

Measuring the impact of a social enterprise – Case study CONCORDIA Bakery, Romania

Irina-Sinziana OPINCARU

University of Bucharest, Doctoral School of Sociology

Bucharest, Romania

irina.opincaru@sas.unibuc.ro

Doina CRANGASU

CONCORDIA Humanitarian Organisation

Bucharest, Romania

doina.crangasu@gmail.com



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Purpose and objectives of the study



PURPOSE: To develop and assess the theory of change of CONCORDIA Bakery in order to better understand its contribution to improving the lives of their beneficiaries, the beneficiaries' families and the wider community.

SPECIFIC OBJECTIVES:

1. Show insights on the central processes or drivers by which change comes about for individuals, groups, or communities (e.g. psychological processes, social, physical or economic processes).
2. Identify what makes CONCORDIA Bakery work and how it might be replicated, adapted or up-scaled elsewhere.
3. Highlight current gaps of collaboration with partners (if there are any).
4. Help to set realistic (future) objectives and support the development of meaningful (future) performance indicators to track progress.

Steps and process of the study



- ✓ Developing a study framework for theory-based evaluation (program theory)
- ✓ Preliminary study, Theory of Change development
- ✓ Development of research instruments (interview guides, observation sheet, sampling etc.)
- ✓ Conducting of semi-structured interviews
- ✓ Participative observation
- ✓ Re-analyzing documents and available data – cross-check with qualitative data obtained
- ✓ Data organization, summarizing and analysis framework
- ✓ Drafting of the final report

Methodological approach (1)



❖ Strong exploratory component

❖ 3 main evaluation questions

- Q1. To what extent did CONCORDIA Bakery achieve the overall intended impact on its stakeholders during 2011 – 2017?
- Q2. Which were the most important factors that led to the achievement of these impacts?
- Q3. What changes occurred during 2011-2017 in the external environment of CONCORDIA Bakery, which influenced the impact of the enterprise?

Methodological approach (2)



Hypotheses

H1. The young graduates of the Bakery Class of the CONCORDIA Vocational School are more likely to obtain and retain a job on the open market if they are previously employed on a fixed-term basis in a social enterprise.

H2. Young people from disadvantaged backgrounds have an increased chance of obtaining and retaining a job on the free market if they receive psychosocial and accompanying support.

H3. It is expected that the social enterprise to be a high-performing and competitive enterprise on the free market.

Methodological approach (3)



Used methods for data collection and analysis

- ❖ A mix of quantitative and qualitative methods
- ❖ Non-probabilistic sampling procedures - convenience and judgment sampling
- ❖ Documents analysis
- ❖ In-depth semi-structured interviews with relevant stakeholders
- ❖ Participative observation
- ❖ Comparative analysis

Documents analysed: legal documents, human resources documentation, economic and financial data, planning and organization documents, funding applications and reports, regulations, internal statistics and information on other projects and initiatives

CONCORDIA SOCIAL BUSINESS MODEL

- FOR DISADVANTAGED YOUNG PEOPLE -



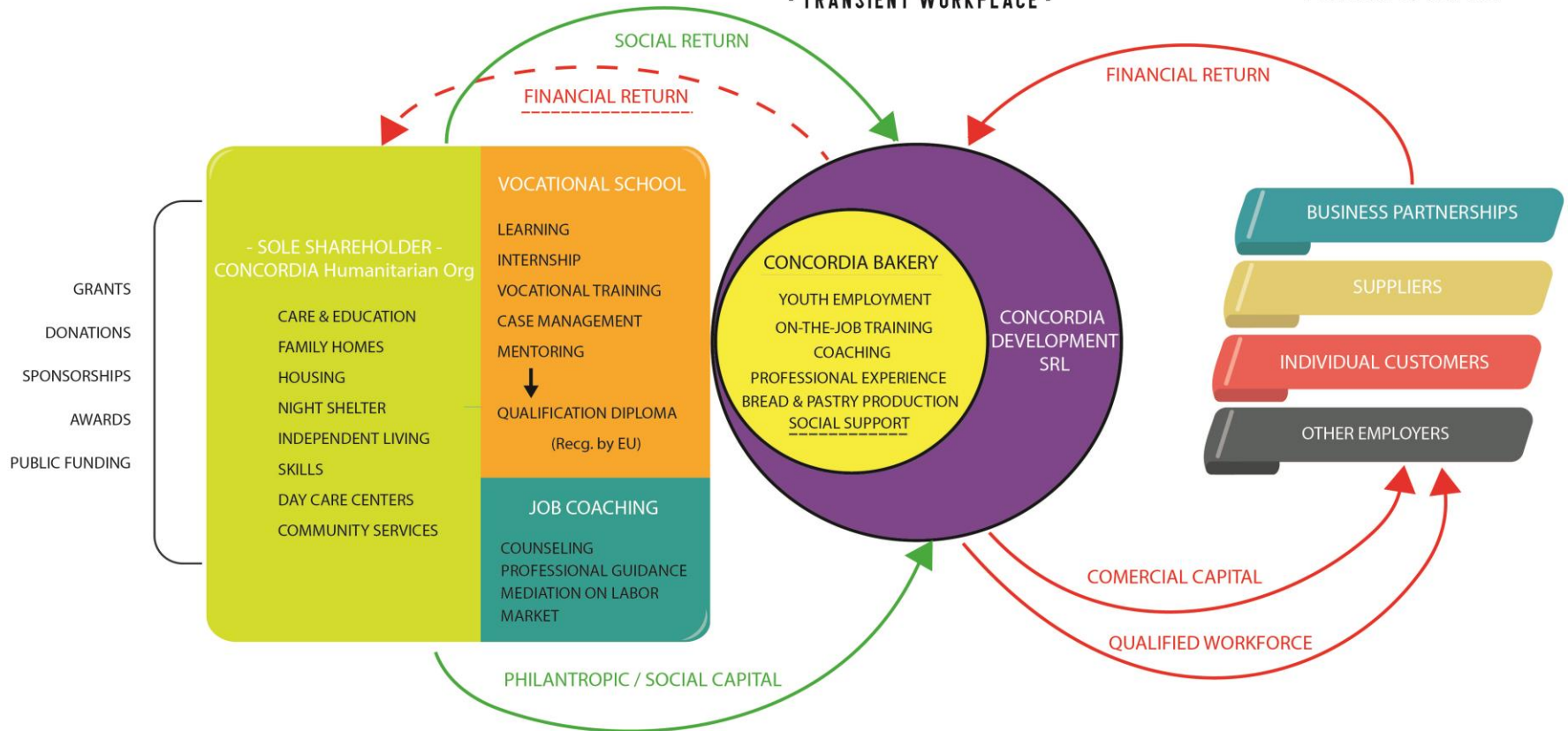
NON-PROFIT STRUCTURE



SOCIAL INSERTION ENTERPRISE
- TRANSIENT WORKPLACE -



FOR PROFIT SECTOR



Findings



Impact on employees-beneficiaries (1)

Keep in mind! CONCORDIA Bakery can hardly be separated from the story, involvement and effects of its mother-organisation – CONCORDIA Humanitarian Organisation

Important numbers:

- 29 employees during 2011-2017
- 5 new employees in 2018
- 10 employed before graduation
- Duration of employment: 1 to 39 months, **10.5 months av.**, 6.5 median
- Employees see their skills as reasons for employment, managers report other criteria also

Findings



Impact on employees-beneficiaries (2)

Professional qualification

- ✓ Mandatory on-the-job training - after 6-7 months employees are able to apply the flow
- ✓ New things learned: new recipes (13), new techniques to knead, shape or bake (9), use of the machinery (4) and learning the responsibility of their work (4)
- ✓ Tailored interventions – pushed harder to develop or supported to get to autonomy
- ✓ 6 respondents acknowledged learning how to organise and manage the daily orders, even though they weren't performing the task
- ✓ Over 95% of the employees trust their professional capabilities to work on the free market

Findings



Impact on employees-beneficiaries (3)

Psychosocial skills related to employment

- ✓ CONCORDIA Bakery is more than a workplace for most of the employees-beneficiaries and their coordinators
- ✓ 19 resp. evaluated the working climate as a positive or very positive one; 7 resp. reported minor discussions or conflicts, seen as inherent to any workplace
- ✓ Employees are *informally* supported to develop their interpersonal communication skills: teaching them politeness, nice and proper language to each other, punctuality etc.
- ✓ Learning the administrative side of employment – the work contract and job description
- ✓ 12 resp. acknowledge the major impact of CONCORDIA Bakery in their social development

Findings



Impact on employees-beneficiaries (4)

View over time – intended and unintended long-term impact

- ✓ The biggest benefit: a tempering in behaviour or the ability to manage their emotions and reactions (7 cases); the professional qualification, transformed in a professional pathway (6 cases)
- ✓ CONCORDIA Bakery contributed greatly to the adaptation at a new workplace, both professionally and socially
- ✓ 90% (13 of 14 cases) of interviewees still in employment
- ✓ Only 3 still work as bakers and other 3 in public catering
- ✓ Baking as a passion – an unintended impact
- ✓ More than a job - skills for an independent life (6 of 14 respondents)

Findings

Impact on customers (1)



Important numbers:

- 283 customers during 2012-2017: 221 are legal entities & 62 individual clients
- Of the 221 customers registered as legal entities:
 - 176 = for profit / corporate clients
 - 45 = Non profit (NGOs, SE, kindergartens, religious asoc.)

Multannual contracts	No. of customers
6 years	6
5 years	5
4 years	3
3 years	17
2 years	45
Total	76

Findings



Impact on CB customers (2)

✓interested in the quality of bakery and pastry products made with traditional recipes with 100% natural ingredients

✓pleased with the presentation of the product and the way it is packaged. (1) respondent expressed the preference for packaging of recyclable materials instead of plastic

✓satisfied with the terms and conditions of delivery (punctuality and delivery in the correct quantities)

(3) customers are willing to pay a higher price for healthy products - price / quality ratio

(2) customers appreciated the collaboration relationship (CB flexibility to customer requests on the adaptation of some recipes or of the weight for some products)

11% of CONCORDIA Bakery clientele appreciates the products and constantly buys them (17/3 years, $\frac{3}{4}$ years, 5/5 years, 6/6 years)

CONCORDIA Bakery has a well-designed image, brand, and marketing tools (catalog of products with prices)



Sustainability (1)



- ✓ CONCORDIA Bakery is administratively managed at high standards of efficiency and quality.
- ✓ CB is certified according to food quality and safety standards
 - *2015 -has obtained the certification of the quality management system and of the food safety management system - SR EN ISO 9001: 2008 and SR EN ISO 22000: 2005*
 - *quality procedures according to standards allow continuous monitoring of production processes, compliance with parameters, immediate action when defects occur in quality, prompt response to customer requirements.*
- ✓ CB has a stable staff structure with dedicated employees
- ✓ CB has a stable and functional system of supply, order picking, delivery and sale of production
- ✓ CB respects its contractual obligations to customers and suppliers
- ✓ CB is able to adapt to market requirements and diversifies its range of bakery and pastry products as needed

Sustainability (2)

Challenge: SOCIAL & ECONOMIC equilibrium

Objective	Trend	Results / impact
Social		Employment / Job opportunity for vulnerable young people
Economic		Financial deficit

Conclusions (1)



- ✓ The enterprise was successful and effective in fulfilling its intended purpose - over 90% employment rate of the former employees of CONCORDIA Bakery
- ✓ Less than a half of the former employees are still employed as bakers or on a related job – not just a matter of efficiency, but also and external environment influence
- ✓ CONCORDIA Bakery is more than a workplace for most of the employees-beneficiaries – notable contribution in tempering the beneficiaries behaviour, to learn how to manage their emotions and reactions, contributing greatly to their adaptation to a new workplace.
- ✓ The enterprise's daily management and organisation of activities is tailored on the specific needs, problems and issues of the employees-beneficiaries activating at the moment
- ✓ More than a coherence between the different CONCORDIA initiatives, but a synergy - the different action strategies and activities lead to a notable impact on the lives of their beneficiaries.

Conclusions (2)



- ✓The purpose and objectives of CB, the form of organization and the mode of operation define it as a social enterprise of insertion even if it does not have the respective mark.
- ✓The legal and public policy framework at national level is favourable to the setting up and functioning of social enterprises in good conditions.
- ✓CB actively seeks solutions to become self-sustaining and competitive on the bakery market (4 grants and prizes, in 2011-2017)
- ✓CB has high performance equipment and has the production and delivery capacity to meet its contractual obligations.
- ✓There is a data base with 283 customers (corporate and individual) interested in the quality of bakery and pastry products made with traditional recipes with 100% natural ingredients. 11% are loyal clients and the others can be reactivated.
- ✓Customers are willing to pay a higher price for healthy products if they understand the social value.
- ✓The volume of revenue from the sale of products had a growing trend (numbers will be provided after verification)

Thank You!

Looking forward to hear your questions!

Doina Crângașu
Irina Opincaru