health (n = 25)

Although most respondents reported health improvements, one in five (20%) reported a downturn in either their mental or physical health. Echoing findings from the first PBO3 Evaluation (see Suchowerska et al. 2023), a deterioration in health was the most commonly reported negative outcome over the past 12 months. Reasons were sometimes work-related (e.g. disruption to previous routines, and limited time to exercise) and sometimes not related to work (e.g. the 'rollercoaster' of mental health issues). A respondent with a long-term health condition who reported 'no changes' in their health stated that their "ongoing personal health issues have been an ongoing challenge but no different from any other period in my life".

Improvements in mental and physical health were important to survey respondents, with 'personal situation—including mental health, drugs and alcohol, personal trauma/crisis' being the barrier most commonly experienced among survey respondents working in social enterprise. Several respondents commented that external stressors and ineffective systems had caused these 'personal situations'—for example, lack of access to appropriate or supportive healthcare, stress related to studies, and ableist environments that didn't adequately support people with disability (see Figure 11).

More than half (54%) of respondents said that their personal situation was a barrier in their lives and one-third (33%) said that their social enterprise employer was helping them improve their personal situations. Help from social enterprises was received in the context of many respondents struggling to find help and support elsewhere–whether it be not knowing what services were available (38%), feeling guilty about reaching out for support (25%), inadequate help or support from services (25%) or low trust of services and government (8%).

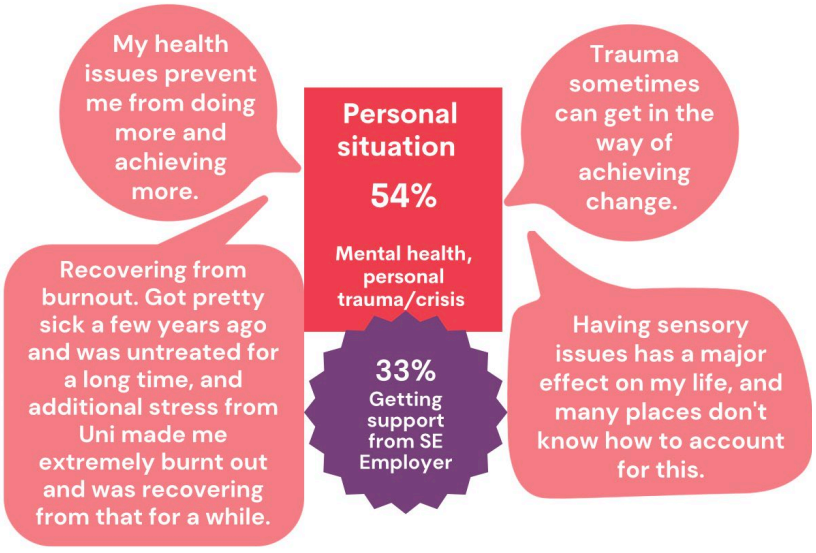


Figure 9. Personal situation a barrier in life (n = 25)

Stable housing is a foundation of employment and employment-related outcomes

When asked whether their housing situation had changed in the last 12 months, almost half (48%) of respondents who were working in social enterprises reported no change (see Figure 10). Alongside financial skills, housing was the most common area of life that had not changed for respondents. It is unclear why 20% of survey respondents felt that a question about changes in their housing was 'not relevant' to them (see Figure 10).

Survey and interview data in this evaluation together frame stable housing as an enabler of stable employment and employment-related outcomes, with a change in housing often coinciding with disruptions in employment. Nevertheless, some respondents explained they were 'still' in the same house or 'still' living with their parents (see Figure 10), suggesting they were not in their preferred living situation. Almost one-third of respondents (29%) said that "housing issues" were a challenge or barrier that they currently faced in life. This intersects with housing affordability issues in Australia (Australian Institute of Health and Welfare 2024).

The stories and reflections of participants that are shared in the next section of the report, illustrate that continually moving

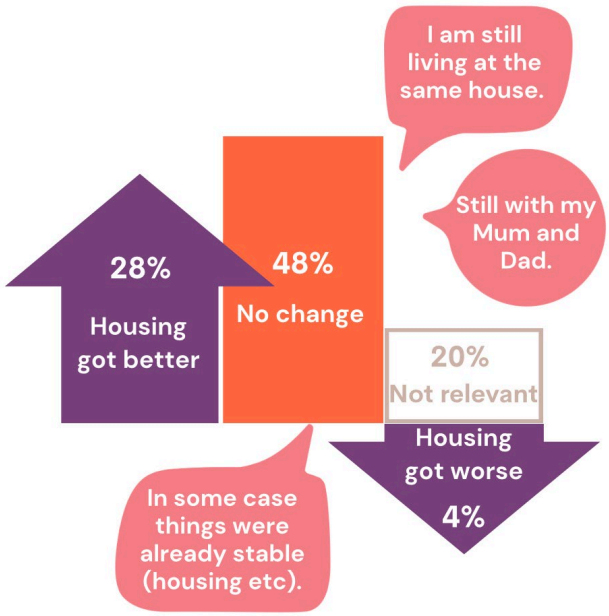


Figure 10. Housing was often stable for PBO3 participants (n = 25)

house made it difficult for one PBO3 participant to progress in their social enterprise (Ethan), and moving to regional Victoria caused another PBO3 participant to exit the PBO3 altogether (Joseph). Other PBO3 participants reflected on earlier periods in life when a change of housing had disrupted their employment.

Input from social enterprises showed that for 11% of the PBO3 participants who had exited the trial, the disruption in employment was due to 'moving away' (noting that this was a change, and not necessarily a deterioration of housing). Housing is a factor that social enterprises have limited control over, particularly with long wait lists for affordable housing that is in low supply. It highlights that while social enterprises may work with employees and service providers to address employees' housing needs, sometimes only emergency housing is available, and exits from employment programs can happen for reasons beyond the program or employment itself.

Participants who have exited PBO3 and are not in paid employment reported varied outcomes

Only five PBO3 participants *who had left their social enterprise and were no longer working* responded to our survey. These participants had exited their social enterprise employment without transitioning to other work. The most common reason for exiting the PBO Trial was a change in personal circumstances, as shown in Figure 11 on the following page. While the five survey respondents are not representative of all participants who have exited PBO3, it is insightful that their responses varied in terms of whether they felt their lives had improved or not since finishing up in their social enterprise.

Two respondents said that on balance, important areas of life had gotten worse or had not changed since exiting their social enterprise employment. For these respondents, *"Losing a job means no sense of security or fulfillment"* and *"Since leaving the trainee program I did not have a job to go into. Job search was the same: applying but not hearing back. I had a daughter on the way and between finding a job and trying to manage, it put me in a mentally difficult position."* Both respondents said that they were struggling with money issues, transport issues, their personal situation, inadequate help and support from services, and a lack of personal motivation, with 'motivation' and 'mental health and social anxiety' being their biggest barriers, respectively. When asked what kind of support they were getting from their social enterprise, both respondents stated *"I don't get any support from the social enterprise anymore"*. These PBO3 participants were in their early to mid-20s.

In contrast, two participants who had exited PBO3 said that on balance, life had improved. The reasons for things getting better without employment were that they felt: *"more financially stable and have a new routine. More social and getting to know the area."* And *"I felt stronger and more healthier"*. Both respondents said that their previous social enterprise employer "check-in with me to see how I am going". One respondent stated that they knew they could contact the social enterprise if they needed help with something, that the social enterprise could talk to a new employer to help them understand how to best support them, and that the social enterprise could tell other employers that they were a good worker.

A fifth survey respondent who had exited PBO3 reported that life had improved in some ways, but gotten worse in other ways. This person said they were no longer receiving any support from the social enterprise.

Anecdotal reporting to WBE (by social enterprises) indicates that the primary reason that PBO3 participants exited the trial was a change of 'personal circumstance'. This included personal health crises, medical procedures, moving away from social enterprise location, housing, child-care commitments, and pregnancy. As illustrated in Figure 11 (right), this applied to almost 2 in 5 (39%) of people who have exited PBO3.

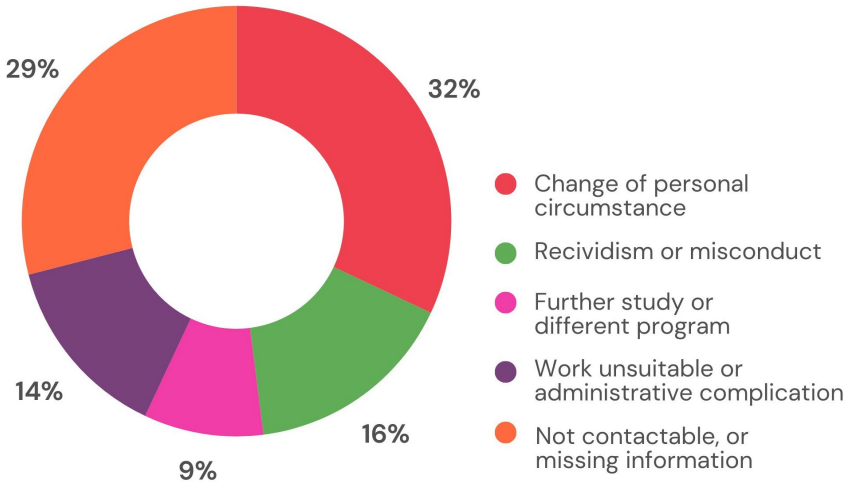


Figure 11. Reasons participants exited PBO3 (data source: social enterprise and WBE records)

Participants' stories

This section connects the reader with seven PBO participants who have consented to share their own life experiences here in their own words. While the seven PBO participants do not know each other, their stories consistently illustrate the transformative potential of employment in jobs-focused social enterprises for people who have faced complex barriers to meaningful, stable employment—particularly when this employment provides stable, award-wage employment and wraparound support that enable people to manage and get through adversities in other areas of life.

The seven PBO participants are at different stages of their employment journeys with social enterprises. Kade, Ben, Melody and Brett[1] have a sense of stable employment in their respective social enterprises and are growing with confidence, new skills, networks and optimism about the future. Ethan continues to be employed by a social enterprise, however, having faced housing instability over the last 12 months, feels that he has not been able to progress at work as much as he would have liked to. James also moved house recently (albeit out of choice) and had to end his employment at a social enterprise due to distance. Finally, Lia's seven-month contract with a social enterprise ended, and although they are doing their best to manage their health, they do not currently feel they can work.

Participants' experiences illustrate how navigating life's challenges inside and outside of work cannot be considered in isolation from each other—i.e. that one's employment is inextricably linked with skills development, housing, health, friendships, and one's sense of self are knitted together. For example, housing stress can affect one's mental health which can impact one's ability to focus and progress at work. For PBO3 participants, having a period of stable, paid employment and wraparound support enabled them to get through adversities in other areas of life or manage ongoing health and other conditions. The actively inclusive nature of work and the workplace in social enterprise promoted sustained employment, with many participants having had disrupted employment histories because they were not able to find employers that were open to adjusting to their needs.

The following stories are in PBO participants' own words. All participants reviewed their stories and provided approval for them to appear in this report in their current format.[2]

[1] Pseudonyms are used throughout this report

[2] *Participants are aware that while they have been given pseudonyms, people who know them will be able to identify who they are.*

Melody

EMPLOYED BY SOCIAL ENTERPRISE

Melody experiences a strong sense of purpose when engrossed in her many and varied hobbies. She has had various jobs, which she has found relatively easy to get but difficult to hold on to. Employers' demands have rarely aligned with her changing needs, abilities and strengths. Melody starting working at Ability Works in administration roles. But when her skills and strengths (many of which developed out of creative hobbies) were noticed by her employer, she was able to take on a customised Multimedia Communications Specialist position. Melody is passionate about inclusive design, and is pursuing further study in this area with support from Ability Works. Melody says that Ability Works is one of the better workplaces she's worked in.

I think my hobby is collecting hobbies. I've done photography, videography, special effects makeup, nails. I know how to cut and dye hair. I'm learning to tattoo at the moment. If I don't have a hobby, I have no sense of purpose. So that's when a job comes in handy.

I've had a lot of jobs. The most recent one was at a Japanese restaurant. Did I enjoy waitressing? No. But hospitality is the easiest place to get a job. I couldn't work as much as they wanted but I was competent, so they let me dictate my hours. And so I was able to ride that out for longer than I normally would. But then I ended up in a weird living situation, and I had to move to my nan's in regional Victoria. So I had to quit.

I have had a hard time holding on to work because of health reasons. When I was working in the sushi place, I was taking ibuprofen and paracetamol for every shift. If I had two shifts that day, I'd have one lot at the start of the shift, and another at the start of the next shift. Just to get through it.

I am officially diagnosed with mental disabilities. But I'm not officially diagnosed with anything physical, although I have been seeing doctors for the past 10 years regarding my physical health and they just - they can't figure out what's wrong. They've done all the tests. The only thing that they can tell me is that I have high inflammation. So I get a lot of pain. I'm very easily fatigued. And I have no piece of paper saying why that happens. So it's difficult to be like, "Oh yeah, I'm physically disabled." Because when they go, "Oh, how?" I'm like, "I don't know. I just am."

I've been linked through lots of job service providers. I've had to change sometimes because they're just incompetent or ignorant. They pushed me into a full-time role that I just couldn't cope with. If I didn't take the job, I'd lose my Centrelink. Six months later, they're like, "Hey, we're going to let you go because you clearly can't hack it," and I'm like, "Ah, I knew it."

I got my job at Ability Works through my job service provider. Part of the agreement was that I would meet my minimum Centrelink requirement: 15 hours a week. I started on two eight-hour days. I'm currently working three days a week—one full day in the office and then two five-hour days at home. I'm still technically a Centrelink recipient. I don't earn enough to lose my Centrelink. A fourth day of work would cancel out my Centrelink. So it would only be worth increasing my hours if I did the fifth day as well.

I was originally hired as administration for the customised employment department. And then I made some flyers for them and they were like, "Oh, these are actually really good. We have an expo coming up. Can you make a flyer for each department?". And I did that. And they were like, "Okay, so here's a couple other graphic design projects. And we don't have anyone running our website. So, can you do that?" And it just snowballed into this creative design thing. They moulded this role

for me. I sat down with the boss, and I was like, “So, what are we going to call me?” And we came up with: Multimedia Communications Specialist. I was like, “I don't feel qualified to have that title.” But it's essentially what I do.

When I started doing all this digital stuff, I never would have been like, “Oh yeah, I want to be a graphic designer.” And I never really thought of digital accessibility as where I wanted to go, but it makes a lot of sense. Those things are already in the front of my mind. I don't watch anything without subtitles. I picked up my skills mostly out of curiosity. I’ve recently signed up to accessibility training through Deque University and that's going to be something that I continue to do. I think that it's becoming more popular for people to want to hit that AAA-WCAG accessibility criteria. And so, even if I moved on from Ability Works, I could still find work even as a contractor, being hired by companies to set up accessible marketing materials and stuff.

Ability Works did say to me that part of the employment agreement was that I would move on. I can understand the purpose of it… there were four of us hired at the same time through the PBO, and I can imagine two, maybe even three of them wanting to move forward. But because of the way I progressed through the company and now have this whole role curated to me, basically, I’m like, “I’m not going to get much better than this,” not at least until I perfect what I am currently doing. I’m right at the start of doing all the inclusive design training and getting those certificates.

And the CEO was like, “We don't have anyone like you. You're a valuable asset. So if you want to stick around, you can.” And I was kind of like, “Well, yeah. It'd be great to work somewhere closer to home, but that's about it.” I get paid fairly well because I’m a casual. They're super understanding - because they work with people with disabilities, so they can understand when I say, “Hey, I’m having a bad day today. I can't go to work.” Ability Works is a very community kind of workplace and it is one of the better workplaces I’ve ever worked in.

Ethan

EMPLOYED BY SOCIAL ENTERPRISE

We first met Ethan in 2023, when he shared with us how getting a job at Australian Spatial Analytics (ASA) had helped him get back on his feet after 20 months of unemployment during the start of the COVID-19 pandemic. He told us that he found 'his people' at ASA and found it 'amazing' to be able to 'mask off' in the workplace. In this second instalment of his story, Ethan recounts his recent experiences of unstable housing, having moved house five times over the last 12 months. This has impacted his work life. Ethan feels that he hasn't progressed at work because he has been dealing with life outside of work, while others have moved 'up that chain'. Ethan is optimistic about finding new employment beyond ASA. He has completed a Cert III in IT while at ASA, and this gives him confidence that he will find new work when the time is right. Ethan sees himself as the 'biggest blocker' to progress in his career.

I've always just wanted to come to work, work, go home, fall asleep, wake up, come to work. I once worked in a café: 10 hours a day, seven days a week. And that was amazing. You don't have time to distract yourself. You don't have time to be bored. You don't have time to be depressed. You don't have time for anxiety. You just do stuff.

I think when I was last talking to you I was really interested in learning how to code, getting into the software development side of things. But now, being here at ASA, interacting with my co-workers, I feel almost like a management position, where you direct the flow, as opposed to pushing buttons, might be more suited to me.

Building up the interpersonal relationships between my co-workers has been really interesting. It's gotten to the point now where just about everyone in this office has told me a secret. It's a lot of pressure. People are being so open and honest with me. I've been told my whole life, you're autistic, you have social disabilities, you're not going to be able to understand people as well as you should be able to. But here it's like – I feel like Sid in Ice Age; I've discovered all the other sloths. You know what I mean? These are my people. They're exactly like me. I understand them.

We all started as Junior Data Analysts. They were then promoted to Data Analysts and then eventually they've been promoted to what's now known as Lead Data Analysts. And it's just moving up that chain. I have been stagnant at work due to the moving house. I've actually had to move five times. I moved out of the first place because of increasing rent prices. So I moved out of there, in with a friend and then I moved out of his house in with another friend. And then I moved out of there. The last place I was at, I had to move out of because one of the roommates there had a gun. Having a gun pointed at you is pretty low.

Then, one of the people who works at ASA was like, "Hey, come live with me. I live with my mum and we've got a flat out the back that we need a boarder." So I signed up for that. And that's been going great.. When he's coming into work, because he's got a car, he'll drive me to the train station and we get the train in together. Otherwise, I can get a bus. The bus is faster, but I go for the car ride for the social aspect of it.

I do want to start exploring job opportunities outside of ASA, though. I've now got a Cert III in IT on my resume. So that's going to make getting a new job super-duper easy. My biggest challenge is just having the motivation to actually put into practice what I want. I came to terms with... if I wanted to be a coder I would be a coder already. There's no excuse. If you want to learn how to code Python, Java, C Sharp, anything like that, there is enough content on YouTube that you can get yourself

to the point where you are effectively already qualified, before you even gain employment. If you really wanted to do that, you would do it. And so, me saying, “I want to be a coder. I want to be a coder. I want to be a coder”, I’m not actually doing anything about it. So I need to actually start doing stuff.

For me, finding work at a different company is mainly for the money, I’ll be honest with you. I really do still feel like I owe ASA, because they have been so good to me. They hired me when I was unemployed and they got me a Cert III in IT. ASA puts a lot of emphasis on the outboarding process, to make sure that people can get employment outside of ASA. Because the point of ASA isn’t ‘this is your forever home’; it’s, this is the first stepping stone, this is what gets you off of your arse. They help us redraft our CVs. They bring people in to talk to us. They're constantly talking with City Hall and getting opportunities through them.

There is an opportunity at the moment, but I shouldn't sit here and relax and wait on them to hire me. There is a level of chaos in the world where just shit happens for no reason, so it’s important to give yourself as many opportunities, as many rolls of the dice as you possibly can get.

ASA organised a meeting with a CEO… he sat in this chair, right next to me, and he put a presentation on that TV and he told us about his company. He said, “We're looking for one of your Data Analysts to come and join us.” And I was like, “Hello.” I’m very excited. I’d love to get paid more. That's all I’m thinking about, is the money. But if I’m not up to the standards of this new company, well, I really need to take another good hard look at myself and where am I going and what am I doing. I believe that ASA support you for at least a couple of weeks after you gain employment at a new place. And if I was to fail at this opportunity, I would still have my position here at ASA. They're not going to kick me out.

I heard something recently – the longer someone is unemployed, the harder it is for them to re-enter employment, to the point where if you've been unemployed for five years, your chances of gaining employment in the rest of your life are slim to none. So getting – especially young people back on their feet, getting people back into the workplace is not only social good, it’s a necessity.

Lia

EXITED PBO

We first met Lia in 2023, when they shared with us their story of moving to Brisbane and struggling to find work through the start of the COVID-19 pandemic. When we met Lia, they told us about how they were thriving in a digital marketing role. That seven-month contract has since ended and Lia has not yet transitioned to new employment. They are experiencing a downturn in their health because they are unable to pay for the health care they need. Lia says that employment was 'a very positive experience' and that they developed a friendship with a colleague that continues today. Friends have been instrumental in keeping their spirits up.

Employment's important because it actually makes me feel productive. Having work shows that I am doing something, and that has a really big effect on my mental health. If you aren't doing anything, you feel stagnant.

We all knew when our jobs would end. The contract was for seven months. We all signed the contract, obviously. I would have preferred to be permanent, but that's just me. I was trying to show myself and say, "Hey, I can stay on if you want me to. I can do this kind of stuff." My instructor for the course said I was basically her right-hand man. I had similar feedback from others. I didn't do the greatest at social media, but I did well at colours, branding, all that stuff.

The entire time we were employed, we were encouraged: "If you have downtime and you want to, you can look for jobs." We were encouraged to do that, because that was the main goal of it all, was to get us into the same kind of field or anything, really. So, we were encouraged the entire time to work on our resumés and apply for jobs.

We had dedicated days where the job coach would come and help us look for jobs or help us work on our resumé so that we could get appointments once we left. On one of the days, the job coach took me out to hand out a few resumés to try and get the work I wanted. I got a call back from one place, but obviously, I was too honest about my vision and stuff. So, they ended up not offering me anything.

I'm chronically disabled. For my specialist appointment, I was told it would be a wait time of two years. And to be completely candid, I had this joke, in quotes, of saying, "I don't know what's going to happen first. I see the specialist or I off myself." As brutal as that sounds. But don't worry. As much as this gets me down, I don't have suicidal ideation.

Friends have been keeping my spirits up about shit. If I was doing this alone, I don't know how I'd be. But because I have friends from my time working in the social enterprise, I have people to keep me up. I'm pretty good friends with a former colleague and through him, I've met a larger group of friends.

But I don't think I can work as I am now. And I can't get the money to see a specialist to fix this.

My job in the social enterprise flipped that cycle. While I was working, I didn't have many health issues that I needed to see the doctor for. I had colds and stuff but I didn't have any chronic health condition issues.

I could let this get me down, but I don't want it to. I'm just trying to work through the day-to-day issues of being sore. It's even hard to be expressive at times. Being less expressive also seems to have an effect on my mental state, because you can't show your proper emotions. You just can't express them physically.

Still, I'm ever grateful for the work experience that I had—both professionally and just life experience. I've done physical labour and computer stuff now. I've been able to actually put recent jobs on my resumé. In my previous pallet-making role, I was put on as team lead

while my manager was doing other stuff. I'm going to put that on my resumé to show that I'm responsible and can actually manage a team and get my jobs done. I also definitely developed some more social skills, which are needed both in the workplace and outside.

I'm just glad they took a chance with me. If you say you have disabilities, a lot of businesses see you as a liability, in essence. I feel, anyway. They don't even get back to you—not even a rejection. I just get ghosted, no answer, time after time. It really puts a damper on your mental state around the job search. It's much easier to look for a job when you're already employed, because you know you have the financial backing to keep living. It's not stressing you out.

So it was definitely a very positive experience, just being employed for a bit. Just, having a period in my life where I didn't have to worry about money. I knew I had the consistent income of being salaried. Even when on holidays. So, having that salary whilst looking for a job and upskilling. I had that time where I could decompress and develop friendships.

Brett

EMPLOYED BY SOCIAL ENTERPRISE

Brett can make coffees as well as weld. He also has a good arm for bowling in cricket. In his current role at Clean Force, Brett does stocktaking in the warehouse on some days and heads out in the gardening crew to whipper snipper and tidy hedges on other days. Brett says that Clean Force is the first place he's worked at that understands the support he needs to best manage his mental health. In the past, his mental health has affected how long he could stick at a job for. At Clean Force, Brett started with 20 hours a fortnight, which he has since doubled. His goal is full-time work but he doesn't feel ready for it yet. For Brett, employment enables him to be part of the community. It has enabled him to grow and given him confidence. The income enables him to 'live a better lifestyle'. It is part of his identity now.

I grew up in regional Victoria. When I was young, I was a bit of a dreamer. I always wanted to be in a metal band and play in front of crowds around Australia. I play guitar. I was part of a Hardcore punk band a long time ago. That was like my dream.

But job-wise, not sure what I wanted to do. My first job was on a paddlesteamer making coffee, serving drinks, doing dishes, taking out meals. My mum had worked for the hospitality group in the past. So that's the link I had to get my first job. I've done other jobs like furniture removals, which I got through a mate. I've done a little bit of welding and steel work, again, through a mate. I've had different jobs, but I never really got them through an employment agency.

I got the job at Clean Force through my social worker. She knew that it was in my goals to be employed. She said to me, "I know this company called Clean Force" and she said how good the people are here and she reassured me they're really good people.

I still remember my first day. I was waiting in reception. I was very nervous. And the manager said, "Well, make a coffee." So I made a coffee. Then I was given my task sheet. The manager helped a lot by showing me how to do things. He told me what to do. I'm looked after here.

I started out doing just two shifts a week, about 20 hours a fortnight. I've doubled that. I started out in the warehouse, doing chemical stock, what we need, what we don't need... hand towel, toilet paper, compact towel, ultra slim towel, just making sure they're all there.

Then, I eventually upped it to three days a week and then they introduced me to the gardening crew.

When I'm with the gardening crew, we whipper snip, we blow leaves, we do hedging, just commercial gardening stuff. I've learnt how to whipper snipper properly. I'm doing my best to learn different things. I sort of knew how to mow lawns because I used to mow Nan's lawn. But my co-workers have helped me refresh all them skills around gardening.

It's a good balance if I do a couple of days on garden crew then a day in the warehouse. Otherwise, wherever they need me, I'm happy to work.

The main thing about being employed is purpose. There have been periods in life when I've been unemployed. I guess I was stuck in a bit of a rut due to mental health issues along the way. Yeah. I didn't always have support around me.

I am challenged by mental health. I was about 18ish when I was diagnosed. It's affected how long I could stick at a job for. I'd get work and

then it wouldn't be long before I come undone because of lapses and relapses. I'd try to stick it out. But there'd come a time when I just wouldn't get up because lack of sleep through the night and then I was half asleep and I needed to get to work. Yeah, like I was – I used to try.

I've been stable now for a long time. It's ever since I found the right medication. I've been on the same medication for seven and a half years straight. I also had a lot of therapy. In the past, I didn't agree with my mental health. I'd jump on and off medication, I had no insight into what I was doing.

Clean Force is the first place I've ever worked that understand that side of things; that understand the circumstances and just that some people need a bit of support.

It was good that when I started, I could build up my hours. If I went to another place, they'd probably be like, "You've got to do five days, you've got to work this long." The chance I've been given here to just grow and progress is a lot more than I've experienced with other employment that I've had. Full-time employment is my goal. But there's external limiting factors at the moment.

My manager here knows my strengths and weaknesses. When it comes to working, he knows what areas I'm stronger in. We've been working together for a while now. I've been here for a year. It's gone super quick. Like, super quick.

At CleanForce, we spend R U OK day together. Christmas was awesome here. We had everything. We had music. There was heaps of roast. We had about 100 people. We filled out the warehouse. Then, last October, we did the grand opening here, which was kind of cool. Bill Shorten was here for that.

Employment allows me to be part of the community. It's helped me grow and it's given me confidence. It's good for my mental health. It's part of my identity now, this job. It's what I do at the moment. Like if someone asks you, "What do you do?" I can say this.

Money also comes into it. I can live a better lifestyle. I don't want to just be a bum on Centrelink. You know what I mean? I can afford bills and rent, my internet, my phone. It's just made things easier financially and just given me confidence.

There's really no negatives to say about Clean Force, to be honest.

On my to do list, is that I want to get back into cricket. I love cricket. I played it at a young age and it's just stuck with me ever since. I still remember playing my cricket like it was yesterday. That's where it all started, then we went to under-12s and then under-14s, 16s, and then I was playing a bit of B grade as a bowler. I had a good arm. I stopped because things changed. I never lost my love for cricket, but things changed.

Ben

EMPLOYED BY SOCIAL ENTERPRISE

We first met Ben in 2023, when he was starting out in the new Inclusive Design team at Ability Works. Since then, he has continued in his role as an Inclusive Design Projects Coordinator, developing his confidence, skills and professional networks. His role has given him the opportunity to interact with various stakeholders, including companies and advisory groups, and this has 'opened doors'. With increased confidence, Ben has taken up opportunities to demonstrate leadership within Ability Works and beyond, drawing on his lived experience to make the world a more inclusive place. While Ben wants to move to mainstream employment, he is tentative at times and questions whether other employers will provide an inclusive workplace, and whether he will be able to find a position that brings together both digital and physical aspects of inclusive design.

I'm an Inclusive Design Projects Coordinator at Ability Works. I used to work two days and as projects have become busier, my boss said, "look, I have two extra days, because we have many projects to manage." But I am studying as well, so in the end they were happy to approve another day.

At the moment we are working with a Transport Manufacturing company that makes trains and trams. Our team is testing whether their tram is accessible; what works or doesn't work. They have cut the frame in half so that you see the layout. They want to ensure it accommodates accessibility needs.

In my role, I help my manager work out who would be a suitable person for testing. So, we find people for our clients—people with low vision, people who use wheelchairs, or people with different disabilities… could be autism, or hearing loss. We specialise in finding the people that companies need in a short amount of time. I have gotten to know many employees here at Ability Works. It was challenging at the start. You have to get to know them and build up trust. I also help them travel and communicate.

After we do the testing, we go with the client to the meeting room and discuss; we debrief. It's my role to record the conversation. And then we write a report. We're starting the report for the Transport Manufacturer next week, and will present our findings to the consultant.

Last night we did way-finding at the level–removal crossing in Melbourne. We looked at how to find the station, the bus stop, the pick-up point, the carpark. Tactiles are a priority, especially for people with low vision.

We also did accessibility testing for a Telecommunications company. I was coordinating the project and was also a tester. I pointed out that on the accessibility page, they had suicide prevention services, mental health support and emotional assistance. I questioned it. They took it off the accessibility page. So that's Australia-wide. That's another achievement. I was at a conference where a lady said she was depressed because of her disability, but now she's proud of her disability. I was like, "it might have impacted her," if she's a customer of the Telecommunications company.

I'm learning every day and I'm becoming more confident. When you have the confidence, you can show leadership. If you don't have confidence, you're not pushing barriers. I was invited to join a Public Transport Accessibility Committee. That's opened doors. Someone at Level Crossing Removal said that I should be part of the advisory group for an infrastructure, building, rail company. Because he just found out that I'm part of the Public Transport Accessibility Committee.

When I was going to headquarters, I saw signage was quite high and it was quite small. I thought, "how can they improve that?". It's

feedback that is obvious to me because I've got lived experience. So that helps push that barrier. Most people don't understand, they're learning something new – which is great. It takes a while. People learn. Lighting, for example. With better lighting, I can see facial features. I can see you and I can lip-read. With shadowing, that can be challenging.

I got a scholarship to learn Web Accessibility' at Deque University, in America. They encourage people with different disability, or lived experience, to do the course.

Accessibility testing is still quite new and it's still mostly about physical accessibility. But we're heading towards digital. I'm a bit excited. At the moment, Ability Works is updating its website to make sure it is accessible. We had a colleague come on board who is more of a technical guy and we've had another colleague join us and is working on making the website accessible. So we have a little team to make sure it works.

For now, I'm not worrying too much about what's next. I'm just too busy. I'm working three days a week. Sometimes I'll be in the Accessibility Committee meeting as well. And I am doing my Web Accessibility course, which is a lot of work—a lot of reading, and a lot of testing. It's not easy. I've also been travelling overseas, just – because I needed a break. Just to reward myself.

I want to eventually move to mainstream employment to get a proper income. My boss talked with a client about getting me an advisory job there. My boss had a chat. But the problem is, they might be not ready for me. They're a big engineering company and maybe quite slow-moving when it comes to prioritising accessibility.

My employment goals are to work on physical and digital accessibility as an accessibility specialist. But it's hard to find a job that does both at the same time. I want to continue at Ability Works and when I finish my course and have that confidence, maybe I start to branch out my wings to mainstream employment. Maybe.

Kade

EMPLOYED BY SOCIAL ENTERPRISE

Kade needed a change from working in hospitality. It was not a great fit for him. He enjoyed social media but had no experience or skills before joining yourtown as a digital marketing trainee. Kade was motivated to learn and used free online guides to teach himself new programs when others could not provide guidance. Kade progressed through his traineeship and enjoyed developing good relationships with colleagues and learning about working in office environments. His income improved and allowed him to attend a gym which he enjoys. Kade has aspirations to continue working in digital media roles after his 12-month contract at yourtown ends.

I've worked at McDonald's, Gloria Jeans, Coffee Club, and many different food places. I decided to leave the food industry entirely because it wasn't working out for me. The pay wasn't good and I didn't enjoy any of it. The staff were not nice and I could not handle the customers. After having all these issues in different food places all in a row, I wanted to switch industries.

In my spare time, I like to do digital media things. I just thought, why don't I try and do this full-time. When I saw yourtown were doing a digital marketing traineeship that required no knowledge, just a passion for social media, I thought—let me just try this. People thought it was crazy going into an industry I had no skill of. Well, I proved them wrong.

I started as a digital marketing trainee. My role now is anything related to digital media. I help yourtown and yourtown's partners with anything they need: video editing, graphic designing, data entry, websites, anything. When I joined the digital marketing program, I had barely any skills at all. I have learned so much since joining. I have learnt video editing in programs like Adobe Premiere Pro, Canva and Microsoft Clipchamp. I would ask other team members if they knew the program. But if they didn't, then usually I would look up guides on YouTube or Google/Edge or LinkedIn Learning, and try and learn that program. It was a challenge trying to learn those programs, but I'm a master at them now.

I work five days a week from 7 am to 3 pm. My hours change depending on the project. Either it's three days or five days. It depends on the length of the project and if there's a deadline close by. My average day starts off with joining and saying hi to everyone, and then seeing what projects I have to do.

When I moved from being a trainee to actual staff, I got closer with everyone. They know how to help me with my disabilities and all that. It is very hard these days to live with a disability. It took me years to even get my autism and anxiety to calm down. yourtown definitely helped me with techniques for that.

yourtown also trained me in how to be an office professional. They gave me advice about my hygiene, or about booking meetings, and also just like letting them know if I'm going to be late to work or sick. Pretty much just how to be in an office environment.

Since being employed at yourtown, my income has improved because, well, it's better than the food places. I can go to the gym. I enjoy it. I do some of the classes in my spare time. Sometimes even after work, if I feel like it. I like functional strength and total core. And I'm going to try yoga on Monday.

My goal at yourtown is to learn as much as I can and to make sure that the clients are happy. I want to use my skills to help businesses. To me, the highlights of working at yourtown so far have been getting a lot of projects done and seeing the clients very happy. To me, that's a highlight, just getting all

that done, and especially if it's a very big project that is difficult to do.

Another highlight was sharing my story in a promotional video. I was very excited and nervous. When that video came out, I was just so happy that yourtown gave me permission, like, 'You can spend like a good 20 minutes just sending the video to your friends and family and all that, and showing people.' That ended up taking 30 minutes, but I was allowed to. Then my parents took me out to dinner to celebrate. Just to be able to share my story with the world… it makes me happy that I can inspire people.

I do want to stay at yourtown for a long time. Eventually, I would like to move into any office environment in a digital media role, or another role, like receptionist. I'm a bit nervous about it and excited too. It just means that I will connect with more people. I'm always also trying to connect with people on LinkedIn.

When my contract expires, yourtown will give me up to 12 months of support to help me find my next job. That's because of the PBO. They also told me if I ask for help after the 12 months, they won't turn me down. White Box has offered to help as well. So with support from those two and also my job services provider I'll be able to, hopefully, find that next position of employment.

Joseph

EXITED PBO

Joseph worked with Cleanable for almost one year before he chose to relocate to regional Victoria with his family. Relocating meant that he was no longer able to work at Cleanable, which he described as a really good workplace with nice people who he will miss. Joseph is now keen to find work for two or three days a week. This is a manageable amount for him because it allows him to access NDIS-funded services on other days of the week. Joseph is enjoying his new place and location, and is optimistic about finding work with support from a local employment services provider. He has lost touch with Cleanable because his main contact person left the organisation.

My dad was my best friend growing up. I had my little brother growing up as well. My dad was a volunteer at the local Neighbourhood Centre. He was the Vice President the year before he passed. He was also Vice President in the Men's Shed. And he helped set up a community garden. He was really active in the community. That's what inspires me a lot.

I moved to Melbourne after school. I started year 11 but had to drop out because I was getting bullied too much. I volunteered at the Neighbourhood Centre with my dad for a couple of years but Centrelink said, "You can't really do that." I was undiagnosed at the time. I was really struggling with that.

So then I went to South Australia to see a friend about a job over there. Then my best friend offered me a job at McDonalds in Western Australia. I did odd jobs along the WA coast for about 18 months.

I flew back to Victoria for my 21st birthday. And then I lived with my dad again. My dad passed away eight days before my 22nd birthday. Then I became homeless. I was couch surfing for a long time and then moved to a sharehouse in Melbourne. Then I moved in with my girlfriend and we've now moved to regional Victoria together.

I got the job at Cleanable through WCIG. I hadn't done any cleaning before. I was there for a bit less than a year. There were times when I couldn't work. I had an injury at one stage. I had a week off because of my mum coming down. Then I missed a few shifts because my friend killed himself. I had to go to his funeral.

Working at Cleanable was good because I felt like I had a routine. It was nice to feel as though someone wasn't going to take my job away from me. I was trying to do the best of my abilities with it. I'd start my shift at the Cleanable office and then the group leader and I travelled together in a work ute. We'd start at 7am. I used to have to get up at 5am to be in the office at 6.30am or so.

I started off cleaning windows, lunchrooms and toilets. Then, they asked me to do the litter run. We would pick up rubbish and report it. At first I was like, "I don't really want to, but I'll give it a go." Then I grew to love that. Then my girlfriend and I had to move.

When I told Cleanable that I was leaving, they offered me a job to do the same kind of thing here. I said, "I'll let you know when I've settled in." Then I tried ringing the woman that used to work there, and she didn't answer my calls. I was wondering what was happening. Then I had an appointment with someone else who said the woman had left. So it was hard to know who to get in touch with.

It was sad to leave Cleanable because I was getting used to a couple of workers. It felt like I was really connecting well with everyone. It took me a while to come out of my shell because at first I was a bit standoffish. That's my schizophrenia. I can't help that. But then once I got to know them, I felt really

welcomed and appreciated. I was doing my best to get to every single shift.

My girlfriend and I have been together for nearly four years. She loved this town when she was living here originally, so she wanted to come back here. We got a house through housing, and we've only just moved here. I'm adjusting to it quite well.

I'm going to sign up to WCIG here on Tuesday. I was going to ask them to help me put together a resume, cover letter and get a new interview suit as well because I've lost weight. And for a reference from Cleanable. I want to get a job at this place in retail. They've got flexible hours and it seems like a really good place. They sell these things that I'd like to collect but I've never had the money to.

I like collecting things. I also like collecting coins—foreign currency. My dad always taught me to use cash because it's helpful for whenever you want to put things away. I've been collecting coins since I was knee-high to a grasshopper, and I've got a few rare ones that my dad gave me. They're all different. I like things that are unique, because I believe everyone's unique in their own right. I believe the coins have their own story too.

I want to work at least two or three days a week if I can. I feel like that's just a manageable amount, because then that way, I don't miss out on my chances of the NDIS stuff too. My NDIS plan covers a support worker that helps me get out and about in the community mainly. It also covers a dietician and exercise physiologist, because I'm trying to lose weight. Some services aren't open during the weekends, so I have appointments during the week.

I want to continue to work. I want to work. I mean, I can actually see myself doing what I was doing a couple of days a week. Because I know I have trouble with my disabilities and things, but at the same time, I don't want to put that in front of me. I want to actually put it behind me and give it a red hot go.

I've been really glad to talk about this. As I said, I felt good at that workplace. At first, I was a bit jittery. Other than that, it was great. Things were really good there. The people at Cleanable were really nice people to work with. I'm going to miss them because I'd gotten so used to them, and all of a sudden, now I don't see them. But I mean, at the same time, I feel blessed that I had that opportunity to work with them as well.

Summary of outcomes for people participating in PBO3

In Year 2 of PBO3, participants continued to frame social enterprises as employers that provide access to opportunities to upskill, develop their employment journeys, and sometimes prepare for a transition to a new job. They positioned social enterprises as facilitators of employment that complimented their needs and goals in life—relating to mental and physical health, housing, a sense of purpose, friendships and other valued dimensions of life.

Participants who continued working in social enterprise thus reported that they were experiencing many of the known benefits of working in jobs-focused social enterprise (Barraket et al. 2019). This includes improvements in their:

- Employment circumstances (for 80% of respondents),
- Sense of belonging (for 76% of respondents);
- Sense of choice and empowerment (for 76% of respondents);
- Skills and development (for 72% of respondents);
- Financial circumstances (for 64% of respondents); and
- Mental health (for 64% of respondents).

At the same time, there were also areas of life that had not changed or had got worse for some participants, including:

- Financial skills (48% reported no change);
- Housing (48% reported no change)
- Financial circumstances (32% reported no change);
- Skills and development (24% reported no change); and
- Health, including 12% reporting worse physical health, and 12% reporting worse mental health.

The most common barrier that affected people's achievement of desired outcomes was their 'personal situation' (experienced by 54% of respondents working in social enterprise) which encompassed factors such as health issues, trauma, and crises. External stressors and ineffective systems were sometimes the cause of these 'personal situations'—for example, lack of access to appropriate or supportive healthcare, stress related to studies, and ableist environments that didn't adequately support people with disability.

Factors in one's 'personal situation' often disrupted PBO3 participants' employment and caused them to exit the trial. Factors included health crises, medical procedures, moving away from the social enterprise, changes to housing, child-care commitments, and recidivism. For the small number of participants who responded to our survey after leaving their social enterprise (without moving to new employment), pausing employment was beneficial for some (e.g. because they were more in control of their routine), and bad for others (e.g. because financial circumstances got worse and they were unable to find new work).

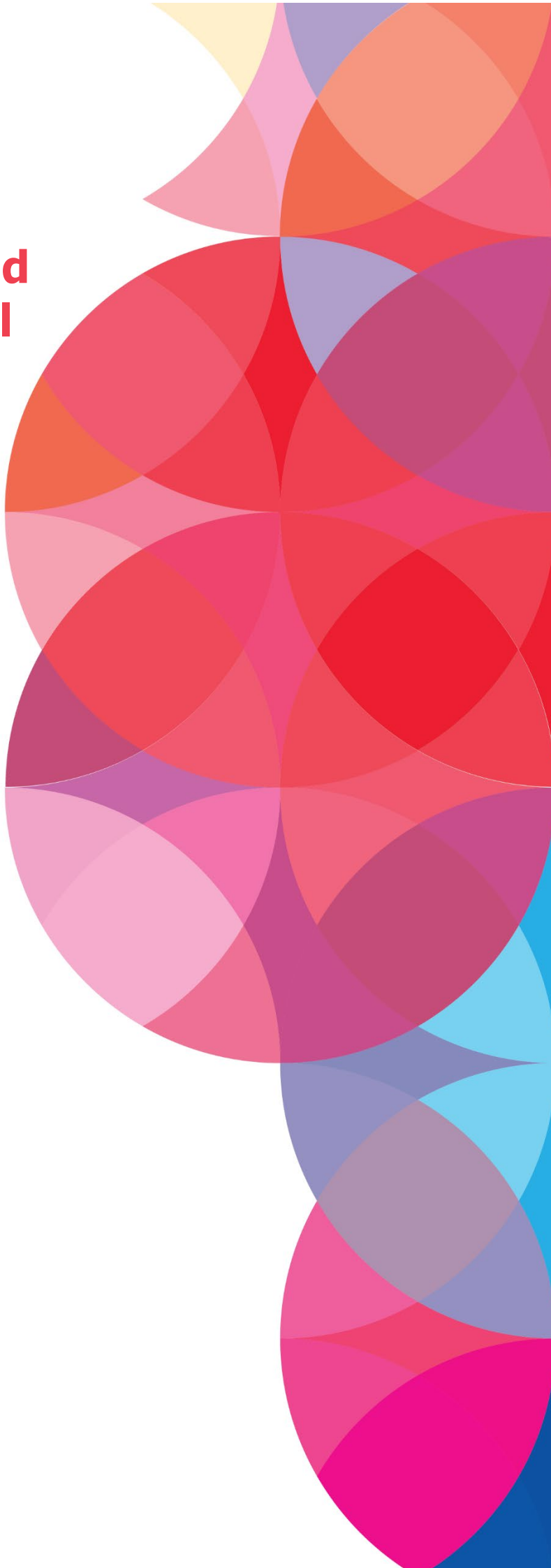
Participants' reflections highlighted some of the challenges in designing outcomes-based funding for jobs-focused social enterprises that respond effectively to individual people's strengths, goals, and employment needs. Factors include:

- **Timing and facilitating transitions in ways that promote a sense of agency and empowerment**, with Lia finishing up at their social enterprise before they felt they were ready, Ethan and Joseph feeling ready to transition to new employment on their own

terms ideally with support from their social enterprises, and Melody and Ben keen to transition in the future but feeling there was still many opportunities for skills development in their social enterprise.

- **Being flexible around varying work capacity**, with Joseph stating that two to three days of work a week being 'just a manageable amount' so that he can access NDIS-funded services during the week, and Brett, despite being eager to pursue full-time work, being cautious about how quickly he increased his work hours due to previous experiences of lapses in mental health that disrupted his employment. A gradual approach to increasing participants' work hours meant that some participants sustained employment (which was their objective), however may not have earnt enough to meet the PBO3 employment milestone that triggered outcome payments to their social enterprise employer (see Figure 1, page 5).
- **Recognising fears or hesitations around losing income support**, with Melody not keen to work four days because it would 'cancel out my Centrelink' and her hesitation to work five days because this had been unsustainable for her in the past.

PART B |
PBO3 processes and outcomes for social enterprise



Outcomes for social enterprises participating in PBO3

The report now outlines the **financial and service innovation outcomes of PBO3 for participating social enterprises** in Year 2 of the trial. This section is informed by interviews with social enterprise employees who led the implementation of PBO3 in their respective social enterprises.

Overall, PBO3 has brought about **different financial outcomes for participating social enterprises** thus far, with some having received over $75,000 in outcome payments and others not yet receiving outcome payments. This was largely due to differences in how many employees social enterprises had been able to recruit who satisfied the PBO3 eligibility criteria.

Social enterprises used PBO3 funding to innovate and extend their employment support models in ways that aligned with their distinct employment models. Social enterprises that provided ongoing employment tended to focus on strengthening their internal wraparound support. Social enterprises operating Intermediate Labour Market[3] models (or moving towards an ILM model) worked on developing their capabilities around employment transitions.

Social enterprises with ongoing employment models had implemented changes in Year 1 of PBO3, and used PBO3 funding for what had become 'Business As Usual' (BAU) within their organisations. Social enterprises operating Intermediate Labour Market models (or moving towards an ILM model) were **actively innovating their transition support models, making this a focus and outcome area in Year 2 of PBO3.**

At the conclusion of PBO3's second year, 18% of participants (i.e. 24 of 132 PBO3 participants) had transitioned to new employment—i.e. they had worked in a social enterprise for at least three months and then found employment in a different organisation. Social enterprises adopted different approaches to supporting participants' transitions to new employers. To describe these differences, this report maps out three distinct 'transition models' that social enterprises in PBO3 are developing: **the fresh start transition, supported transition, and secondment-first transition** (see page 39 for a visual representation). Transition models differ in their approach to shaping employee expectations about future employment, and in the extent to which they work with future employers to create employment pathways. The extent to which social enterprises worked with prospective employers depended partly on (i) what employment support they considered PBO3 participants needed, and (ii) opportunities within their business models and collaborative local business networks to create employment opportunities and pathways.

It is unclear at this stage how social enterprise employment models (short-term transitional vs ongoing employment) and employment transition models (fresh start, supported, or secondment-first transition) will impact the financial outcomes of PBO3 for individual social enterprises, and importantly, the extent to which these models will support diverse participants over the longer-term to pursue and achieve their longer-term employment goals, which evolve as participants' personal circumstances and experiences of employment change.

[3] Intermediate Labour Market initiatives employ people with complex barriers on temporary contracts. They provide supplementary training, personal development, and jobsearch support, with the aim of helping people find longer-term employment (Marshall and Macfarlane, 2000)

Financial outcomes for social enterprises

At the end of Year 2, the financial outcomes of PBO3 for participating social enterprises were different for each organisation, largely due to differences in how many employees they had been able to recruit who satisfied the PBO3 eligibility criteria.

With PBO3 participants continuing to meet PBO3 outcome milestones, some social enterprises received significant outcome payments from DSS in Year 2 of PBO3. At the end of Year 1 (30 June 2023), social enterprises had received a total of $456,750 PBO3 funding. This amount increased to a total of $978,091 at the end of Year 2 (30 June 2024).

There were differences in how much funding the 17 social enterprises participating in PBO3 had received. At June 2024, six social enterprises had received more than $75,000 in milestone payments since the inception of PBO3 (i.e. across Year 1 and Year 2). Six had received up to $75,000 in milestone payments and the remaining five social enterprises had not received any PBO3 milestone payments. Variation of financial outcomes was primarily due to differences in how many employees social enterprises had recruited who satisfied the PBO3 eligibility criteria. Some social enterprises enrolled as many as 25 employees in PBO3, while other social enterprises enrolled only one employee.

The six social enterprises that had received more than $75,000 each in PBO3 outcome payments (to 30 June 2024) each had over ten employees participating in PBO3.

- Four of these social enterprises still employed at least 70% of their social enterprise participants (at 30 June 2024), meaning they have an opportunity to accrue PBO3 outcome payments in Year 3, if their existing PBO3 participants meet further milestones through increasing their employment income and/or transitioning to new employers.
- For the two social enterprises that were employing less than 20% of their participants at June 2024, PBO3 revenue will taper off in Year 3.

The six social enterprises that received less than $75,000 in PBO3 outcome payments each had less than 10 employees participating in PBO3.

- One social enterprise still employed all its PBO3 participants at 30 June 2024 and so could access significant transition milestone payments in Year 3 if participants transition.
- Five social enterprises in this group employed less than half of their PBO3 employees at June 2024, with their other PBO3 participants having mostly exited the trial, rather than transitioning to new employment. The financial outcomes of PBO3 for this group of social enterprises will be relatively modest.

The five social enterprises that have not triggered any PBO3 payments struggled to recruit employees who satisfied all eligibility criteria for PBO3—having enrolled one to two employees each in PBO3, most of whom had exited the trial by June 2024.

At the end of Year 2, social enterprises were thus experiencing different financial outcomes from PBO3, largely depending on how many employees they had recruited who satisfied the eligibility criteria (see Suchowerska et al. 2023 for more information about challenges of recruitment). It is unclear at this stage how providing short-term transitional or ongoing employment will impact the financial outcomes of PBO3 for social enterprises.

Social enterprises that have received the most funding from PBO3 to date have different employment models—ranging from Intermediate Labour Market models focused on facilitating open employment, to providers of long-term, ongoing employment at the social enterprise

Social enterprises with an Intermediate Labour Market (ILM) model identified a transition to new ('mainstream') employment as the default employment goal and pathway for their employees. These social enterprises often focused on young people or people impacted by the justice system, framing this cohort as needing a 'foot in the door' via a period of stable employment, recent work experience on their CV, and a reliable referee.

By comparison, social enterprises that provided ongoing employment viewed long-term, stable employment within a social enterprise as the default employment goal for their employees. Social enterprises with an ongoing employment model often employed people with psychosocial disabilities, some of whom had access to NDIS funding. These social enterprises explained that factors like routine, flexibility and familiarity of people and place were particularly important enablers of sustained employment. This finding on the value of inclusive spaces with familiar tasks and people is reflected in previous research on how social enterprises generate impact for individuals and communities (Farmer et al. 2020).

> *If you haven't got people actively transitioning out, which is an uphill push, then you're not going to have the passive trickle-in. We need people to transition out, so that naturally others can flow in*
>
> **PSE4**

> *We have such a great little community… it's that routine of knowing who, what, when, where, why. As long as that's smooth, that's what's keeping people out of hospital. As soon as one thing changes, from my experience, that's when things hit the fan.*
>
> **PSE15**

A third group of social enterprises was shifting its focus from providing ongoing to transitional employment. Although these social enterprises said that their shift in employment model was *not* due to the structure of PBO3 milestone payments, they were drawing on PBO3 funding to enable the change.

Social enterprises with or moving towards ILM models justified this approach by highlighting the immense need in the community and arguing that an ILM model enabled the social enterprise to reach and support more people. In the ILM model, social impact could be amplified by supporting employment transitions for a maximum number of employees and working with networks of 'mainstream' employers to make workplaces more welcoming and inclusive. One social enterprise described the impact of working with employers to improve workplaces as having a 'ripple effect' (PSE12).

> *One thing that we used to do was: 'Take your time, however long it takes you to get through this program', 'it depends on the person'. But we realised that there's a lot of people that we were not helping because we were doing it that way. So we are moving now towards a 12-month program.*
>
> **PSE12**

Social enterprises that provided ongoing employment focused on the needs of the employees they worked with, arguing that an ILM approach would not help their employees overcome the

barriers to employment that they faced. For these social enterprises, the best way to meet the immense need in the community for actively inclusive, supportive workplaces was to expand their operations and create new positions (i.e. organisational growth, sometimes in new locations).

Social enterprises that provided ongoing employment expressed frustration that PBO3's transition milestones framed social enterprises as non-mainstream employers (see quote, right). Social enterprises that operated as ILMs said that PBO3 aligned perfectly with their employment models because of the coupling of employment milestones (i.e. employment within social enterprise) with transition milestones (i.e. employment in 'mainstream' labour force).

> *I get really pissed off with this concept of moving into mainstream employment. Social enterprises are mainstream employers. If we were to transition someone to another social enterprise why is that not considered the same as moving someone into a commercial environment? I think that it undersells how professional and commercial a social enterprise can be.*
>
> **PSE3**

Although transitions were a core strategy of ILMs achieving social impact, they needed to manage the timing of transitions so that their workforce was skilled-up and stable when the social enterprise needed to deliver on big or important contracts. In other words, there was sometimes a commercial rationale for keeping employees from transitioning too soon. Equally, social enterprises offering ongoing employment would encourage employees to find new employment if, for example, employees wanted to move into different industries or work closer to home. Because social enterprises providing ongoing employment did not have dedicated resources to support transitions to new employment, their employees managed the transition themselves, sometimes with help from Employment Service Providers.

Service innovation outcomes focused on employment transition models

Social enterprises have used PBO3 funding in ways that align with their employment models—with some focusing on strengthening the wraparound support within their social enterprise (ongoing employment models) and others looking to develop their capabilities around employment transitions (ILM models).

Social enterprises that provided ongoing employment tended to put PBO3 funding towards strengthening the wraparound support that they provided to their employees *within* the social enterprise.

> *The best thing that we've had come out of the PBO is it made us think and structure to have a Social Enterprise mentor role.*
>
> **PSE3**

Social enterprises that operated ILM models or were moving towards this actively drew on PBO3 funding in Year 2 to innovate their transition support model and build up their transitional employment capabilities. While these innovations were different in each social enterprise depending on how they facilitated transitions (explained further below), it often involved funding a 'transitions coordinator' or similar position within a team who was responsible for initiatives such as:

- Working with employees to articulate employment goals, prepare CVs, and develop job search and interview skills;
- Identifying new, external employment opportunities for PBO3 participants, often by developing relationships with prospective employers and reverse marketing employees;
- Training for new employers to become more inclusive workplaces; and
- Checking in with employees once they had exited the social enterprise and/or begun their new employment.

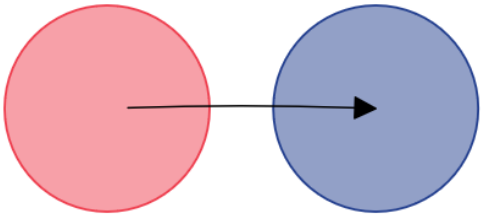
> *I remember sitting around a table and going 'how are we going to use this funding?' We've utilised some of it to help bolster our [disability] awareness within our own organisation. We also provide this training to external organisations. That's been a major credit to the PBO funding.*
>
> **PSE9**

Social enterprises that used PBO3 funding to strengthen the wraparound support *within* their social enterprises implemented these changes in Year 1 of PBO3, saying that their use of PBO3 funding for PBO3 activities had become Business As Usual (BAU) in Year 2. By comparison, service innovations aimed at enabling transitions were a focus and outcome in Year 2 of PBO3.

Social enterprises used PBO3 funding to develop different types of employment transition models and capabilities, with some focused on supporting their employees to strengthen their 'employability' and others also working with prospective employers to create supported employment pathways.

Three transition models were evident across social enterprises participating in PBO3—the fresh start transition, supported transition, and secondment-first transition (see next page).

Fresh start transitions

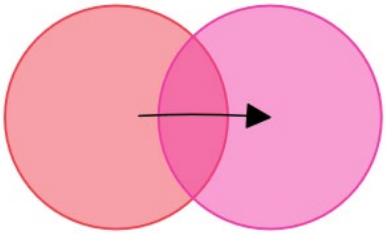


Aim: To equip employees to navigate the labour market independently

Approach: Improve people's 'employability' via recent work experience, transferable skills, and job application collateral and skills

We get them used to waking up at six o'clock in the morning, getting to work, working a hard day's work, and then we try and either help them find a job or point them in the right direction to find a job. **PSE14**

Supported transitions

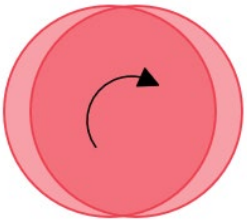


Aim: To match-make a well-suited employer-employee relationship

Approach: Build relationships with prospective employers; work simultaneously with employees and employers to adjust a role (if needed) and facilitate a supported recruitment and onboarding process

The main reason open employment transitions fail is typically not on the participant's side, it's on the open employment side and their lack of support internally. What we've learnt through PBO is we actually need a single person helping to support all people with open employment. And we need to add a second resource to build relationships [with employers]. **PSE13**

Secondment-first transitions



Aim: To minimise organisational boundaries so that employees have a continuous employment experience as they transition from social enterprise to a new employer

Approach: A secondment style agreement during which employees can adjust to a new team and workplace at a client organisation before formally transitioning to the new employer with a new work contract.

We have an embed-to-transition model whereby [the employee] is still paid by us, but they get embedded in that organisation… they go and work over there, as opposed to here. And then they transition whereby they go to the other org's payroll and have a new employment contract. It's a much smoother approach. **PSE9**

The key differences in the three transition models are (a) how they work with employees to shape expectations about transitions, and (b) the extent to which they work with employers to create employment pathways for PBO3 participants into actively inclusive workplaces.

Orientating employees on transitions

Our survey of PBO3 participants showed that almost half (48%) of participants who were working in social enterprise wanted to stay employed at their social enterprise for as long as possible. The same proportion wanted to transition to other work either now (16%) or soon (32%), with the remaining 4% feeling unsure.

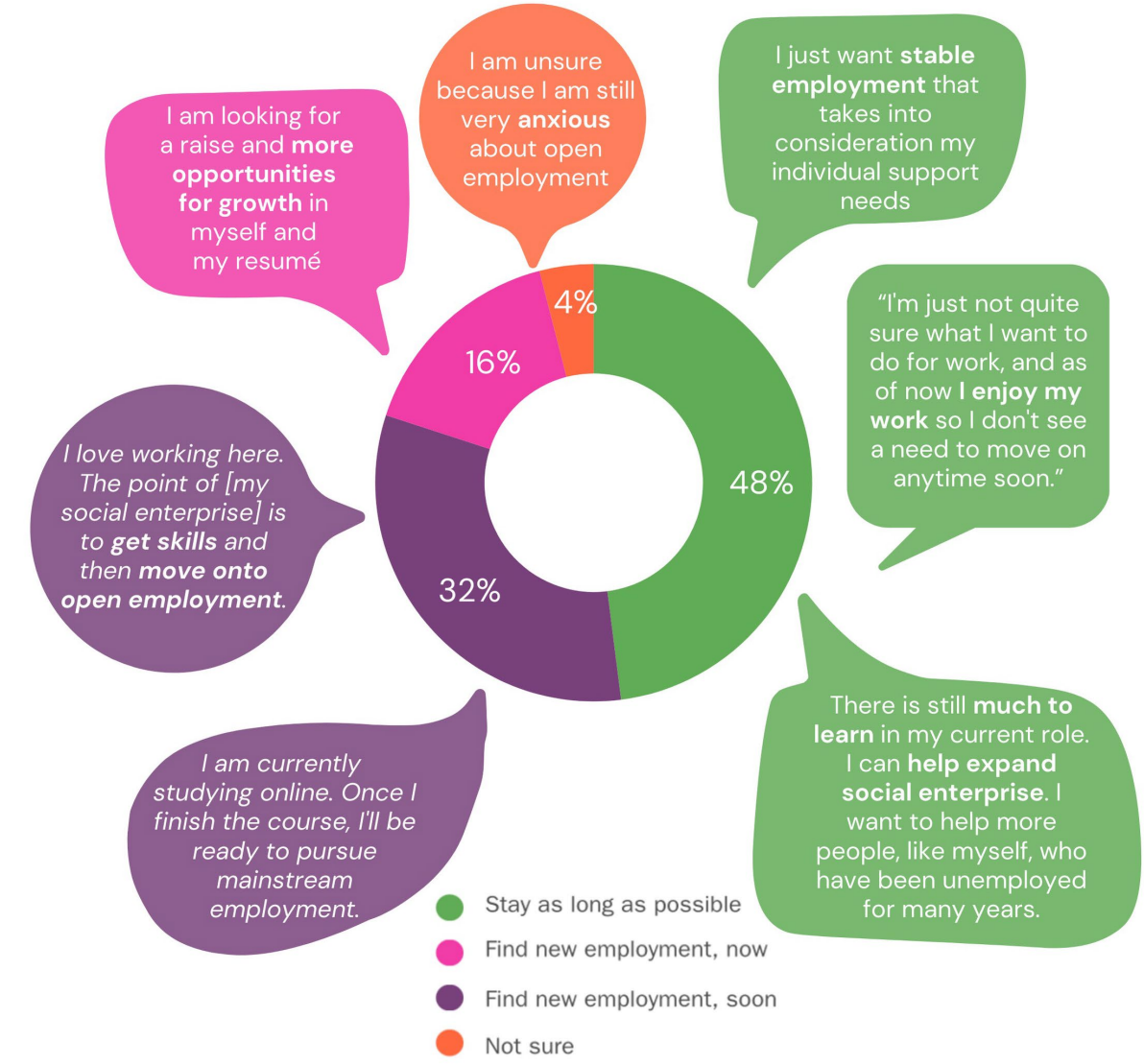


Figure 12. PBO3 participants' employment goals (n = 25)

Social enterprises orientated employees on transitions either via formal means (e.g. short-term employment contracts, typically in the Fresh Start transition model) or via less formal approaches (e.g. creating a 'culture of transitions' and encouraging employees to adopt transition to new employment as their employment goal, typically in Supported and Secondment-first transition models). Some social enterprises emphasised the importance of creating a 'culture of

transitions' by hosting festive farewell events for employees who were transitioning to new employment, inviting 'alumni' to career days to share their positive experiences of new employment, and highlighting benefits of new employment, such as higher income or the fulfillment of goals.

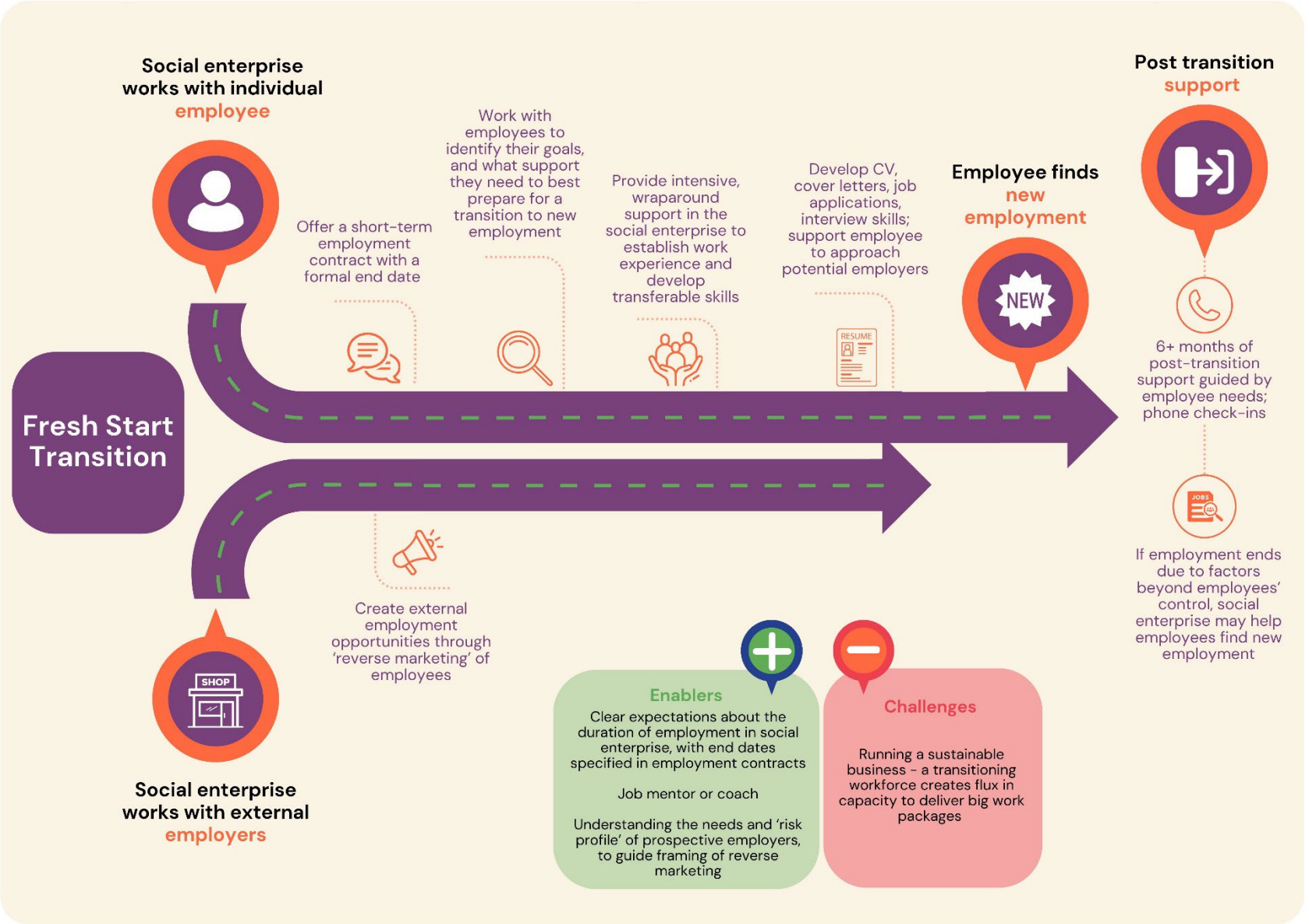
Many PBO3 participants nevertheless reported that they enjoyed working for social enterprises and did not feel they needed or wanted different employment. Yet, as illustrated by participants' stories (Part A of this report), employees' attitudes to employment transitions changed as they grew in and potentially outgrew their roles within the enterprise and/or life circumstances changed that made new employment desirable.

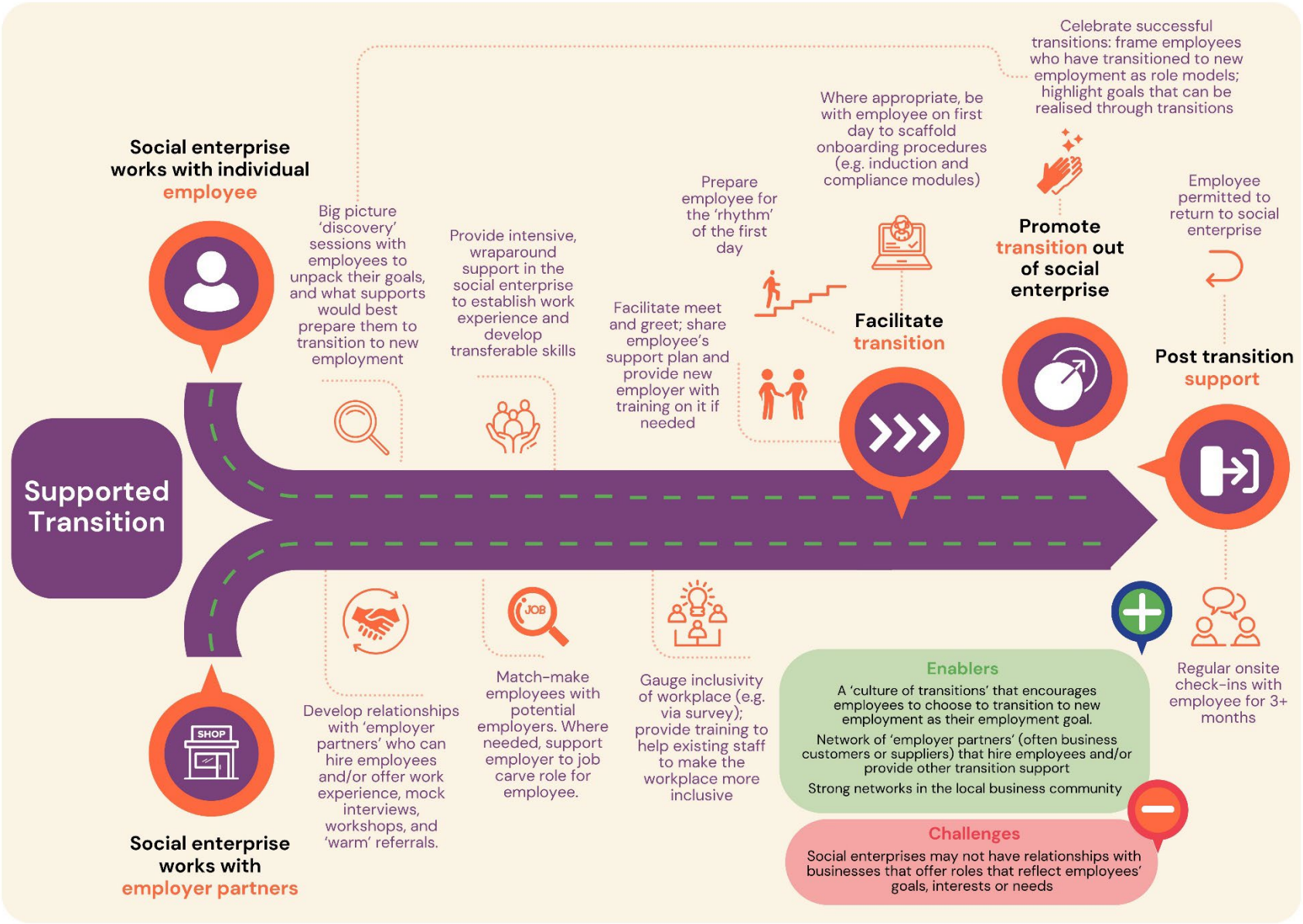
Creating employment pathways for PBO3 participants by helping new employers to create actively inclusive work and workplaces

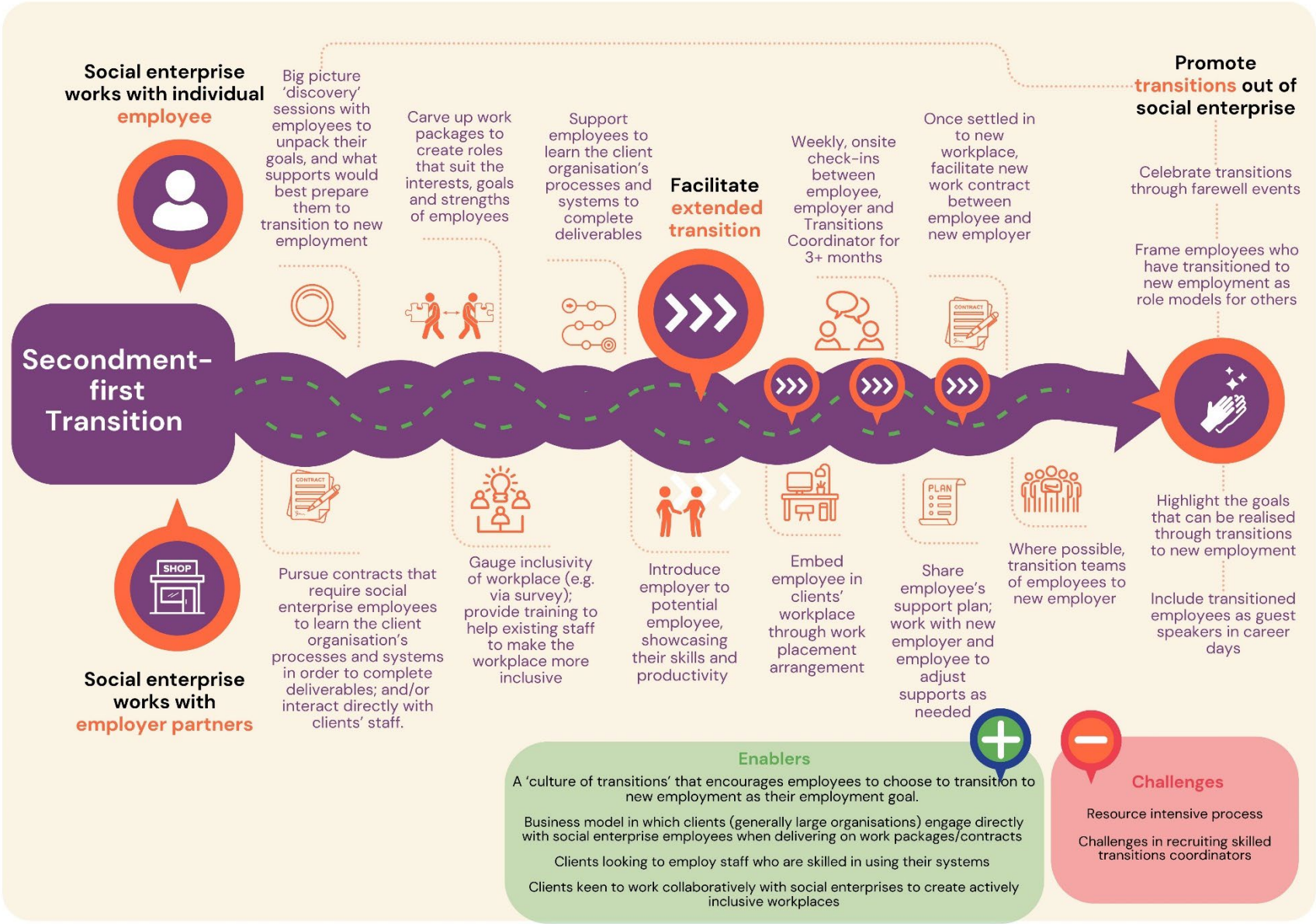
Social enterprises also had different approaches to working with prospective employers to create employment opportunities and employment pathways for PBO3 participants. Whereas a Fresh Start model focused on marketing the skills and capabilities of PBO3 participants, supported and secondment-first transition models also worked with employers to bolster the inclusivity of workplaces through training, role customisation, and a supported transition process. The extent to which social enterprises worked with prospective employers depended partly on the level of support that social enterprises considered PBO3 participants to need, and on factors such as:

- Whether social enterprises had Business to Business models, enabling them to work with clients (i.e. prospective employers) to create employment opportunities;
- Whether clients (i.e. prospective employers) had roles that mirrored participants' roles in the social enterprise (enabling a secondment-first transition)—most common in professional services industries; and
- Social enterprise networks in the local business community, with regional social enterprises often reporting strong networks, albeit limited diversity of employment opportunities in their respective towns.

The three types of transition models are mapped out below in terms of the support that each model was designed to provide to employees (above the 'pathway'), the work that social enterprises did with prospective employers (below the 'pathway'), and the key enablers and challenges/barriers embedded in each model (red and green boxes).


Social enterprise works with individual employee
Offer a short-term employment contract with a formal end date
Work with employees to identify their goals, and what support they need to best prepare for a transition to new employment
Provide intensive, wraparound support in the social enterprise to establish work experience and develop transferable skills
Develop CV, cover letters, job applications, interview skills; support employee to approach potential employers
Employee finds new employment
NEW
Post transition support
6+ months of post-transition support guided by employee needs; phone check-ins
If employment ends due to factors beyond employees' control, social enterprise may help employees find new employment
Fresh Start Transition
Create external employment opportunities through 'reverse marketing' of employees
Social enterprise works with external employers
Enablers
Clear expectations about the duration of employment in social enterprise, with end dates specified in employment contracts
Job mentor or coach
Understanding the needs and 'risk profile' of prospective employers, to guide framing of reverse marketing
Challenges
Running a sustainable business - a transitioning workforce creates flux in capacity to deliver big work packages


Supported Transition
Social enterprise works with individual employee
Big picture 'discovery' sessions with employees to unpack their goals, and what supports would best prepare them to transition to new employment
Provide intensive, wraparound support in the social enterprise to establish work experience and develop transferable skills
Prepare employee for the 'rhythm' of the first day
Where appropriate, be with employee on first day to scaffold onboarding procedures (e.g. induction and compliance modules)
Facilitate meet and greet; share employee's support plan and provide new employer with training on it if needed
Facilitate transition
Celebrate successful transitions: frame employees who have transitioned to new employment as role models; highlight goals that can be realised through transitions
Promote transition out of social enterprise
Employee permitted to return to social enterprise
Post transition support
Regular onsite check-ins with employee for 3+ months
Social enterprise works with employer partners
Develop relationships with 'employer partners' who can hire employees and/or offer work experience, mock interviews, workshops, and 'warm' referrals.
Match-make employees with potential employers. Where needed, support employer to job carve role for employee.
Gauge inclusivity of workplace (e.g. via survey); provide training to help existing staff to make the workplace more inclusive
Enablers
A 'culture of transitions' that encourages employees to choose to transition to new employment as their employment goal.
Network of 'employer partners' (often business customers or suppliers) that hire employees and/or provide other transition support
Strong networks in the local business community
Challenges
Social enterprises may not have relationships with businesses that offer roles that reflect employees' goals, interests or needs


Social enterprise works with individual employee
Big picture 'discovery' sessions with employees to unpack their goals, and what supports would best prepare them to transition to new employment
Carve up work packages to create roles that suit the interests, goals and strengths of employees
Support employees to learn the client organisation's processes and systems to complete deliverables
Facilitate extended transition
Weekly, onsite check-ins between employee, employer and Transitions Coordinator for 3+ months
Once settled in to new workplace, facilitate new work contract between employee and new employer
Promote transitions out of social enterprise
Celebrate transitions through farewell events
Frame employees who have transitioned to new employment as role models for others
Highlight the goals that can be realised through transitions to new employment
Include transitioned employees as guest speakers in career days
Secondment-first Transition
Social enterprise works with employer partners
Pursue contracts that require social enterprise employees to learn the client organisation's processes and systems in order to complete deliverables; and/or interact directly with clients' staff.
Gauge inclusivity of workplace (e.g. via survey); provide training to help existing staff to make the workplace more inclusive
Introduce employer to potential employee, showcasing their skills and productivity
Embed employee in clients' workplace through work placement arrangement
Share employee's support plan; work with new employer and employee to adjust supports as needed
Where possible, transition teams of employees to new employer
Enablers
A 'culture of transitions' that encourages employees to choose to transition to new employment as their employment goal.
Business model in which clients (generally large organisations) engage directly with social enterprise employees when delivering on work packages/contracts
Clients looking to employ staff who are skilled in using their systems
Clients keen to work collaboratively with social enterprises to create actively inclusive workplaces
Challenges
Resource intensive process
Challenges in recruiting skilled transitions coordinators

CONCLUSION | Positioning jobs-focused social enterprise in a reformed employment services system

PBO3 is being implemented in a context where employment services policy reform is on the Commonwealth's agenda. As noted at the start of this report, public reviews and inquiries consistently find that the extant employment services system in Australia:

- has a short-term 'work-first' over a 'life-first' orientation,
- is underpinned by a deficit framing of *individuals'* employability instead of the role of *employers* in creating employment pathways into actively inclusive workplaces, and,
- is fragmented, with inadequate collaboration among service providers in the system.

Of note is the finding by The House of Representatives Select Committee on Workforce Australia Employment Services, Parliament of Australia (herein, The Committee), that employment programs delivered "outside of the Commonwealth system…appeared to be of benefit to jobseekers" who "need assistance on their pathway to suitable employment" (The Committee 2023: 144). The Committee identified PBO3 as one such program (2023: 402), where people who are not currently served by the employment services system "would benefit from referrals" to social enterprises instead of employment services (2023: 154).

Reviews and inquiries consistently find that social enterprises offer an alternative for people for whom mainstream employment services have failed. Figures vary across reports, but the Committee (2023: 154) estimates the size of the cohorts that "would be better assisted through alternative services" at 10-20% of caseload.

Our evaluation of PBO3 provides broad but clear evidence that social enterprises are inclusive workplaces that offer alternative pathways for people experiencing complex barriers to employment. Social enterprises provide unique forms of wraparound support within the workplace that extends beyond transactional 'case management', to relational and emotional support including a sense of community. For people experiencing complex barriers to employment who have cycled in and out of work and between numerous Employment Service Providers, employment with a social enterprise is sometimes the first time they have found stability.

Our evaluation of PBO3 provides evidence that within the 10-20% of employment services caseload, the unmet need is diverse and that social enterprises respond to this diversity via various business and employment models. Social enterprises participating in PBO3 operate in diverse industry sectors (including property maintenance, retail and professional services). In contrast to 'mainstream' employers, social enterprises develop business models at the intersection of a product/service market opportunity and a labour market gap (not being met by mainstream employers). **To enable social enterprises to support people who face complex barriers to employment, The Committee recommends "reducing if not eliminating all barriers to entry into the employment services system for social enterprises" (2023: 413).** The Committee

states this could be achieved by working with the social enterprise sector to develop a Commonwealth social enterprise strategy that articulates the role of social enterprise in employment services, provides government funding to social enterprise (subject to the outcome of current trials), and enables outcomes data to be shared between social enterprises and government systems (2023: 413).

Our evaluation has illustrated that social enterprises participating in PBO3 have developed different employment models to respond to unmet needs. Some social enterprises have an ILM model that focuses on supporting transitions into new employment, and others provide long-term and ongoing employment. While public policy has favoured the former (i.e. transitions to 'mainstream' employment), social enterprises adopt the employment model that they argue best services the needs of their target group of employees.

Diverse employment models present something of a challenge for policymakers looking to integrate social enterprises into the employment services system. On the one hand, as observed by many social enterprises in PBO3, an ILM model creates opportunities for *more* people in the community to access the supportive workplace environment provided by a social enterprise. On the other hand, as established by this evaluation and echoed by the reviews and inquiries, social enterprises fulfill a particular niche in the employment service system for people who have cycled through long periods of unemployment punctuated by short periods of unsatisfactory employment. Research from disability employment – which has been grappling with this challenge for some time – suggests that employment pathways of people with complex barriers to employment are not linear; i.e. not a simple 'one-way street' (Campbell et al 2024). For some people, the employment journey may end with a social enterprise employer, while others may cycle from social enterprise to 'mainstream' employment and back again. It is

Background note: Costs and benefits analysis of PBO3

WBE commissioned Taylor Fry to review the costs and benefits of PBO3, relative to a counterfactual group of Disability Employment Service users. The modelling shows that overall net fiscal costs of PBO3 are $21,900, or 20%, lower over five years compared to DES participation. That is, PBO3 appears to deliver significant value to government.

The cost saving is enabled by:

- PBO3 immediately placing people into employment, leading to much higher rates of employment outcomes
- Strong retention rates in PBO3, with trends suggesting higher conversions to continued employment at 26 and 52 weeks (relative to DES)
- Good levels of income earned, with fortnightly income well above target thresholds in some instances. The ability to track income is valuable.
- Relatively low fiscal risk, since payments are tightly aligned to sustained income. Payments are only made if employment is sustained, which ensures that, under a variety of scenarios, government is ahead fiscally.

Taylor Fry concludes that if the PBO3 approach could be scaled (noting the challenges of rapidly growing the social enterprise market), fiscal benefits would likely scale similarly. For example, a program that placed 10,000 people (about 4% of the Dec-22 DES caseload size) would see fiscal benefits of $220m over a five-year period.

It is beyond the scope of this PBO3 Evaluation Report to assess the validity and rigour of the Taylor Fry analysis. The analysis by Taylor Fry is publicly available at: https://whiteboxenterprises.com.au/wp-content/uploads/2024/09/2024-Taylor-Fry-Social-Enterprise-Report.pdf

crucial that policymaking (on how to include social enterprises in the employment services system) is steered by a thorough, evidence-based understanding of the diversity of complex barriers and needs of the '10-20% of caseload' that jobs-focused social enterprises are well placed to support.

How social enterprises account for differences in employee needs was even more cogently illustrated in their transition models. These provide clear models for policymakers, that show how organisations can tailor transition strategies to the needs of employees and future employers.

This report has outlined that PBO3 social enterprises are facilitating three types of transitions:

- *Fresh start transition,* which focuses on improving the 'employability' of people with complex barriers to work by enabling them to develop recent work experience, transferable skills and job application collateral.
- *Supported transition*, which focuses on matching employees with suitable jobs, supporting employees and employers through the transition phase to customise roles, procedures, and support in the new workplace.
- *Secondment-first transition*, which focuses on making the transition to new employment feel seamless for employees—providing a secondment style agreement during which employees can adjust to a new team and workplace at a client organisation before formally transitioning to the new employer with a new work contract.

While PBO3 funding led to an organisational uplift and thus greater capacity in an area that aligns with implicit policy objectives (i.e. moving people into mainstream employment), transitions were not without their challenges. This presented in different ways. For example, social enterprises participating in PBO3 had all worked with people who faced complex barriers to employment. However, several PSEs had not worked with cohorts who met *all* the PBO3 eligibility criteria (see Suchowerska et al. 2023), and this affected their ability to recruit eligible participants and/or their subsequent performance against the transition milestone. For these social enterprises, PBO3 did not meet their expectations which had been based on their prior performance in transitioning people into new employment, despite still performing well relative to existing employment services. Other social enterprises did not aim to support transitions to new employment, considering internal promotion (e.g. into a team leader position) as a valuable form of transition.

Future PBO design – and outcomes funding generally – needs to be flexible and cater to diversity of unmet need.

A novel feature of the PBO3 design is the distinction between Social Enterprise and Transition Milestones. A participant could meet between one and five PBO3 milestones triggering payments to a social enterprise. This offers flexibility as a social enterprise receives payments in line with the term of employment of employees and additional payments if they transition.

PBOs generally – and PBO pilots specifically – require milestones. However, one-track milestones do not offer sufficient flexibility for a minority of employees or employers. For example, the Committee highlights the "importance of a strengths-based approach with realistic goals and timelines", citing the "life-first" model used in the Netherlands (2023: 161). Such models are designed to "overcome non-vocational barriers" and "support jobseekers further from the labour market". However, life factors such as personal crises or changes in one's circumstances might

inhibit the achievement of milestones among these groups. Future PBO design could therefore adopt:

- Greater flexibility in milestones of participants' earnings recognising that for some people, capacity to work ebbs and flows and does not always align with standardised milestones.
- Greater flexibility in milestones that measure progress in employment, recognising that transitioning to a new employer is one of many types of progression in one's employment.

Collectively these design features would provide recognition that social enterprises meet the complex needs of a specific cohort of people and are legitimate places of employment. It would align with the findings of the Committee which observed that "for some people social enterprises will be the most realistic destination while for many others they can be a pathway towards employment on the open market" (2023: 404). Our evaluation has shown that employment transitions can occur out of social enterprises that provide longer-term employment, as people's personal circumstances and employment goals change (e.g. Joseph's story).

Moving beyond the system-level implications for employees and employers, we found the unique aggregator model of PBO3 continued to offer efficiencies and potential for scalability. The aggregator model refers to the PBO3 structure, where an intermediary (White Box Enterprises) coordinates 17 social enterprises, each working with different cohorts, via different employment models, in different industry sectors and different geographic locations.

Echoing the findings of the Year 1 report, the unique PBO3 aggregator design was:

- *Beneficial for government*, because its outcomes-based funding reaches social enterprises that employ and support diverse cohorts, each facing complex barriers to employment.
- *Beneficial for social enterprises*, because it reduces transaction costs of PBOs, with some social enterprises describing Year 2 of PBO3 as BAU. This contrasts with traditional PBOs which are seen by service providers (equivalent to social enterprise in PBO3) to come with a high administrative burden, even when there is only a single service provider participating.
- Beneficial for the aggregator (White Box), because it has the flexibility to ensure the success of the PBO.

The aggregator model – which is unique not only in Australia but globally – therefore continues to present a potential pathway for scaling and replication for outcomes-based funding for social enterprise. In addition, as the aggregator model brings together a large number of social enterprises it enables participation by social enterprises that work with different cohorts experiencing barriers to employment (e.g. young people, people impacted by the justice system, people with disability) and in industries that cater to different needs.

Finally, the Commonwealth's White Paper (2023a) and the Committee (2023) emphasise that the limited scale of the jobs-focused social enterprise sub-sector and the need to address an underserved group in the employment services system is a clear structural constraint. Overcoming this mismatch will require mobilisation of significant public and private investment in social enterprise.

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Appendix A | Acronyms

ADE	Australian Disability Enterprise
BAU	Business As Usual
CDP	Community Development Program
CSOT	Community Services Outcomes Tree
DES	Disability Employment Services
DSS	Australian Government Department of Social Services
ESP	Employment Services Provider
ILM	Intermediate Labour Market
NFP	Not for Profit
PSE	Participating Social Enterprise
PBO	Payment by Outcomes
PBO3	Payment by Outcomes Trial 3
SII	Social Impact Investing
WISE	Work Integration or Work Integrated Social Enterprise
WBE	White Box Enterprises

Appendix B | Research methods

White Box Enterprises commissioned CSI Swinburne to holistically evaluate the implementation and outcomes of PBO3 over three years (2023-26). In the context of concurrent evaluations of the Australian Government's PBOs (e.g. Urbis 2023) and PBO3 specifically (e.g. Taylor Fry 2023), CSI Swinburne's evaluation is unique in that it engages all key stakeholders to identify, measure and evaluate the outcomes of PBO3 in terms of what each stakeholder group identifies as important. CSI Swinburne developed the focus, approach and design of the evaluation in conversation with DSS, social impact investors, WBE, and social enterprises.

Evaluation focus

PBO3 Objectives and Design

- ✓ What do key stakeholders of PBO3 want to achieve through their involvement in the trial? How do stakeholder objectives change over time?
- ✓ How have stakeholders' objectives, resources and contexts influenced the design of PBO3? To what extent does the design of PBO3 enable stakeholders to meet objectives?

PBO3 Implementation

- ✓ What factors affect the implementation of PBO3 for different stakeholders? What are the implications of these factors for the efficiency of the financial model and efficacy of the service delivery model?
- ✓ What are the key challenges of implementation that may prevent the scaling of PBO3 (e.g. transaction costs, capability, data sharing, etc.)?

PBO3 Outcomes

- ✓ What change is PBO3 enabling in:
    - the lives of participants (e.g. access to meaningful employment, skills and development, fulfillment of goals)?
    - how key stakeholder organisations operate individually (e.g. financial returns for impact investors, service improvements within social enterprises)?
    - how key stakeholder organisations work together to deliver the PBO3 (e.g. how they collaborate and share resources)?
    - the systems that impact social disadvantage? (e.g. through policy change, systems change, sector learning)?

Evaluation design

The evaluation is longitudinal in design with data collection having occurred or scheduled to occur in mid-2023 (completed), mid-2024 (completed) and end-2025 (planned). Each wave of data collection has or will include interviews with representatives of organisations (including social enterprises, WBE, DSS, and social impact investors), a survey of employees enrolled in PBO3, and interviews with up to seven participants of PBO3 (i.e. employees of social enterprises).

As outlined in Table 1, below, all three forms of data were collected for this Second Interim Report.

Table 1: Summary of Wave 2 data collection (mid-2024)

Data type	Stakeholders involved	Number of interviews	Number of research participants
Interviews about implementation and outcomes of PBO3 (2023-24)	WBE, Social enterprises[+]	11	13
Survey about outcomes for PBO3 participants (2023-24)	PBO3 participants	NA	31
Interviews about PBO3 in the context of participants' life narratives	PBO3 participants	8	8
TOTAL		**19**	**44**

[+] Funders (DSS and social impact investors) were not engaged in this phase of the evaluation and will be re-engaged in the final phase (2025-26)
** All PBO3 participants who took part in an interview also completed the survey.*

Interviews with organisations | PBO3 implementation and outcomes, 2023-24

Data collection commenced with interviews with representatives of nine Social enterprises and WBE. During interviews, research participants were invited to reflect on the focus, achievements, challenges, and outcomes of PBO3 implementation in 2023-24. The research team recruited research participants via email in May 2024, reaching out to all 13 social enterprises who were still actively involved in PBO3 at the time. Of the 13 social enterprises who were contacted, nine agreed to participate in all aspects of the evaluation, and one agreed to connect the research team with its PBO3 participants. All interviews were voluntary and research participants had the option of withdrawing data after their interview.

Table 2: List of interviews with PBO3 organisations (mid-2024)

Org role in PBO3	Participants' roles	Date of interview	Report reference*	Involved in 2023 interview?
Intermediary	Executive	24/5/24	WBE1	✓
	Operations	1/8/24	WBE3	-
Social enterprise	Social Enterprise Manager	2/7/24	PSE3	✓
	Operations Manager	22/5/24	PSE4	✓
	National Business Manager	12/6/24	PSE7	✓
	Chief People Officer	19/7/24	PSE9	✓
	National Social Enterprise Manager; Enterprise Trainee Coordinator	31/5/24	PSE10	✓ ✓
	General Manager	21/5/24	PSE12	-
	CEO	29/5/24	PSE13	-
	Social Impact Program Manager	29/5/24	PSE14	-
	Employee Support Officer	31/5/24	PSE15	-

* Report Reference numbers are consistent with Report 1 (Suchowerska et al. 2023)

Two social enterprises declined to participate in the 2024 evaluation activities due to organisational turbulence and/or resource constraints. One social enterprise did not respond.

These circumstances prevented the research team from reaching out to the 36 PBO3 participants that these three social enterprises had enrolled since PBO3 inception (i.e. 27% of all PBO3 participants).

The research team did not engage the remaining four social enterprises because they were no longer active in PBO3. They had each enrolled one employee in PBO3, all of whom have exited PBO3.

Survey of participants | PBO3 outcomes

The research team surveyed PBO3 participants to understand the changes that PBO3 is enabling in their lives mid-way through the trial. Minor adjustments were made to the questionnaire administered in 2023. The questionnaire was modeled on the Community Services Outcomes Tree (CSOT)—a framework designed by CSI Swinburne in partnership with Uniting Vic Tas to capture outcomes that individuals experience from community services. Researchers adjusted the original questionnaire to include questions about employment goals (relating to transitions to new employment) and to remove questions that had not yielded rich data in 2023. The survey form retained multiple-choice as well as open-text question types. The 2024 survey is provided in Appendix C.

The survey was open for four weeks between 21 June – 23 July 2024. Participants were invited by their existing or previous employer (i.e. social enterprises), who had received personalised links to the online survey as well as a printable version of the survey. After disseminating the survey to all social enterprises on 21 June 2024, the research team prompted key contacts within social enterprises twice (3 July and 12 July 2024) to send out reminder emails to their PBO3 participants.

As outlined in Table 5, below, a total of 78 PBO3 participants were invited to complete the survey. It was not feasible to reach the remaining 54 PBO3 participants because either their social enterprise employer was not participating in this phase of data collection (n=40), or the PBO3 participant was no longer in contact with their social enterprise (n=14).

Table 3. Summary of survey recruitment (mid-2024)

Recruitment for survey	Number of PBO3 participants	Per cent of PBO3 participants
Invited to complete the survey	78	59%
Not invited due to social enterprise not participating in 2024 data collection	40	30%
Not invited because no longer in contact with social enterprise	14	11%
TOTAL	**132**	**100%**

Of the 78 employees who were invited to complete the survey, 31 completed it (40%) and 47 declined (60%).

A key limitation of the survey data is that it over-represents the perspectives of PBO3 participants who are still employed by social enterprises (see Figure 13). This limitation has been noted in the

presentation of findings, which frame 'individual outcomes' in terms of outcomes for PBO3 participants who are still employed by social enterprises.

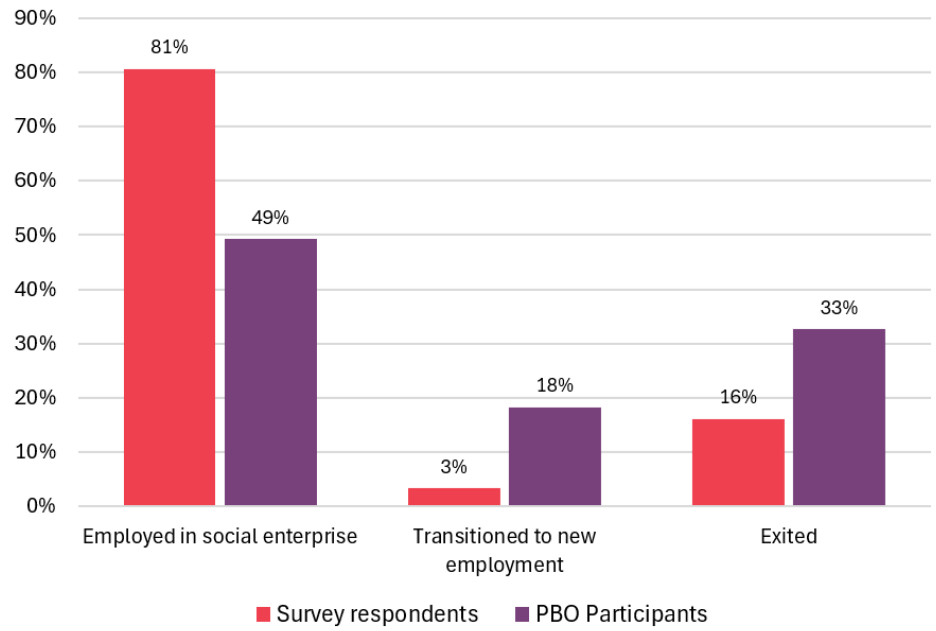


Figure 13. Comparison of survey respondents with PBO3 participants, by employment status

Self-reported demographic data also indicate that PBO3 participants in the 22-30 age bracket were under-represented among survey respondents (see Figure 14). This may be due to the under-representation of PBO participants who have exited the trial, with WBE data showing that the average age of PBO3 participants who have exited PBO3 was younger than that of all PBO3 participants.

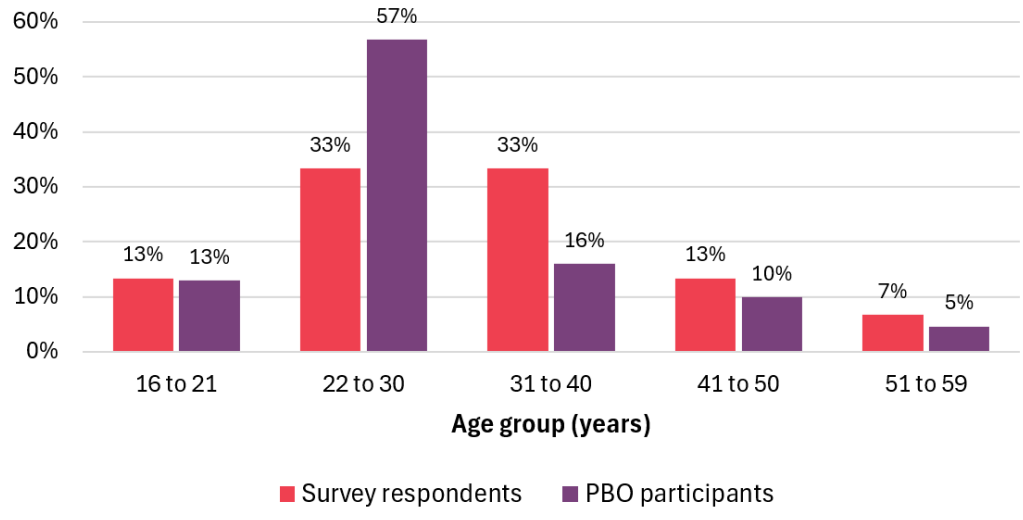


Figure 14. Comparison of survey respondents with PBO3 participants, by age group

Self-reported demographic data show that the majority (61%) of survey respondents were male and that this aligns with the gender distribution of all PBO3 participants.

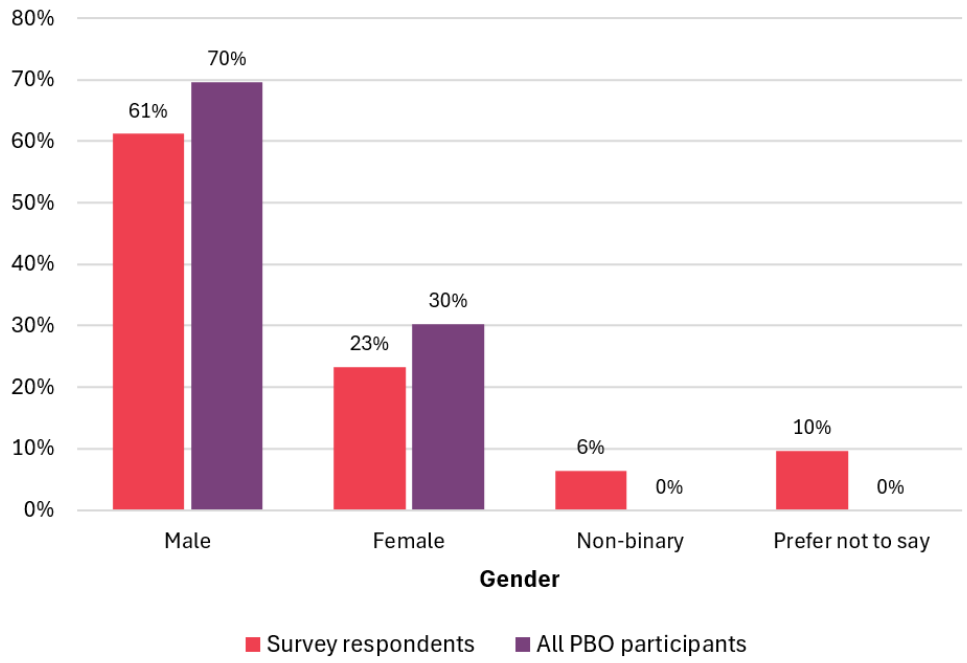


Figure 15. Comparison of survey respondents with PBO3 participants, by gender

Finally, almost half (46%) of survey respondents reported to have worked between 17 – 24 hours in the past week (see *Figure 16*).

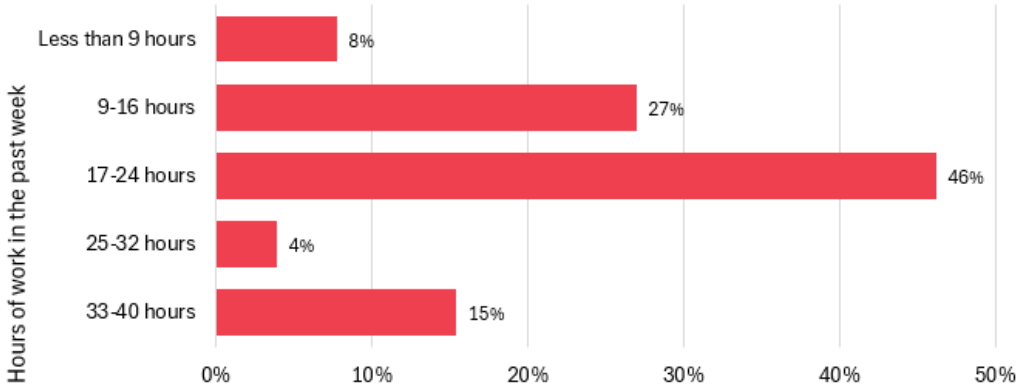


Figure 16. Survey respondents' work hours in the past week

Interviews with participants | PBO3 outcomes in the context of participants' life narratives

The research interviewed eight PBO3 participants to understand PBO3 outcomes for individuals in the context of their life narratives. Details of each interview are provided in Table 4, below.

Table 4. Interviews with PBO3 participants (mid-2024)

PBO3 status	Pseudonym	Date of interview	Duration of interview	Involved in 2023 interview?
Employed by social enterprise	Ben	26/6/24	45 min	✓
	Ethan	12/7/24	50 min	✓
	Melody	18/7/24	40 min	-
	Kade	11/7/24	32 min	-
	Brett	16/8/24	37 min	-
	Emily	15/8/24	15 min	-
Exited PBO3	Joseph	16/8/24	26 min	-
	Lia	11/7/24	59 min	✓

There were three concurrent methods of recruitment:

1. Where possible, the research team invited PBO3 participants who participated in interviews in 2023 to participate in a second interview in 2024. Three of six accepted the invitation.
2. Social enterprises were invited to introduce the research team to PBO3 participants who would feel comfortable meeting with a researcher for an interview, with a focus on PBO3 participants who had transitioned to new employment. This introduced two new PBO3 participants to the evaluation, albeit neither had transitioned.
3. All survey respondents (PBO3 participants) were invited to nominate themselves for an interview. Of the 31 survey respondents (participants), nine consented to receive more information about the interview. The research team contacted three participants and arranged a time and place for the interviews.

All interviews were voluntary and research participants had the option of withdrawing from the study after their interview. Participants had the option of completing the interview with a support worker or colleague. Participants received $50 gift cards upon completion of interviews. Interviews were recorded, transcribed and de-identified.

The research team used transcripts to write up case studies of participants' experiences of PBO3 in the context of their broader life narratives. Narratives are in the words of participants with paraphrasing kept to a minimum. The narratives reorder passages from interviews with the aim of conveying the key challenges, highlights, reflections, and goals of each participant. All stories were shared with participants and participants provided approval for the stories in their current form to appear in this report. Participants expressed thanks for the opportunity to have their stories written up in this way.

Appendix C | Survey form

Evaluation of Payment By Outcomes Trial for Social Enterprise

Survey of Employees – Working at Social Enterprise

Thank you!

Thank you for your interest in this survey. The survey is about how your employment is benefiting or not benefiting you. It will take about 10-15 minutes to complete.

The survey is being organised by researchers at Swinburne University of Technology in Melbourne. The survey is for an evaluation of the Payment By Outcomes trial. White Box Enterprises has asked Swinburne University to do the evaluation.

Why me?

You are invited to do the survey because you are enrolled in the Payment By Outcomes trial. By completing the survey, you can help us to understand:

- Is employment (through the Payment By Outcomes trial) making a difference for employees?
- What is working well? What is not working well?

How will my responses be used?

Your answers are confidential. You do not need to provide your name. Your responses will be kept securely for at least 5 years.

Researchers at Swinburne University will combine everyone's survey responses and include them in a report about the Payment By Outcomes trial. If you do not wish to share your views, please do not complete the survey. Your decision to complete or not complete the survey will not affect your employment.

Questions?

If you have questions about this survey, you can contact Roksolana, who is managing the evaluation project: Dr Roksolana Suchowerska, rsuchowerska@swin.edu.aumailto:, 03 9214 5944.

Ethical concerns?

If you have concerns about the ethical conduct of this project, you can contact
Swinburne's Research Ethics Office (Project 6954)
resethics@swin.edu.au, 03 9214 3845

About your employment

Social enterprise:

Participant ID number:

Question 1

Are you **currently employed**? (select the option that best fits your situation):

- ○ Yes, I'm working at my social enterprise (please proceed to the next question)
- ○ Yes, I left my job at [social enterprise] and now I work at another job *(please ask for a different survey)*
- ○ No, I left my job at [social enterprise] and I'm looking for other work *(please ask for a different survey)*
- ○ No, I left my job at [social enterprise] and I'm not looking for other work *(please ask for a different survey)*

Question 2

Which of the following best describes your **employment goals**?

- ○ I want to keep working at [social enterprise] for as long as possible
- ○ I want to keep working at [social enterprise] for a bit longer, and then find another job
- ○ I want to find new employment in the next few months.
- ○ Other [please specify]:_____

Question 3

Please tell us a bit about why you chose that **employment goal**? For example, how do you feel about getting a new job outside of [social enterprise]?

Question 4

Have the following things gotten **better or worse** over the last 12 months?:

	Got worse 	No change 	Got better 	Not relevant to me 
My ability to meet daily life needs *(e.g. access to nutritious food, personal hygiene, mobile phone, internet, daily living activities)*	○	○	○	○
My housing... *(e.g. access to stable, safe, affordable housing)*	○	○	○	○
My skills and development *(e.g. having someone who supports my learning, new opportunities to learn new things, access to new qualifications)*	○	○	○	○
My employment circumstances *(e.g. positive work attitude, maintain employment, job satisfaction)*	○	○	○	○
My physical health *(e.g. my fitness*, strength, mobility*)*	○	○	○	○
My mental health *(e.g. my emotional wellbeing, anxiety, stress)*	○	○	○	○
My financial circumstances *(e.g. my ability to pay for basic expenses like bills and groceries)*	○	○	○	○
My financial skills *(e.g. my financial management skills, reduced financial worry, my ability to cover a financial emergency)*	○	○	○	○
My choice and empowerment *(e.g. setting and pursuing goals that are important to me, having a say in the support I receive at work, at home or in the community)*	○	○	○	○
My safety *(e.g. I am safe where I live or sleep, I have safe relationships)*	○	○	○	○
My family and relationships *(e.g. getting along with others, new friends, safe relationships)*	○	○	○	○
My sense of belonging *(e.g. feeling valued and belonging, participating in community and social activities)*	○	○	○	○

Question 5

What are the main reasons for things **getting worse?** ☹ (skip this question if nothing has got worse). You can go back to the previous page if you want to see your answers again.

Question 6

What are the main reasons that things have gotten **better**? 😊 (skip this question if nothing has got better). You can go back to the previous page if you want to see your answers again.

Question 7

What are the main reasons there has been **no change** to some things? 😐 (skip this question if nothing was rated "no change")

For example, maybe you didn't want change, maybe you need more time for change to happen, or maybe you didn't have the support you needed. You can go back to the previous page if you want to see your answers again.

About barriers in your life

The next questions are about some of the barriers that you have faced in life.

Question 8

What challenges or barriers do you currently face in life? *Please tick all that apply:*

- ○ **Money issues (**e.g. low income, debts, lack of financial management skills)
- ○ **Housing issues** (e.g. poor quality housing, insecure housing, overcrowded housing)
- ○ **Personal situation** (e.g. mental health, drugs and alcohol, personal trauma/crisis)
- ○ **Lack of family/community support** (e.g. lack of support, social isolation, family violence)
- ○ **Feel guilty about reaching out for support** (e.g. feel ashamed)
- ○ **Negative judgement or discrimination**
- ○ **Transport issues** (e.g. lack of public transport, lack of drivers licence, lack of a car, cost of transport)
- ○ **Inadequate help and support from services** (e.g. unable to get other services like mental health etc)
- ○ **Don't know what support is available** (e.g. government services, community services)
- ○ **Don't trust services / government** (e.g. fear involvement of child protection, don't feel safe with services/staff)
- ○ **Lack of personal motivation, feel helpless** (e.g. no interest or feel unable to make changes in life, personal issues, too busy / lack of time to take action)
- ○ **Difficulties with English** (this is not my first language)
- ○ **No access or no ability to use computer or the internet**
- ○ **Other** (please tell us) _____

Question 9

Is [social enterprise] helping you with any of the barriers you ticked above? If yes, please tick which ones:

- ○ **Money issues (**e.g. low income, debts, lack of financial management skills)
- ○ **Housing issues** (e.g. poor quality housing, insecure housing, overcrowded housing)
- ○ **Personal situation** (e.g. mental health, drugs and alcohol, personal trauma/crisis)
- ○ **Lack of family/community support** (e.g. lack of support, social isolation, family violence)
- ○ **Feel guilty about reaching out for support** (e.g. feel ashamed)
- ○ **Negative judgement or discrimination**
- ○ **Transport issues** (e.g. lack of public transport, lack of drivers licence, lack of a car, cost of transport)
- ○ **Inadequate help and support from services** (e.g. unable to get other services like mental health etc)
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- ○ **Lack of personal motivation, feel helpless** (e.g. no interest or feel unable to make changes in life, personal issues, too busy / lack of time to take action)
- ○ **Difficulties with English** (this is not my first language)
- ○ **No access or no ability to use computer or the internet**
- ○ **Other** (please tell us) _____

Question 10

Please tell us about the **biggest barrier** that is preventing you from achieving the change you wanted or needed over the last 12 months:

This is almost the end of the survey

Question 11

Is there anything else you would like to tell us? *(e.g. about the best parts of your employment, how it has or hasn't met your expectations, or if there's anything else that your employer could do to improve your life)*

Just a reminder that this survey is anonymous, and your responses will not affect your employment.

About you

Question 12

What is your age? _____

Question 13

What is your gender identity?

- ○ Man or male
- ○ Woman or female
- ○ Non-binary
- ○ I use a different term (please specify_____)
- ○ Prefer not to answer

Question 14

Do you identify as Neurodivergent? For example, your brain might work and think differently due to Autism, ADHD, Dyslexia, Dyspraxia, Dyscalculia, Tourette Syndrome or other reasons.

- ○ Yes
- ○ No
- ○ Unsure
- ○ Prefer not to answer

Question 15

Do you have a disability? Please select the category that best matches the disability, health condition or injury that you have. *(You can select more than one)*

- ○ **Sensory – visual, hearing, speech** (e.g. loss of sight that can't be corrected with glasses or contact lenses, loss of hearing that impacts communication)
- ○ **Intellectual** (difficulty learning or understanding things)
- ○ **Physical** (e.g. chronic pain, restriction in physical activities, difficulty gripping things, limited use of arms or fingers, limited use of feet or leg)
- ○ **Psychosocial** (includes mental health conditions, nervous or emotional conditions)
- ○ **Head injury, stroke, or other brain damage**
- ○ **Other** (please specify _____)
- ○ **I do not have a disability**

Question 16

Approximately how many hours of paid employment are you working this week?

- ○ Less than 9 hours
- ○ 9-16 hours
- ○ 17-24 hours
- ○ 25-32 hours
- ○ 33-40 hours
- ○ Over 40 hours

Question 17

We want to write one-page stories about people who are in the Payment By Outcomes trial. Are you interested in this opportunity?

- This is completely voluntary
- The stories are anonymous
- You would need to participate in an interview for 30-45 minutes
- You would receive a $50 gift card

Would you like more information about this?

- ○ Yes
- ○ No

If you answered Yes, please provide your name and email address so that we can contact you about the interview.

Your first name: _____

Your email address: _____

Thank you for finishing the survey.

We will combine everyone's anonymous responses and include them in a report about the Payment By Outcomes trial. The report will be given to White Box Enterprises.

If you want to contact the research team, please reach out to:

Dr Roksolana Suchowerska
rsuchowerska@swin.edu.au
03 9214 5944



CENTRE for SOCIAL IMPACT

SWINBURNE UNIVERSITY OF TECHNOLOGY