



Joe Ricci (fourth from left) with four other Mills Basics staff hired through FTE and SPP; warehouse manager at right (photocredit: George Brown)

The Social Purchasing Portal

Adding social value to everyday business purchases

By MERRY EDWARDS

“Ten years ago, if you told me I’d be going back to school and then working full-time, I would have said you were nuts,” says Joseph Ricci. After overcoming his drug addiction and retraining for long-term employment, Ricci has quickly become one of the top employees at Mills Basics, a family-owned office supply distributor in East Vancouver.

Unfortunately, his experience is not typical for people struggling with multiple barriers to employment. Often, their drive and courage to overcome addiction and get retrained are not enough to get them long-term work.

The difference for Ricci was that he had help: his position was created as a result of the increased business that Mills Basics has enjoyed due to its participation in Vancouver’s Social Purchasing Portal.

A Break With Tradition

Programs aimed at helping the “hard-to-employ” return to the workforce have traditionally concentrated on training. That’s not surprising. People who have experienced long gaps between employment – whether due to health concerns, raising children, or other major life changes – often experience the need to retrain or to update their skills.

Training in itself is insufficient. It handles only the supply side of the unemployment issue: the supply of skilled workers. Instead, consideration must also be given to the demand side: the local demand for these workers.

In Vancouver’s Downtown Eastside (DTES) a host of training programs have long aimed to address the disproportionately high levels of poverty and unemployment in the neighbourhood.

Many residents are willing to join the labour market and improve their lives. They frequently face a thorny problem, however: while there are multiple

training programs targeting DTES residents, there are few jobs for program graduates, whom many employers consider unready to return to the workforce.

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Business Solutions to Employment Problems

Fast Track to Employment (FTE) was formed to help balance out this lopsided focus on the supply side of unemployment. FTE’s concern is how to create the demand for employees in order to better bridge the gap between training and employment.

Building on an insight of Harvard professor Michael Porter, FTE aimed to develop a business solution to what had been traditionally viewed as an employment problem.

Porter has observed that inner cities possess many assets that are often overlooked. Three major ones are their central location, easy access to transportation, and a readily-available workforce.

FTE therefore turned its attention to the types of goods and services most businesses regularly use: office supplies, courier services, catering, or cleaning. What if business owners were to make these purchases on the basis of competitive process, value, quality, and a new dimension – social value?

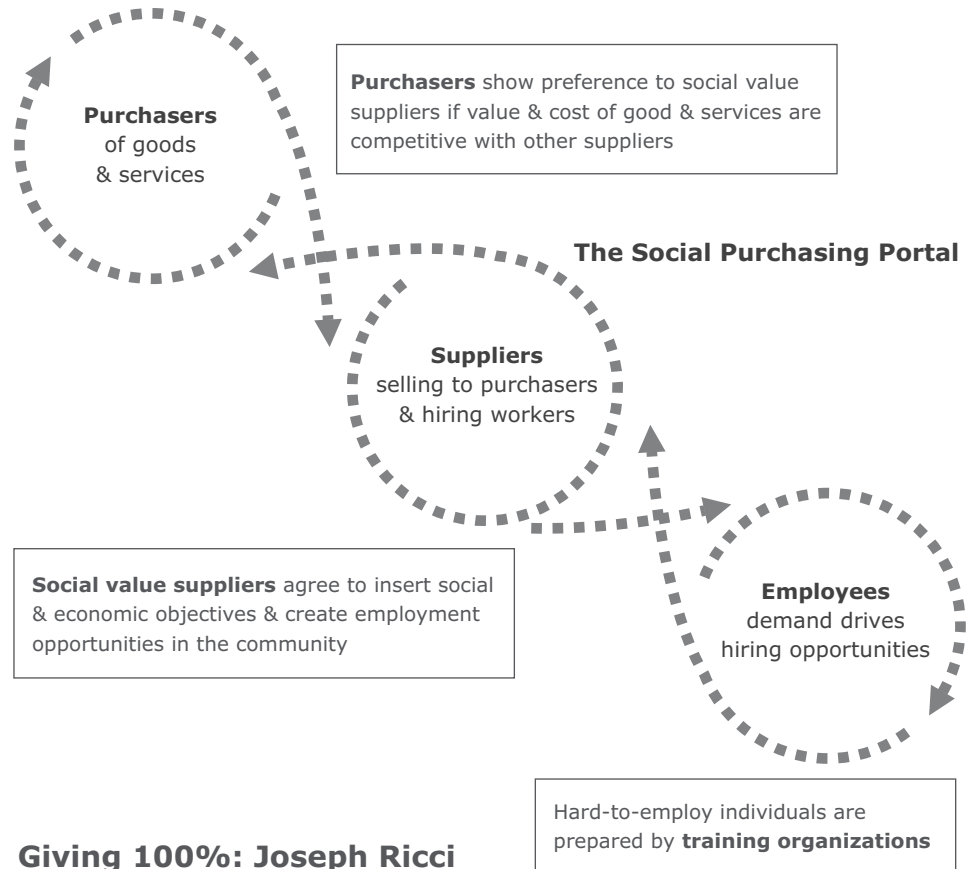
Thus was born the concept of the Social Purchasing Portal (SPP). It endeavours to generate more business for supplier companies that commit to considering job applicants who have graduated from community-based employment readiness programs. In addition, SPP allows socially responsible companies to purchase products and services from participating suppliers, and thereby add social value to their already competitive business offering. SPP's internet portal enables buyers to find everything from paper clips to customized corporate identity products. (See diagram, this page.)

It is a simple and effective way to walk the talk of corporate social responsibility and contribute to community revitalization, integrating Vancouver's community economic development with its social development. When first presented with the concept, George Brown, CEO of SalesWorks Systems, remembers asking himself, "This is so simple – why didn't somebody think about this before?"

Shifting Models

Simple as the idea may be, it took time to develop. In fact, FTE started out in a different place altogether.

Originally the name was Fast Track to Information Technology in Vancouver, or FIT V@ncouver. Formed in 2000, it was modelled after an Irish



Giving 100%: Joseph Ricci

After kicking his drug addiction, Joseph Ricci enrolled in the jobSTART program offered by the Vancouver Eastside Educational Enrichment Society (VEEES), an FTE member agency. There he completed his Grade 12 equivalency and learned career exploration and job readiness skills.

Gail McDermott, jobSTART's Manager, and Hendrik Hoekema, Executive Director of VEEES, recognized Ricci's potential. Going back to school after a long absence was difficult, but "Hendrik and Gail really encouraged me," Ricci remembers. And that encouragement worked: Ricci completed the 12-week training program with a perfect attendance record, earned his high school diploma, and enrolled in a college program to learn how to work as a grip in the film industry.

Although he completed the grip course in January 2004, a slowdown in Vancouver's film industry made work hard to find. Ricci went to work as a VEEES volunteer. Four months later VEEES staff encouraged him to respond to an FTE job posting for a warehouse

worker at Mills Basics, an Eastside office supply company and FTE supplier partner.

Hired in May 2004, Ricci enjoys the friendly tone of the family-owned local business. "I like the atmosphere here," he explains, "and the attitude of the owners." In this welcoming environment, Ricci quickly became one of Mills' top employees. In August, he filled 6,000 orders when the next fastest person filled only 3,000, a phenomenon that he explains by saying, "I always give 100% at work."

The success of the Social Purchasing Portal in creating opportunities for the hard-to-employ is challenging Hoekema's scepticism about technology-based solutions. "I'm not a big fan of using computers to solve problems, but the SPP works." The relationship between VEEES and Mills Basics (located less than 15 blocks apart), is certainly one of the most fruitful connections that the the Social Purchasing Portal has helped to establish. Two graduates from jobSTART and one VEEES volunteer have been successfully placed in full-time jobs at Mills. "A year ago," states Hoekema, "we didn't even know they were there." ■

training program that prepared long-term unemployed people for full-time careers in the IT sector. With the active co-operation of local government, IT companies, and community-based training providers, FIT Ireland had graduated 1,400 people as of December 2001.

FIT V@ncouver brought together representatives from the IT sector, from government, and from training agencies and community-based employment service providers. All were committed to working collaboratively to develop a strategy that would “leave no one behind.” This is no mean task in a sector characterized by silos of community, business, and government stakeholders. It meant engaging agencies all along the employment development continuum – from those primarily involved in “pre-employment” concerns (e.g., stabilizing health conditions, addictions treatment, or housing), to those concerned with specific skill development and job search training, to employers who could offer entry-level positions to training program graduates.

Hendrik Hoekema, a founding member of FIT V@ncouver, recalls how this consortium model was “not a natural phenomenon for organizations used to competing with each other for government funding.”

Moreover, FIT V@ncouver ran into a major stumbling block when, in Hoekema’s words, they “were attempting to move from a theoretical, idealistic model to a working model.” Specifically, it became clear that, at the end of the dot com boom, the IT sector in Vancouver could not support a large infusion of entry-level positions.

It was at this point that a new CEO, David LePage, helped guide the group through several important changes. FIT V@ncouver became the nonprofit coalition Fast Track to Employment. Instead of creating opportunities within technology-based businesses, FTE shifted its focus to those smaller and medium-sized businesses that offer goods and services on which virtually every business relies.

Gaining Momentum

Members of BC Technology Social Venture Partners (BCT SVP), like George Brown of SalesWorks Systems, were the initial purchasing partners. BCT SVP also provided the financial and human capital necessary for establishing the internet portal, launched in June 2003. The suppliers are businesses that provide essential goods and services in Vancouver and commit to considering job applicants from the FTE pool of prepared candidates. Over 30 community-based employment agencies and programs form the last link in the chain.

Since then, more than 100 purchasers and 50 suppliers have signed on. More than 70 jobs have been created and at least \$1,000,000 in new business activity has been generated for the supplier partners.

What’s more, the concept of teaching a man to fish and then buying his catch has caught the imagination of businesses and social leaders in other Canadian municipi-

Certainly, gaining momentum is not without its challenges. Although a great deal of government funding is channelled into areas experiencing high unemployment and poverty levels, there is little overall co-ordination of funding efforts to help people move through the employment development continuum.

palities. Toronto and Winnipeg Social Purchasing Portals are now live and available through a pan-Canadian portal. Representatives from 11 other municipalities across Canada have also contacted Fast Track to Employment for more information on the Social Purchasing Portal model. With support from the Community Economic Development Technical Assistance Program (CEDTAP), FTE has now published the manual “How-To Build a Social Purchasing Portal” to encourage the creation of more local sites.

Walking The Talk: Mills Basics

Perhaps there’s something about having his business carry his family name that makes Brad Mills walk the talk of corporate social responsibility. Brad’s father Don Mills started the company in 1949 from his parents’ home. He rode interurban transit and street cars to deliver office supplies to his customers.

From these humble beginnings Mills Basics has grown into a company offering printing, office supplies, and technical advice, all under one roof. In addition, as a member of Basics Office Products buying group, Mills blends the best of local ownership with national purchasing power.

Mills was one of FTE’s original supplier companies. To date they have hired five employees through the program, all of whom are still employed full-time in the company’s East Vancouver warehouse. Ryan Brekke, Warehouse Supervisor at Mills, had initial reservations. Would people who had experienced long-term

unemployment be able to “find structure?” “I was pleasantly surprised,” he admits.

Mills Basics’ dedication to corporate social responsibility has not gone unnoticed. On account of its social and environmental commitments, the company was short-listed in the SME Category of VanCity Savings Credit Union’s Ethics In Action Award for Overall Leadership in September 2004. That recognition helped them win the bid to supply stationery and other office materials to the 2010 Vancouver Olympic Committee. ■

In addition to seeking competitive prices and quality, Edwards, Kenney, & Bray knows that the suppliers on the SPP also offer added social value. They address issues of poverty reduction using a foundation built upon business-to-business relationships, rather than a charity provider model.

Certainly, gaining momentum is not without its challenges. More supports need to be in place to facilitate job retention and ease the often jarring transition out of long-term unemployment. In addition, FTE member agencies frequently still face one of the problems that prompted the creation of the organization in the first place: the silo mentality. Although a great deal of government funding is channelled into areas experiencing high unemployment and poverty levels, there is little overall co-ordination of funding efforts to help people move through the employment development continuum. Gaps in support still exist that, if left unattended, will result in permanent negative loops for hard-to-employ people.

However, the significance of FTE's effort to bring more and more community-based agencies to a common table cannot be underestimated. As they work together with government and business partners to share resources, link efforts, and push for policy changes that will allow them all to work in concert, FTE's partners are proving that collective action is the best route to community solutions.



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Closing the Loop: Edwards, Kenney, & Bray

What does a prestigious law firm located in the heart of Vancouver's business and financial district have to do with finding jobs for the hard-to-employ? Well, one thing lawyers need is lots of paper – paper that Edwards, Kenney & Bray (EKB) now buys from Mills Basics, an FTE supplier partner. The lawyers at EKB may never meet the FTE employees at Mills Basics, but by buying their office supplies from Mills, they are helping to create new employment opportunities.

Purchasing partners like EKB on the Social Purchasing Portal will only rarely have entry-level positions available to offer to FTE candidates. However, whenever they need goods and services, they can easily log on to www.sppvancouver.org to quickly search for catering, cleaning, courier services, and more.

In this way, their purchasing expenses become a tool for corporate social responsibility without any added cost. In addition to seeking competitive prices and quality, EKB knows that the suppliers on the SPP also offer added social value. They address issues of poverty reduction using a foundation built upon business-to-business relationships, rather than a charity provider model. ■

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