


# REDF

Investing in Employment and Hope



To change  
a life,  
start with a job.

Long-term unemployment negatively impacts families, individuals, communities, and our country's economic development. Yet many in the U.S. face significant employment barriers, such as young people who have dropped out of school, people who have been in prison or homeless, and those who live with mental health and other disabilities.

REDF advances solutions to this challenge through a business approach that creates employment opportunities for those who struggle most to enter the workforce. Since its 1997 founding, REDF has provided funding and business assistance to social enterprises – “double bottom line” businesses that generate revenue in order to employ people.

We know the social enterprise model works because thousands of people tell us these types of jobs provide valuable work experience and training. For example, a woman who was homeless prior to employment at a REDF portfolio company said of the opportunity: “because of [my] job, I have a sense of faith in myself again.”

Beyond inspiring personal stories, REDF also has numbers that reaffirm the strength of the social enterprise model.

REDF recently commissioned the Mathematica Jobs Study (MJS) from a well-respected research firm as part of our longstanding commitment to assess results in order to learn and improve, and to advance the national evidence base as part of our participation in a federal initiative – the Social Innovation Fund. Some highlights of the interim report are summarized below. The final report will be released in December, 2014.

These findings, compelling stories, and growing social enterprises demonstrate to business, government, funders and nonprofit leaders what is possible when we provide employment opportunities to people who are willing and able to work but have the hardest time getting a job. REDF is excited to continue to build on this momentum.

## REDF Addresses Employment Barriers

60% of those employed through REDF's portfolio companies had unstable housing in the year prior to employment

98% had income below 200% of the poverty level in the year prior to social enterprise employment

69% had been convicted of a crime at some time prior to starting social enterprise employment

## REDF Can Improve the Lives of People Facing Employment Barriers

**Better Overall Well-Being:** Both employees and staff reported the social enterprises provided valuable work experience and training opportunities to a hard-to-employ population.

**Increased Housing Stability:** Owning or renting a home increased by 75% while people were employed in the social enterprise.

**Monthly Income Improves:** Monthly income increased and substance abuse fell while people were employed in the social enterprise

**Low recidivism rates:** Only four percent of workers reported an arrest while working at a social enterprise.

**Growth in Employment Stability:** More than 50% of employees were still working at the social enterprise or had left for outside employment or training about 6 months after they were hired.