

Social Impact Report 2010

Executive Summary

REDF (formerly The Roberts Enterprise Development Fund) is a San Francisco-based high-impact venture philanthropy organization dedicated to transforming lives through the creation of jobs and economic opportunity.

REDF provides funding and business assistance to a carefully selected portfolio of nonprofit enterprises that employ young people disconnected from school and work, and adults who are overcoming histories of homelessness, mental illness, addiction, incarceration, chronic poverty and joblessness. REDF partners with nonprofits that have pioneered the creation of social enterprise, helping them expand their enterprises, achieve sustainable success, and measure the positive impact of their work on people and communities.

KEY FINDINGS

Social enterprises employ people who face barriers who are willing and able to work.

- Newly hired employees in REDF's portfolio of social enterprises faced numerous barriers to employment, including mental health issues (39%), a recent history of unstable housing (34%), and/or a criminal conviction (26%). Most people who faced these barriers find it extremely hard to find work – unemployment rates for people who faced similar barriers range from 60-90%¹ nationwide.
- New social enterprise employees were extremely poor, with an average income prior to hire of approximately \$6,000 per year (in 2008 dollars).

Social enterprise employment helps people who face barriers enter the workforce and increase their income.

- People who are employed at any job 6 months after hire in a social enterprise were nearly twice as likely to be employed 18-24 months after hire compared to those not working 6 months after hire¹, indicating that supporting employees through this early stage was critical to long-term employment.
- Both the hourly wage and hours worked per week increased dramatically over time among those working. Hourly wages increased 31% between starting the social enterprise job and earnings 18-24 months later (from \$8.51 to \$11.19 per hour). Hours worked increased from 19 hours per week to 27 hours per week.
- Over time, the proportion of REDF social enterprise hires moving on to other employment increased.
- Among those working at 18-24 months after hire², monthly income from work increased by 90% - an increase of \$454 per month.
- 77% of those interviewed 18-24 months after hire had worked in the past 6 months.

“When I get up to go to work I feel like I am a part of society and I have something to do. It's opened up doors so I know I can work now.”

– Social Enterprise Employee

REDF's Social Impact Report 2010 highlights key findings based on data collected by BTW *informing change* from 1163 individuals employed in social enterprises between 1998 and 2008; more information on REDF's measurement and evaluation strategy and the full report including details on the methodology is available at www.redf.org.

¹ Petersilia, 2007; SAMHSA, 2010

² From analysis of those employees interviewed at all time periods (n=254); difference statistically significant at p<.05.

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Investing in Employment and Hope