

Social enterprises as tools to implement the European Pillar of Social Rights and Active Inclusion – a short study of four cases



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Easy to Read Summary

ABOUT THIS DOCUMENT

The European Platform for Rehabilitation is a group of organisations that provide services to persons with disabilities and other people. For short we call it EPR.

This document explains how four “social enterprises” support the employment of persons with disabilities, PWD for short.

This summary of the document focuses on the part of the document that explains the activities of the four social enterprises.

ABOUT SOCIAL ENTERPRISES

Social enterprises are companies that want to improve the wellbeing of people rather than making money for the people that own the enterprise. They provide products and services for people.

The four social enterprises in this document are:

- Mariaberg E.V. Social Enterprises. These companies are in Germany. They provide many services, including a laundry, painters, event organisation and cooking. The enterprise also helps train young people to find jobs. 109 out of 223 employees at Mariaberg E.V. Social Enterprises’ have a disability.
- Rehab Enterprises. These companies are in Ireland. They help other companies with things like recycling and packaging. 122 of the 306 people who work for Rehab Enterprises have a disability.
- Centro de Empleo Especial - Artmo Bene. This enterprise is in Spain. The enterprise supports activities like cooking, gardening and farming. 90 of the 100 people who work for Artmo Bene have a disability.
- Ilunion Hotels. This enterprise is in Spain. The enterprise owns 26 hotels. 446 of the 1063 people who work for Ilunion Hotels have a disability.

HOW THESE ENTERPRISES SUPPORT PWD

Too many PWD do not have jobs. There are many reasons for this. One reason is because the way a company works is too difficult for them to work there.

Another reason is that some companies have the wrong ideas about PWD and do not want them to work there.

Social enterprises give people the chance to get work experience and do activities that they are paid for. The buying and selling of things they make and the services that they provide is also good for the community.



PWD have many types of disability so they need different forms of support to help them work well. Social enterprises offer different kinds of support for PWD.

Social enterprises can help people get a job somewhere else. They can also provide long-term employment.

Long-term employment means that PWD who work in these enterprises have a job for a long time.

Supporting people to learn in the enterprises

Apprenticeships help PWD do their work better. An apprenticeship is when employees learn from people with more experience in the enterprise.

Training is helping people to learn how to do new things or do things better.

Some enterprises train people while at work. This is called on-the-job training.

Employees can be trained with the help of people with special skills from outside the enterprise.

Other enterprises train employees with only people from inside the company.

Examples from the enterprises

Artmo Bene employs persons with mental health issues and gives them on-the-job training.

Ilunion Hotels offers training and the opportunity to get even better jobs in the enterprise.

Mariaberg offers apprenticeships to employees to prepare them for jobs outside the enterprise.

Rehab Enterprises offers long-term employment with a focus on improving the skills of employees.

Sustainability

Sustainability means that an enterprise has enough money to keep working for as long as it wants to. All of these enterprises say that they are sustainable.

The enterprises often receive support from the government so that they can continue working. The government can give money to support the enterprise to pay the people's salaries and buy products to help them work.



Introduction

In follow-up to the 2018 research and public event on the ‘Study on employment models within the social economy and their role in including persons with disabilities into the labour market and society’¹, the European Platform for Rehabilitation (EPR) continues to explore social enterprises as a mechanism for active inclusion of persons with disabilities in European countries and for implementation of the European Pillar of Social Rights. The study is based on interviews with four organizations based on the methodology and building on the findings of the 2018 study.

The social enterprises under consideration are all EPR members either directly or through their membership in associations. This study includes an in-depth look into how each of the companies organize employment and training, and aspects related to their sustainability and impact. Finally, it provides a brief comparative overview and proposals for policy recommendations based on the practices considered.

Our cases

The organizations overviewed in this study employ people with disabilities and provide various services of supported employment, training, and integration. While they all aim to provide employment for persons with disabilities, **the organizations have very different modus operandi**. The German organization was established in the 19th Century and inspired by Christian values while Ilunion Hotels is a business-oriented hotel chain in Spain. Their size also differs considerably. Spain’s Ilunion Hotels and Germany’s Marienberg e.V. have more than 1000 employees, while Spain’s Artmo Bene Special Employment Centre and Ireland’s Rehab Enterprises have over 100 and 300 employees, respectively. Similarly, their annual turnover varies from EUR 500,000 to over EUR 100 M.



The organizations train and employ workers in very diverse service sectors – cleaning, gardening, farming, catering, retail and manufacturing among others. The Spanish Ilunion Hotels operates in a single clearly defined activity sector – the hotel industry. The organizations have support staff teams, usually working on two lines of activities: employment-related skills and general social skills. Below follows an overview of each of the cases, with a comparative analysis and recommendations provided at the end of this report.



GERMANY, Mariaberg Social Enterprises

FACTBOX

- **Mission:** Mariaberg e.V. offers assistance and support to all people, independently of the severity of their handicap.

Mariaberg Social Enterprises – consisting at the time of this study of two social enterprises – Textilservice GmbH and Bildung & Service GmbH, guided by the necessities and circumstances of their clients, with the human being at the core of their ‘man to man’ service offering.

The organisation’s Christian image of humanity is reflected in its holistic view on mankind, which embraces the heart and soul.

- **Year established:** 2009 Bildung & Service.
- **Legal type:** social enterprises are private companies 100% owned by the umbrella NGO; education-related activities like VET apprenticeships take place within an education NGO.
- **Principal area of activity:** crafts and laundry, transition of apprentices to the labour market.
- **Total number of employees (2019):** 200+ and ~ 80 apprentices
- **Annual turnover:** 8,1 Million € for Bildung & Service and 1.16 Million € for Textilservice.
- **Membership in associations:** (of the umbrella NGO – Mariaberg) Diakonie Württemberg, Community college, EPR

EMPLOYMENT

Target group	<ul style="list-style-type: none"> ▪ People with slight, middle and severe learning needs from every age; ▪ People with mental health with and without disabilities; ▪ Client’s age varies from 18 to 60 years old.
Nature of work²	<p>Private social enterprises: carpenters, gardeners, painters, house keepers, cleaners, laundry, drivers, event organisation, bakers, sellers, cooks and kitchen producing 1,400 meals a day and serving surrounding schools and kindergartens</p> <ul style="list-style-type: none"> ▪ Vocational education and training; ▪ Sheltered workshop.
Differentiation due to the level of disability	<p>Work activities are adaptable and individualized, tailor made for specific client needs, examples of training programs include:</p> <ul style="list-style-type: none"> ▪ <i>Job training for people with learning disabilities</i> targeting persons with disabilities that have not completed education or have not succeeded on securing employment on the basis of completed education, with the objective to provide support to transition to employment. ▪ Due to the variety of companies, the work can be adapted to a wide range of personal interests and needs.
Changes in number of employees	<p>Fluctuates by 20-30 employees yearly, with expected loss of 350 employees in the 5 years from 2020 due to retirement.</p>



² Mariaberg covers a wide range of social care and support services, listed here are those most directly linked with its social enterprise operations.

Long-term or transitional employment	Most of the employees have a long-term contracts and have been working in the organization for over 10 years.
Type of contracts	Bargaining contracts negotiated by umbrella organization.
Mechanisms and incentives facilitating the transition of persons with disabilities into the 'open labour market'	<p>Collaboration with companies working in the open labour market that, for example, offer apprenticeships for people with learning needs. Mariaberg Social Enterprises offers so-called cooperation apprenticeships in companies where Mariaberg's in-house social workers support the apprentices.</p> <p>For people with severe learning needs Mariaberg Social Enterprises have working places in their own labour market companies where they also offer apprenticeships with the aim to support employability and finding opportunities outside Mariaberg, also supported by social workers. The laundry and crafts social enterprises employ persons with disabilities directly.</p>
How the company was created	Textilservice GmbH was founded in 2009.
Biggest challenges and how you overcame them	<ul style="list-style-type: none"> ▪ Regionalization and the reduction in living space in Mariaberg; ▪ Aging workforce; ▪ Forthcoming (2020) change in financial rules (bundesteilhabegesetz) from centralized to personal budgets; ▪ Local administrations not matching wage levels subject to bargaining agreements.

TRAINING

Work-related training: nature, length, any other important aspects	<p>All directly in the workplace:</p> <ul style="list-style-type: none"> ▪ Apprenticeship for young people to become a professional (3 Years) ▪ Trainee programs (2 years) ▪ Several specialization programs ▪ Systemic work ▪ Management developing programs (external) ▪ Assistance education.
Who trains the employees	Mix of external and internal lecturers/trainers . Trainers for apprenticeships are internal, for some specific staff development and cooperation apprenticeships, the organization has external trainers.
Recognition of training	-



SUSTAINABILITY

<p>Profitability</p>	<p>The two social enterprises are profitable, one of the best clients for the enterprises is the holding organisation Mariaberg and its services. Training that takes place through the non-profit (Textilservice GmbH) is state-funded.</p>
<p>State support</p>	<p>The % of state funds is as follows:</p> <ul style="list-style-type: none"> ▪ 6.6% Bildung & Service ▪ 12% Textilservice.
<p>Change in the funding or other support to develop this or similar enterprises in 5 past years</p>	<p>The social enterprises at Mariaberg are subject to less support (as public funding is higher in the initial years), so the companies need to earn more own income to be sustainable. Having the holding as the main client helps profit considerably. The VET department is supported by several state services, including especially the unemployment agency for employment apprenticeships for persons with learning needs.</p>
	<p>Fluctuates by 20-30 employees yearly, with expected loss of 350 employees in the 5 years from 2020 due to retirement.</p>

IMPACT

<p>Success in realizing the company's mission</p>	<p>At the end of 2019, the financial aspects are a great challenge in realising the company's mission. "From Man to Man" is the mission and Mariaberg is fulfilling it, but more and more the employees suffer because they have hard working times and low salaries in a rich country. The Christian background is also something discussed in Mariaberg, which has increasingly multicultural clients and employees.</p>
<p>The biggest achievements</p>	<ul style="list-style-type: none"> ▪ The social enterprises are now private, making a profit. ▪ The employees and apprentices are very proud to be employed in the labour market, giving them a high level of self-confidence. ▪ A high level of transition to companies outside the group. ▪ Good quality in the field of vocational education and training.



IRELAND, Rehab Enterprises

FACTBOX

- **Mission:** Rehab Enterprises describes its employment model as providing integrated social employment in commercially viable settings where employees with disabilities work alongside able-bodied people in an equal working environment.
- **Year established:** Gandon Enterprises was established in 1994 and was subsequently renamed as Rehab Enterprises.
- **Legal type:** Private company.
- **Principal area of activity:** Rehab Enterprises offers dynamic business solutions to companies and commercial organisations in areas spanning logistics, information destruction, recycling, packaging, retail and accessibility. They deliver multimillion-euro support contracts to many leading organisations in Ireland and Poland and their operations are independently assessed and certified to European and industry standards.
- **Geographic scope of operations:** Ireland – Rehab Enterprises also operates in Scotland and Poland.
- **Total number of employees (2019):** At September 2019, there were 306 employees in Rehab Enterprises, Ireland, with approximately 133 employees with disabilities.
- **Support staff:** Support consists of 4 WorkPath Facilitators covering 15 locations (includes 8 SMILES Retail Units) within Rehab Enterprises in Ireland. The type of support provided is:

Personal Related Issues:

- Personal Wellbeing e.g. WRAP, Mental Health Well-being, Personal Care;
- Financial e.g. Budgeting/Money Management – Free Travel/Medical Card/Tax Saver etc.;
- Information e.g. Entitlements, external support, diet and health requirements;
- Support e.g. Pre-retirement planning;
- Referral to other supports where needed.

Work Related Issues:

- Workplace Wellbeing e.g. promotion of Employee Assistance Programme, healthy lifestyle;
- Performance e.g. Reasonable Accommodations/Additional Supports – Irish Sign Language Interpreters;
- Change e.g. Updates regarding changes in Rehab;
- Statutory/Compliance e.g. legislative changes/leave/Health & Safety/Manual Handling Training/Long Service; Award/Code of Good Employment Practice.

Management Support Issues:

- On-going meetings with on-site management.
- **Annual turnover:** EUR 21m in 2018.
- **Membership in associations:** IBEC and REPAK



EMPLOYMENT

<p>Target group</p>	<p>A range of disabilities are represented in the workforce in Rehab Enterprises (Ireland) including physical disabilities, mental health difficulties, acquired brain injury, intellectual disability, and people with a hearing impairment. Some employees have multiple disabilities.</p> <p>The typical Wage Subsidy Scheme (WSS, see Sustainability - State Support part of this report) employee in Rehab Enterprises was born in Ireland, is male and single and has a lifelong early onset disability (primarily an intellectual disability.) Approximately 30% of the workforce is female. The average age of Rehab Enterprises employees on the WSS is 47.76 years; ages range from 22 to 64 years.</p> <p>The average length of service of employees working in Rehab Enterprises is 17.47 years, and a number of general operatives are with the company since the early to mid 90's.</p>
<p>Nature of work</p>	<p>Rehab Enterprises employees people with a disability in a variety of roles according to their abilities and qualifications:</p> <ul style="list-style-type: none"> ▪ General Operatives; ▪ Forklift Drivers; ▪ Retail Operatives; ▪ Catering/Canteen Assistants; ▪ Line Leaders/Supervisors; ▪ Quality Assurance; ▪ Clerical/Administration roles.
<p>Differentiation due to the level of disability</p>	<p>Some differentiation, for example in cases when there are some specific job requirements (e.g. to be on foot etc.). All work locations are adapted with reasonable accommodations in order to support employees with disabilities in the workplace. Some examples of reasonable accommodations implemented are:</p> <ul style="list-style-type: none"> ▪ Modified work schedules and flexible work hours e.g. starts work later and leaves work later; ▪ Time off to attend medical appointments/EAP sessions; ▪ Provision of documents in alternative versions e.g. easy-read versions; ▪ Amendments to work duties such as substituting tasks to replace those that may have become difficult; ▪ Physical adaptations to the workplace, such as installing a ramp or putting in accessible toilets; ▪ Parking privileges; ▪ Changes to a person's workstation, such as a different desk and chair; ▪ Adaptation to work wear e.g. Griper Laces for work boots; ▪ Assistive technologies or adapted work equipment, such as special keyboards, telephone headsets and screen readers that convert computerised information to speech; ▪ Mobility Aids; ▪ Provision of Irish sign language interpreters.



<p>Changes in number of employees</p>	<p>The number of employees with a disability has decreased over the past number of years, primarily due to the buoyant economy in Ireland – employees have moved on to other roles external to Rehab Enterprises from a progression perspective:</p> <ul style="list-style-type: none"> ▪ In 2017, there were approximately 150 employees in Rehab Enterprises who had a disability ▪ In September 2019, there are 133 employees with a disability
<p>Long-term or transitional employment</p>	<p>Long-term, and mobility between different locations within Rehab Enterprises (Ireland) is encouraged.</p>
<p>Type of contracts</p>	<p>Employees with disabilities have permanent employment contracts and are paid the same as non-disabled employees, who work in the same type roles.</p>
<p>Transition to the open labour market</p>	<p>The Complementary Workforce is an innovative method of providing employment opportunities within the private and public sector, risk free, whilst the stakeholder remains an employee of Rehab Enterprises for a specific timeframe - transition to the ‘open labour market’ is a goal in itself:</p> <p>Complementary Workforce - Employees have an opportunity to progress and transition into the open employment market after being fully supported to do so:</p> <ul style="list-style-type: none"> ▪ Confidence building in becoming “Job Ready” for work; ▪ Future Career Pathways. <p>From an individual’s personal and skill development working off-site from Rehab Enterprises is an excellent opportunity to gain new skills, secure an increase in salary and hopefully progress into open employment. From a commercial standpoint it is an income and profit generating opportunity for Rehab Enterprises.</p> <p>New Employment Model - new employees have an opportunity to become “work ready” in a supported employment environment, with a progression plan in place to enable them to source employment in the open market. This model will mean that new employees will be issued with 12 month contracts of employment and will have dedicated “Job Ready” training whilst in Rehab Enterprises employment.</p>
<p>The ways to simulate the open labour market work environment</p>	<p>This transition represents a relatively new phase in the company’s intervention. In general, at the time of entry into the company, a plan is agreed with the employer that provides for the slow decrease in monitoring meetings during the months of job placement. Monitoring gradually becomes lighter to disappear altogether.</p>
<p>Biggest challenges and how you overcame them</p>	<p>Available data indicates that the Rehab Enterprises workforce in receipt of the wage subsidy is ageing. Research indicates that people with early onset disabilities age more quickly than the general population (WHO 2011) and people with an intellectual disability aged over 50 years are identified as being at a much greater risk of experiencing health problems (IDS-TILDA 2011.) Furthermore, the ageing process itself and associated changes (such as deconditioning, loss of strength and balance, osteoporosis) may have a greater impact on people with disabilities. For example, those with existing mobility impairments may increasingly experience functional loss as they age.</p>



TRAINING

<p>Work-related training: nature, length, any other important aspects</p>	<ul style="list-style-type: none"> ▪ All Rehab Enterprises employees receive full on-the-job training in a supportive, person-centred environment such as HR Policies and Procedures, Health & Safety, Manual Handling and Induction Training – this training is in-house and on-the-job and continues throughout the employee life-cycle; ▪ The WorkPath Facilitators offer additional training in areas such as money management, travel, personal hygiene, independent living skills; ▪ The WorkPath Facilitators support employees with claiming benefits and arranging their employment documents, all in conjunction with family members, if required; ▪ Supervisors/line managers support the employees to integrate directly into their work place on an on-going basis; ▪ Employee Assistance Programme is also available to all employees across Rehab Enterprises and Rehab Group; ▪ Irish Sign Language Interpreters are on-site when this training is taking place for those employees who require this support.
<p>Who trains the employees</p>	<ul style="list-style-type: none"> ▪ People & Culture (HR) Department; ▪ WorkPath Facilitators; ▪ Line Managers/Supervisors; ▪ Co-workers; ▪ Employee Assistance Programme.
<p>Recognition of training</p>	<p>Participants do not obtain certificates after completing the training, apart from Manual Handling.</p>
<p>Comments/suggestions</p>	<ul style="list-style-type: none"> ▪ Rehab Enterprises believes it has a sustainable model of business: disabled workers earn the same salary as other workers, while Rehab Enterprises ensure adapted working environment, assistance in fulfilling their work tasks as well as support for social integration. ▪ There is also a need for better publicity to educate people about the value added of employing people with a disability as they offer tangible benefits, including increased innovation, improved productivity, enhanced reputation and a better work environment. And, of course, employees are consumers, too.



SUSTAINABILITY

<p>Profitability</p>	<p>Rehab Enterprises is an integrated social employment model in a commercially viable setting.</p>
<p>State support</p>	<p>In October 2005, the Wage Subsidy Scheme (WSS) was introduced by the Irish government at the time. It provides financial incentives to private sector employers to employ people with a disability who work 21 hours per week or more, up to a maximum of 39 subsidised hours per week.</p> <ul style="list-style-type: none"> ▪ An employee with a disability on the WSS is subject to the same conditions of employment as other employees. Rehab Enterprises pay the employee with a disability the going rate for the job, which must be at least the statutory minimum wage. ▪ The financial supports available through this scheme are structured under three separate strands and employers could benefit under one strand or under two or three strands simultaneously, as the case may be. <p>Strand I subsidy is a general subsidy for any perceived productivity shortfall in excess of 20% for a person with a disability, in comparison to a colleague without a disability.</p> <p>Minimum 21 hour, maximum 39 hour work week; €5.30 per hour Maximum annual subsidy payable to the employer is €10,748 per year based on a 39 hour week.</p> <p>Strand II subsidy is payable when an employer employs three or more people with a disability who are supported by a WSS Strand I payment. Strand II is intended to cover the additional supervisory, management and other work based costs relating to these employees. This top-up payment is a percentage of the Strand I subsidy and is based on the overall number of employees with a disability employed under Strand I. It ranges from an additional 10% of wage subsidy for 3 to 6 employees with a disability to a maximum of 50% of wage subsidy for 23+ employees with a disability.</p> <p>Strand III subsidy enables employers who employ 30 or more workers with a disability on the Wage Subsidy Scheme to be eligible for a grant of up to €30,000 per year towards the expense of employing an Employment Assistance Officer to support these employees.</p> <p>Rehab Enterprises depends on this state/public support and it would not be able to employ as many disabled workers or to offer such holistic integration and support schemes. In fact, the Wage Subsidy Scheme was introduced by the government due to the large numbers of employees with a disability in Rehab Enterprises.</p> <p>State support is vital for the ability to offer good working conditions, create training schemes and maintain competitiveness. While employees with disabilities are good employees, in most cases, they are not always able to maintain the same productivity level as employees without disabilities.</p>
<p>Change in the funding or other support to develop your or similar enterprises in 5 past years</p>	<p>The funding is insufficient, and above all it does not support the first stages of the job placement. In general, there has been no improvement or deterioration compared to 5 years ago. The situation is the same.</p>



IMPACT

Success in realizing the company's mission

As Ireland's **largest single employer of people with disabilities**, Rehab Enterprises provides integrated employment opportunities, with more than 133 employees having a disability.

The biggest achievements

- **Largest employer** of people with disabilities in Ireland since 1995;
- Business model that promotes a **truly integrated and productive working environment** where just under fifty percent of employees are people with disabilities;
- Rehab Enterprises provides **permanent, supported, meaningful work** for people with a disability;
- **Low turnover** – loyal workforce of people with disabilities;
- Support for the people to **regain their independence** and re-enter the workforce;
- **Customer** contracts are fulfilled – 2,500 customers approx.;
- Activity of Rehab Enterprises **is adapted to working** abilities of people with disabilities;
- By partnering with Rehab Enterprises, other companies can deliver a strong competitive edge for their brand while giving something back to their community in supporting the employment of, and services to, people with disabilities and others who are marginalised;
- Employees want to work and are very proud of what they do. Employees will often say that the opportunity to have their own money, pay their own way, save for a rainy day, have friends who they have made through work, having a disability that means there are certain restrictions in life but working for Rehab means those restrictions are taken into account.



SPAIN, Special Employment Centre Artmo Bene

FACTBOX

- **Mission:** Promote and encourage the social and labour inclusion of people with various disabilities especially with intellectual disability.
- **Year established:** 2001
- **Legal type:** Private company, Special Employment Centre.
- **Principal area of activity: Geographic scope of operations:** Centres located in five different provinces of Castilla y León: Valladolid, Zamora, Salamanca, Burgos and Ávila.
- **Total number of employees (staff):** Currently, more than 100 employees.
- **Support staff:** Involvement of a multidisciplinary professional team (psychologists, vocational therapists, workshops trainers).
- **Annual turnover:** € 515,015 in 2018.
- **Membership in associations:** INTRAS Foundation and FEACEM

EMPLOYMENT

Target group	People with all kinds of disabilities , but especially people with mental health problems.
Nature of work	Offers employment in 22 workshops. Sectors: catering, gardening, personal support and organic farming. Professionals assist people in creation and planning of their own route towards a job. Plans take into the consideration employees' interests, skills, motivations, desired activity and experience.
Differentiation due to the level of disability	Provision of solutions that are effective and tailored to the pace of each case. Given that 90% of the employees have disabilities, and at least 80,5% of them have mental health problems, more specific guidelines are made according to their needs.
Changes in number of employees	The Special Employment Centre has signed 148 contracts over the year 2018, so the number of employees is steadily increasing.
Type of contracts	Regular employment contracts , with the same rights as non-disabled employees.
Transition to the open labour market	Promotion of job search, by creating and maintaining networks of contacts and relations with companies, such as developing training and guidance for open labour market integration.
Simulation of open market environment in the organization	At this centre, disabled employees are more protected than they would be in the open labour market. They work with professionals who are used to working with people with disabilities and routines are adapted to the user profile. However, other aspects of the work are the same as they would be in the open labour market such as having a work contract, assigned tasks.



	<p>Units of support, financed by the regional government, provide accompaniment. When users move to the open labour market where they don't have the same type of support, they can still benefit from this accompaniment in the ordinary centre. By dialogue with the entrepreneur or person in charge of the business, they establish the best way for the user to have the public provided support or accompaniment at the new employment.</p> <p>Part of these projects includes working towards eradicating the stigma people with mental health issues suffer in the working environment.</p>
How the company was created	<p>ARTMO BENE S.L. is a Special Employment Centre of INTRAS Foundation, created in 2002. The main purpose of ARTMO BENE is the development of new business areas to improve people with mental health issues quality of life by increasing their access to educational and labour activities.</p>
Biggest challenges and how you overcame them	<p>Serious difficulties are noticed in the development of different tasks, routines and responsibilities that each job implies. These challenges are tackled by:</p> <ul style="list-style-type: none"> ▪ Close collaboration with organizations in the field of disability employment and support; ▪ Focus on specific needs of specific vulnerable groups; ▪ Individualized attention and support; ▪ Empowerment through personal and professional development.

TRAINING

Work-related training: nature, length, any other important aspects	<ul style="list-style-type: none"> ▪ Training workshops where the future workers can improve their work competences before joining the Special Employment Centre. ▪ Personalised itineraries programmes for social and professional integration. 56 theoretical-practical training courses in Peñafiel, Ávila, Zamora, Coreses, Toro, Valladolid and Benavente. These programmes comprise ten specific competence profiles. ▪ Training and Employment Mixed Programme which gives access to certificate of professional qualification.
Who trains the employees	<p>The employees can be trained by external experts, company trainers and co-workers.</p>
Recognition of training	<p>Certification after successful completion of the training: Certified for Excellence in Corporate Training or a certificate of professional qualification.</p>
Comments/suggestions	<p>Training and Employment Mixed Programmes are considered very useful and fulfilling in many ways for people with mental disabilities because they allow to achieve costless training and work experience while earning a proper salary.</p>



SUSTAINABILITY

<p>Profitability</p>	<p>The workshops of catering and organic farming are profitable and expanding.</p>
<p>State support</p>	<p>More than 57% of revenues come from commercial activities. The company would survive without public support, but it would not be able to employ high rates of disabled workers.</p> <p>Public support is essential for the ability to offer good working conditions, focusing on specific needs and maintaining competitiveness.</p>
<p>Change in the funding or other support to develop this or similar enterprises in 5 past years</p>	<p>The financial support received in Spain depends on the Regional government.</p> <ul style="list-style-type: none"> ▪ In the region of Castilla La Mancha currently there is more financial support than five years ago. Nonetheless, eight years ago, before the financial crisis the situation was better. During the crisis, support and help to supported employment centres was cut. Since three years ago, the financial support is coming back: the regional government finances support units, invests in special employment centres. The financial support of the region pays up to 50% of the minimum salary, and a 75% of the salary under indefinite working contracts. In this manner, the costs recurred by enterprises hiring disabled workers are mostly covered by the state, leaving a small amount for the enterprises to pay. ▪ The financial support for people with disabilities in the region of Castilla and Leon is good and payments are on time. The differentiation in support is made not according to the type of disability (physical vs. mental), but according to the difficulties in employability. People, whose disability limits their opportunities to work receive more financial support than in other regions of Spain where they do not enjoy similar benefits. Differences aren't made between people with a physical disability or intellectual disability or those with mental health problems. People with a disability of difficult employability receive more financial support than in other regions of Spain where they do not enjoy the same benefits.

IMPACT

<p>Success in realizing the company's mission</p>	<p>Intras and the Special Employment Centre (Artmo Bene) have been working for more than two decades for the community inclusion of people with mental disorders, believing that social exclusion is not an issue of people being dragged by circumstances they do not control.</p>
<p>The biggest achievements</p>	<p>The possibility to give an opportunity to those that are excluded to change their reality.</p>
<p>Awareness of the Social Business Initiative</p>	<p>No</p>
<p>Recommendations to other organizations</p>	<p>The best way to throw out old assumptions is to empower the person and give priority to their desires, values and expectations, alongside the required personal support to achieve this goal.</p>



FACTBOX

- **Mission:** ILUNION Hotels aims to meet the expectations of our customers, providing the best services committed to excellence and innovation, assuming the interests of our shareholder, employees and society in general and respecting the values of economic, social and environmental sustainability.
- **Year established:** 1988
- **Legal type:** Private company.
- **Principal area of activity:** Accommodation, tourism (in total 26 hotels, of which 11 are CEEs).
- **Geographic scope of operations:** Spain: Madrid, Barcelona, Valencia, Zaragoza, Bilbao, Sevilla, Malaga, Cadiz, Huelva, Menorca, Gerona, Badajoz and Merida.
- **Total number of employees (staff):** As for December 31, 2018 – 1.063 employees, (summer time – around 1300), of whom around 41,74% were persons with disabilities.
- **Support staff:** there are two different types of support staff: technical support assistants (tecnico de apoyo) – all with disabilities, responsible for social integration, problem solving, documents (in total, there are 7 for all hotels). Also support supervisors (monitor de apoyo) – majority of whom are heads of departments, chefs in restaurants etc. Most of them have no disabilities (each hotel has 4-5 such supervisors).
- **Annual turnover:** EUR 106 mn in 2018.
- **Membership in associations:** ONCE Social Group

EMPLOYMENT

Target group	People with various disabilities , such as physical, sensory, intellectual.
Nature of work	<p>The hotel group offers employment for disabled people according to their abilities and qualifications. For example, they work in the kitchen, laundry or room service, hotel maintenance, central administration, HR office.</p> <p>Out of 26 hotels, 11 are Special Employment Centers, where at least 70% of employees have disabilities. In the remaining 15 hotels, at least 30% of staff have disabilities.</p>
Differentiation due to the level of disability	<p>ILUNION hotels work people with all degrees of disability. There is a Priority Collective that pays special attention to people with more than 65% disability or intellectual or mental disability.</p> <p>Physical aspects of employees are not considered as impediments for any job. If a person has a disability for which it is missing an upper or lower extremity, this would not be an obstacle for that employee to work at the reception of an ILUNION Hotel facing clients. The administration tries to provide solutions and if it is feasible the person would fulfil the role desired.</p> <p>Physical aspects often play a role in the tourism business and can become discriminatory against people with physical disabilities. As such, ILUNION Hotels gives opportunities to those whom the market has close their doors to.</p>



<p>Changes in number of employees</p>	<p>The number of employees is constantly growing in line with the rising number of hotels. There are plans of further expansion.</p>
<p>Long-term or transitional employment</p>	<p>In general, the hotel group offers long-term stable employment.</p>
<p>Type of contracts</p>	<p>Persons with disabilities have regular employment contracts. They are paid the same as non-disabled employees in the hotel sector.</p>
<p>Transition to the open labour market</p>	<p>Mobility between hotels within the Ilunion network is encouraged, but transition to the ‘open labor market’ is not a goal in itself.</p>
<p>Simulation of open market environment in the organization</p>	<p>The chain has various hotels around Spain and they perform and are considered just as any other hotel in the tourism market, offering the same experience. As such, at ILUNION Hotels, people with disabilities work in the open labour market given the nature of these hotels, open to the public. People with disabilities work facing the public-tourists coming to enjoy their stay on the hotels.</p> <p>ILUNION Hotels offer employees mobility opportunities within the hotels, trainings and evolution in their roles. In Madrid, there are three ILUNION Hotels. These hotels were born as centres of special employment. They were launched by Fundacion ONCE to give employment opportunities to people with disabilities.</p>
<p>How the company was created</p>	<ul style="list-style-type: none"> ▪ In 1993, the Confortel brand was born to unify the image of all the company’s hotels and create a stronger brand imaginary. ▪ 2004 First brand change, it is renamed Confortel Hoteles and the logo is redesigned. A greater recognition of corporate image is sought ▪ 2014 The ILUNION brand is born that integrates all the ONCE companies and its Foundation under one brand umbrella, creating a more social image ▪ 2015 Confortel Hoteles is renamed ILUNION Hotels, thus completing the brand change initiated the previous year by ILUNION.
<p>Biggest challenges and how you overcame them</p>	<p>Opening of the first Special Employment Center hotel in 2016 with a workforce composed of 70% by disabled workers was a challenge. We overcame it by training workers who did not come from the hospitality sector and department heads as support monitors.</p> <p>The training played a fundamental role for the development of the project</p>

TRAINING

<p>Work-related training: nature, length, any other important aspects</p>	<p>Certain pre-employment training is offered by the assisted employment company belonging to the ONCE group. They help to choose the right candidates from the pool of available people, and offer certain training in case needed (e.g. they organize courses about working in the restaurant, kitchen etc.). Nevertheless the majority of training is offered by the colleagues while on job.</p> <p>The so-called ‘support technicians’ (técnicos de apoyo) offer some extra job skills – organize trips to get to know the cities where people work, help them with claiming benefits and arranging their employment documents, assist in general life planning.</p>
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	<p>Their direct supervisors – ‘support monitors’ (monitores de apoyo) are helping them to integrate directly to their work place (e.g. overseeing their work in restaurant kitchen or restaurant).</p> <p>ILUNION Hotels offer training to persons with disabilities studying at Tourism Universities or enrolled at VET programmes focused on the hotel industry. They provide them with opportunities to be apprentices in their hotels. From a traineeship they can evolve to being the manager of a department. Evolution in their career and opportunities for promotions are given and prioritised. This is a distinct characteristic of ILUNION Hotels in comparison with other businesses on the sector where internal promotion might not be as considered.</p>
Who trains the employees	Pre-employment – supported employment company (general courses). During employment – the co-workers and support staff.
Recognition of training	Participants do not any certificates after completing the training, although that would be useful.
Comments/ suggestions	<p>The company believes it has a sustainable model of business: disabled workers earn the same salary as other workers, while the hotels ensure adapted working environment, assistance in fulfilling their work tasks as well as support for social integration.</p> <p>One of the concerns is the need for employees in the tourism sector to know foreign languages, which may be more challenging to persons with disabilities.</p>

SUSTAINABILITY

Profitability	The hotels are profitable and expanding.
State support	<p>More than 90% of the income comes from commercial activities. The company would survive without public / state support, but could not employ as many disabled workers nor offer holistic integration and support schemes. For example, all hotels are fully adapted to people with disabilities and most of the costs are borne by the hotel company.</p> <p>State support is vital for the ability to offer good working conditions, create training schemes and maintain competitiveness. While people with disabilities are good employees, they cannot always maintain the same level of productivity as people without disabilities.</p> <p>There is also a need for better publicity to educate people about the added value of companies such as Ilunion Hotels. If potential customers knew the sustainable and inclusive business model adopted by the hotel, they could prioritize it over others. Therefore, effective marketing is key for social economy businesses to thrive.</p> <p>During 2019, ILUNION hotels has launched the ALL-INCLUSIVE marketing campaign in which visibility is given to hotel workers with disabilities by voluntarily offering them their story of overcoming.</p>



Change in the funding or other support to develop this or similar enterprises in 5 past years

There is **less financial support or programmes** at present than five years ago. The minimum salary used to be subsidised by 75% when currently is only 50%. In the region of Catalonia this subsidy is given only to those from the priority collective*. However, during the financial crisis, it was worse, as some payments were delayed for a year.

**Priority Collective: The priority collective is composed by people whose disability is of a 65% physical or sensorial. And a certified disability of more than 33% physical or mental.*

IMPACT

Success in realizing the company's mission

The company is **successful as it is growing due to the expanding tourism sector** across Spain. Increasingly more people with disabilities are employed under equitable and decent conditions. Moreover, the Ilunion hotel network is the only hotel group in Spain that is 100% adapted to guests and staff with disabilities. The effort is made and even non-disabled workers would know how to treat guests and colleagues with disabilities (for example, learning the sign language). All of this requires financial investment and vision. Despite all of the additional investments, the hotels are functioning and are profitable.

The biggest achievements

The **opportunities created** for different groups of vulnerable workers:
 The company provided an opportunity to a young disabled person who was not accepted to any of the hotels in his area despite having studies in the area of tourism. Now he works in the administration of hotels.
 The hotel has a kitchen adapted for a chef who uses crutches; even the non-disabled staff is trained to work with disabled guests and colleagues.
 The hotel group is providing jobs for people who due to disability (sometimes acquired while working) lost their jobs.
 Finally, the company is not only providing employment, but also offers opportunity for career advancement. They support persons with disabilities to be promoted to managerial positions.

What would you recommend to other organizations?

To **implement universal accessibility** in their facilities, because everyone at some time in our lives will require an adaptation of whatever type.



Comparative overview of case studies

Core activity. All organizations work with a broad range of disabilities, including mental health issues, intellectual and physical, and all of them differentiate the nature of work based on the level and type of impairment of the employees. All of them offer long-term, permanent contracts to their employees with disabilities, at pay levels commensurate with the market levels. **All organizations interviewed are interested in creating good quality employment opportunities for employees with disabilities.**

Transitional or permanent employment. The organizations differ in their approach to employment. Mariaberg Social Enterprises is designed in addition to creating direct employment focusing on apprenticeships and transitional employment opportunities. Rehab Enterprises and Artmo Bene have a mix of both transitional and permanent employment, and Ilunion Hotels focuses on maintaining long-term employment and providing for career development for its staff with disabilities. The organizations pride themselves on the low employee turnover, for example employees at Rehab Enterprises stay for an average of 17,5 years. All organisations engage in collaboration with other companies, whether from within their networks or externally. Mariaberg Social Enterprises has in-house social workers accompanying apprentices in other organizations. Ilunion Hotels encourages mobility within its group. Rehab Enterprises has specific programs such as “complementary workforce” or “new employment model” that includes the creation of a progression plan of development and transition into the open employment market.

Change in number of employees. The trends in the number of employees have no clear pattern due to different social and economic models both in the countries and in the enterprises. Both of the Spanish organizations are expanding and have an increasing number of employees to staff their development. Ireland’s Rehab Enterprises experience a decrease in the number of employees with disabilities due to the aging workforce, and in the case of the latter, also due to the good economic outlook and many people finding jobs in the open market.

Challenges to employment integration. Challenges facing the companies overviewed in the end of 2019 included structural, job-related and employment-model related issues. For Germany’s Mariaberg Social Enterprises, topical issues included regionalization and demographic changes coupled with changes in financing rules (forthcoming switch in 2020 from state to personalized budgets). In Spain, both companies faced challenges regarding skills of employees – in Artmo Bene related to carrying out certain tasks and routines, and in Ilunion Hotels, staffing a new hotel with 70% of persons with disabilities. Both organizations addressed this challenge through training. Artmo Bene collaborated with organizations providing employment support for persons with disabilities and focused on the specific needs of vulnerable groups for performing tasks at hand. Meanwhile, Ilunion Hotels focused on training workers from outside of the hospitality sector and department heads as support monitors to support disabled employees (e.g., overseeing their work in restaurant kitchen or restaurant).

Training

Type of training. In line with their missions to integrate persons with disabilities in the businesses, the companies under study provide comprehensive work-related training to their employees through a mix of pre-and on-the-job training as well as external private, public and in-house expertise. German Mariaberg Social Enterprises and Ireland’s Rehab Enterprises offer training focusing both on job-related and broader social skills. Training offered at Mariaberg relies on internal trainers and external lecturers and trainers for some employee development and for example cooperation apprenticeships. The other three companies have developed also elaborate in-house expertise whether through its HR department, (Rehab Enterprises) supervisors, line-managers and co-workers (Rehab Enterprises, Ilunion Hotels and Artmo Bene), or also public employment assistance



personnel (Rehab Enterprises). The two Spanish organizations also offer pre-employment training, at Ilunion Hotels, it is provided by other organizations from the umbrella ONCE group.

Certification of training. The organizations under study provide training for the purpose of better work integration in their own companies and most do not offer official certificates of completion. Spanish Artmo Bene Special Employment Centre, an exception to this trend, issues a Certificate for Excellence in Corporate Training or a certificate of professional qualification. Rehab Enterprises awards certificate only for the Manual Healing training program.

Training for transition to open labour market. While Ilunion Hotels do not have as an explicit aim transition to the open labour market, the other three companies have special mechanisms to facilitate the transition, and Mariaberg Social Enterprises is more focused on transitional than permanent employment. They offer training in companies in the open labour market, special apprenticeships and support the elaboration and implementation of personal career plans and job search.

Sustainability

Role of state financing. All of the organizations under study receive some degree of state financing but the extent varies from 43% for the Spanish Artmo Bene to just 6.6% for Mariaberg's Bildung & Service.

The organizations report commercially viable and profitable business models, and the two Spanish cases are under expansion. However, all four companies made an emphasis on the importance of public funding for the employment (rates, conditions) of persons with disabilities.

Mariaberg Social Enterprises reports that wage subsidies are not keeping up with collectively bargained levels. Financing trends for different sectors of support also influence the organization's development of own activities – for example in line with poor financing for VET for the

unemployed, the company is scaling down their VET offering.

Availability of funds in past five years. The availability of financial support for the employment of people with disabilities is unequal not only among the countries but also among the regions. For example, in Spain, the autonomous regions have different financing schemes for social enterprises meaning available resources vary. Wage subsidies for disabled employees dropped from 75% to 50% in Catalonia, meanwhile in Castilla - La Mancha and Castilla y Leon, the situation improved, as there are no more delays in funding albeit not as good in this respect as prior to the crisis. In Ireland, the situation of available financing is stable and has not changed in recent years, although Irish Rehab finds the available funding is insufficient.

Impact

Opportunities created. Organizations interviewed mention different aspects of their work from satisfied customers and socially responsible partners to well-adapted working facilities as their main achievements. Their impact centres on opportunities for persons with disabilities to meaningfully integrate in the labour market – see figure for the most frequent words mentioned by the interviewees in relation to impact.

The organizations pride themselves on opportunities created for the most vulnerable groups and most target specifically persons who have gained disability as a result or during employment, or those with severe or multiple disabilities or mental health issues that are most discriminated on the open labour market.

Importantly, through their viable business models and growth, as well as participation in national and international civil society, demonstrate that persons with disabilities can and should be active



participants in the labour market. As noted by representatives of Artmo Bene, a key value added of the work of organizations like their own is:

“Eradicating the stigma people with mental health issues suffer in the working environment.”

Finally, they influence policy as well. Ireland’s Rehab Enterprises, the largest employer of persons with disabilities in Ireland since 1995, inspired the government to start offering wage subsidies for employment of persons with disabilities through the Wage Subsidy Scheme.

Success factors

The organizations analysed vary greatly in terms of size and business models, however this overview offers insight into a few factors that can be considered as contributing to their success:

- **State support** is crucial for successful inclusion of persons with disability into the labour market. While organizations have different business models, even those oriented to the client and functioning in the open market, need financial support to adapt their working processes and infrastructure. Moreover, wage subsidies help to compensate the added costs of employing persons with disabilities for employers and encourage active participation of persons with disabilities in the workforce.
- **Tailored approach.** In order to create viable opportunities for employment or transitioning to the open economy, companies need to develop individual career (training and employment) plans, tailored according the skills and capacities of their staff.
- **Networks and contacts.** Among the factors that positively influence employment opportunities, various organizations mention contacts with other companies working either in the disability sector or in the open market economy.
- Such contacts allow finding employment placement, technical know-how or support services.
- **Mixed training programs.** Mixed training programs incorporating focus on job and social and personal skills are best able to address the needs of the workforce of work integration companies including with and without disability.
- **Long-term employment and open labour market transition as compatible goals.** While often the discourse relating to active inclusion of persons with disabilities gives preference to open labour market employment opportunities over other, more adapted environments, countries with developed social employment models for persons with disabilities as in Spain have a case for long-term employment of a sheltered form. Specialized Employment Centres offer working conditions and environments on par with or better than the open labour market can provide, and with minimum state support to suit. Social enterprises can be successful in both generating revenues and providing long-term meaningful employment and career advancement opportunities for persons with disabilities.

Recommendations for policy

The following recommendations are based on insights and suggestions from interviewed organisations, the EPR Secretariat and authors based on the information presented above.

- There is no **one-size-fits-all model** that would enable companies to succeed in creating and sustaining employment opportunities for persons with disabilities. Countries differ in their legislation and even the effectiveness its implementation during different periods of economic change, and models that are successful in one country or one period may not prove so in another. The companies that employ persons with disabilities differ in the models they employ and the mix of focus



on training and transition to the open labour market versus facilitating long-term employment in their own businesses. The cases overviewed point to the importance of:

- some form of **state support including financial** (wage subsidies, differentiated by level of disability and resulting need for additional support; reasonable workplace accommodation) and **technical** (pre-employment training, support for on-the-job training and transition to the labour-market related);
- **legislation facilitating the status and operation of “employment support” companies or Work Integrating Social Enterprises** which have different needs and foci compared to traditional companies.
- **Strength of the social care and support sector or work integration social enterprises specifically** – for example in Spain the long-standing tradition of specialized employment centres acts both as an example for new actors in this sector but also provides for a supporting environment for their successful operation.
- **The strength of the social care and support sector through links between actors like WISEs, NGOs and funders helps to sustain employment models for persons with disabilities.** In Spain, the long-standing tradition of specialized employment centres acts both as an example for new actors in this sector but also provides for a supporting environment for their successful operation. In Germany, the umbrella NGO, that is also owner of the social enterprises concerned, is a key client for the services they offer.
- Employment of persons with disabilities is a much understudied area, with meaningful and insightful research on this topic complicated by issues like **lack of common definitions in relation to disability and lack of data on the employment trends** – whether in the open labour market or in some form of protected employment, of persons with disabilities. It is key to facilitate access to data and relevant research to understand and communicate the potential of employment support companies.
- It is key to **support the communication efforts of organizations** employing disabled people. The public has to be aware of the added value of their work.
- **Transfer to the open economy market and sustained protected employment** are different alternatives that are both compatible and necessary for more active inclusion of persons with disabilities.
- There is also **a need for better publicity to educate people about the value added of employing people with a disability** as they offer tangible benefits, including increased innovation, improved productivity, enhanced reputation and a better work environment. And, of course, employees are consumers, too.





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