### Socio-economic enterprises (SÖBs)

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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 or self-help groups. 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 – on-going

### Which organisation was involved in its implementation?

The implementing bodies are the different SÖBs. In 2012, there were 77 socio-economic enterprises in Austria (some organisations created more than one socio-economic enterprise).

### Which social groups were targeted by the practice?

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

### What were the practice’s main objectives?

The ‘socio-economic enterprises’ practice is designed 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 particular problems they 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. Each participant’s time working at a SÖB is structured in the following phases: preparatory phase, introduction phase, training and employment phase, job-seeking phase, concluding phase and follow-up. 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 or self-help groups. SÖB managers responsible for the finances of the project/company. As far as decision-making is concerned, within the project/company, the professional staff (including managers) act as a team and temporary employees are granted a say in all matters concerning their personal affairs. Umbrella structures exist to support socio-economic enterprises. There are informal meetings and formal networks at the provincial level, and there is an established SÖB Association (Verband der Sozialökonomischen Betriebe). SÖB take also part in the BDV (Bundesdachverband für Soziale Unternehmen), a federal association bringing together all social enterprises in Austria.

### Source(s) of funding

- National budget (tax revenue)
- Regional budget (tax revenue)
- European Social Fund
What were the outputs of the practice: people reached and products?

People reached:
In the period 2001-2010 the number of participants per year increased steadily (with the exception of 2007, when participation declined temporarily by 2.1% approximately), growing from 5 896 in 2001 to more than 20 000 in 2010. The overall number of participants in 2009 was 16 397.

Products:
All socio-economic enterprises (77) have a website.

What outcomes have been identified?
Socio-economic enterprises are successful in improving re-integration into the labour market. One week after finishing work at a SÖB, 30% of the participants (4 920) had found a non-subsidied job and 12% (1 968 participants) continued to work in subsidised employment. One year after finishing work at a SÖB, 29% (4 755 participants) worked in a non-subsidized job and 6% (984) continued to work in subsidised employment.

There has been an increase in the people obtaining training and jobs. In 2000, there were 59 SÖBs offering 1 700 temporary workplaces; in the course of the same year, 3 888 participants were employed and trained in these workplaces. In 2010, there were 77 SÖBs offering 5 315 temporary workplaces; in the course of the same year, 20 474 participants were employed and trained. 14 322 of them were employed in the fast-growing field of non-profit temporary work agencies.

What are the lessons learnt and success factors?
The evaluation of the practice found that women, older workers and workers with disabilities benefit the most from the practice, and overall the results of the practice are positive. The outcomes achieved prove the effectiveness of the practice in terms of number of participants and the share of participants (30%) who have found a non-subsidised job.

The evaluation carried out shows that the practice would become even more effective if the target groups were targeted more specifically, e.g. if participants were entitled to receive further personalised support in the transition to the first job in the open labour market, and if the practice was more flexibly adapted to the specific skills and needs of the target groups.

In terms of efficiency, the evaluation had a rather negative assessment: socio-economic enterprises include only 2% of all participants in activation measures, but the practice costs about 6.1% of all funding for activation measures. However, it is also stated that the participants in this practice are usually the ones with the biggest obstacles to labour market integration.

More information on the practice

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