



Socio-economic enterprises (SÖBs)

ENHANCING FLEXIBILITY
AMONG COMPANIES

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The practice aims to reintegrate hard-to-place groups into the labour market by offering fixed-term jobs under near-market conditions. The practice is based in SÖBs, which are small enterprises founded and run by non-profit associations. Target groups are offered employment and training activities as part of their experience.

SÖBs face the challenge to participate in the competitive market and therefore their activities carry an economic risk. Overall, the results of the practice were positive; women, older workers and workers with disabilities benefit the most from it. In average, around 30 % of participants found a non-subsidised job after their experience.

Name of the PES

Arbeitsmarktservice (AMS) Österreich Bundesgeschäftsstelle Public Employment Service Austria (AMS)

When was the practice implemented?

1993–ongoing.

Which organisation was involved in its implementation?

The implementing bodies are the different SÖBs. In 2018, there were 310 socio-economic enterprises in Austria (some organisations created more than one socio-economic enterprise).

Which groups were targeted by the practice?

Jobseekers:

- ▶ Long-term unemployed;
- ▶ Older jobseekers;
- ▶ People suffering from physical disability or illness;
- ▶ Unemployed workers facing disabilities and/or disadvantages in the labour market (social maladjustment, former drug addicts, ex-prisoners, homeless, etc.).

What were the practice's main objectives?

To (re)integrate the long-term unemployed and other hard-to-place groups into the labour market by offering fixed-term jobs under near-market conditions.

What activities were carried out?

SÖBs provide a combination of training and employment to temporary employees who are given continual support with any problems they might face throughout their time with the enterprise. Alongside the provision of fixed-term 'transition jobs', the programme offers targeted skills training and a holistic care and support package to participants. The following phases can be offered: introduction phase, training and employment phase including job-seeking. Employment is provided under a formal employment relationship (i.e. contract). The salary of all employees (both permanent and temporary) in the SÖB is set according to the collective agreements of its sector.

What resources and other relevant organisational aspects were involved?

SÖBs are small enterprises founded and run by non-profit associations. SÖB managers are responsible for the finances of the project. Umbrella structures exist to support socio-economic enterprises. There are informal meetings and formal networks at the provincial level. SÖB take also part in the "Arbeit plus" (Bundesdachverband für Soziale Unternehmen), an independent federal association bringing together all social enterprises in Austria. "Arbeit plus" is a member of the European Network for Social Integration Enterprises (ENSIE).

What were the source(s) of funding?

National budget and regional budget.

What were the outputs of the practice: people reached and products?	<p><u>People reached:</u> In 2018 10 939 women and 10 972 men participated in SÖBs. The overall number of participants in 2018 was 21 911.</p> <p><u>Products:</u> Most socio-economic enterprises (310) have a website.</p>
What outcomes have been identified?	<p>Socio-economic enterprises are successful in improving re-integration into the labour market. Three months after finishing their employment at a SÖB, 2 884 women and 3 144 men had found a job. 6 months later, 6 850 of 11 801 former SÖB-employees had a job. 5 364 of these jobs were non-subsidised.</p> <p>In 2018, 10 083 of the SÖB participants were employed in the fast-growing field of non-profit temporary work agencies.</p>
What are the lessons learnt and success factors?	<p>One conclusion is that, in the future, the focus should be laid on participants with special handicaps and moderate chances on the labour market. Another conclusion is the implementation of low-threshold training possibilities for special target groups.</p>



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