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Introduction

At the European Union of Supported Employment conference held in Barcelona in the summer of 2005 some introduction of the concept of measuring social return was made through input to a workshop session by **Lodestar**. The session was highlighting the first work carried out in N Ireland in the area of calculating the social value of the outcomes of work that was designed to train & support people with learning disabilities. In this case the aim was to support people to gain access to the world of employment.

The methodology used for this work is **Social Return on Investment (SROI)**, a new and emerging model aimed at measuring the social value of organisations or projects with primarily social aims.

This report describes the first SROI analysis to be carried out in Hungary; it has been commissioned by the **Salva Vita Foundation (SVF)**, an organisation specialising in the support of people with intellectual disabilities. This is a collaboration between SVF and Lodestar, a social economy consultancy support organisation based in the U.K. The study has been funded by **The Open Society Institute (OSI)** and the **CEE Trust (Central & Eastern Europe)**.

The Salva Vita Foundation

The Salva Vita Foundation was established in 1993 with the mission of contributing to the creation of social equality for people with intellectual disabilities and building a diverse and inclusive society. The aim is to assist people with intellectual disabilities in leading independent lives, primarily with the aid of the Supported Employment (SE) services and in the Work Experience programme.

The Work Experience programme, designed and launched by Salva Vita in 1996, is a complex preparatory programme for the employment of young people with intellectual disabilities attending special secondary schools. In the framework of the programme, students work at various regular workplaces once a week as part of the curriculum, besides schoolwork.

The Supported Employment service is a special employment service that promotes the employment of people with disabilities and provides long-term assistance to both the clients with disabilities and the employer for successful employment. More detailed information on the SE programme is provided in later sections.

Why use SROI?

In 1996 SVF was the first organisation ever in Hungary to introduce the concept of Supported Employment; a process of working with people with disabilities to help them achieve greater potential than before, particularly in relation to training & employment. This was a very new concept in Hungary, at that time there were no disabled people working in the open Labour Market and the programmes at SVF were designed to work with people with intellectual disabilities & their families/carers to achieve access to open employment. The work since its inception was a great success, for the first time people with disabilities were gaining access to paid work, were being supported to stay in work and with the help of their employers (also supported by SVF) were maintaining their position as paid employees. Such was the success that the Ministry for Social Affairs & Employment in Budapest asked SVF to become the agency that would teach other organisations to run Supported Employment programmes. The results continued to be good in relation to long term employment for people, there were high scores in client satisfaction but there was one problem; the Ministry considered that the SE process which was having good success was also expensive.

SROI has been used as a tool in order to demonstrate the many benefits of Supported Employment for a whole range of stakeholders in the process. SVF wants to test whether or not there are identifiable returns to the community for the investment made in the programme. This report will look at the question of whether or not the outcomes of Supported Employment are significant & enduring; is the cost of the programme a worthwhile investment & does it work in the longer term?

SROI has been used here because it is a tool specifically designed to measure the value of returns achieved by a given programme or activity and where possible the outcomes of the activity are monetised so that the potential return can be expressed as a ratio of the investment in it. SROI is designed to move beyond the exploration of the economic performance of an activity to take us to consideration of its social value and to use financial models to express this where possible.

This analysis sets out to test for the range of success or failure of Supported Employment, not only in relation to jobs but the potential range of other benefits as well; real progress in personal & career development for people with intellectual disabilities and other benefits such as the measure of “distance travelled” towards the labour Market for individuals – something that is not likely to be achieved when there is no support process attached to people with a disability who are seeking employment.

Social Return on Investment (SROI) Explained

SROI is a process that can be applied to an organisation or an aspect of an organisation's activity to determine the social value of that activity. Among other financial models it employs a Return on Investment model. This is expressed as a ratio of return of investment in the activity. However SROI does not just express numbers of return. An SROI analysis will also take a wider view of social value. Depending on the nature of the activity the term "social" can also be taken to mean environmental value.

There is an agreed Global Framework for applying the SROI model which hinges on stakeholder accounts of what are important objectives for the activity from their viewpoint. SROI will attempt to monetise any impacts that are distilled from stakeholder objectives but the final reporting of Social Return on Investment will not just be a set of numbers. A key part of SROI analysis is to set the number results in context by telling the "story" of the activity or organisation - again from a stakeholder viewpoint:

"The basic approaches are to identify sources of value, find indicators of this value & develop qualitative and quantitative expressions for these indicators. In addition to providing a framework for identifying and understanding value, SROI analysis also monetises these indicators and shows the discounted future projections of benefits & costs"¹

The key outputs of an SROI report are likely to be as follows:

- A stakeholder analysis for the organisation or activity
- A range of indicators that might be used to determine social value
- An indication of the effect on people involved as stakeholders in the outputs of the organisation or activity
- The gathering of qualitative & quantitative data to attach to indicators
- A financial model of social return

SROI is aimed at describing and valuing impact. That is to say that the impact of an activity will be the value of its outcomes with adjustments made for what might have happened anyway without the activity concerned. In SROI this is known as taking account of Deadweight. Other factors that relate to establishing the base case are also taken into account – for example in the case where other interventions external to the

¹ Social Return on Investment – a guide to SROI analysis Nicholls J et al 2006

activity may have contributed to outcomes being valued (attribution). The terms Deadweight & Attribution will be described again later in the report.

Key stages of an SROI analysis²

1. Boundaries: Define the organisation or programme, areas covered, and a time period that will be the focus of study. Consider financial information. Establish how to split & clearly determine the specific investment in the activity under study.

2. Stakeholders: Identify stakeholders, their overarching goals and their specific objectives for the programme. Prioritise key stakeholders and objectives. Identify common or overriding objectives.

3. Impacts: Identify how the programme works and how the programme affects key stakeholders (linking this to stakeholders' objectives). Capture this through an analysis of Inputs, Outputs, Outcomes, and Impacts.

4. Indicators: Identify appropriate indicators for capturing Inputs, Outputs, Outcomes, and Impacts. Identify monetised equivalent values for the indicators, using data available, data produced as part of the study or external data from similar conditions elsewhere. In some cases proxies may be used to place value. Use deadweight to take account of the extent to which outcomes would have happened without the intervention.

5. Data collection: Collect data relating to indicators.

6. Model & Calculate: Create a discounted cash flow model using gathered data and projections. Calculate the net present value of benefits and investment, total value added, SROI and payback period. Use sensitivity analysis to identify the relative significance of data.

7. Consider & Present: Consider & present results in a way that places the SROI numerical result in the context of the activity. Ensure clarification of any assumptions made and include guidance to future information needed that could allow adjustment of the SROI result.

² Adapted from European SROI Network Framework Document 2005

The range of SVF work

The work of SVF is very much focused on the partnership approach to providing better opportunities in Hungarian society to those who are disabled. It is a partnership approach that reaches through to senior government officials, other funding groups and a range of other NGOs who share similar aims; to design services that are client led but which are also in tune with the needs of employers.

It is no accident that SVF works closely with people (mostly with a learning disability) seeking work and with employers to ensure a good match of emerging skills and needs.

There are a number of strands to the work of SVF as follows:

Work Experience programme (WEP)
Employees' Club
Supported Employment (SE) service

The Work Experience programme is a complex preparatory programme for the employment of young people with intellectual disabilities attending special secondary schools.

Salva Vita Foundation designed and launched the first pilot programme in Budapest in 1996. National dissemination of the programme began in 2001.

In the course of the WE programme, students work at various workplaces in the open Labour Market once a week, as part of their curriculum. A group consists of two students and a coach. The students work at one workplace for two months, so in the course of two years they may experience eight different jobs. While working, they learn about basic requirements at work, get to know different workplace cultures, interact with other employees and through the process improve their discipline, orientation and communications skills.

Employers, in the meantime, have the opportunity to get to know people with intellectual disabilities at work without any financial commitment, learn about their capabilities and potentials, so they can make more informed decisions about the employment of people with disabilities, later on.

In the WE programme teachers and educators can work with their students individually and in new environments, and can receive objective feedback about their performance.

Salva Vita Foundation facilitates cooperation among special schools introducing the WE programme, trains teachers and coordinates research and development.

In 2006, the Work Experience programme was operating in 17 special schools nationwide.

The Employees Club is an SVF initiative that offers individual and group follow-up services for clients who have found employment through the SVF Supported Employment service. The Employees' Club is a proven form of group follow-up where clients regularly meet SE professionals and peers working in the open Labour Market.

The club is an important forum for sharing experiences and work-related information. During discussions clients may provide feedback and ask questions about the SE service. Regular meetings also offer opportunities for personality and skills development, contributing to the long-term employment of those attending.

The purpose of **Supported Employment** in this ground breaking SVF programme is to secure jobs in businesses with all the regular outcomes of being employed. Activity will only be classed as employment if the job is a real one, i.e. it would otherwise be done by a non-disabled worker, and is valued by colleagues.

The programme works alongside people with a learning disability towards the goal of achieving employment with personalised services. SVF will provide all support activities ranging from the identification of vacancies to helping individuals learning, getting and keeping an ordinary job.

A large amount of effort goes into work with employers on finding the appropriate jobs for SVF beneficiaries who are keen to access the Labour Market. SVF staff are also involved in the provision of information about the capabilities of the job seeker with a disability, training of potential employees, provision of up-to-date information about the subsidies available for the employment of people with disabilities, and assistance in solving problems that may arise during employment.

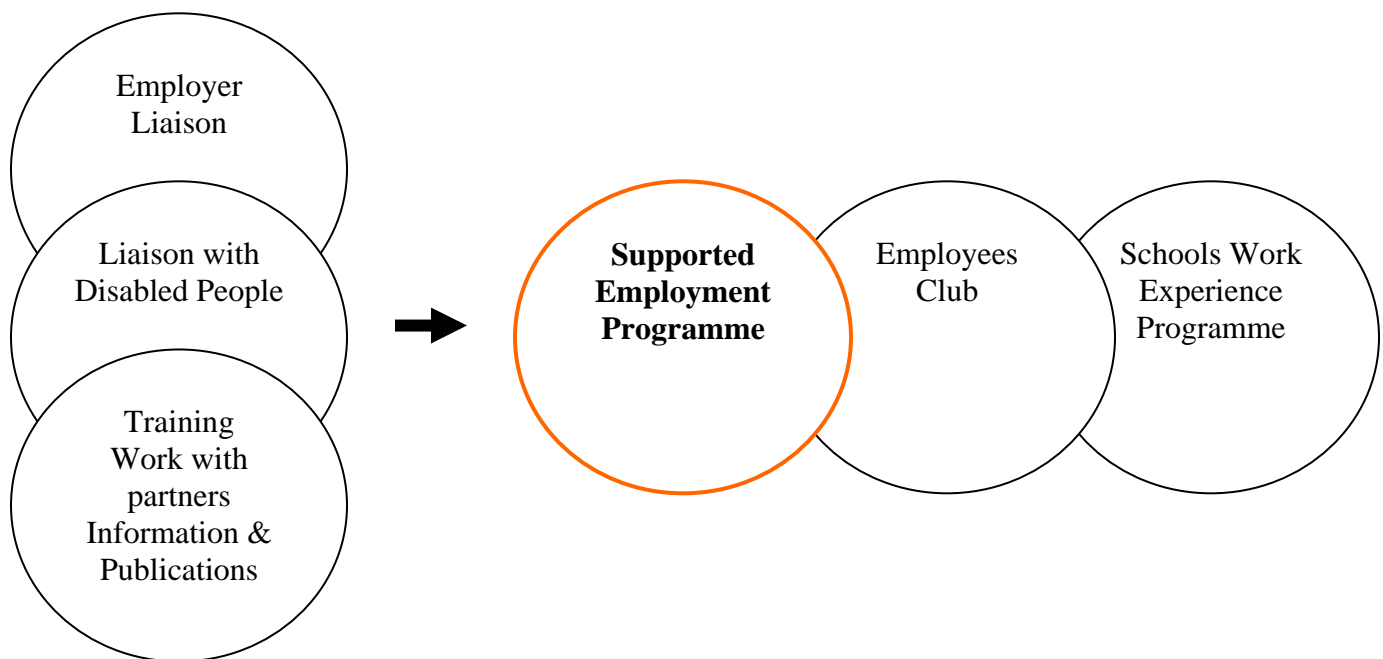
Employers who have used the SVF supported employment service are drawn from the complete range of sectors and include small enterprises with a few employees, as well as multinational corporations in the fields of manufacturing, trade, social services, health care and education.

Other outputs of SVF work include the training of partner Non-Government Organisations in the delivery of these specialist models of provision for disabled people, the lobbying of key decision makers in government ministries on one hand and on the other in key positions in the Private Sector

The focus of this SROI study

The main reason for the focus on the SE programme for this first SROI analysis is the very central function that it serves for the core mission & aims of SVF; helping people who are disadvantaged to successfully access the Labour Market in a way that could be proven as worthwhile and sustainable. It has been important to isolate this one core activity to test for its relative worth to its stakeholders and to the community. The work of SVF in the development of a model of SE suitable to the needs of disadvantaged people in Hungary has been cited as a good practice model by Hungarian Government Departments & in particular by the Ministry of Social Affairs & Employment. However, the process is also considered expensive compared to other provision although alternative provision has not been aimed at helping people into the Labour Market. The focus here on the SE element of the work is to facilitate a clear test of the relative worth of the programme to individuals and to wider society. As we have mentioned earlier, this study has set out to consider the investment in the programme and to assess the returns for this investment in both economic & social terms. **The return analysis discussed later is based on the SVF Supported Employment programme for the year of January 2006 to end of December 2006.**

The work of SVF and the SROI focus on the Supported Employment Programme



Appendix 1 sets out a flow model of the SROI process followed in this partnership work in SROI work involving Lodestar & SVF staff.

Supported Employment

Salva Vita Foundation has been providing SE services for clients living with learning disabilities and autism as well as for their employers since 1996.

SVF believes that work plays a pivotal role in defining an individual's quality of life. SE is a unique employment service that supports people from a disadvantaged background into paid work. The Salva Vita Foundation accepts and uses the definition of SE accepted by the European Union of Supported Employment:

“...providing support to people with disabilities or other disadvantaged groups to secure and maintain paid employment in the open Labour Market”.

It is a model for a partnership strategy, which will enable people with disabilities to achieve sustainable long-term employment and businesses to employ valuable workers.

Values and principles underpinning the SE service

Individuality - client-centred approach, services tailored to the needs of clients

Respect – SE activities are always age appropriate, dignifying and enhancing.

Informed choice – SE assists clients to understand their opportunities and the consequences of their choices

Self-determination and empowerment – SE assists clients to improve their interests and preferences, express their choices and make decisions. Individuals are involved in the planning, evaluation and development of services.

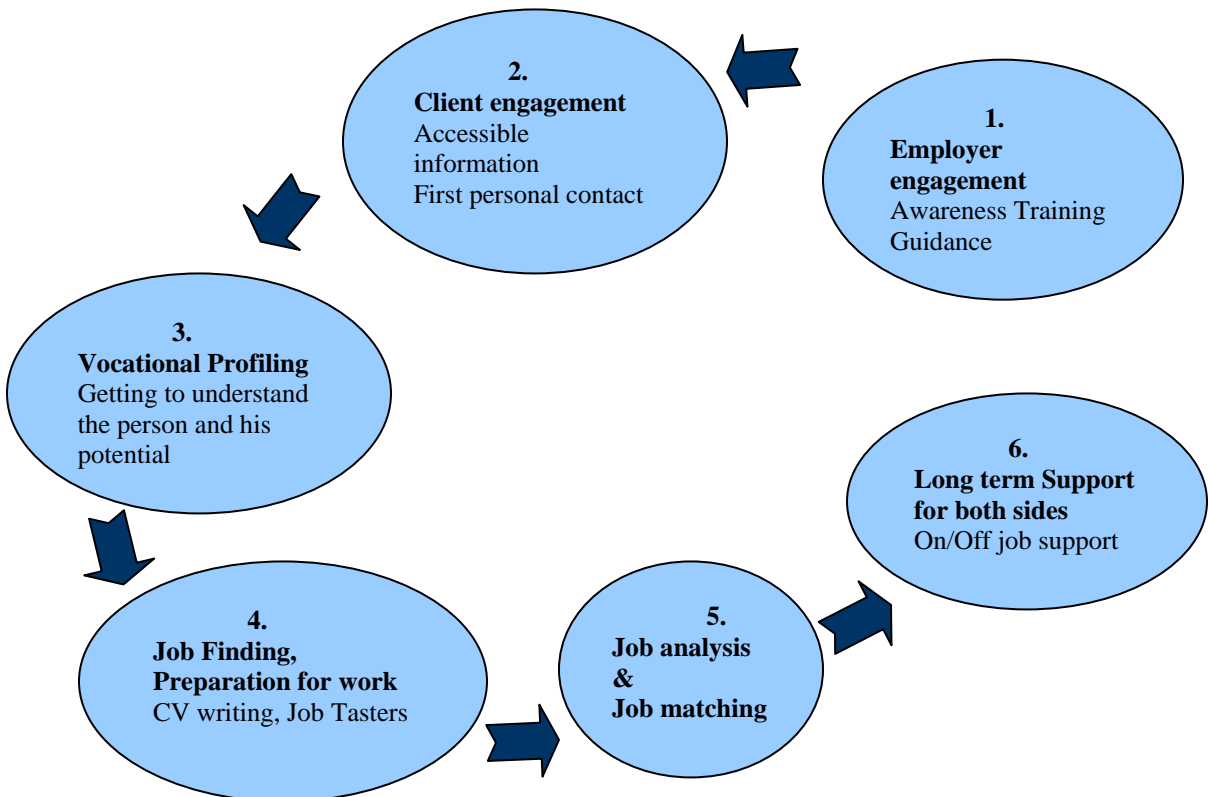
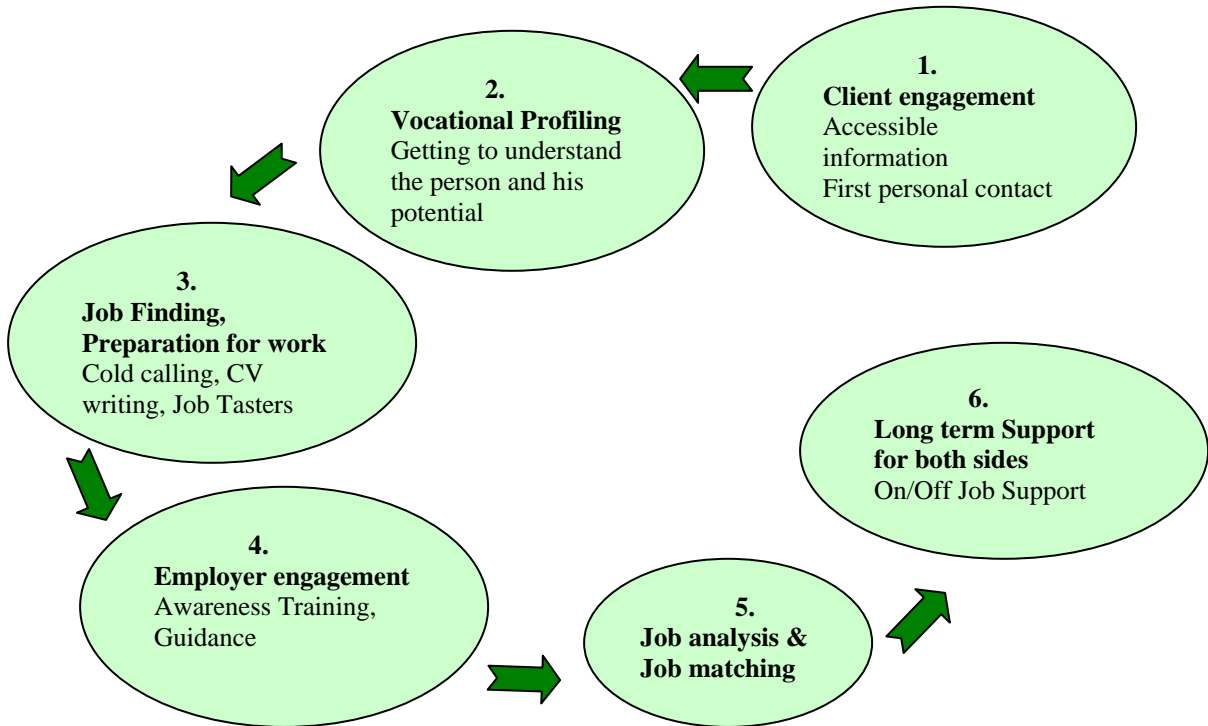
Confidentiality – All information given by the clients are considered as confidential. Clients have access to their personal file and any disclosure is at the discretion of and with the agreement of the individual.

Accessibility – SE services and information are accessible to all people with disabilities.

The Supported Employment model is essentially about finding the right person to do the right job and supporting both employer and employee to make the match successful.

The purpose of SE is to secure jobs in businesses with all the regular outcomes of being employed. Employment should only be considered if the job is a real one, i.e. it would otherwise be done by a non-disabled worker, and is valued by colleagues.

Two SVF models of Supported Employment



Client engagement – At this stage it is essential to provide accessible information (e.g. Easy to Read format) via appropriate channels (e.g. Labour Offices, Special Vocational Schools, Newspapers etc.) in a person centred way to enable our potential clients to make informed choices. At the end of this stage it is expected that the individual understands what SE can /cannot provide, they understand they shall participate actively in the SE process and that both sides will have responsibilities. SVF knows some basic data and information of the individual. The next step of the process is clear for both sides.

Vocational Profiling – In this stage we try to understand the person and their potential: skills and abilities, strengths and weaknesses, former experiences, job interests, aspirations. During the profiling process we also gather information from the parents, other family members, friends, carers etc. On the basis of the information gathered, SVF produces a detailed profile of employment related issues. The process is based on an empowerment approach. Participants are encouraged to make their own choices and participate in the design of their own Individual Working Plan (IWP). The IWP is a dynamic one – it is always A Person Centred Planning approach that should be fully adopted within this stage.

Job Finding and Preparation for work – The information gathered so far points to the type of occupation that best suits a participant. There are a number of methods that can be used to make job finding successful for SVF clients, as well as for preparing them for work: e.g. compiling a CV, responding to job adverts, cold calling, developing employer contacts and networks, organising Job Tryouts /Job Tasters. Job finding is a key stage in the SE process and there is no best way to do it. Again a person centred approach is essential in this stage where the employment officer acts as an advisor.

Employer Engagement – At this stage SVF follows two different strategies. Most often we identify potential employers according to the needs and preferences of our actual clients. We respond job adverts or cold call employers and try to “market” our client. We discuss the availability of government support, or awareness training, the support available from the SE service. However, SVF also works the other way round. We have regular contacts to employers (mostly multinational companies) and organise events for them where they can listen to international experts and exchange experiences about employing disabled people. We also provide them with up-to-date information on legal and CSR issues and produce useful publication on the business case of workplace diversity and good practice in the field. Many of them do not employ people with learning disabilities as of yet. Thanks to our Employers’ Forum, some of them have decided to do so in the near future.

Job Analysis and Job matching - In this stage SVF negotiates the terms and conditions of employment (e.g. hours of work, skills required, workplace culture, support available, health and safety requirement, salary, working environment, etc.) Staff also analyse the actual job on offer very carefully. Essentially it is a kind of a “Job profiling” process. The heart of the process is to match the vocational profile and the job profile. A successful match – followed by ongoing on/off job support is the guarantee of a long-term employment to the satisfaction of both the employer and the employee.

On/Off Job Support – The levels, amount and forms of support will depend on the individual’s needs. However, long-term support is the key feature – for both the employee and the employer. On job support is defined as: on-the-job training, guidance and assistance with social skills, identifying natural supports, supporting the client to adapt to the workplace, supporting work colleagues etc. Off job support means: solving practical problems (transport, work dress, money handling) assisting with welfare benefits bureaucracy, being a mediator in case of any problems at work etc.

For 10 years now SVF operates 4 Clubs for clients who have found employment through our SE service. The Employees’ Club is a proven form of group follow-up where clients regularly meet SE professionals and peers working in the open Labour Market.

Professional support should gradually fade and be replaced by support from co-workers.

Stakeholders

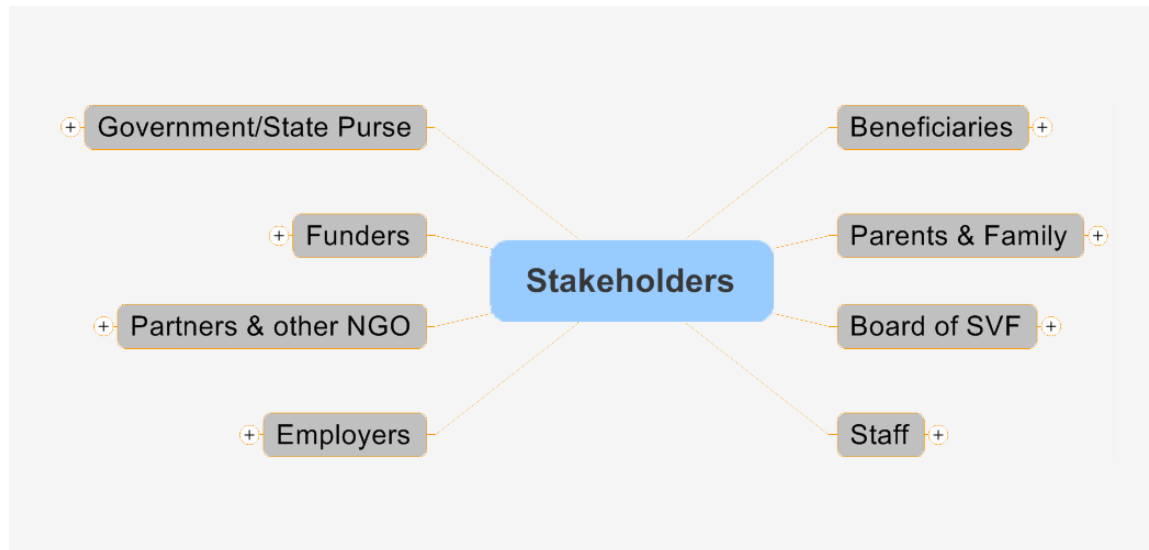
The basis of an SROI analysis is the determination of the core objectives of the stakeholders of the project or activity. The first step in the work with SVF was to arrange to conduct interviews to cover the stakeholders and to ensure we reached the broad spectrum of potential outcomes for the work that would be cited by stakeholders. We didn't want to limit the scope of the study by concentrating on one group of stakeholders. Nor did we wish to have such a wide field of view that the outcomes sought by stakeholders became too diverse for us to usefully and practically gather data for. Discussion was held with SVF on the most appropriate interviewees and whether or not Lodestar would need to lead on particular interviews. The aim was to cover the stakeholder groups as comprehensively as possible, to determine the key objectives of each agent, to gather information on expected outcomes for the stakeholders and from this information to distill the common expected outcomes. From this information we would draw up an Impact Table for the Supported Employment Programme and following further analysis determine indicators that might be used to define the value created.

In describing the stakeholder approach used in SROI above we have used terms which can usefully be explained further. The development of an Impact Table in SROI is derived from consideration of the **Objectives** of stakeholders and an analysis of **Inputs**, **Outputs**, **Outcomes** and potential **Impact** of the activity or programme under study.

These terms are further defined as follows:

Objectives	the key & core reasons for a stakeholder's involvement with the project.
Inputs	the resources used to run the activity: money, people, facilities and equipment etc.
Outputs	direct products of the activity or programme e.g. successful completion of a training course.
Outcomes	Changes for stakeholders as a result of the activity. Outcomes may be direct or indirect. Direct outcomes flow from the outputs e.g. gaining a job as a result of successfully completing a training course. Indirect outcomes flow from direct outcomes, e.g. income increase as a result of getting a new job
Impact	The value that is placed on the outcome with adjustments made for the base case, for example; for what may have happened anyway without the project.

The following were considered to be the main stakeholders in this programme under study:



The consideration of how stakeholders of the SVF Supported Employment programme would be interviewed about their core objectives resulted in the following:

Stakeholder	Interviewed by
Beneficiaries	SVF staff following training input from Lodestar in SROI instruments
Parents & Families	SVF staff
The Board of SVF	The CEO of SVF and Principal Consultant of Lodestar
Staff Team	Principal Consultant of Lodestar
Employers	SVF staff member responsible for Employer Liaison
Partners	SVF staff
Funders	The CEO of SVF and Principal Consultant of Lodestar
Gov Ministry	The CEO of SVF and Principal Consultant of Lodestar

We did not conduct specific interviews with representatives from the Labour & Benefits offices as the more active stakeholder in the programme were the government representatives from the Ministry for Social Affairs & Employment.

What they said

Beneficiaries

For this study we jointly conducted 45 interviews, 34 of which were one to one with beneficiaries³ either asking about their experiences of SE or using a questionnaire to establish the progress they had made in becoming work ready (for a sample of those who had not yet accessed work)

There were very positive statements made about the role of SE in the lives of beneficiaries and in a lot of cases an improved life quality was demonstrated through the attitudes and expressed feelings of individuals. For those who had achieved work, questions were asked about the difference this had made to them. In discussion with key workers from SVF, beneficiaries were typically asked questions concerning:

- The main reasons for joining the programme
- Expectations of the service and whether these were met
- Comments on the impact of SE on ones life and on family & friends
- Perceived disadvantages from the service

For the year under study (Jan 2006 – Dec 2006) some 145 people were on the programme. **33 people found employment in this time and we interviewed 10 of these.**

There can be no doubting the core objective of beneficiaries from all the stakeholder interviews – there is a single determination to find a job and the job sought is not for the purpose of relieving boredom, there is a set of very clear aspirations to achieve access to paid work, to be considered capable of work and in many senses to be allowed to enter the adult world through the recognition of that capability. Some of the first ideas expressed by beneficiaries are about their sense of exclusion and the notion that gaining a job will overcome this feeling.



³ In terms of gathering qualitative information from beneficiaries questions always arise as to the validity of responses for research purposes. In this study the nature of the disability could have formed a block to objectivity. The potential of over compliance in the perceptual expectations respondents may experience to come up with “right answers” was a possibility. This study adopted a social model as the basis of research. It allowed these conversations to take place within the comfort zone of the established relationships that respondents had with their key workers – for example the comfort of the established relationship was not put at risk by the introduction of an English speaking researcher. See Stone, E & Priestly, M (1996) Parasites, Pawns & Partners: Disability research & the role of non-disabled researchers” – British Journal of Sociology, 47(4).

A number of people commented on the desire for work:

I wanted to find a job. It would have been more difficult, if I had looked for a job alone. My parents also helped me, but without the Foundation's assistance it wouldn't have been so easy.

A 23 year old man

T. lives together with his four brothers and sisters and his parents. All the five children and their mother have learning disabilities. T. had a registered job earlier, at a protected organisation, where he had been employed for one year. The employment was terminated because of T was absent too often. His parents alone could not cope with T. The relationship between T. and his parents was not good, they didn't trust him & they fought a lot.

In the course of our common work, SVF had very important objectives like learning T's motivations and abilities, as well as building a good relationship with his guardian and the family custodian from the competent child welfare service of the district. We arranged a job test for T, he performed very well, was motivated & he wanted to prove he accepted the rules. However there were still problems with his psychiatric state requiring attention both from the employer and the employment counsellor. However, the new employer entered into a contract with T so he has been working for 3 months as a labelling-packaging co-worker for 8 hours a day. The Foundation keeps up regular contact with his guardian, his parents, his family custodian and his employer. T in spite of the difficulties can cope with the situation at his work place. His mother says that he's getting more confidence. He enjoys working very much; he would even wish to go to work at week-ends because he regards working as something truly adult-like. He has also found a good friend with whom he often meets in his spare time.

I turned to the Foundation just because of the work. It was dreadful that I had no job, although I looked around everywhere but couldn't find a job. I thought that here they would help me in finding a job.

I went to a lot of stores (32 food stores), but none of them employed me. One of my neighbours recommended the Foundation. I hoped that we would find a work place where I can prove myself, where I wouldn't be despised, outcast.

I wanted to work, to go to a club, to find friends/girlfriends.

To have a job to earn money. To get a secure work place.

For me it was difficult to find a job. I hoped that I would be assisted. We were at the work practice, and I wanted to do the greasing of bearings. I know that it is a work for boys; still I wanted to do it.

On the theme of expectations and how individual's lives and the lives of those close to them had changed there were many comments:

My outlook upon life has become better, different. I get up early for work at weekends too, just like on the other days. My relations to other people and my family and friends, but especially

with the family improved. My family and my friends also are happy that they don't see me desperate since I work. My family rarely can see me at home, but at weekends I rather relax at home and I don't meet my friends so often.



I have a very good workplace; I am among people every day, and not in an isolated state. And I bought a TV from my salary. My workplace is very good, I go out and work with nice colleagues, and my boss is really very kind. I have my own income, I dispose of my income myself, and I don't have to ask for money when I go out. I go more often to coffee houses, for example, since I have my own salary.

I pay more attention to my family, and I try to help at home too, just the way I do at my work. My brother is more interested in me, and more patient with me. My family is happy that I work.

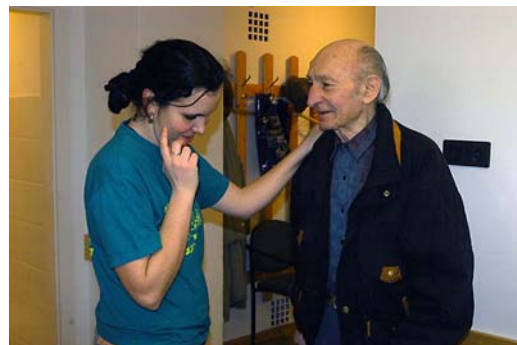
I can work better now, I am not that reserved. I can arrange everything alone: e.g. mailing the cheques, shopping.

My expectations had been fully met; they could find a good workplace for me. Work has a very good influence on my life, I earn money, and I am a working person. I stand my ground. My parents are very happy with this change; we didn't really have to reorganize our life. Neither I, nor my environment experienced any disadvantage due to my work.

My aim is to work where I work just now, and my aim is that they would be satisfied with me here.

Many things have changed in me. I have a good job, not to mention my boss. It was a very good feeling to get my first salary; at last I have some money. I am among people. I work among foreign people, and it is very good that I don't have to go abroad, but the foreigners come to me.

They realized that I am an adult now.



I can do my job. I feel more like an adult and I earn money

It's a great help that I have money. At home I pay into the family budget.

At last my brothers believe me that I want to work

One person commented that their expectations had only partly been met by this SVF service. This was because the employer had limited work.

Only partly, because at one place I could work no more than two days.

Another commented on their life objectives, the things they wanted to set as their goals for the SVF programme:

- *To live as other decent people live*
- *To have a work place, so I have money a flat of my own, and so on*
- *I'm not longing for the life of a mayor, but for a normal life*
- *My friends, my family and myself be proud of me*



Parents & Family

There were 4 interviews with parents & family members of the beneficiary group. The main objectives for these people were to see their family members supported and particularly to see them treated with empathy. Parents reported that before they were trying to make it in life alone or with very limited support which did not suit the temperament & conditions of the disability that their loved ones were trying to cope with. Family members wanted their loved ones to be more accepted in the community, they particularly valued the help with skills training and in looking for a real job opportunity. Above all they wanted this done through help from skilled experts in the field of disability & employment. A number spoke of the relief that came from the pressure that was taken off them as a family when they had the burden of caring reduced through the involvement of people who really knew how to approach the many issues and difficulties of living with disability.

The Board of SVF

A meeting was arranged with the Chair of the Board of SVF. The key item for discussion was of course the area of aims & objectives of Board members in contributing their time & skills to the running of the organisation. The main themes in response were the development of an organisation with worthwhile aims and to assist people who were disadvantaged towards training & employment opportunities.

A Mother

The reason she engaged with SVF was to have her daughter working again, find an occupation for her, instead of sitting at home the whole day, which apparently had a dreadful influence on her daughter. Her psychic condition worsened, she became tense & nervous. While her mother was away at work, the young woman invited strangers in their home & the mother always worried when leaving for work. The mother was also afraid that her child would regress to a lower level of development as a result of her environment lacking stimulus. At weekends they used to attend a psychotherapeutic group session, but its results seemed to be lost because the child spent weekdays at home. Due to these tensions, their relationship also became tense. She wanted to get help in finding a specific job where the young woman would be safe, i.e., she doesn't get into "bad" company. It was also very important to find work which suited abilities, and where people knew her and accepted her.

Her expectations have been met completely, because now her daughter works at the right place, where her abilities and shortcomings are very well understood, so she doesn't have to make any secret of it, or make greater effort than she is able to. The girl's tension is relaxed now by work, so the relationship between the child and the mother has improved a lot since the daughter is at work. The service proved to be great for them both, the mother also got some help, as she attended the Foundation's Parents' Club last year, where she met other parents with considerable problems. She found great comfort from the fact that there are other people to turn to, people who know her daughter.

Mrs. Nora Czoboly who heads up the Board of SVF in her role as Chairman had other views of how SVF could make a difference in the field of Supported Employment nationally. It was important to secure the strategic development of the Foundation but it was also important from an external relations point of view to lead the way in showing employers that culture has to change to accept people with a disability into employment. SVF is demonstrating that employees with a disability are regarded as “reliable” employees. There is a perceived role for SVF in training other foundations in the SE method so that they can add to the value SVF has created and this is especially true for the less densely populated areas of Hungary. An aim of the Board of SVF is to move the value created from the capital city out to the rural areas, to the smaller towns & villages.

The Staff of SVF

The staff objectives for the programme appear to be derived from the ability to assist others and from job satisfaction based on this central theme. In a focus group session with 6 staff, they perceived outcomes for themselves through the success of beneficiaries for whom they were in a position to observe progress. They cited beneficiaries finding employment as an important step for integration into society and there was evidence of people becoming more independent through the action of moving into their own living accommodation with peers. Another factor was the evidence that jobs that were achieved were kept for a much longer time. From a more personal point of view, staff saw opportunities afforded them in this work through their professional development derived from involvement in leading edge Supported Employment processes. The model created and followed at SVF has been held up as good practice and SVF has been asked by government to help replicate the model nationally. For this reason, staff also saw an objective that was related to their involvement in the use of SE as a tool to shape public opinion and the development of policy.

Another member of staff talked about value creation for society being increased through work assisting people who were disadvantaged as opposed to former work which was carried out in the private sector. In addition to this, current work involved partnership creation between SVF and multi-nationals so there were clear mutual benefits here with larger employers benefiting from assistance towards achieving Corporate Social Responsibility targets and for example, their Equal Opportunity targets. One very large employer has created promotional business meetings in which they are recommending more engagement with the disabled workforce – not least because they find such employees to be more reliable in terms of commitment, attendance and trustworthiness. Staff are gaining great satisfaction from the fact that employers are clearly stating that they are having good experiences employing people with a disability and that organisational cultures in the work-place are turning towards helping people enter the Labour Market as a direct result of the partnership with SVF and the SE programme.

The most senior member of staff saw the objective of the programme as very much aimed at the outcomes for beneficiaries. The following outcomes were thought to be closely attributable to the work of SVF:

- Independent people
- People with more self confidence
- People beginning a learning process about themselves & their career
- People getting skills around finding/keeping jobs
- People more active about taking decisions for their future
- People feeling more valued & included
- People becoming economically active
- People with more money to spend developing social life

Employers

Stakeholder interviews were carried out with 4 employers. The objectives for employers were – To get the job done, To help people who could not make it to a job without help. Larger employers were also aware of their commitments to the communities they served but also of the advantages in this for the company; they were shown a way by SVF to have access to more committed and reliable employees.

One employer commented on the natural empathy that an employee with a disability could have for work which was in the caring field:

They get in contact with elderly people. Elderly people are fond of them differently than their nurses, thus this is a positive result of the matter... When elderly people get lonely, they get into such a mental space, into which disabled people can place themselves very well.

They adapted themselves very well. The younger girl calls the chief kitchen woman “Mom”, so I don’t think it could have come off any better.

Other employers also talked about the qualities that disabled employees demonstrated

It is certainly an advantage that once these young people had learnt what to do, they would do it precisely. I wouldn’t say they don’t make mistakes, but they don’t want to make mistakes, and they don’t do their job half-heartedly. Their reliability, moral standard, could be an example for the majority of healthy employees. They don’t steal, they don’t pilfer, they don’t wimp, they don’t cheat, and they work their work hours, they are happy to have a job. They don’t grizzle. And they do their job.

They were well received. These young people smile, they are amiable. Very few people would not be moved by their smile.

There is one more long-term advantage. This is the social acceptance of the company. In our society this is getting more and more important.

Another employer saw the emphasis on employer / employee relationships and on better relationships between employees when the workforce was of a diverse nature

If we look at the inside of the matter, employees received it absolutely well that [we] as their employer, employed people with intellectual disabilities; this appears in loyalty too. If more disabled people were employed in other areas, then this would be much easier to accept...

As regards business, its marketing aspect is also a benefit: we don't advertise this, but when we mention it at events, the image of the company surely improves.

When someone hears or reads about this, it may influence the person in applying to [us] or not. ...There were people who applied to us just because of this.

They work in the warehouse, where this can be felt directly: the employees are more open. They have absolutely good influence on the working atmosphere.

Others talked about the Supported Employment process itself

As for integration, they talked about it even years after. It has been built in the company culture that how great was the assistance of the Salva Vita Foundation.

An associate of the foundation mediated when we entered into a contract, etc. This was a great help for us, because this way I didn't have to trouble with it so much. That the foundation takes the role of a catalyst is equally good for the client and for us..... He came here on the job test, and when he came again, they convinced me about the advantages for him and for me as well. We could say that his post was in fact created by the foundation.

Partner NGO's

There were 2 interviews and these showed that objectives for partner's involvement with SVF were around learning from the expertise of SVF. There was a strong emphasis on the transference of practical knowledge.

Supported work is a central programme at “Csupaszivek”, and in this field SV is the most experienced. No other organisation in Hungary has the experience they have.

Another partner talked about the up to date knowledge of SVF in relation to latest methodology and the experience they had working with a range of organisations. The partner felt they were “dealing with experts”

Funder

A meeting was arranged with the Open Society Institute’s Open Society Mental Health Initiative based in Budapest and one of the funder stakeholders with a key interest in the work of SVF. The Mental Health Initiative lobbies to affect policies that provide equal opportunities for all sections of society. A meeting with **Judith Klein** who heads up this special initiative for Open Society Institute talked about the main objectives for the involvement of the Initiative with SVF. There were a number of similar goals for the two organisations and one of the key objectives was for OSI to support SVF in terms of funding innovative work because it was cutting edge work which may not get start-up funding elsewhere until good outcomes could be demonstrated. Other goals for the financial support included the following:

- Promoting social inclusion
- Creating the chance for people to live independently
- Working with people in innovative pilot projects
- Dissemination of SE message
- Getting people into work
- People coming from outside to see a good model of SE in Hungary
- Mainstreaming of process with ministry
- SVT representing best practice in region

Government

A meeting was held with the Deputy Head of Rehabilitation in the Ministry of Social Affairs & Employment in which the aims of government in this field were discussed. One of the key aims of this government department was to assist people who are disadvantaged. Partnership with organisations like SVF would assist in meeting departmental targets through ensuring a high quality of services delivery. Not only this, but as a lead organisation, SVF was also in a position to facilitate the professional development of other NGO’s. The following were some of the objectives cited by the department:

- Network into the skills of the staff of SVF
- The SVF work fits with Hungarian national policy
- Meeting equality targets for the department.
- Achieving paid work for people, helping them, their families, community & society
- People with disability gaining access to equal rights
- People with a disability meeting their best possible potential.
- People moving forward towards paying taxes instead of costing benefits.

The Budapest Public Employment Service also commented on their work with SVF

We like to work with SVF for they represent outstanding professional quality, they are reliable, and the two organisations share the same professional mentality. So far we employed the various professional services of SVF, tasked them with certain experts' duties, and relied on their experience. We cooperated in working out a strategy for the support of career starter youths, and the SVF elaborated for us professional papers on the matter. At present we requested SVF to work out models of work orientation that would increase the chances for employment of career starter youths with disabilities with the involvement of employers.

The direct impact: following the completion of the joint strategy mentioned above, the Budapest General Assembly passed it, which was a direct goal, and which has also a positive indirect influence on the equal opportunities on the Labour Market of the career starter disabled youths.

Impact mapping

From all these interviews and feedback we have created an Impact Map for SVF's SE programme. From this we developed the SROI measures. First of all we looked at the main objectives of each of the stakeholder groups. These are shown in the table below:

Stakeholders Objectives

The table shows the key objectives of the stakeholder groups as well as the outputs of the SVF programme that would relate to each.

Stakeholders	Objectives	Outputs
Beneficiaries LD	To get skills, To get a job. To have a routine in life. To meet other people. To have financial independence. To be accepted in the community. Help in avoiding bad experiences with employers. To improve confidence. Be regarded as an adult.	Training in Work Skills. Independent Travel Training programme. Job search training. Work preparation training. Job taster work. Personal Development Training
Parents & Families	To see family member supported. Increased skills. Improved chances to get into labour Market. Have family member mentored by experts in disability & employment. See family members working. Reduce the burden of caring for family member.	Training in Work Skills. Independent Travel Training programme. Job search training. Work preparation training. Job taster work. Personal Development Training. Support network for family members
Board of SVF	To contribute to the development of an organisation with worthwhile aims. To assist people with LD into training & employment opportunities	Policy decisions. Financial monitoring. Management support. Public relations Support to CEO
Staff	To contribute professional skills to the development of the work of SVF	Training in Work Skills. Independent Travel Training programme. Job search training. Job taster work. Work preparation training. Personal Development Training
Employers	To assist people who have difficulty entering the Labour Market. To access employees who can have a higher attendance and commitment to the work. Improve our image in the local community. Demonstrate practical aspects of our CSR. To have the most committed employees working for us.	Training in work skills. Work preparation training. Job coach mentoring at the workplace. Job taster work. Employer training. Interview practise.

Partners(other NGO's & transnational)	To partner the work together having joint aims. To benefit from the expertise of SVF in employment for people with disabilities. To work with reliable partner and one with high reputation	New SE methodologies. Consultancy. Transferring experiences. Training for partners. Joint projects
Funders (EU, Private Trusts)	To support people who are disadvantaged in their entry to the workforce	Supported Employment programme. Monitored progress for people with learning disability
Ministry for Social Affairs & Employment	To get people with any form of disadvantage into the Labour Market. To assist people staying longer in paid employment through specialist support	Supported Employment programme. Monitored progress for people with learning disability
Govt - Labour Offices	To support people who are disadvantaged in their entry to the work force. To build quality group of NGO's for future procurement purposes	Supported Employment programme.
Govt - Benefits system	To support people who are disadvantaged in their entry to the work force	Supported Employment programme.

From the outputs of the programme we have created a table analysis of corresponding outcomes. These are the things that happen directly or indirectly as a result of this work of SVF. The outcomes are now concentrated upon to see if we can determine measures for these that would allow us to place a value on the work – effectively a measure of the impact of the programme. The following table lists the outcomes that were signified by stakeholders as important for the SE programme. The outcomes are accompanied by potential measures in the following table.

Note to reader:

Appendix 3 is alternative summary of SVF outcomes & their indicators.

Stakeholder	Outcomes
Beneficiaries LD	1 People with career decisions made. 2 People taking up further training. 3 Skilled people ready to enter Labour Market. 4 People with job search & job interview skills. 5 People gaining paid employment. 6 People living more independently. 7 People with wider social network. 8 People with better life quality. 9 People feeling more integrated into their community. 10 People with more financial security. 11 People with employer fringe benefits. 12 People with happier disposition through gaining work. 13 People experiencing job security. 14 People with improved family relationships. 15 Employed people taking more responsibility within family. 16 People regarded more as adults in family and community.
Parents & Families	1 Skilled Family members. 2 Family members with jobs. 3 Family members into further training. 4 Family members with a vision of a productive future. 5 Parents & Carers less worried & stressed about the future of their loved ones. 6 Less family expenditure when family member is more independent & can travel alone. 7 Parents or carers with potential to be economically active themselves with caring responsibilities reduced during week days. 8 Family members feeling supported. 9 Improved family relationships through the focus on work & activity. 10 Families enjoying employer fringe benefits through employment of family member.
Board of SVF	1 People with key skills engaged in the management of the organisation. 2 Improved links and information exchange between Voluntary & Private sectors. 3 People with LD gaining more skills and paid employment as a result of the effective management of SVF. 4 Satisfaction from positive results in helping people as a result of voluntary activity of board members
Staff	1 People engaged in diverse work & professional development. 2 People developing career path with increased skills in Supported Employment. 3 People learning staff team skills. 4 Job satisfaction through people with LD gaining paid employment. 5 Members of the community as customers seeing & interacting with disabled employees. 6 Members of community seeing disabled people travelling alone, buying in shops, active in clubs, shops, restaurants, cinemas etc
Employers	1 People trained in work related skills suitable for employers. 2 Employers able to recruit directly through Salva Vita. 3 Increased employer & workforce awareness on disability needs through relationship with employee & job coach. 4 Advantage of integration of disabled people into workforce as part of Corporate Social Responsibility. 5 Disabled employees produce more than other employees in caring role. 6 People working for employer in a single job across a diversity of roles.

	<p>7 Committed employees who show more reliable attendance than other employees. 8 Employers with improved image and acceptance in local community through CSR. 9 Employee teams with more cohesion through the presence of disabled person. 10 Employers with admin support for Labour Office tasks.</p>
Partners (other NGO's & transnational)	<p>1 People with career decisions made. 2 People taking up further training. 3 Skilled people ready to enter Labour Market. 4 People gaining paid employment. 5 People acting with greater independence. 6 People with wider social network. 7 People with better life quality. 8 People feeling more integrated into their community. 9 People with more financial security. 10 Partner organisations with shared information and joint policy development. 11 Partner organisations working together on service development. 12 Partner organisations receiving new knowledge & skills in SE from SVF</p>
Funders (EU, Private Trusts)	<p>1 People with career decisions made. 2 People taking up further training. 3 Skilled people ready to enter Labour Market. 4 People gaining paid employment. 5 People acting with greater independence. 6 People with wider social network. 7 People with better life quality. 8 People feeling more integrated into their community. 9 People with more financial security. 10 NGOs with success becoming mainstreamed in funding.</p>
Ministry for Social Affairs & Employment	<p>1 People with career decisions made. 2 People taking up further training. 3 Skilled people ready to enter Labour Market. 4 People gaining paid employment. 5 Employed people needing less expenditure on support through sheltered work programmes. 6 People in work claiming less State Benefits. 7 NGOs with success becoming mainstreamed in funding. 8 People in work paying taxes & Nat. Insurance</p>
Govt - Labour Offices	<p>1 People getting into work through effective & high quality SE support services. 2 People claiming fewer State Paid Benefits. 3 People in work paying taxes & Nat. Insurance</p>
Govt - Benefits system	<p>1 People getting into work through effective & high quality SE support services. 2 People claiming fewer State Paid Benefits. 3 People in work paying taxes & Nat. Insurance</p>

Stakeholder	Outcome Indicator⁴
Beneficiaries LD	1 No people with definite career choice made. 2 No people entering further training. 3 Value of training distance travelled on way to Labour Market. 4 No of people with higher job search & job interview skills. 5 Value of jobs 6 No people reporting greater independence. 7 No of people reporting better social network. 8 Value of people with higher life quality. 9 No people reporting feeling more integrated. 10 Value of increased spending power. 11 Value of any fringe benefits. 12 No of people who report feeling happier. 13 Value of job security to employees. 14 No. of people reporting improved family relationships. 15 No of people reporting increased family responsibilities. 16 No of people reporting taking responsibilities for themselves as an adult and being regarded as more independent.
Parents & Families	1 No people reporting higher skills level. 2 Value of jobs. 3 No people entering further training. 4 No of people expressing ambition for their own future. 5 No of Parents/Carers reporting less stress. 6 value of independent travelling to family budget. 7 Value of any attributable economic activity of Parents/ Carers. 8 No families feeling supported through work of foundation. 9 Value of improved family relationships. 10 Value of any fringe benefits.
Board of SVF	1 Value of time input of people with key skills inputting at Board level. 2 No of useful links as a result of organisational Social Capital. 3 Value of jobs 4 people reporting positive experience as Board members.
Staff	1 Value of skills diversity in terms of increased earnings potential. 2 No of staff reporting increased skills in SE. 3 No of staff reporting development of staff team skills 4 Value of earnings of people with LD entering work place. 5 No of customers who are likely to observe or interact with a disabled employee. 6 No of members of the community likely to observe or interact with disabled people going about a more normal life
Employers	1 Value in training cost to employer accessing ready trained people or people trained by SVT on the job. 2 Value of savings on recruitment. 3 No. of employer staff members more aware of needs of disabled people. 4 Value of PR & Marketing from leading the way on social integration of disabled people. 5 Value of time not lost through increase of production as a result of high application of employee to job task 6 Value of diverse work carried out to good standard for which there would be no other employee. 7 Value of lower rate of absence of disabled employees. 8 Value to company in marketing equivalent to have good CSR image. 9 Value of improved teamwork in the workplace.

⁴ Outcome indicators embolded are those that we have used data to assign a financial value

Stakeholder	Outcome Indicator⁵
Partners (other NGO's & transnational)	1 No people with definite career choice made. 2 No people entering further training. 3 Value of training distance travelled on way to Labour Market. 4 Value of jobs 5 No people reporting greater independence. 6 people reporting wider social network 7 Value of people with reported life quality uplift. 8 No people reporting feeling more integrated. 9 Value of increased spending power. 10 No. of organisations sharing information and no. of policies jointly put into practice. 11 Recorded new steps in service development progress. 12 No of organisations receiving new skills in SE from SVF.
Funders (EU, Private Trusts)	1 No people with definite career choice made. 2 No people entering further training. 3 Value of training distance travelled on way to Labour Market. 4 Value of jobs 5 No people reporting greater independence. 6 People reporting wider social network 7 Value of people with reported life quality uplift. 8 No people reporting feeling more integrated. 9 Value of increased spending. 10 No of funders who will enter service level agreements with SVF.
Ministry for Social Affairs & Employment	1 No people with definite career choice made. 2 No people entering further training. 3 Value of training distance travelled on way to Labour Market. 4 Value of income tax payments & N Insurance payments as result of employment. 5 Value of Gov. expenditure saved through reduction of sheltered work support programmes. 6 Value of reduced State benefits as a result of people in paid employment. 7 No of funders who will enter service level agreements with SVF.
Govt - Labour Offices	1 Organisation reporting high quality service from SVF 2 Value of benefits saved. 3. Value of people in work paying taxes & Nat. Insurance
Govt - Benefits system	1 Organisation reporting high quality service from SVF 2 Value of benefits saved. 3 Value of people in work paying taxes & Nat. Insurance.

⁵ Outcome indicators embolded are those that we have used data to assign a financial value

The SROI Indicators

From the above tables it is clear that a number of stakeholders have common outcomes they wish to see achieved. There was good quality and accessible information available through the staff team at SVF and consequently we were able to monetise a number of outcomes; others could only be expressed in terms of qualitative feedback. The SROI of the SVF programme under study is determined by a combination of monetised outcomes and other supporting information based on interviews and feedback. **The following simplified table is the list of outcomes that we monetised and hence form the main SROI financial indicators at this time.** These are derived from the important outcomes or those that are common to a number of stakeholders (emboldened in the table in the previous section)

STAKEHOLDER	INDICATORS
Beneficiaries	• 1. Value of training distance travelled on way to the labour Market
Beneficiaries	• 2. Value of jobs in terms of earnings for individuals
Parents & Families	• 3. Value of attributable economic activity of families/Carers as a result of employed family member
Board of SVF	• 4. Value of time of people with key skills inputting at Board level
Employers	• 5. Employer training costs saved through accessing people trained in work skills by SVF and supported on the job
Employers	• 6. Value to employers of savings in recruitment through relationship with SVF
Employers	• 7. Value to employers of lower absence rate of disabled employees
Gov. ministries/Public Purse	• 8. Value to Gov. of income tax and Nat. Ins. Payments as a result of people gaining paid jobs
Gov. ministries/Public Purse	• 9. Value to public purse of reduced State benefits paid to people because they are in employment

The data

For this SROI study a new measure has been introduced to place a value on the training work of an organisation when, during the period under analysis, people actually make progress in their skills development towards the goal of entering the labour Market. This measure is based on the assumption that if say an individual travels 40% of the distance needed to find success in accessing sustainable paid employment, this “distance travelled” is worth something. All figures in this section are those SROI calculations that have been made before baseline adjustments & NPV⁶ adjustments.

Value of training

From the point of view of government & state stakeholders the distance travelled towards the Labour Market is worth:

1. The proportion of progress made through contact with SVF expressed as a saving on the amount that the Hungarian Government would normally spend elsewhere in assisting access to the Labour Market for individuals....

...or

2. The proportion of distance travelled expressed as a value of the average wage achieved by SVF trainees who have already moved into the Labour Market if those still in training made it also into the Labour Market.

In order to use either of these two measures, we had to determine a way of assessing the progress made by individuals towards the Labour Market & attributable to the SVF programme. This was measured through a specifically designed questionnaire which required an element of self-reporting for the individuals concerned as well as the professional assessment of key worker staff members who have been in a position to observe progress. The questionnaire was answered for two scenarios in relation to each individual:

1. To determine the base line starting point when they joined the SVF programme
2. To determine progress or regress in relation to distance travelled towards (away) from the Labour Market

From this we were able to measure a percentage distance travelled for the respondents. See questionnaire reproduced at Appendix 2

The findings of the questionnaire were as follows:

⁶ Adjustment made for the decreasing value of money in NPV(Net present Value) financial projections

There were 112 people still in the training part of SE at this time with SVF

We sampled 20% of these with the questionnaire. The sampling method was balanced across markers such as gender, age, city/rural life and the range of qualifications of individuals.

Of the 23 people sampled 5 of them reported regression. They felt they had not moved closer to finding a job. 18 people felt they had increased skills and their distance travelled expressed as a percentage of progress ranged from 3% to 48%

The highest positive percentage of progress was 48% the lowest was -24%.

If we discount those who felt they regressed the mean distance travelled for the sample was 24%

Including those who had regressed, the mean distance travelled to date for all the sample still in SE training was 15%.

We have used the lower figure for the final SROI calculations.

Applying this finding to the measures above, SVF would achieve the following value creation:

Distance travelled towards Labour Market Measure 1

No people active in SE	Ave. % progress to Labour Market	Ave. cost of Govt. job creation per head/disabled people ⁷	Value of 1 person to job creation budgets	Value after 1 year	Value after 5 years
112	15%	HUF 21646	HUF 3247	HUF 363,653	HUF 1,957,887

Distance travelled towards Labour Market Measure 2

No people active in SE	Ave. % progress to Labour Market	Employed clients Ave individual monthly income ⁸	Individual value distance travelled/month	Value after 1 year	Value after 5 years ⁹
112	15%	HUF46,492.00	HUF 6974	HUF 4,686,394	HUF 25,231,286

⁷ Hungary Labour Market spending (2006) – Total of category 5 – Integration of the Disabled

⁸ Less any Tax & National Insurance payments

⁹ Counted only for 6 months as average time before SVF participants access employment

Value of individual earnings

Data was collected by SVF on salaries & wages for those who had accessed work during the time of study. There was a group of 33 people who went into sustainable paid work during the study period and their total gross monthly income was HUF 2,233,513. The mean individual monthly earnings were therefore HUF 46,492 (after deductions for Tax and National Insurance payments) and the average hours worked by individuals each month was 148 hours.

Beneficiary earnings after 1 year HUF 19,610,916	Beneficiary earnings after 5 years HUF 105,584,096
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Value of attributable economic activity of family / carers

Although this factor was much less significant in SROI terms, there was nevertheless one interviewee who was enabled to return to employment as a result of the progress of a family member on the SVF programme. The study did not extend to sampling or extrapolating further for the range of family members but we have included the amount of earnings here for the reported improvement in one case.

Family member earnings after 1 year HUF 750,240	Family member earnings after 5 years HUF 4,039,251
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Value of Board of SVF expert inputs

The work of key skills at Board level for the organisation has been valued. This has been done in the case of 4 people who have undertaken key areas of work for the governance of the organisation. Using an estimation of average salary per hour (HUF 10,000 for 2 hours / month) for those concerned, value has been created as follows:

Board input value after 1 year HUF 960,000	Board input value after 5 years HUF 5,168,587
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Value created by SVF for employers

There are three areas in which the relationship with SVF has resulted in value creation for employers that we have included in SROI calculations. Employers are accessing ready trained employees through the work of SVF and do not need to invest in work culture training outside job specific training. For the same reason there are savings on recruitment costs as SVF acts as a training & recruitment agency for employers when it comes to integration of disabled employees.

Employers have maintained strongly in stakeholder interviews that employees with a learning disability have a better work attendance record than non-disabled employees. We asked an employer to quantify this and from records it has transpired that on average employees are absent from the workplace for around 6 days/ year whereas, in the case of employees with a learning disability, the average is 2 days per year.

The average cost of a day lost to employers through absence was calculated by the employers to be in the region of HUF 3364.

Value created for employers	Value after 1 year	Value after 5 years
Training costs saved	HUF 109,000	HUF 586,850
Recruitment costs saved	HUF 1,280,000	HUF 6,891,450
Value of lower employee absence	HUF 444,048	HUF 2,390,730
Totals	HUF 1,833,048	HUF 9,869,030

Value to the State of creation of paid jobs for SVF beneficiaries

There are two distinct areas in which SVF have directly created value for the benefit of the state purse; the income tax & national payments for insurance that employed people pay and in the case of the beneficiaries who come from SVF potential savings in the payment of state benefits. Of the 33 employees, 32 paid income tax & national insurance to the government following the uptake of paid work.

For these employees the average income tax paid each month was HUF 10,898 and the average National Insurance payment was HUF 32,524 (of which HUF 22,232 is the employer's contribution). However the savings in state benefits was not so significant. This is because a number of state benefits are not reduced through the commencement of paid work and in fact the state benefits that were saved (Job Seekers Allowance) related to only 6 out of the 33 employees. The average saved per employee was HUF 1,392 per day over the maximum payable days each year of 270 days. The result is an annual total saved over the 6 employees of HUF 2,255,040

Value created for the State	Value after 1 year	Value after 5 years
Income Tax & National Insurance	HUF 16,674,048	HUF 89,772,160
Savings – State Benefits	HUF 2,255,040	HUF 12,141,012

Assumptions made

SROI creates a forward projection of the value created over a period of time (usually 5 years) as a result of an investment in a particular activity. There are a number of financial mechanisms employed in the calculation of social return and these are intended to take account of factors that have also contributed to the value creation which otherwise should be accounted for in reporting. The following are items that allow us to clearly isolate the value that is created by SVF in their SE programme by determining the baseline or, in other words, subtracting value that would have happened without the SVF programme.

- Deadweight** Adjustments made to the financial projection of value to account for value that may have been created alternatively if the activity under study didn't exist – “what would have happened anyway”
- Attribution** Adjustments made to the financial projection of value to account for value that may be attributable to someone else or for some other factor other than the activity under study, for example maybe the progress of an individual was partly the result of the influence of another organisation.
- Not Sustained** This is used to subtract value in the case that the outcome would not be sustained for the full period of the projection.

Table of Baseline adjustments applied to this SROI study

STAKEHOLDER	INDICATORS	BASELINE ADJUSTMENTS
Beneficiaries	<ul style="list-style-type: none"> 1. Value of training distance travelled on way to the labour Market 	<ul style="list-style-type: none"> Deadweight is assumed at 10%. Some of the SVF participants may have gone to a Labour Office Job Club – but this club is not specialised for disabled people. There is one other provider for people with Downs Syndrome
Beneficiaries	<ul style="list-style-type: none"> 2. Value of jobs in terms of earnings for individuals 	<ul style="list-style-type: none"> Deadweight is assumed at 10% - Some people would have found jobs through family contacts but these jobs are rarely sustained & are often inappropriate to skills. Attribution 25% - This is assumed for assistance received from other sources
Parents & Families	<ul style="list-style-type: none"> 3. Value of attributable economic activity of families/Carers as a result of employed family member 	<ul style="list-style-type: none"> As above in employment measure – Deadweight 10% - Attribution 25%
Board of SVF	<ul style="list-style-type: none"> 4. Value of time of people with key skills inputting at Board level 	<ul style="list-style-type: none"> 0% - This would not have happened without the existence of SVF
Employers	<ul style="list-style-type: none"> 5. Employer training costs saved through accessing people trained in work skills by SVF and supported on the job 	<ul style="list-style-type: none"> 0% - This would not have happened without the existence of SVF
Employers	<ul style="list-style-type: none"> 6. Value to employers of savings in recruitment through relationship with SVF 	<ul style="list-style-type: none"> 0% - This would not have happened without the existence of SVF
Employers	<ul style="list-style-type: none"> 7. Value to employers of lower absence rate of disabled employees 	<ul style="list-style-type: none"> As above in employment measure – Deadweight 10% - Attribution 25%
Gov. ministries/Public Purse	<ul style="list-style-type: none"> 8. Value to Gov. of income tax and Nat. Ins. Payments as a result of people gaining paid jobs 	<ul style="list-style-type: none"> As above in employment measure – Deadweight 10% - Attribution 25%
Gov. ministries/Public Purse	<ul style="list-style-type: none"> 9. Value to public purse of reduced State benefits paid to people because they are in employment 	<ul style="list-style-type: none"> As above in employment measure – Deadweight 10% - Attribution 25%

SROI result

Investment

The total financial input for the SVF programme under study for the period of 1 year from Jan 2006 until Dec 2006 is **HUF 26,094,571**. This is broken down as follows:

Salaries	15,687,960
Management Costs & Admin	3,986,611
Other costs	3,018,000
Materials	3,402,000
Total	26,094,571

Created Value over 5 years

The value created by SVF over a five year SROI projection as a result of this investment and based on the financial measures described in this report is as follows:

	Total Yr1	Total Yr2	Total Yr3	Total Yr4	Total Yr5	Total SROI
D,A, N out	46,769,686	48,500,164	50,294,670	52,155,573	54,085,329	251,805,421
NPV	32,394,044	33,592,624	34,835,551	36,124,466	37,461,071	174,407,756
	30,851,471	30,469,500	30,092,258	29,719,688	29,351,730	150,484,646

The figures in black show the unadjusted social value created by SVF

The orange figures show the result of adjusting downwards for value that would have been created without the influence of SVF.

Figures in blue show the Net Present Value of the Returns created by SVF

NB The year on year projections have been increased where appropriate to account for inflation which is quoted currently as 3.70%¹⁰

¹⁰ Mundi Index June 2007

SROI ratio

Investment in the Programme	HUF 26,094,571
End value after 5 years	HUF 251,805,421
End value less adjustments for Base Case	HUF 174,407,756
The Net Present Value of the End Value ¹¹	HUF 150,484,646
The Added Value	HUF 124,390,075

The added value is determined by subtracting the original investment cost from the NPV End Value

The SROI ratio is calculated by dividing the Final Added Value by the cost of creating that value.

Social Return on Investment Ratio	HUF 1: 4.77
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That is to say that for every HUF 1 invested in the SVF Supported Employment programme from Jan 2006 to Dec 2006, over the following 5 years it will return HUF 4.77 to the local or national economy. In Supported Employment, SVF returns over 4 times the money invested in it!

¹¹ An accounting mechanism to take account for example of the reduced value of a sum of money after a period of time.

Payback Period

Another financial mechanism sometimes used in SROI analysis is Payback Period. This is an expression of how long it would take for the activity under study to return the equivalent of the money invested in it. In the case of this SVF programme the payback period is demonstrated to be around 11 months only.

It is taking less than a year (11 months) for SVF to create value in its outcomes within the SE programme equal to the cost of the programme.

SROI result summary

Initial Investment	End Value	Value added	NPV ratio	Payback period
26,094,571	150,484,646	124,390,075	HUF 1: 4.77	11 months

Sensitivity

Sensitivity is a process used to test the assumptions that have been set out in the report previously and to see if changes in these assumptions would radically undermine the SROI result and therefore the basis of the assumptions in the first place. The tables below show the variance if assumptions are changed.

Items that were included in thorough sensitivity testing for this report were as follows:

- **The measure used to determine value of SE training distance travelled**
- **Increasing or decreasing Baseline Assumptions**
- **The discount factor used to calculate Net present Value of Returns**
- **Projection period of returns**

Measure for distance travelled

Item	Base assumption	New assumption	SROI
Measure of distance travelled in SE	We used the measure that related to rate at which people entered job market & expected earnings		4.77
		Alternative measure relating to expenditure of Gov. on job creation for disabled people	4.07
		No measure used at all to measure distance travelled	4.02

In the first metric used for this SROI we had a choice of the following methods:

1. *The proportion of progress made through contact with SVF as a saving on the amount that the Hungarian Government would normally spend elsewhere in assisting access to the Labour Market for individuals....*

...or

2. *The proportion of distance travelled expressed as a value of the average wage achieved by SVF trainees who have already moved into the Labour Market if those still in training made it also into the Labour Market at the rate of success of those before them.*

In the first sensitivity table above, we see the effect if we used measure 1 for this calculation (measure 2 was the method used in the report). Use of measure 1 would reduce the overall SROI result as shown, from 4.77 to 4.07.

A further sensitivity adjustment is looking at the overall effect if we left this metric out of the SROI calculation completely. The SROI would be 4.02 if we did not attempt to monetise distance travelled at all.

Baseline assumptions

Item	Base assumption	New assumption	SROI
Baseline	35% Deadweight & Attribution in employment related metrics ¹²		4.77
		50%	4.24

Discount factor

Item	Base assumption	New assumption	SROI
Discount factor	5%		4.77
		10%	4.03
		3.5%	5.02

In SROI analysis the change in discount rate for certain risk factors linked to the investment of capital could in theory significantly change the Return amount. In this case the effect is not critical in that the final SROI result is not substantially changed

There were no available guidelines to determine a discount factor applied to public finance in Hungary. We have assumed 5% on the basis that the money is not considered high risk or subject to normal lending rates in the market place. For example, a discount factor of 10% would be used only if capital was borrowed from the open market to invest in the project. This is unlikely ever to be the case so we have assumed a rate of 5% in this SROI calculation. We have also shown the effect if a rate of 3.5% were to be applied. This is the advised rate in the UK for calculations of NPV as determined by UK Government guidelines as the appropriate risk premium attached to public funds.

In the scenarios shown above, even the use of the unlikely 10% rate does not significantly change the result.

¹² See table of Baseline Adjustments on page 36

Projection period of returns

Item	Base assumption	New assumption	SROI
Projection period	5 years		4.77
		3 years	3.18

In the SROI calculation we have assumed a five year return period. One of the outstanding issues for SVF into the future will be the tracking of the sustainability of jobs that have been entered by beneficiaries. This is a complex issue as there are a number of variables, not least how one would define a sustainable job. There is also the issue of jobs not being sustained because of conditions that are controlled by employers rather than issues to do with employees.

The sensitivity table above shows how the SROI result would appear if all measures of return in the SROI were maintained for 3 years rather than the more normal 5 year projection

Other Findings

There were a number of allied findings that emerged as a result of our stakeholder engagement or seeking data for SROI analysis. These are as follows:

28% of the people who were in the programme said they had a definite career choice made

2 clients decided not to continue in SE but successfully found places in Further Education to continue study for qualifications

Of the 112 people in SE who had not yet accessed work, 110 said that they had acquired a much higher level of Job Search & Interview skills as a result of the SVF programme.

28 people said that paid work had increased their overall income – on average they were HUF 57,314 better off every month and of this amount HUF 35,940 was disposable income.

100% of the families said they felt very well supported through the work of SVF

7 staff members of SVF (100%) reported increased professional skills in SE & development in team skills as a result of their employment.

In the year of the study, there were 15 organisations that shared information on SE as a result of their contact with SVF

In the year of the study, there were 5 organisations that developed new skills in SE from the lead given by SVF

The following were newly recorded steps in the service development progress of SVF during the year of study:

- **Development of the employee and employer profiling process**
- **Development of a new job taster / job trial agreement (based on employers' needs)**
- **Development of the documentation software to gain valuable data for PR and lobby purposes**
- **Development of the preparation for work process**

Another key finding in this study is the fact that for all the beneficiaries on the Supported Employment Programme, those that enter into paid work do so in an average of only six months after joining.

Finally, one of the things that this SROI has not been able to capture a value for is the social contact made through work-place activity by employees from SVF. Remembering that people with a learning disability often are trying to deal with a lack of social contact the opportunity afforded by the widening of their social circle through meeting new people at work is very significant for them. Although we did not attempt to monetise it, SVF data did show that the 33 clients who found work would come into regular contact with 629 colleagues in the period of the year under study. This is a circle of contact which is very impressive in its potential for providing disabled employees with much needed social relationships which are reported to be very beneficial. In addition to this, we estimate that the 33 employees will have had contact with many thousands of customers and even if only 5% of this contact is on a personal basis, again this is highly significant social contact which contributes to the individuals' sense of well-being. The public, who have been going about their daily business and encountered a member of staff with a learning disability, will have had an opportunity to observe and reflect on the situation in which they have experienced a disabled person carrying out a normal job in service to them the customer. We believe this added social contact is creating a public awareness and though not valued in this study has the potential to add considerably to the social value creation we have reported on in the study.

Observations & Comment

One of the things this report set out to test whether or not Supported Employment as a process was good value for money. The process of getting people who are disadvantaged into a position from which they can access the Labour Market is specialised and difficult. SVF has demonstrated success in this field and the report demonstrates that there is a return to the community in very positive social & economic terms.

This SROI study demonstrates that not only is the Supported Employment work of SVF making a very real positive difference to the lives of Learning Disabled people, it is actually doing so in a way that benefits the economy. Often the public financing in support of people with a disability is considered extremely worthwhile but costly to the State.

This report demonstrates that far from representing a net cost to public finance the SVF work is actually making a positive financial contribution to the public purse. For the period under review, for every HUF 1 invested in the work, an amount of HUF 4.77 will be returned to the economy over the following five years or HUF 3.18 over the following three years. Not only is the SVF approach innovative with highly successful outcomes for people with learning disability, it is also very cost effective.

SVF is constantly demonstrating that SE works in the lives of beneficiaries & their families. It has also proven beneficial in both social & economic terms to employers. This is a plus for the economy.

This is an initial SROI analysis but the quality of data held in records by SVF was of a high standard for the purposes of SROI – mostly because there is very often a continuing contact with clients of SVF through the employees clubs so information about “what happened” in the story of individual lives is readily available in the majority of cases.

The SROI does not provide a cost comparison between SE and other types of services. It concentrates on the social value created through engagement with SE. It demonstrates that at this point in time SE works – in the lives of people with a learning disability & their families and it also works for the equality agenda in that core to this SVF work lie ideals which are about inclusion & overcoming differences in the work place through offering people opportunities in self-determination.

Supported Employment finds people a career vision, it gains people skills and it finds people jobs. People, who were allowed no expectations of success in life by society and who consequently developed an internal state of little hope have been transformed into people who have experienced a huge progress in their quality of life and have moved realistically towards the Labour Market.

There are wider benefits to society as well. Through the research attached to this SROI work observations have been made of how non –disabled employees grew a better sense of the needs of disabled people through interaction with colleagues. We know also that customers increase awareness of the needs of disabled people when the customer is provided the service they need from a disabled person. When people going about their daily business come into contact with people with a disability mutual understanding of each others needs is increased. This latter aspect was not measured in this initial SROI but could be included in future SROI adjustments by SVF.

SROI does not set out to value everything. There were outcomes in this report that related to improvement of quality of life, the development of new skills, the acquisition of qualifications etc. that we did not nor could not monetise. What we can say is that the SROI ratio of HUF 1: 4.77 is a conservative result – we know that if we found data that allowed us to monetise some of these other outcomes, the result would be further increased.

There are perhaps one or two areas in which the study could be further extended in future rounds. For example, research is called for to find out exactly how long jobs are sustained by individuals or more accurately – for how long employment is sustained by an individual. We found for example that jobs were available from some employers for only a relatively short fixed term but for those beneficiaries for whom this was the case they often moved into another job almost immediately. Another potential field of study is a comparison of outcomes with this SE programme and other Labour Office services provided for people who are living with a learning disability.

An addition to the fine tuning of this SROI analysis would be the study of how long on average paid employment is sustained longer than if the individual had no access to a supported employment programme. What for example would be the average time a job is held longer, at what cost with & without support?

Our own initial impression in this study is that the vast majority of people who wished to access work could not do so without specialist support and would be extremely unlikely to be able to do so through access to currently existing state provision. SVF for example found that when people had previously tried to access work (say through a good contact in their family), the employment was very likely to last for a short period of time.

We also did not look at savings in other state provision (for example in state day care) when people gained paid work or other cost savings that could in theory happen if through inclusion in the community people with learning disability lived more independently with less costs in supervision. These are areas which could further inform this SROI analysis of Supported employment in the future.

There are some suggestions that arise from the study for SVF to consider for future development. Since SROI is a leading model in the assessment of social value and time has been invested in understanding & implementing the methodology it may well be advantageous for SVF to include SROI analysis in the operational structure of the organisation. This would involve implementing changes to the monitoring & evaluation of data flow, tracking changes and explaining changes in the context of new knowledge.

The SROI knowledge flow could form the basis of further developments to SE services which would have regional & national implications for SE in Hungary.

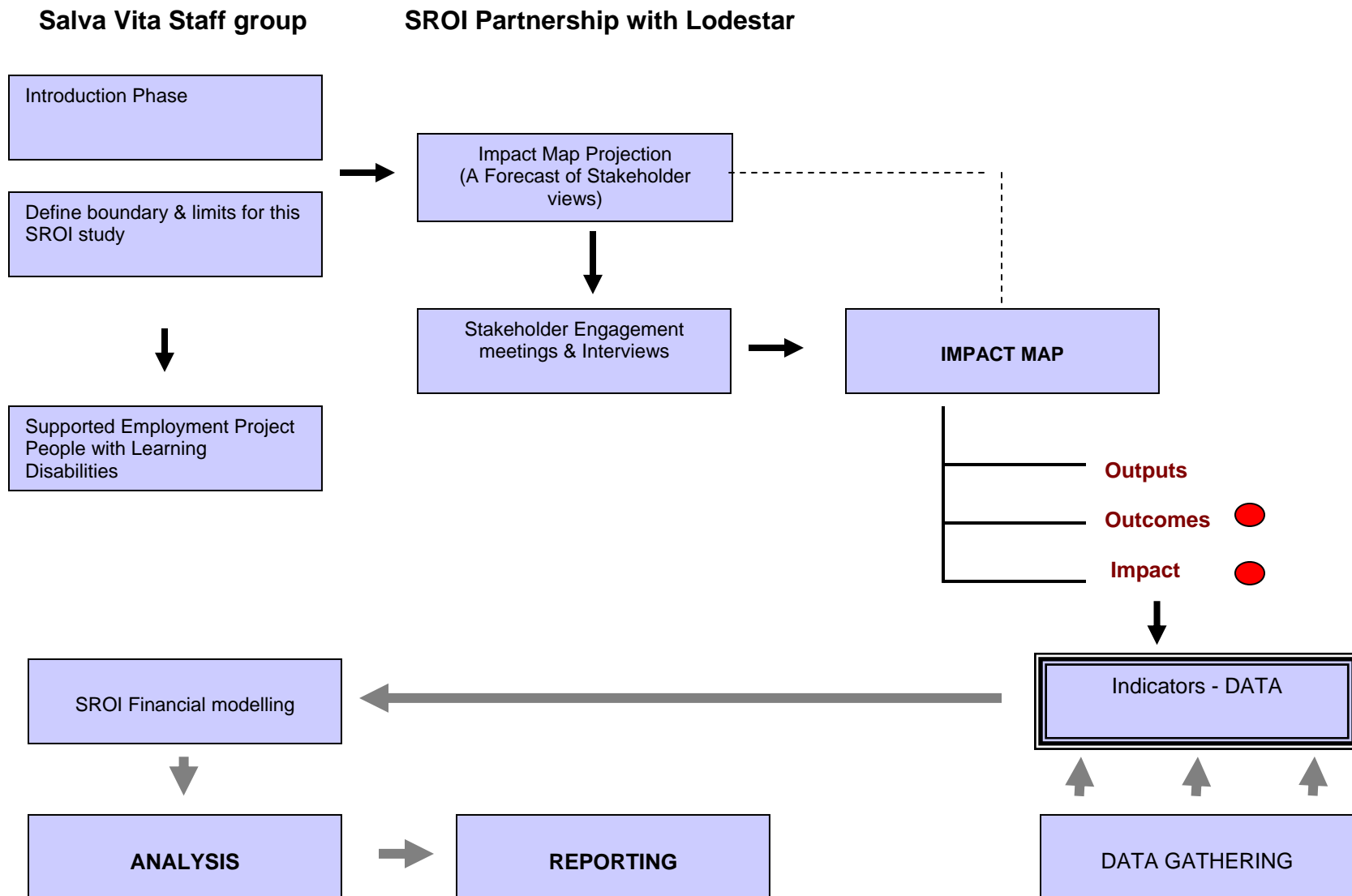
SVF may also consider further developing SROI expertise in order to provide consultancy & support to others in the field of measuring value creation of activities with social aims.

Karl Leathem – Lodestar

Katalin Vegh – Salva Vita Foundation

August 2007

Appendix 1 - SROI process followed with SVF



Appendix 2 – “Distance Travelled” Questionnaire

Instructions

Thank you for agreeing to participate in this research. We are interested in your own assessment of your employment skills at this point in time.

This questionnaire contains a number of questions about employment skills, personal skills and confidence about work.

Please read each question, and give each one a score according to how you feel about yourself at this point in time. Ring the score that best reflects what you feel. A score of 1 means you do not sure at all about the issue, and a score of 10 means you feel extremely happy or confident about the issue.

Work quickly through the questionnaire, and don't spend too long on each question. Try to give your immediate impressions and honest answers. Remember there are no right or wrong answers, and no one will know how you score yourself. Please answer all the questions.

Individual results are kept confidential, and only the researcher will be able to look at this questionnaire. We will be asking you to complete this same questionnaire at a later date, so we need to identify you, but to do this, we do not need your name, just a number. Please enter in the box below your date of birth, so we can match up the questionnaires.

Please return this questionnaire in the envelope provided to your support worker or manager, so they can hand it on to us.

Thank you for your time and help.

My date of birth is:

**Social Return on Investment – Employability Measurement Questionnaire 2007
used by permission – S Durie - Haldane Associates, Scotland**

		Not at all								Extremely	
		1	2	3	4	5	6	7	8	9	10
1	How sure are you that you want to end up in a paid job?	1	2	3	4	5	6	7	8	9	10
2	Do you know what you need to do in order to get a job?	1	2	3	4	5	6	7	8	9	10
3	Do you think you have the support of your family for what you want to do in relation to work?	1	2	3	4	5	6	7	8	9	10
4	Do you think you have the support of your friends for what you want to do in relation to work?	1	2	3	4	5	6	7	8	9	10
5	How self-confident do you think you are?	1	2	3	4	5	6	7	8	9	10
6	How confident are you in a group of people?	1	2	3	4	5	6	7	8	9	10
7	Do you enjoy meeting and talking to people you don't know?	1	2	3	4	5	6	7	8	9	10
8	How positive would you feel about starting a job just now	1	2	3	4	5	6	7	8	9	10
9	How important is having a career to you?	1	2	3	4	5	6	7	8	9	10
10	How much enjoyment do you think you will get out of having a job?	1	2	3	4	5	6	7	8	9	10
11	How prepared are you to accept responsibility at work?	1	2	3	4	5	6	7	8	9	10
12	How able are you to accept responsibility for your actions?	1	2	3	4	5	6	7	8	9	10
13	How well do you feel you could lead a group of other people?	1	2	3	4	5	6	7	8	9	10
14	How well do you feel you can set a good example to others?	1	2	3	4	5	6	7	8	9	10
15	How well do you organise yourself to do things that are important to you?	1	2	3	4	5	6	7	8	9	10
16	How happy are you working alone on your own initiative?	1	2	3	4	5	6	7	8	9	10

		Not at all						Extremely			
		1	2	3	4	5	6	7	8	9	10
17	How well do you feel you can carry out a number of tasks at the same time?	1	2	3	4	5	6	7	8	9	10
18	How well do you feel you can set priorities for yourself?	1	2	3	4	5	6	7	8	9	10
19	How well do you feel you can change tack if something is not working out?	1	2	3	4	5	6	7	8	9	10
20	How good are you at thinking through a problem?	1	2	3	4	5	6	7	8	9	10
21	How good are you at weighing up your choices?	1	2	3	4	5	6	7	8	9	10
22	How good do you think your solutions to problems are, generally speaking?	1	2	3	4	5	6	7	8	9	10
23	How happy are you making a positive decision about what to do next?	1	2	3	4	5	6	7	8	9	10
24	How good do you feel you are at getting your message across to others?	1	2	3	4	5	6	7	8	9	10
25	How diplomatic or tactful do you think you are with others?	1	2	3	4	5	6	7	8	9	10
26	How easy do you find it to get people to listen to you or take you seriously?	1	2	3	4	5	6	7	8	9	10
27	How good are you at communicating your feelings?	1	2	3	4	5	6	7	8	9	10
28	How happy are you working with other people?	1	2	3	4	5	6	7	8	9	10
29	How sensitive do you think you are you to other people?	1	2	3	4	5	6	7	8	9	10
30	How comfortable are you with people you don't know very well?	1	2	3	4	5	6	7	8	9	10

		Not at all						Extremely			
		1	2	3	4	5	6	7	8	9	10
31	How easy do you find it to make new relationships?	1	2	3	4	5	6	7	8	9	10
32	How successful are you at keeping relationships going?	1	2	3	4	5	6	7	8	9	10
33	How happy are you that you have the skills to match the type of job you want?	1	2	3	4	5	6	7	8	9	10
34	How well do you think you are doing in getting the skills you need for a job?	1	2	3	4	5	6	7	8	9	10
35	How happy are you about your numeracy skills in relation to getting a job?	1	2	3	4	5	6	7	8	9	10
36	How happy are you about your literacy skills in relation to getting a job?	1	2	3	4	5	6	7	8	9	10
37	How happy are you about the idea of travelling to work from where you live now?	1	2	3	4	5	6	7	8	9	10
38	How easy do you find it to make time to do everything you want to do?	1	2	3	4	5	6	7	8	9	10
39	How easy do you find it to set priorities when you have too much to do?	1	2	3	4	5	6	7	8	9	10
40	How well do you feel you understand your responsibilities towards an employer?	1	2	3	4	5	6	7	8	9	10
41	How happy would you be to talk about your feelings with your employer?	1	2	3	4	5	6	7	8	9	10
42	How conscientious do you feel you are?	1	2	3	4	5	6	7	8	9	10
43	How easy would you find it to tell your employer you were concerned about something?	1	2	3	4	5	6	7	8	9	10
44	How easy do you find it to get information you know you need?	1	2	3	4	5	6	7	8	9	10
45	How easy do you find it to get yourself any help you need?	1	2	3	4	5	6	7	8	9	10
46	How good are you at taking action in a situation you feel is unfair?	1	2	3	4	5	6	7	8	9	10

47	How realistic do you feel you are about the amount of money you can earn in a job?	1	2	3	4	5	6	7	8	9	10
48	How determined are you to succeed?	1	2	3	4	5	6	7	8	9	10
49	How happy are you at the progress you are making at the moment?	1	2	3	4	5	6	7	8	9	10
50	How positive do you feel about your future?	1	2	3	4	5	6	7	8	9	10

Thanks for completing this!

Appendix 3 – SVF Stakeholders & Outcome Indicators

