

Vanguard Laundry: Cleaning up - Measuring outcomes and impact in a growing social enterprise

This case study is designed to help those interested or engaged in impact measurement by providing insights into the learnings from the development and ongoing evolution of Vanguard Laundry’s Outcome and Impact Measurement (OIM) processes.

# Key take outs

* Vanguard have been able to grow, despite significant challenges faced due to the COVID-19 pandemic by seeking growth across different avenues, including internal scale, operational improvement and external expansion.
* Vanguard’s investment in OIM through an external evaluation has provided robust evidence the Vanguard Laundry concept is supporting the outcomes it was aiming to achieve.
* Vanguard is looking to complement their existing OIM ‘proof of concept’ focus with an increased focus on continuous improvement across both their social and enterprise functions.
* Vanguard’s OIM activities have helped identify key gaps in how data is collected and reported leading to the internal development of the Staff Tracker Tool to facilitate real-time monitoring and reporting of outcomes.
* Collecting qualitative data regarding staff experience has been invaluable in helping Vanguard to develop their social enterprise.

# About Vanguard Laundry

Vanguard Laundry is a social enterprise laundry service in Toowoomba, Queensland, and surrounding areas. It provides supported employment pathways for people with a lived experience of social disadvantage and have a history of long-term unemployment, known as target staff. The enterprise offers direct employment opportunities within the laundry and hosts an in-house Social Impact Centre to support staff transition to other employment, education or training.

Vanguard Laundry’s mission is to build a positive, open employment environment that supports pathways from unemployment to a sustained livelihood. Vanguard provides supported employment opportunities for target staff to gain experience of employment and new skills. This support enables target staff to transition to other employment opportunities outside of Vanguard Laundry. It supports their economic inclusion and generates positive attitudinal shifts in the broader community about people with a lived experience of social disadvantage.

Vanguard Laundry was established in 2016 and aims to help support its social mission through the operation of a sustainable, profit-making commercial laundry business.

# Plan for Growth

In late 2019 Vanguard Laundry investigated ways that they could grow their operations and social impact.

They identified three areas for growth:

## Scale of current site

In 2019 Vanguard’s operations processed an average of around 35 tonnes of laundry each week. Investment in new machinery, including a towel folder and reorganisation of the physical layout of the laundry has seen the laundry’s weekly average production increase by nearly 130%, to more than 45 tonnes each week.

This increase has also been supported by productivity gains as a result of in-depth analysis of laundry operations and additional staff training supporting safe and efficient ways of working.



Source: Vanguard Laundry Business Overview 2022

## Operational processes

With the organisation moving from the initial start-up phase, Vanguard identified that a number of internal processes and procedures needed to be developed to support any growth in Vanguard’s operations. This included the development and implementation of an organisational Strategic Plan, Human Resources systems and processes and expansion of governance arrangements and reporting.

This culminated in the development of a five-stage Social Impact Curriculum to document how target staff will be supported and the processes to successful transitions.

### The Vanguard Social Impact Curriculum Overview

1. **Pre-employment:** working with community partners to identify suitable ‘work ready’ target staff.
2. **Building core skills:** Support for adapting to working and identifying skill development opportunities.
3. **Leading to:** Identify career aspirations and values.
4. **Transition ready:** Explore career options, building a resume and job seeking skills.
5. **Post transition:** Work with employment partners to stage support transitions and maintain relationships with Vanguard alumni.

## Expansion to new site

While efforts to achieve scale within the current Toowoomba laundry site were successful in increasing capacity, any further expansion is limited by the size of the available local market. Therefore, further substantial growth required expansion to another location with demand for commercial laundry services.

Over the past two years Vanguard has been exploring a number of potential regional locations in need of local laundry services as well as a number of community members who could benefit from Vanguard Work-Integrated Social Enterprise approach.

Once the need for local laundry services has been established, much of the work on expansion to date has been on building relationships with local community organisations to identify the way that Vanguard’s social function could support potential target staff.

The impacts of COVID-19 on expansion are detailed in the following section.

# Impacts of COVID-19

The impact of COVID-19 on Vanguard operations were significant, particularly in March to August 2020 when lockdown restrictions in Queensland were at their height.

#### Falling demand

Lockdown restrictions across the state saw a considerable reduction in demand for laundry services as most tourism and hospitality services temporarily closed and health services reduced non-urgent admissions and procedures.

This saw the average weekly production fall from around 35 tonnes to 11 tonnes at the height of lockdown restrictions. As a result, Vanguard had to reduce their operations, including limiting the number of shifts available to target staff.

#### A focus on target staff wellbeing

With Vanguard staff having reduced access to shifts within the laundry operations, the Vanguard Social Impact team shifted their focus to maintaining contact with all target staff and supporting these staff to access available social security payments or support, food and housing.

Vanguard management said “Once we had target staff connected to a source of income, we had more of a mental health focus. We found that they were isolated and that was causing real mental health issues. So we were constantly checking in on their welfare, organising socially distanced social catch-ups and trying to keep those social connections.”

Once additional sources of income were established for staff unable to access work the focus of the Social Impact team moved to supporting the mental health and wellbeing of target staff and helping to facilitate and support social connection. The vulnerability of target staff, and particularly the extensive impacts of mental ill health, led to increased experiences of social isolation. Vanguard staff provided referrals to available services and, where appropriate organised social events such as a barbeque in the laundry car park for target staff. This continued until the easing of lockdown restrictions saw an increase in laundry production. Target staff were supported through a phased return back to work by Vanguard’s Social Impact team.

#### Development of operational processes

The development of operational processes had been identified as requiring investment, but prior to lockdown most staff time had been focused on Vanguard’s financial sustainability, operations and support for target staff.

While Vanguard’s laundry operations reduced during lockdown, management and administrative staff resources were able to be redirected towards the development of these processes, including the social impact curriculum.

This meant that when target staff returned back to work post-lockdown the Social Impact team were able to implement a standardised approach to supporting target staff to transition to other employment opportunities. This has resulted in the initial target of one transition each month being exceeded with the current number of transitions averaging around 2.7 each month.

#### Expansion on hold

Travel restrictions during lockdown made visits to potential expansion locations impossible, leading to the identification of sites for a new laundry being put on hold.

While this did lead to some delays in the timeframe for expected expansion, Vanguard were able to use this time to increase the scale of the existing facilities in Toowoomba through implementing new processes and staff training to support productivity and efficiency.

The search for new laundry sites was reignited in early 2021 and Vanguard are currently working with several regional communities in Queensland to investigate the viability of establishing laundry operations with supported employment opportunities.

# The future of Outcome and Impact Measurement

Since 2017, Vanguard have been working with the Centre for Social Impact at Swinburne University to undertake a longitudinal evaluation on the outcomes and impacts of Vanguard’s social and enterprise activities.

The evaluation has supplied in-depth insight into the progress, successes and challenges faced by the organisation and, importantly has provided evidence on the outcomes for Vanguard target staff including changes in income, social inclusion, health and wellbeing.

### Summary of headline findings from 2020 Evaluation Report

* 58.8 per cent of the 80 transitioned staff remained employedat last contact, significantly higher than the employment outcomes experienced by Disability Employment Services clients.
* $422,800 in estimated cumulative net Centrelink savingsbetween 2017 and 2020 as a result of staff transitioning to employment.
* Reported housing stability increased by 28.5 per centduring employment with Vanguard
* There was a significant decrease in the number of Emergency Department visitsand days spent in hospital for mental health for evaluation participants.

Source: Centre for Social Impact at Swinburne University, 2020, The Vanguard Laundry Evaluation 2020 report.

As Vanguard matures as a social enterprise, their needs regarding OIM are also changing. Vanguard Management have identified three areas of focus for their future OIM activities:

## Supporting continuous improvement

As Vanguard continue to grow their operations, they have identified a number of ways that their ongoing OIM activity could support continuous improvement of both their social and enterprise functions.

For their social function, Vanguard is particularly interested in identifying opportunities to maximise the impact of the support they provide to target staff. This includes investigating some long-standing assumptions regarding the needs and outcomes for target staff and identifying which impacts of Vanguard’s Social Impact support are unique and provide a competitive advantage to target staff within the labour market.

From an enterprise perspective, Vanguard see opportunities for their OIM activities to provide additional transparency and evidence regarding potential for improvement within operations, such as efficiency or productivity. These insights could be used to attract funding to facilitate the organisation’s growth and continue to support work of the Social Impact team.

Vanguard have also identified that the rich data that has been collected over the last five years will be able to provide insights into the long-term sustainability and viability of their enterprise and this will help to prioritise areas of focus for continuous improvement.

Vanguard management said “The questions we really want to focus on include: Are we helping staff in the way we think we are? Where are people at before they come to Vanguard, what happens when they are here, and what happens once they transition? What is it about Vanguard that helps target staff compete in the labour market more than other employment options?”

## Tracking the journey of target staff

Over the past year Vanguard has been developing and refining an internal Staff Tracker Tool that provides real-time reporting on the status of all target staff, their progress through the program and details regarding staff transitions.

The Staff Tracker Tool supports both an individual and holistic view of target staff that helps management to plan regarding recruitment and the Social Impact Team to track the progress of each staff member through the Vanguard Social Impact Curriculum.

This also allows the Social Impact Team to undertake post-transition check-ins to identify where a staff member could benefit from some additional support to stay in their transitioned employment. Vanguard staff report that facilitating this support has been one of the factors behind the increase in successful transitions in the past year.

Having identified that the Staff Tracker Tool supports the measurement and reporting of the key staff outcome, being staff transitions, Vanguard has committed to further analysis and development of the tool to utilise other opportunities to report on their OIM.





## Continuing qualitative data collection

Vanguard have identified that the qualitative data collected for their evaluation, and particularly the interviews with staff has considerable value.

Each of the annual evaluations has included interviews with staff including target staff, management, board members, and transitioned staff. The feedback received from staff is reported throughout the evaluation reports, including direct quotes from staff, as shown in Figure 5.

The qualitative data received from staff has helped Vanguard identify areas of improvement and has informed a range of changes to both their social and enterprise functions. These range from smaller issues such as ensuring that the same brand of coffee is provided in the lunchrooms of both laundry operations and office staff to avoid staff perceptions regarding office staff being treated differently. Larger changes include modifying communications and the program of support for target staff throughout their time at Vanguard to be explicit regarding their expected transition outcome, and how Vanguard will support them through this to address feedback received from staff regarding lack of clarity and anxiety regarding transition.

Vanguard management said “The qualitative interviews have brought to the fore small things and big things that we needed to look at. They have helped us get insight into the perceptions of our workforce and identified things that we should keep on doing, and things that we should change. It’s like taking the pulse of our workforce.”

# What staff value about Vanguard

As in previous years, staff valued the flexible, understanding and supportive environment at Vanguard.

Multiple people spoke about the difference that supportive managers, supervisors and colleagues made in their lives – both through social, and practical support such as facilitating access to services or transport.

One staff member said “I would just have to say that it’s quite possibly the best place I’ve actually ever worked at, in my life. I’ve never come across another place that is that supportive and still essentially a workplace, where you go and work and get paid. So, they’re very unique in that way.”

Another staff member said “Vanguard was very seminal in my recovery. I had a lot of support there, and it was the support and community that helped seek out professional help and that kind of thing. It cultivates a feeling of ‘you can do it’. If you’re able to come here, then you’re able to go to other places.”

Source: Centre for Social Impact (Swinburne) (2020) The Vanguard Laundry Evaluation 2020 report.

For more information on Vanguard Laundry visit the website [vanguardlaundry.com.au](https://www.vanguardlaundry.com.au/)

This case study forms part of a series of case studies following Vanguard Laundry’s approach to outcome and impact measurement (OIM) and how they use OIM to support growth and scale.

The case studies are funded by the Department of Social Services to provide information to the social impact investing sector to better understand, define, measure and communicate their non-financial social outcomes and impact.

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