



### ANALYSIS AND FACTS

short abstracts of the presentations:

Prof. Frank Berg:

further development of Horizont with impulses from the exchange of knowledge and experience with the European partners

Marco Bünger:

development of working productivity and other indicators;

first results of long term studies in Horizont

Lauchhammer, November 28, 2013

## Development of Horizont

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## DEVELOPMENT OF HORIZONT

### Vision

The vision of Horizont and others in Brandenburg is the creation of a social-economic sector that contains 500-1000 working places for further long term unemployed people with no access to the regular labour market. This social-economic sector should be supported with a decreasing subvention of the wages combined with a subvention of social and technical coaching and particular also the running costs of social factories. After 3-4 years we can expect that more than 60% of the clients can be placed on the regular labour market or are able to finance their wage through own working activity in a social factory. The sector is in interaction with education market and other social segments like health care a.s.o.

### Experience and results of the past months

The pilot project „Waage“ in South Brandenburg seems to be a perfect model to support the long term integration of long term unemployed people. Today there are 15 persons engaged via „Waage“, their number will extend to 20 in April 2014. The model combines European experiences in an innovative way. Using this experience, the way to a social-economic sector in Brandenburg is clearer than before.

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**ADLER MANAGEMENT & HORIZONT**

Horizont is the leading actor in that segment, supported and networking with the BLV ABS, Adler Management, Technet Berlin and IQ consult - and together with them creating a way for the further development of other employment companies in Brandenburg.

**HORIZONT 2012-13 IN FACTS**

fact	2012	2013	+/-
<b>employees</b>	100	117	+17%
<b>further I.t.u. people</b>	45	60	+33%
<b>volunteers</b>	160	220	+38%
<b>civil engaged, voluntary service</b>	60	120	+100%
<b>turnover</b>	1,800,000 €	2,400,000 €	+33%

Horizont worked in the years since the company was founded with more than 1,500 people and integrated more than 150 former long term unemployed people into the regular labour market. The company has contained outstanding experiences in the theme of long term integration. Within this work the company is able to offer more and more specialized products and services especially in wood processing and in 2013 established also industrial departments that offer services and direct labour opportunities for and in industrial companies.

The development concept and philosophy of Horizont contains now: a unit of consolidation and growth, complex strategies and synergies in rural areas, industrial integration workshops, the basis for a network of social factories in Brandenburg for common development and marketing of products a.s.o.

The next steps in development are: establishing industrial integration workshops, service for local and regional municipalities, development of the organic-farming unit, development and support of cooperatives for long term unemployed persons, further development of voluntary engagement in social economy.

**Main results from the European exchange**

All partner countries do have a regulated social-economic sector on national or regional level.

In Austria, presented by FAB, the system is financed by a regional directive for social-economic companies. People are engaged on so called „transit-working-places“ and payed by the company that is subsidized with about 70% of the total costs (that fits exactly to the composition of the annual turnover in Horizont). Transit-working-places can be offered to about every tenths long term unemployed person in Upper Austria.

The DOCK-Group in Switzerland works very closed and straight in the national industry based on a model that contains a complete subsidiary of the wages for the long term unemployed people by the social administration. This model does not include a social coaching during the integration of the people which is the main difference to the models in the other countries.

In Belgium (flamish part) the Levanto Group works in different subsidiary models developed by the region, it is possible to integrate long term unemployed people for several years and to perform services and products for different customers as well. Social economy offers services payed by service-vouchers as well as direct customer relations like in the logistics and maintenance of a bicycle-leasing-project in Antwerp.

The Italian model of cooperative engagement is a special model that we don't find in other countries, long term unemployed people are able to work in cooperatives for up to three years, payed according to a national collective agreement. The cooperative Insieme performs services like second hand products and is responsible for the waste recycling in Vicenza. We noticed a high level of transparency and citizen engagement for the disadvantaged people of Vizenca.

## RESULTS OF THE ANALYSIS „LABOUR PRODUCTIVITY“

The aim of the analysis was to find out how labor efficiency/productivity developed focussing on the clients that work since years in Horizont. Based on that results we are able to assess the waage-model regarding its „fitting to the clients“.

### Results in short form

Adler Management analyzed 41 full-time employed persons (31 men and 10 women) with an average older of 45,6 years. The group worked 3,0 years in Horizont's departments. The collected data regarding the labour productivity were separated into three groups (depending on their status after years): able to work on the regular labour market with no productivity/social deficits (A), able to work with social deficits (B), able to work with productivity and social deficits (C).

Main results:

1. the labour productivity increases constantly over years (more than 90% of the test persons) and reaches 180% of the starting level after 3 years; the average labour efficiency in Horizont is 5,65€/h (1st year of employment), 7,85€/h (2nd y.o.e.), 8,81€ (3rd y.o.e.).
2. as a result of the employment and social coaching we have 22% of the test persons in group A (after several years) and can be / are placed on the regular labour market.
3. 41% of the test persons belong to group B. This group also shows the highest average older (47,1 years) and in several cases the older is the deciding deficit. These persons can be employed in Horizont without subsidiary, but they need social coaching and assistance.
4. 37% of the test persons are suspected to be in group C. They have deficits in labour productivity (ca. 5€/h) and need continuous social coaching and assistance.
5. The level of disease ist very low, in the years 2010-12 the statistics of Horizont show numbers that are about 30% under the average German level.
6. The 15 test persons in the waage-model are not differentiating from the upon-named numbers. The develop a labour productivity that is within the range of 1st y.o.e. and show also an interesting development in levels of disease.

## Conclusions

1. The idea of Horizont - long-term integration in assisted working places for former long term unemployed people - seems to be the right and efficient way. The pilot project Horizont has reached his aims in the first 6 years of engagement. The labour productivity of the test persons is developing in the first 3-4 years of employment. After this time we can assess 95% of the persons to be able to work - even with different levels (A-B-C).
2. More than 60% of the people can develop a labour productivity that allows them to earn their wage through own work, but: only every third/fourth person can be placed without assistance on the regular labour market.
3. Every third person needs an assistance over more than 4 years, but no more wage subsidy.
4. Ever third person needs both assistance and wage subsidy after 4 years, but: even they are able to generate about 7,000€ productivity per year which can be used as wage and on that way discharge the society from basic social costs. We need a discussion about how to generate possibilities for this group of people to stay in the labour process until their pension!
5. Less than 10% of the people are neither able to work in one of these groups, their diseases are not fixable in a social company.
6. The level of disease shows no higher occurrence of illness in Horizont than in German average, which means that the people are willing to work and seeing their only perspective in the social factory.

***The Waage-model is actually the most fitting subsidiary model for long term labour integration of long term unemployed persons - it fits perfectly for more than 60% of the clients and: it can be a best-practise-solution - if it is combined with a permanent element of wage subsidy for that persons who never reach full labour productivity and who will be in permanent need of assistance.***

## Support

The project „Waage transnational“ is financed in the transnational frame of Brandenburgs labour ministry by the European Social Funds and Brandenburgs country. Investition in your future.

