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Innovation in the Not for Profit Sector: A Regional Australian Case Study.

Abstract

This paper explores the impact of the “Innovation Farm,” a social innovation project that aimed to help long-term unemployed, highly disadvantaged jobseekers living on the Coffs Coast of the Mid-North Coast of New South Wales, overcome barriers to employment and/or further training. The project was delivered by the Coffs Harbour Employment Support Services (CHESS), a not-for-profit, social enterprise organisation. It was funded from 2009-2012 by the Australian Federal Government’s Department of Employment Education and Workplace Relations (DEEWR) through the Department’s Innovation Fund. The research found that whilst the project achieved a commendable level of success its on-going viability was compromised by a failure to communicate the project’s long-term potential to both the funding body and the parent organisation. A number of lessons were also identified for policy makers particularly as regards the management and funding of any future public/private social innovation partnerships.

Keywords

Social Enterprise, Innovation, Therapeutic Horticulture, Australia.

Introduction

This research details the impact and subsequent fate of a government-funded social innovation project, known as the Innovation Farm. This public/private partnership was delivered by the Coffs Harbour Employment Support Services (CHESS), a not-for-profit social enterprise based on the Mid-North Coast of New South Wales, from 2009 to 2012. Central to the project was a horticultural farm, the Innovation Farm, providing long-term unemployed, highly disadvantaged job seekers with the opportunity to acquire a range of work-related and social skills during a program of 14 weeks. The project sought to enable the jobseekers to overcome a range of structural and personal barriers to employment including deeply embedded social disadvantage and social isolation.

This paper begins with the literature pertaining to social innovation and social enterprise as applied in the context of regional social exclusion in Australia. It goes on to explore the evaluation of the Innovation Farm and includes an overview of the evaluation methodology together with its findings. The findings are measured against a taxonomy for social enterprise success as generated by Mulgan, Ali, Halkett & Sander (2007) highlighting the value of this categorisation to social enterprise organisations and policy makers alike. The paper concludes with a series of recommendations designed to enhance the effectiveness of future social innovation projects delivered by public/private partnerships.

The social enterprise sector

The Innovation Farm is an example of a social innovation project, run as a social enterprise. Social innovation is an over-arching term used to describe imaginative cross-sectoral initiatives designed to achieve a range of social outcomes. The global social innovation movement recognises that governments alone are not able to address the so called ‘wicked’ (Rittel & Webber, 1973) issues confronting society such as structural inequality, climate change, drug and alcohol abuse and mental health. Leading proponents of the social innovation movement argue that the combined efforts of not-for-profit social enterprise organisations, governments and, in some cases, private sector organisations can address many seemingly intractable problems. It is argued that socially innovative ideas can come from small or large organisations from any sector whether it be community, government, a business or from an individual

Social entrepreneurship and social enterprise usually refers to the organisation or organisations that are running an innovation program (Mulgan et al., 2007). The

social enterprise sector emerged in Europe in the 1990s but is now established in other regions. A recent report by the Australian Centre for Philanthropy and Non-profit Studies (ACPNS) concludes that social innovation, social enterprises and social entrepreneurship have become increasingly prevalent in Australia.

According to the ACPNS social enterprises:

- a. are led by an economic, social, cultural, or environmental mission consistent with a public or community benefit;
- b. trade to fulfil their mission;
- c. derive a substantial portion of their income from trade; and
- d. reinvest the majority of their profit/surplus in the fulfilment of their objectives (ACPNS, 2010, p. 2).

In Europe, social enterprises have for some time been used as vehicles for addressing structural or long-term unemployment by focusing “on improving the functioning of the labour market, through improving information (to both employers and employees) and through improving skill levels through training” (Spear & Bidet, 2005, p.199). This approach has become known as the work integration social enterprise model, or WISE model. With structural unemployment being a global phenomenon the WISE model has been applied further afield including Hong Kong (Ho & Chan, 2010). Closer to Australia an analysis of a WISE model social enterprise was undertaken in New Zealand (Grant, 2008) wherein it was found that, like Australia, the New Zealand sector was embryonic and was largely a response to neo-liberal Government economic policies.

Social Innovation and not-for-profit social enterprises in Australia

The ACPNS (2010) one of the few extant Australian sources of literature in this field found that social enterprises, like other forms of civil social activity, are characterised by a wide range of missions that reflect the ambitions of the groups, organisations and individuals who start and operate them.

Research suggests that, collectively, Australian social enterprises view themselves as vehicles for social inclusion; specifically, that they provide opportunities for people to participate in their communities. Many social enterprise organisations are also not-for-profit organisations that also focus on helping address issues of social inclusion. These organisations have become increasingly important players when it comes to social

issues both in Europe, Australia and internationally (ACPNS, 2010, p. 12).

The ACPNS (2010) also found there were up to 20,000 social enterprises in Australia. Social enterprises are also overwhelmingly not-for-profit organisations in Australia. The Giving Australia Project (Department of Family and Community Services, 2005) found that 29 percent of not-for-profit organisations had some kind of business venture. Data also suggests that Australia has approximately 60,000 economically significant not-for-profit organisations (Australian Bureau of Statistics, 2009).

Australian (not-for-profit) social enterprises operate in all markets, from the local to international, however their dominant trading focus is on local and regional markets. The majority describe their organisational missions as “the fulfilment of a public or community benefit (64.8%)” (ACPNS, 2010, p 2). Education and training (41.6 percent) is the most common industry activity (ACPNS 2010). Earned income is the leading source of income among social enterprises, accounting for 85 percent of overall income. Earned income, includes competitive contracts with government. The majority of organisations (57 percent) reported that they re-invested profits/surplus back into growing their organisations, while a small minority (6.7 percent) returned profits back to their parent body, gave to other external organisations (9.3 percent) or distributed them to their membership (3.5 percent) (ACPNS, 2010). Social enterprises engage with businesses and industry networks similar to themselves. It is notable that while the majority of social enterprises exist for a public or community benefit only 65 percent of organisations that participated in the ACPNS study had sought to appraise or measure their impacts in relation to their missions in the previous twelve months (ACPNS, 2010).

Social innovation projects tend by their nature, in order to be successful, to be long-term initiatives (Mulgan et al., 2007). They can take as long as seven years or more to break even or reach profitability and therefore need good sources of continuous funding, good management and strong cross-organisational commitment if they are the result of a government initiative (Alter, 2007; Mulgan et al., 2007). Social enterprises often adopt innovative models, including public-private partnership (PPP) initiatives (Alter, 2007) in order to secure the funding necessary to fulfil their organisational missions. Some not-for-profit social enterprise organisations run for-profit businesses to support their core values and work (ACPNS, 2010). Some for-profit businesses are expounded with a precise social mission in mind. These are, nevertheless, all forms of social enterprise. The focus of this paper is on the not-for-profit social enterprise.

Insofar as assessing the effectiveness of a social enterprise is concerned the work of Mulgan et al. (2007) provides a very useful framework. He suggests that not-for-profit social enterprise organisations need to ensure the alignment of four essential criteria in order to achieve real and lasting impact.

(1) *Pull* in the form of *effective demand*, which comes from the acknowledgement of a need within society, and from the recognition of that need by organisations (or consumers) with the financial capacity to address it;

(2) *Push* in the form of *effective supply*, which comes from: first, the generation of innovative ideas (by creative individuals and teams, potential beneficiaries and users, often inspired by anger, suffering or compassion); second, the development of those ideas into demonstrably workable forms; and third, their communication and dissemination;

(3) *Effective strategies* that connect ‘pull’ to ‘push’, and find the right organisational forms to put the innovation into practice; and

(4) *Learning and adaptation* to ensure that the innovation achieves social impact, and continues to do so as the environment around it changes (Mulgan 2007, p. 4).

According to the ACPNS (2010) Australian social enterprises often associate themselves with ‘work integration’ programs wherein they address some of the more difficult problems of social exclusion in labour markets and attempt to address the problems of more marginalised groups and individuals in ways that are innovative when compared with more traditional government programs. (Spear & Bidet, 2005; Defourney & Borzaga, 2001). It is to the literature on social exclusion and how Work Integration Social Enterprise (WISE) strategies have been identified so as to help highly disadvantaged job seekers that this paper now turns.

Social exclusion in Australia

Social exclusion is defined as “a multidimensional process of progressive social rupture, detaching groups and individuals from social relations and institutions and preventing them from full participation in the normal, normatively prescribed activities of the society in which they live” (Silver, 2007, p.15). Social exclusion does not always lead to poverty but is frequently associated with social isolation (Oxoby, 2009).

Alternatively social inclusion, aims to ensure that individuals are integrated into the political, social and economic tapestry of society. This is increasingly seen as crucial in developing sustainable growth strategies, increasing one's well-being in the economy and in fighting poverty generally (Oxoby, 2009).

The Millennium Survey of Poverty and Social Exclusion in the UK (Gordon, Levitas & Pantazis, 2006) found that there were four key dimensions of social exclusion:

- Impoverishment, or exclusion from adequate resources such as deprivation or low income;
- Labour market exclusion;
- Service exclusion from areas such as public transport or childcare, and;
- Exclusion from social relations through home confinement, fear of crime, a disability or lack of social day- to- day contact.

With the election of the Rudd/Gillard Labor Government in Australia in 2007, social inclusion was adopted as a key focus for social policy with the "establishment of a Social Inclusion Committee of Cabinet, a Social Inclusion Unit in the Department of Prime Minister and Cabinet and the Australian Social Inclusion Board" (Healey, 2011, p. 17). This was in response to a number of studies that had been carried out into social exclusion in Australia by such authorities as Tony Vinson (2003) and later the Brotherhood of Saint Laurence (Horn, Scutella & Wilkins, 2011). The Brotherhood of St Laurence found that one in four Australians experience social exclusion at some level.

For most people this experience is of short duration and not too severe. In many ways this is consistent with what income poverty data tells us. However, more importantly for social policy, there is a significant level of deep exclusion in Australia, with some individuals and households experiencing multiple barriers to social and economic participation. Almost five percent of Australians experience embedded social exclusion. For many, this exclusion will also be persistent, lasting for three years or more (Horn et al., 2011, p. 8).

The critical issue is how to address social exclusion. The Benevolent Society has argued that:

Getting people into secure, reasonably paid jobs is a critical step in breaking the cycle of poverty...and there is a pressing need for Federal and State governments to help disadvantaged people overcome the multiple barriers they face and develop opportunities and pathways for them to enter the labour market. Australia's funding of employment and

training programs for disadvantaged and jobless people is low by international standards (Healey, 2011, p.36).

It is in this respect that many not-for-profit social enterprise organisations argue they have something to offer governments, particularly in times of economic hardship and stress, specifically their ability to develop innovative programs designed to engage long-term unemployed, highly disadvantaged jobseekers. This is the task that CHESS, a not-for-profit social enterprise set itself in 2009 with its Innovation Farm.

The project context

The Innovation Farm was located on the Mid-North Coast of Australia, in an area also known as the Coffs Coast. This is one of the most socially disadvantaged regions in NSW and indeed in Australia, despite the alluring and much publicised images of the area (Vinson, 2003; Brennan, 2011). It is a region in which unemployment is consistently higher than national and state averages. In addition formerly public unemployment services are now devolved and delivered as part of the 'Employment National' scheme. Private providers of unemployment services like CHESS are referred to as Employment National Providers. This trend towards devolution, found throughout the Western World has arguably been taken furthest in Australia. Advantages are seen to be competitive efficiency and the ability to tap into local expertise, innovation and area-specific knowledge (Dockery, 2001). Any analysis of the success or otherwise of the Innovation Farm needs to take these two main factors into account.

Highly disadvantaged jobseekers living on the Coffs Coast comprise a mix of the following social groups:

- People with a mental health disability;
- Youth;
- The homeless (and those at risk of homelessness);
- Refugees (the Coffs Coast is a designated Department of Immigration Multicultural and Indigenous Affairs refugee resettlement area and has a growing Sudanese population), and;
- Aboriginal people (comprising 4 percent of the Coffs Coast population compared to the Australian average of 2.3 percent).

In order to engage highly disadvantaged jobseekers a number of strategies and organisational structures, including the WISE model (Spear & Bidet 2005) have

evolved both internationally and in Australia. The Innovation Farm was based both on the WISE model and on the concept of ‘place’, “an increasingly important lens for policy, innovation and investment” (Burkett, 2012, p.9). It has been argued that place-based impact investment presents an opportunity to prevent and reverse cycles of decline in Australian communities bringing “to the table new analyses and new capital, and also opportunities to create a new regeneration story in communities that have been most affected by economic restructuring” (Burkett, 2012, p.9).

The Innovation Farm was thus established to offer solutions to long-term unemployment. It was solely funded by government monies sourced from the then Federal Government’s Innovation Fund. The Innovation Fund was designed to help alleviate problems caused by the Global Financial Crisis (GFC) of 2008. High unemployment in areas most affected by the GFC was identified as one of the problems to be addressed. The Innovation Farm itself did not receive extra payments for placing farm participants in jobs or further training but was paid only for those who completed at least half the program.

The evaluation of the Innovation Farm

An independent evaluation of the Innovation Farm, which was to include as many stakeholders as possible, was required by DEEWR, the funding agency, as part of the funding agreement. The evaluation, undertaken by researchers from Southern Cross University was formative in nature (Jennings, 2001; Davidson, 2005) and, comprised the following five-phase strategy:

Firstly, an information workshop involving Innovation Farm staff and participants was held. This workshop gave the researchers an opportunity to introduce themselves to participants and to speak about the evaluation, including what would be involved, the aims and expected outcomes, the procedures to be undertaken, management and responsibilities and ethical considerations. The researchers also addressed any concerns that participants had about the project and their involvement in it.

Secondly, a series of qualitative, in-depth, semi-structured interviews were carried out with each of the program participants who voluntarily agreed to be involved in the program and the evaluation process. The interviews were spaced at the beginning, and towards the end of the participant’s 14-week Innovation Farm Program and each interview took between 30 and 45 minutes. Fourteen farm participants, or approximately 80 percent of program participants, were interviewed for this stage of the evaluation, each within three weeks of their

starting date at the Innovation Farm. Approximately three months later interviews were held with the four participants who had either remained in the project or completed it in its entirety and who could be contacted. In addition all seven Innovation Farm staff were interviewed, including the Farm Manager who was interviewed twice.

Interviews were also held with the participant's Employment National Case Officers, or 'employment consultants'. The majority of the employment consultants were employed by organisations other than CHESS. Each employment consultant met with his or her (participating) client on a monthly basis and were therefore well placed to report on the impact of the program. Six interviews were carried out with consultants from four other local Employment National Providers. Each consultant had referred participants to the Innovation Farm at some time over the preceding twelve months. Collectively the consultants represented the 'clients' of the Innovation Farm. The interviews focused on the program's delivery, procedures and practices and the elements of the program they thought worked well and/or could be improved.

Thirdly, farm participants were asked to keep a diary recording their feelings around participation in the Innovation Farm. As well as being a program for highly disadvantaged jobseekers the Innovation Farm was a place-based project. In line with place-based reflective, diary-based, research approaches (Cameron, 2003; Gruenewald & Smith, 2008; Somerville, 2008), the research focus was upon the participants' experiences of the various and variable facets and characteristics of that place i.e., the Innovation Farm. The diary entries were complemented by the themes that emerged from the semi-structured interviews as reported later in this paper.

Fourthly, a thorough review of documents from the Innovation Farm including regular reports to DEEWR and the farm accounts were analysed by the researchers in order to assess the extent to which the objectives of the Innovation Fund had been met.

Lastly, an advanced draft of the researchers' evaluation was presented to Innovation Farm staff and other key stakeholders such as participants and other Employment National Providers. This had the benefit of checking factual validity but also created a 'double-loop' (Argyris, 1982) dialogue between stakeholders and researchers. In turn, where applicable, this dialogue was folded back into the final evaluation report and ultimately into this paper thereby ensuring that the evaluation process drew upon a wide range of data sources. The findings that resulted from this methodology are now presented.

“Emerging from the chrysalis”

All of the six Employment National Provider respondents (employment consultants) interviewed reported that they were very pleased with the service provided by the Innovation Farm believing it had helped their clients achieve increased self-confidence, motivation and self-belief. Their views are neatly summarised by this comment from one respondent:

They have way more confidence and life experience skills as a result. They get structured skills that can be readily applied to most job situations. (E1)

The six employment consultants all reported that they believed the Innovation Farm had helped their clients with improved life and job skills while also highlighting that most of their clients had drug and alcohol issues, that more than a few also had gambling problems and that approximately 20 percent experienced mental health issues. Notwithstanding these challenges the employment consultants, believed that the two days participation per week in the Innovation Farm had been of real benefit to their clients:

It's a bit like an ugly caterpillar emerging from their chrysalis as a beautiful butterfly in a way. Some now look and sound more confident than they have ever done before. (K2)

The employment consultants were also asked: ‘*What do you think are the overall benefits of going to the Innovation Farm for those who attend?*’ and provided with a list of possible responses. The following list summarises their responses, the number in brackets indicates the number of interview respondents who specifically mentioned each factor.

- Improved self-esteem (6)
- Improved confidence (6)
- Improved life and work skills (4)
- Improved time-keeping (4)
- Improved social-interaction (4)
- Improved purpose in general (3)
- Improved self-worth (3)
- Gives participants experience (3)
- Learn to make friends (2).

Two respondents specifically mentioned that the Innovation Farm was crucial in giving their clients the belief that they could get work. Two participants had, in fact, done so even though the work was casual initially.

The really big thing for me is that the Innovation Farm helps them to overcome social isolation, there's a real sense of both belonging and place. (N1)

Notably, all six employment consultants believed that the Innovation Farm provided a service that had helped many from families where long-term unemployment was the norm to slowly, but surely, overcome social exclusion. This, in turn had helped them secure employment and training outcomes for their clients in a region of higher than average unemployment. This program was seen to be producing better results than other voluntary programs the employment consultants had observed previously.

As previously mentioned Innovation Farm participants were invited to fill out a 'weekly diary'. A small group volunteered to do so and as requested wrote comments in response to the following questions:

- How did being at the Innovation Farm feel this week?
- Why? Please explain the feelings.
- Did you learn anything or develop skills at the Innovation Farm this week?
- If so, would these skills help in finding work in the future? Please explain how.

The diary findings reflected many of those that emerged from the semi-structured interviews and which are thematically described in the next section. Participants thought that the Innovation Farm had a 'friendly' atmosphere', that 'it was good to get out (side)', that the place was 'very up-lifting' and 'cheery'. Comments were also made about the activities being carried out and skills being learnt. When asked about how these activities and skills might be helpful for getting jobs comments were less confident and usually that comment box was left blank.

Thematic findings

The data that emerged from the five-phase strategy was collected over a period of 18 months at monthly intervals. The use of this qualitative research approach enabled six common themes to emerge. These themes were presented to

Innovation Farm staff as part of the double-loop process. The six themes are presented below.

Disadvantage

Apart from the fact the Innovation Farm participants were self-evidently disadvantaged it emerged that the Innovation Farm was viewed by participants as an initiative that helped them to address and potentially overcome aspects of this disadvantage. For example, the buses provided by the Innovation Farm gave participants a sense of mobility and self-importance, aspects of which were also identified by the employment consultants. The researchers also noted that the initial participant interviews and the journal responses were both characterised by low levels of articulation.. An inability to be articulate is often recognised as a symptom of disadvantage.

Mental Health

Many of the Innovation Farm participants suffered from depression, anxiety, anti-social tendencies, alcohol and/or, gambling-related problems and associated self-esteem issues. It was apparent that participants, employment consultants and Innovation Farm staff all thought that the Innovation Farm provided people with mental health issues with a learning environment that was both productive and real. They noted that the Innovation Farm enabled the participants to acquire a range of practical, social and work-related skills like gardening as well as the opportunity to socialising with others in a beneficial way.

Working

Innovation Farm participants reported that the work was relaxing and that as a result time passed by in a pleasurable way. They also found the work structured and purposeful. This was something which was also favourably commented on by employment consultants and Innovation Farm staff. It appeared that participants' self-esteem was lifted by the work and the supportive and safe context where staff encouraged rather than 'cajoled'. For many participants the program offered the first real taste of meaningful and productive work.

Learning horticulture skills

Many of the participants found that by attending the Innovation Farm program they were "learning by doing". They found the mulching, weeding, tending seedlings, and harvesting gave them the satisfaction of seeing life cycles. Two thirds of the participants were new to gardening and to horticulture. The

participants, employment consultants and Innovation Farm staff all reported that those who persevered with the course obtained new skills.

Learning wider/employment life skills

Participants, and employment consultants in particular, highlighted that the generic work-ready skills and attitudes such as getting up, getting to the bus stop on time and listening to and acting on instructions were crucial outcomes from the program. Increased levels of confidence enabled participants to approach the Innovation Farm office, ask questions, undertake a job application process and mix with others in a training environment. Work useful skills such as team-work were actively practiced and encouraged at the Innovation Farm. This led to increased employability, punctuality and a realisation that participants were capable of completing many of the abovementioned tasks. The employment consultants in particular noticed an improved ability to communicate and greater levels of enthusiasm generally from the Innovation Farm participants. Innovation Farm staff all recognised that these were the essential aims of the Innovation Farm program and of their project as a whole and so were particularly careful to ensure that these generic work-ready skills and attributes were inherently part of much of what they did.

Place

Most participants, employment consultants and Innovation Farm staff reported that the Innovation Farm had been a positive experience. For participants it meant getting out in the fresh air. Lives for many had previously been lived very much 'inside the home'. The Innovation Farm gave them an opportunity to feel safe outdoors quite possibly often after some form of trauma reported to the researchers by the Innovation Farm counsellor.

A number of additional themes also emerged specifically from the Innovation Farm staff and the employment consultant interviews. These themes are now presented and analysed.

Significant achievements

The Innovation Farm enabled CHES to build relationships with other competitor Employment National Providers, something that had not previously been achieved. This had helped in promoting the program, the participant's well-being and also eventually the quality of the Innovation Farm's produce. Additionally, the Innovation Farm program had helped staff clarify the context in which highly

disadvantaged jobseeker's lived, the factors that held them back and those that can help motivate and energise them. This represented a significant success considering the client base and the employment possibilities on the Coffs Coast.

Additionally the social aspects of the program e.g., safety training and practice, team work and the development of horticultural protocols had led to increased efficiency and the development of practical skills linked to an obvious physical cultivation of place. This had resulted in positive changes in clients.

The employment consultants were of the belief that the Innovation Farm's vision for helping overcome significant barriers to employment was a model that needed wider dissemination in the region and possibly elsewhere in Australia. It was suggested that this program could have been used to support other highly disadvantaged job-seekers including women, despite the perception that farm work was predominantly a male occupation.

Evaluation findings

Insofar as the Project outcomes are concerned the main findings of the evaluation can be summarised thus:

Achievement of key objectives

According to DEEWR:

...the objective of the Innovation Fund was to fund innovative place-based solutions in order to address barriers to employment for groups of the most disadvantaged job seekers. These groups included, but are not limited to, people in areas with entrenched disadvantage, the homeless and those at risk of homelessness, people with mental (DEEWR, 2009, p.1).

In addition, the Innovation Fund aimed:

to develop solutions for disadvantaged job seekers that would ultimately lead to obtaining and sustaining employment. Successful projects will be promoted so that they can be replicated in other settings and other disadvantaged job seekers can benefit from the results" (DEEWR, 2009, p.1)

The evaluation established that the Innovation Farm had a 36 percent placement rate over the course of the project. Given the depth of embedded unemployment and disadvantage

factors prevalent in the geographic area in which it operated, and as outlined earlier, this is an impressive figure (Vinson 2003; 2010). Overall the Innovation Farm project was found to be a positive for participants. Employment consultant interviewees, who could be seen as offering a largely independent point of view, were overwhelmingly positive in their view that the Innovation Farm had provided highly disadvantaged jobseekers with life and work skills they were either deficient in, or did not have at all, previously. The predominant theme was that the Innovation Farm participants were in a better position to enter into further training or employment and at the very least were seen to be viewing life more positively even if they were unable to be placed in training or employment.

Pioneering use of therapeutic horticulture

The Innovation Farm was found by the researchers to be a unique project within the Innovation Fund program. A nascent movement based around therapeutic horticulture and farming is underway in Australia, much of it organised in the past two to three years as highlighted by the recently emerged Australian Horticultural Therapy Association. Given that therapeutic horticulture is emergent in Australia the Innovation Farm can be regarded both as a leader and as an innovator in this space.

Measuring the Innovation Farm's impact

Notwithstanding the achievements detailed above when measured against Mulgan et al.'s (2007) useful taxonomy it is apparent that in some areas the Innovation Farm was less successful:

- (1) '*Pull*' – there was clearly *effective demand* and a strong need in the community in which the case study was based as was borne out by secondary data and also from the feedback from the respondents to this study.
- (2) '*Push*' clearly existed in the form of *effective supply*: first, the generation of innovative ideas existed. Those who wrote the CHES Innovation grant were thinking laterally about how therapeutic horticulture and place could be combined so as to help highly disadvantaged jobseekers. Second, the development of those ideas into demonstrably workable forms occurred; the farm's clients unanimously thought the farm was a highly desirable and effective innovation. However, the communication and dissemination of what was actually happening at the Innovation Farm was problematic. CHES senior management changed during the time of the project and the new senior management, and its Board of Directors were not aware until very late in the day that the Innovation Farm had far broader aims than simply training people for horticultural work. This

meant re-funding strategies were developed far later than was desirable. This miscommunication also possibly extended to the funding body, DEEWR who ultimately seemed unwilling to find further funding and seemed to change key performance indicators somewhat arbitrarily judging by some of the correspondence seen by the researchers.

- (3) *Effective strategies* that connected ‘pull’ to ‘push’ therefore ultimately were not as strong as they should have been both between and within the public and private social partners and this ultimately contributed to the demise of the farm in late 2012 due to lack of further government funding. This was in spite of the right organisational forms being put in place to put the innovation into practice over the three years the farm operated.
- (4) The Innovation Farm itself ultimately failed to *learn and adapt*, especially in communicating the actual and real success of its operation to its internal and external stakeholders in order to ensure the farm’s long term social impact. This continued even as the environment around it changed. Management of the not-for-profit organisation needed to be thinking about further funding and entrepreneurial opportunities much earlier in the original three- year funding cycle, probably after 18 months.

Policy Implications

Five clear lessons emerge from this analysis that have potential implications from an admittedly small case study for policy makers and social enterprise organisations alike.

Firstly, the use of measures such as Mulgan et al.’s (2007) taxonomy, and the five-phase methodology used for this study, are helpful for evaluating PPP’s involving social enterprises working with the socially excluded in particular (Silver, 2007) in Australia. This is particularly so given the limited local research in this nascent area of public policy endeavour at this point in time.

Secondly, it is also now highly probable some alternative project will eventually have to be re-established in the same region with all the attendant start-up costs and opportunity costs that closure has entailed including loss of staff, knowledge capital, innovative expertise, specialised skills and also loss of motivation for highly disadvantaged jobseekers. This is indubitably an inefficient use of public resources. Social enterprise initiatives such as the Innovation Farm historically need six to seven years (Alter, 2007; Mulgan et al., 2007) before they can break even after all operational and social costs are taken into consideration and then move on to become self-supporting and sustainable stand-alone organisations, even within a parent organisation. The termination of the Innovation Farm project

in late 2012, after only three years of operation, meant a project that was starting to show impressive socio-economic outcomes was lost for future duplication and dissemination. It was potentially a particular prototype that could help deal with the myriad issues facing highly disadvantaged jobseekers.

Thirdly, and importantly, the Innovation Farm provides a model for possible similar social exclusion innovative enterprises, not just in the same region but Australia wide. The Innovation Fund model used to fund the Innovation Farm was useful for testing new assistance models in two ways. It was valuable as a pilot program for similar therapeutic horticulture farms and initiatives for highly disadvantaged jobseekers or similar groups dealing with deeply embedded disadvantage and associated long-term unemployment. Also, the Innovation Farm model of involving farm participants in an environment more conducive to practical learning than a traditional classroom setting helped highly disadvantaged jobseekers improve their mental and physical well-being.

Fourthly governments must provide mid-term help for social enterprise organisations who are involved in Public Private Partnerships. Many of these have been successful over a short time frame, such as the Innovation Farm; however the literature clearly indicates that it takes seven to eight years for them to be stand-alone transformative organisations. Only then would it be possible to attain the goal DEEWR set for its Innovation Fund, namely, “successful projects will be promoted so that they can be replicated in other settings and other disadvantaged job seekers can benefit from the results” (DEEWR, 2011, p.1).

Lastly, the alternative is to repeatedly raise, then dash, hopes, aspirations and energies, a result that is obviously not desirable and one which also makes it harder for highly disadvantaged jobseekers, and others like them, to ‘emerge from their chrysalis’. The effects of the short-term funding and de-funding cycles for this and many similar policies may ironically be to effectively reinforce embedded social disadvantage and social isolation.

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