Social Enterprise Jobs Summit Insights

June, 2025

Why we're sharing this

The Social Enterprise Jobs Summit was delivered in partnership with White Box Enterprises and Social Enterprise Australia. It generated insights and ideas that can help build towards a future where all have access to decent work.

We're sharing these back so you can see what was said.

Important note: this comes with no filter. It's a capture of different discussions and perspectives.

We haven't evaluated the priorities that emerged from the summit or worked through competing ideas... yet. We're sharing what we heard.

Some initial ideas on how we intend to build on the summit and these insights can be found at the end of this document.

Note: The acronym 'WISE' is used a lot in this document. It stands for Work Integration Social Enterprise - or jobs-focused social enterprise.

The 10 areas for action that emerged at the summit

The following themes emerged through discussions at the summit. They can help inform the further development of a national sector strategy and the 'access to decent work' challenge within it.

1. Further develop the national WISE support infrastructure

2. Integrate WISEs into mainstream employment systems

3. Enable cross-sector collaboration and innovation

4. Embed First Nations self-determination and Indigenous-led approaches

5. Reform procurement and market access

6. Build sector capability and resilience

7. Create cultures of wellbeing and sustainable workplaces

8. Secure enabling financing

9. Develop transition pathways and employer partnerships

10. Regulatory and policy reform.

Each of the themes is explored below through:

- Emerging priorities to be further explored and which could be progressed through a national sector strategy.

- A summary narrative of the theme based on discussions held at the summit.

1. Further develop the national WISE support infrastructure

Proposal: Create a comprehensive ecosystem that enables WISEs to focus on impact rather than administration.

Emerging priorities:

- **Consolidate and develop WISE aggregation:** Build on White Box Enterprise's work while exploring opportunities to diversify aggregation models and grow the number of WISEs that can access government systems and large contracts.

- **Strengthen identification standards and assurance:** Consolidate identification systems coupled with data systems and consider greater specification for identifying different WISE models.

- **Merger and transition fund:** $50M fund to support consolidation, turnarounds, and graceful exits to protect sector investments and increase resilience.

- **Digital infrastructure and data commons:** Develop shared sector data and information systems that decrease transactional friction and generate value creation opportunities.

- **Peer learning networks:** Establish communities of practice and structured peer support to combat isolation and share learnings across the sector.

Summary of theme #1:

Individual WISEs cannot achieve their potential operating in isolation. The summit revealed consistent calls for infrastructure that enables enterprises to focus on employment outcomes rather than administrative burden.

Aggregation as pathway to scale
White Box Enterprises' pioneering aggregation model demonstrates how smaller WISEs can access government contracts previously beyond reach. The model addresses a fundamental barrier: most WISEs lack the scale or systems to navigate complex procurement independently. As discussed in the Payment by Outcomes session, aggregation enabled participating enterprises to access government data systems and funding streams that would have been impossible individually.

Yet participants emphasised aggregation needs diversification – different models for regional contexts, industry sectors, and enterprise types. Rural WISEs face different challenges than metropolitan ones. Manufacturing-based enterprises have different aggregation needs than service providers. Success requires multiple pathways, not a single solution.

The discussion also revealed tensions within aggregation models. Questions arose about maintaining individual enterprise identity while operating collectively, fair distribution of contracts

among aggregated members, and governance structures that balance efficiency with member autonomy. These aren't reasons to avoid aggregation but rather design challenges requiring thoughtful solutions.

The verification gap
The sector would benefit from consistent, robust, and resilient verification systems coupled with ongoing data collection. This could extend beyond primary identification to recognising different WISE models – from transitional employment providers to permanent inclusive employers.

Melbourne Social Equity Institute's research presentation highlighted definitional challenges even among sector experts. Different stakeholders – government, enterprises, participants – hold varying understandings of what constitutes a WISE. This ambiguity creates practical problems: procurement officers struggle to identify legitimate partners, investors lack confidence in social claims, and enterprises themselves face confusion about eligibility for different programs.

Credibility with government and corporate partners depends on consistent standards and demonstrable impact. Several participants suggested tiered verification systems recognising different models being used and outcomes achieved. The key is balancing rigour with accessibility – verification systems that provide broad based utility and build credibility without creating insurmountable barriers for emerging enterprises.

Organisational lifecycle realities
The proposed $50 million merger and transition fund acknowledges an uncomfortable truth: not all WISEs will survive indefinitely. The sector needs mechanisms for mergers, turnarounds, and graceful exits that protect accumulated social investments. Several speakers shared stories of enterprises struggling in isolation during crises – leadership transitions, major contract losses, or market shifts that threatened viability.

The fund concept extends beyond crisis management. Strategic mergers could create stronger entities combining complementary strengths. Geographic expansion might occur through acquisition rather than organic growth. Succession planning could involve transferring operations to established enterprises rather than closure. These mechanisms exist in mainstream business but remain underdeveloped in the social enterprise sector.

Participants emphasised protecting employee interests during transitions. When a WISE closes abruptly, vulnerable employees often return to unemployment. Planned transitions could maintain employment continuity, preserve workplace relationships, and transfer accumulated knowledge about supporting specific cohorts.

Digital infrastructure and data commons
Many WISEs operate with basic systems, diverting resources from service delivery to administration. The summit revealed enterprises using spreadsheets for complex case management, struggling with incompatible systems across funding programs, and lacking tools for meaningful impact measurement.

Participants envisioned shared platforms for impact measurement, financial reporting, and participant tracking.

The "data commons" concept that allows analysis of social enterprise data emerged as particularly compelling – a repository for systematic learning about what works. As the evidence session noted, enterprises collect rich data but rarely have capacity to analyze patterns or share insights systematically.

Privacy concerns and competitive tensions present challenges. Enterprises worry about sharing commercially sensitive information or participant data. Yet the potential for sector-wide learning justifies investment. Aggregated, de-identified data could reveal which interventions work best for specific cohorts, optimal support intensity, and factors predicting successful transitions. This knowledge remains locked in individual enterprises, limiting sector-wide improvement.

International examples demonstrate possibilities. Several participants referenced Dutch and Belgian systems where WISEs share common data platforms, enabling benchmarking and collaborative learning while maintaining privacy. Technology exists – the challenge is implementation suited to Australian contexts and design that serves long-term sector interests.

Breaking isolation through peer networks
The summit itself demonstrated hunger for connection. Participants described isolation in daily operations, facing similar challenges without forums for sharing solutions. Small group discussions revealed enterprises had developed innovative solutions to common problems – cash flow management tools, staff wellbeing programs, transition frameworks – but lacked mechanisms to share these innovations. In addition, sector-specific clusters existed in disability and refugee employment but rarely intersected. This fragmentation limits learning and weakens collective advocacy.

Structured peer support must extend beyond conferences to regional gatherings, online communities, and mentoring relationships. Participants called for more "communities of practice" organised around specific challenges: supporting young people, managing social procurement contracts, or preventing staff burnout. These networks would combine emotional support with practical problem-solving.

The First Nations sessions demonstrated powerful peer learning models. Indigenous-led enterprises emphasised collective success over individual achievement, sharing resources and knowledge as cultural practice. This approach offers lessons for the broader sector about moving beyond competitive isolation toward collaborative impact.

Infrastructure economics
Participants challenged the false economy of under-investing in infrastructure. When WISEs spend disproportionate time on basic operations, capacity for innovation and impact diminishes. Infrastructure should be understood as an impact multiplier, not overhead.

The cash flow discussion group highlighted how poor financial infrastructure is a constraint on growth. Enterprises managing weekly cash positions cannot pursue strategic opportunities. Investment in financial management systems and working capital facilities would free leadership attention for mission delivery.

Similarly, the wellbeing session revealed enterprises creating support programs in isolation. Shared resources for staff wellbeing, professional development, and burnout prevention would improve quality while reducing costs. Infrastructure investment prevents each enterprise from reinventing solutions to common challenges.

Moving forward collectively

Infrastructure development cannot remain the responsibility of individual enterprises. The summit made clear that systematic investment and sector-wide coordination are essential. Without this foundation, the sector's ability to deliver employment outcomes at scale remains constrained. The priorities identified provide a roadmap for building an ecosystem where WISEs can concentrate on their core mission: creating meaningful employment for people facing barriers to work.

2. Integrate WISEs into mainstream employment systems

Proposal: Position WISEs as a legitimate and systematically funded pathway within Australia's employment support system, with proper integration into existing services.

Emerging priorities:

- **Workforce Australia and Disability Employment Service (DES) integration:** Create dedicated pathways for WISEs to become providers, with adaptations recognising differences in their model.

- **Impact cost recognition:** Systematic assessment and funding mechanisms to cover the additional costs WISEs carry, including wrap-around support.

- **Payment by Outcomes (PBO) evolution:** Scale successful PBO trials with design improvements (multiple intakes, appropriate cohort selection, regional adaptations).

- **Wrap-around support funding:** Dedicated funding for the 75% of support work currently unpaid, including cultural responsibilities and crisis intervention.

- **Transition support frameworks:** Funding and recognition for both transition pathways AND retention as valid success metrics.

Summary of theme #2:

Australia's employment services system struggles to support people facing complex barriers. The summit revealed growing consensus that WISEs offer a proven alternative pathway – yet remain largely disconnected from mainstream programs and funding.

The system's limitations
Current employment services – Workforce Australia, Disability Employment Services (DES), and the Community Development Program – operate on a "work-first" logic prioritising rapid job placement. This approach fails many people experiencing long-term unemployment, disability, or complex disadvantage. As the Centre for Inclusive Employment presentation noted, these systems "haven't performed very well" despite significant government investment.

WISEs demonstrate superior outcomes through fundamentally different approaches. White Box Enterprises' analysis showed 69% employee retention for people unemployed more than 9 months out of the last 12 compared to 26% for DES providers. WISE participants earn average first-year incomes of $17,000 versus $3,050 through DES. These aren't marginal improvements – they represent a different model of support.

Yet WISEs operate outside mainstream funding, relying on philanthropy, social procurement, and trading income to cover support costs. This separation from the employment services system limits their reach and sustainability.

Payment by Outcomes trials: promise and complexity
The Payment by Outcomes (PBO) trial emerged as the summit's most discussed integration mechanism. After two years, 67% of participants remained in award-wage employment, with 98% of participants with disability reporting improved lives (CSI, 2023). These results validate the WISE model while revealing implementation challenges.

Data access proved particularly problematic. Without integration into government systems, the trial relied on collecting wage slips fortnightly and retrofitting Centrelink data to verify outcomes. As one presenter noted, this approach worked for small numbers but wouldn't scale efficiently.

The trial also exposed definitional challenges. Different understandings of employment "outcomes" created tension – should success mean transition to mainstream employment or sustained work within the WISE? Regional variations in labour markets meant city-based models didn't translate to rural contexts. Cultural responsibilities for First Nations participants required flexibility incompatible with rigid program requirements.

Despite complexities, participants strongly supported expanding PBO with design improvements: multiple intake points rather than single cohorts, appropriate participant selection recognising different support needs, and regional adaptations acknowledging labour market realities.

The true cost of impact

A powerful revelation was that 75% of wrap-around support work remains unpaid. WISEs routinely provide crisis intervention, cultural support, life skills development, and system navigation without funding recognition. As wrap-around support session participants noted, "nothing happens in the workplace unless we can help address these immediate issues."

Examples ranged from helping participants obtain identification documents to supporting Aboriginal staff through Sorry Business. One rural WISE described operating in "valleys of no support" where they became the default provider for all participant needs. This isn't scope creep – it's responding to the reality that employment requires stable life circumstances.

The sector needs systematic assessment of these impact costs and funding mechanisms to cover them. Current employment services funding assumes minimal support intensity, fundamentally misunderstanding what enables sustainable employment for people facing complex barriers.

Redefining success metrics

Integration requires rethinking how employment programs measure success. Current employment systems prioritise placement numbers and short-term outcomes. WISEs demonstrate that sustainable employment often requires longer timeframes, intensive support, and recognition that staying employed can be as valuable as transitioning.

Several speakers challenged the assumption that transition to mainstream employment represents the only successful outcome. For some participants, ongoing supported employment provides stability, community, and purpose. The small group on scaling noted: "maturity of business goals in the SE space – goal is meaningful work/safety, dignity and wellbeing in employment; retention – doesn't need to be transition to open employment."

This isn't lowering expectations but recognising diverse pathways to economic participation. A young person with psychosocial disability maintaining employment for two years represents significant success, even without transition. An Aboriginal ranger working on Country fulfils cultural and economic goals simultaneously. Success metrics must capture these nuanced outcomes.

Workforce integration pathways

Creating dedicated WISE pathways within Workforce Australia/ DES emerged as a priority. This wouldn't mean forcing WISEs into existing provider frameworks but adapting systems to recognise their distinct model. Integration doesn't require redesigning entire systems but creating interfaces that work. Key adaptations include:
- Recognition of employed participants as achieving positive outcomes regardless of transition status.
- Funding for pre-employment support acknowledging that work readiness often develops through working.
- Flexibility in participation requirements respecting cultural obligations and health fluctuations.

- Data system access enabling efficient tracking of outcomes without administrative burden.

Cultural responsibilities and system flexibility
First Nations presenters highlighted how mainstream employment services fail to accommodate cultural responsibilities. Sorry Business, ceremony participation, and Country obligations don't fit standard leave policies. As one speaker noted, ceremonies for young men "can be anywhere from a weekend when they're younger to three months, to four months to a year."

WISEs demonstrate how culturally responsive employment works. Flexible arrangements, understanding of cultural protocols, and recognition that cultural participation strengthens rather than weakens workforce engagement. These aren't special accommodations but good practice for inclusive employment.

Integration must embed this flexibility systemically. Current compliance-heavy frameworks penalise providers for participant absences, creating disincentives for cultural responsiveness. WISEs need different accountability frameworks recognising that sustainable employment for First Nations people requires cultural maintenance.

Building the evidence base
Moving from trials to systematic integration requires robust evidence. The summit revealed rich practice knowledge within individual enterprises but limited sector-wide data. Integration advocacy needs compelling evidence about cost-effectiveness, outcome sustainability, and comparative advantage.

The proposed Centre for Inclusive Employment offers potential for evidence consolidation. By capturing "what works in disability employment," the centre could validate WISE approaches and influence mainstream system design. However, participants emphasised that evidence must capture qualitative outcomes – belonging, wellbeing, community connection – not just employment statistics.

A complementary pathway
Integration doesn't mean absorption. WISEs offer a distinct approach that complements rather than replaces mainstream services. The goal is creating a recognised, funded pathway for people who need more than rapid job placement. This requires policy makers to accept that one-size-fits-all employment services fail too many people.

The summit demonstrated sector readiness for integration. With appropriate system adaptations, funding recognition, and outcome flexibility, WISEs could significantly expand their impact. The question isn't whether integration should occur but how quickly systems can adapt to embrace proven alternatives.

3. Enable cross-sector collaboration and innovation

Proposal: Strengthen approaches that multiply impact through strategic partnerships and collective action.

Emerging priorities:

- **Place-based WISE clusters:** Support development of value-chain clusters in major cities and regions that create ecosystem approaches.

- **Innovation challenge fund:** Special funding and technical support for collaborative initiatives addressing specific employment challenges across sectors.

- **Collective scaling models:** Develop frameworks and support for WISEs to scale impact collectively rather than individually, coupled with an understanding of different scaling dimensions (i.e. up, out, deep).

- **Cross-sector partnerships:** Structured programs linking WISEs with mainstream employers, education providers, and community services.

- **Technology and AI integration:** Support WISEs to harness technology for good while maintaining human-centered approaches.

Summary of theme #3:

WISEs achieve greater impact through collaboration than competition. The summit revealed an appetite for ecosystem approaches that multiply individual efforts through strategic partnerships and collective action.

Place-based clustering
Place-based approaches dominated collaboration discussions. Rather than operating as isolated enterprises, participants envisioned WISE clusters creating local employment ecosystems. One participant articulated how place-based work has "experienced a renewed focus over the past decade in Australia" with natural alignment to social enterprise objectives.

These aren't just geographic concentrations but interconnected value chains. A regional cluster might include a WISE café purchasing from a WISE bakery, both supplied by a WISE urban farm. Each enterprise maintains independence while creating mutual reinforcement. Employment pathways could flow between enterprises, offering participants variety and progression.

However, participants warned against assuming all models transfer between places. "Not all social enterprises will work in other areas," noted one regional practitioner. Success depends on understanding local industries, labour markets, and community needs. A hospitality cluster thriving in Melbourne might fail in mining regions where different industries dominate.

The conversation also revealed tensions between place-based approaches and cohort-based WISE models. Traditional WISEs often start with a target group – people with disability, refugees, youth – then seek business opportunities. Place-based thinking inverts this: "What does the community need? What supply chain opportunities? What industries are needed here?" This shift from "what can this cohort do?" to "what does this place require?" could reshape WISE development, aligning with comments about social enterprises needing to become more business-focused.

Collective scaling reconceptualised
"Collective scaling" emerged as a powerful alternative to individual growth. Rather than each WISE attempting to expand independently, the sector could scale impact through coordinated effort. As one participant noted: "Some social enterprises are able to scale, but there will be others, like ours, that weren't. But to be able to scale collectively, I think, is really key."

This approach recognises that scaling impact doesn't require scaling organisations. A network of small, specialised WISEs might achieve greater employment outcomes than a single large enterprise. The key is coordination mechanisms enabling collective action while preserving individual identity.

Examples included shared training programs where multiple WISEs contribute expertise, joint tendering for large contracts beyond individual capacity, and coordinated employer engagement reducing duplication. The Aboriginal employment session particularly emphasised this approach: "relational partnerships" and being "legendary at building connections" were described as Indigenous strengths applicable sector-wide.

Technology enables new collaboration forms. Shared platforms could match participants to opportunities across multiple WISEs, track progression through different enterprises, and identify system-wide gaps. However, participants stressed technology must enhance rather than replace relationship-based approaches.

Cross-sector partnerships beyond procurement
While procurement relationships received significant attention, deeper cross-sector partnerships emerged as equally important. The dialogue with mainstream employers revealed mutual learning opportunities extending beyond transactional relationships.

A mainstream employer presentation demonstrated sophisticated thinking about inclusive employment. Their youth advisory council helps navigate generational workplace dynamics. They modified training delivery after learning from social enterprise partners. As their representative noted: "It doesn't sound that unreasonable" when WISEs explain support needs – mainstream employers often simply lack awareness rather than willingness.

Education sector partnerships showed particular promise. Several WISEs described collaborations with TAFEs and universities creating supported pathways into skilled work. These aren't traditional training programs but integrated approaches where learning occurs within supported employment contexts.

The health sector emerged as an unexpected partner. Mental health services recognising employment's therapeutic value increasingly refer to WISEs. Some WISEs embed mental health professionals, creating bidirectional partnerships where employment and health support reinforce each other.

A key insight: innovation happens at intersection points. When a disability-focused WISE partners with an Indigenous enterprise, both gain new perspectives. When rural and urban WISEs exchange practices, adapted solutions emerge. Cross-pollination drives evolution.

Technology as enabler, not solution
"How do we infuse tech into the SE sector?" asked one participant, capturing widespread interest in technology's potential. Yet discussions remained grounded in human-centred approaches. Technology should amplify WISE strengths – relationships, flexibility, understanding – not replace them.

AI applications showed promise for administrative efficiency. Automated rostering could accommodate complex participant needs. Predictive analytics might identify participants needing additional support. Machine learning could optimise job matching across enterprises.

However, participants emphasised technology's limitations. An app cannot replace culturally informed support. Algorithms struggle with the nuanced judgments WISEs make daily. Digital solutions risk excluding participants with limited tech access or skills. The consensus: technology currently serves best when enhancing human connections rather than substituting for them.

Barriers to collaboration
Despite enthusiasm, real barriers emerged. Competition for limited funding creates tension between potential partners. Commercial confidentiality restricts sharing of business models. Geographic distance limits regular interaction. Time poverty means collaboration often loses priority to immediate operational demands.

Governance structures struggle with collective arrangements. Traditional boards focus on individual enterprise success, not ecosystem health. Funding contracts typically specify individual outcomes, discouraging resource sharing. Insurance and liability concerns complicate staff sharing or joint programs.

Cultural differences between organisations can impede partnership. A faith-based WISE might struggle partnering with secular enterprises. Organisations serving different cohorts may have conflicting approaches. Power imbalances between large and small enterprises risk replicating mainstream sector dynamics.

Infrastructure for collaboration
Moving beyond ad hoc partnerships requires infrastructure. Participants called for:
- Formal collaboration agreements templates.
- Shared measurement frameworks enabling collective impact assessment.

- Coordination roles funded independently of individual enterprises.
- Physical spaces for co-location and regular interaction.
- Digital platforms designed for multi-enterprise collaboration

The innovation challenge fund proposal addresses part of this need. By funding collaborative initiatives rather than individual enterprises, it could incentivise partnership. However, participants stressed ongoing infrastructure matters more than project funding. Sustainable collaboration needs sustained support.

First Nations collaboration models
Indigenous presenters offered insights about collaboration as cultural practice. "Country is very smart – it responds to what you do to it," explained one speaker, illustrating reciprocal relationships underlying Indigenous approaches. This worldview sees collaboration not as strategy but as fundamental orientation.

The Firesticks model demonstrated scaled impact through distributed leadership. Rather than growing a single organisation, they support "self-autonomous regional community hubs around Australia that start teaching their neighbours." This creates "organic networks" spreading practice while maintaining local ownership.

These approaches challenge Western organisational thinking. Success means "strong networks of practitioners all working together; all caring for Country" rather than individual achievement. For the broader sector, this offers a different collaboration paradigm based on mutual obligation rather than just beneficial exchange.

Toward ecosystem thinking
The summit revealed readiness for ecosystem approaches transcending individual enterprise thinking. This isn't eliminating competition but channelling it toward collective impact. As mainstream business embraces ecosystem strategies, WISEs can lead in demonstrating values-based collaboration.

The shift requires new mental models: funding bodies thinking in ecosystem terms, boards considering collective impact alongside organisational success, leaders comfortable with interdependence. Most fundamentally, it requires trust – believing that collective success enables rather than threatens individual achievement.

4. Embed First Nations self-determination and Indigenous-led approaches

Proposal: Ensure First Nations communities lead the design and delivery of employment solutions on their terms, grounded in culture and Country.

Emerging priorities:

- **Self-determination framework:** Ensure Indigenous peoples lead design and delivery of employment initiatives in their communities.

- **Cultural knowledge recognition:** Develop award structures and pay scales that value 60,000 years of inherited cultural knowledge.

- **Country-centred enterprise models:** Support business models that integrate healthy Country, healthy people, and healthy culture.

- **Two-way learning systems:** Embed Indigenous and Western knowledge systems equally in WISE operations and governance.

- **Community-led governance:** Support structures where control and decision-making comes from the people and place.

Summary of theme #4:

First Nations approaches to employment challenge conventional WISE models. The summit revealed how Indigenous-led enterprises demonstrate that sustainable employment requires cultural grounding, community control, and recognition that Country, culture, and economic participation are inseparable.

Self-determination as foundation
"Control and decision-making comes from the people and the place," said one participant. This isn't consultation or participation – it's Indigenous communities defining problems and designing solutions on their own terms.

Mimal Land Management exemplified this approach: beginning with ranger programs addressing land management, expanding to include women's programs when gender gaps emerged, then moving into civil construction to solve access problems. Each development responded to community-identified priorities rather than external program requirements.

Cape York Partnership's approach demonstrated self-determination at scale: "We're not here to tinker. We're here to confront hard truths that Australia continues to fund the symptoms of failure while ignoring the root of potential." With 75% First Nations staff across 350 positions, they've proven Indigenous-led models can operate significantly while maintaining community control.

Cultural knowledge as economic asset
"How do you benchmark cultural knowledge against a Western equivalent?" asked one presenter, highlighting a critical gap in current employment frameworks. Rangers teaching fire management globally, young people holding ceremonial responsibilities, Elders maintaining ecological knowledge – none fit conventional job descriptions or pay scales.

The summit revealed how cultural knowledge creates economic value. Firesticks Alliance demonstrates this through cultural burning practices, now recognised internationally for land management and carbon sequestration. Yet industrial relations systems fail to recognise or remunerate this expertise. A 23-year-old ceremony leader might possess knowledge invaluable to land management but receive entry-level wages.

Participants called for award structures valuing "60,000 years of inherited knowledge." This isn't tokenistic recognition but economic justice. When mining companies pay geologists premium rates for understanding rock formations, why shouldn't traditional owners receive equivalent recognition for millennia of accumulated landscape knowledge?

Country-centred enterprise models
"Healthy Country, healthy people, healthy culture" emerged as a holistic framework challenging compartmentalised thinking. Unlike mainstream models separating the workplace from broader life, Indigenous enterprises recognise interdependence.

Mimal's social enterprise emerged from recognising "empty Country" as their biggest threat. Without roads, people couldn't access ceremonial sites or transfer knowledge. By creating a construction enterprise, they addressed infrastructure needs while providing employment enabling people to remain on Country.

This approach inverts conventional business thinking. Rather than finding profitable markets then hiring workers, Country-centred models identify what Country and community need, then create enterprises serving those needs. As one participant noted: "Can't separate out healthy Country and healthy people – they are connected."

Two-way learning as necessity
"Two-way learning" represents more than an educational approach – it's a survival strategy for Indigenous people navigating dual worlds. Indigenous employees need skills for "both worlds," mastering Western workplace expectations while maintaining cultural obligations.

The Aboriginal Employment Strategy's Kristy Masella challenged participants: "Culture eats strategy for breakfast... over 60% of Aboriginal people leave their jobs within the first six to 12 months." The reasons are "typically cultural, systemic and workplace inclusion issues," not capability gaps.

Progressive WISEs demonstrate organisational adaptation. Flexible leave arrangements accommodate Sorry Business without question. Meeting styles incorporate Indigenous

communication preferences. Decision-making processes respect cultural protocols alongside corporate governance. As one organisation noted: "If it's Sorry Business, no questions asked."

Community-led governance structures
Indigenous governance models offer radical alternatives to conventional structures. Several presenters described "upside-down pyramid" approaches where community sits at apex, not management. Boards comprising traditional owners, Elders, and community members ensure decisions reflect community priorities.

Firesticks demonstrated distributed governance through supporting autonomous regional hubs rather than centralised control. They're "not trying to replace local structures and authorities that are already there," respecting existing Indigenous governance while creating economic opportunities.

The challenge lies in interfacing with Western systems demanding conventional structures. Indigenous enterprises must maintain dual structures – one satisfying external requirements, another enabling authentic community control.

Scaling through networks, not size
"Success metrics are the people and the communities that we're scaling with," explained one presenter. This networked approach reflects Indigenous social organisation. Rather than building large organisations, the focus is strengthening relationships between autonomous groups.

Firesticks' model of supporting independent fire practitioners connected through shared protocols demonstrates this practice. The implications challenge funding approaches favouring organisational growth. A network of small, community-controlled enterprises might achieve greater impact than a single large organisation.

Cultural responsiveness in practice
The summit revealed practical implications extending beyond policy statements:
- Recruitment focusing on cultural fit and community connections over qualifications. One organisation described hiring "angry pissed off people that are rightly annoyed" because their frustration reflected legitimate grievances requiring address.
- Workplace arrangements accommodating cultural time. Ceremony participation might require months away with jobs held open. These aren't concessions but recognition that cultural maintenance enables workplace participation.
- Communication styles respecting Indigenous preferences. "Listening is one of the hardest jobs that gets missed a lot from non-Indigenous organisations," noted one presenter.

Systemic barriers and structural reform
Despite innovative models, systemic barriers persist. As one presenter said: "We are not talking and dealing with the system policy from this level, we're down here doing that."

Funding tied to mainstream employment outcomes doesn't recognise cultural responsibilities. Compliance frameworks penalise flexibility essential for Indigenous participation. Timeline expectations conflict with Indigenous concepts of relationship time.

Participants called for structural reform beyond program adjustments. "Let's shift the national narrative to structural reform – First Nations communities, organisations, SEs have solutions and the leadership capability to bring solutions to life."

Lessons for the broader sector
Indigenous models offer profound lessons for all WISEs. Prioritising relationships over transactions. Understanding employment as one element of holistic wellbeing. Recognising knowledge systems beyond formal qualifications. Building from community strengths rather than individual deficits.

Most fundamentally, Indigenous approaches demonstrate that sustainable employment requires cultural safety and identity maintenance. This applies beyond Indigenous contexts – refugees maintaining cultural connections, people with disability asserting identity beyond their conditions, young people seeking belonging alongside income.

The summit made clear that embedding Indigenous approaches isn't about adding cultural elements to existing models. It requires fundamental reimagining of how employment creates value – for individuals, communities, and Country.

5. Reform procurement and market access

Proposal: Transform how governments and corporations buy to create sustainable revenue streams that value social impact alongside commercial delivery.

Emerging priorities:
- **Commonwealth procurement targets:** Mandatory targets for WISE engagement with accountability measures to prevent gaming.

- **Value-based procurement model:** Shift from price-only to value-based assessment recognising social outcomes.

- **Contract unbundling:** Break large contracts into WISE-accessible components while supporting consortia approaches.

- **Corporate partnership standards:** Guidelines for authentic, long-term partnerships that share risk and reward.

- **Regional procurement strategies:** Tailored approaches recognising different market conditions and WISE capabilities across regions.

Summary of theme #5:

Social procurement promises substantial revenue for WISEs, yet the summit revealed a complex reality. Between opportunity and exploitation lies a landscape requiring careful navigation and systemic reform.

The procurement paradox
"The good, the bad, the ugly: the double-edged sword of social procurement" captured success stories and cautionary tales. Success stories emerged. Bama Services described growth from social procurement opportunities in mining regions. Assembled Threads shared how corporate contracts enabled scaling their ethical manufacturing. These wins demonstrated procurement's transformative potential when done well.

Other stories presented challenges. Contracts requiring WISEs to match mainstream business prices while carrying additional support costs. Payment terms extending to 90 days, crippling cash flow for organisations operating week-to-week. "Procurement washing" where corporations claimed social impact through tokenistic purchases. One participant described contracts that even threatened organisational survival: "We nearly went under trying to deliver what we'd promised."

The fundamental tension: procurement officers trained to minimise cost struggle to value social outcomes. Even within organisations committed to social procurement, systems favour lowest price over employment impact. WISEs find themselves competing against businesses without support costs, creating an uneven playing field.

Government leadership gaps
Despite Victoria's leading social procurement framework and pockets of excellence elsewhere, Commonwealth procurement remains largely untapped. Participants expressed frustration at federal rhetoric about supporting social enterprise without corresponding procurement reform.

The absence of mandatory targets allows departments to treat social procurement as optional. Where targets exist, accountability mechanisms remain weak. Several participants shared experiences of being told they'd missed out on contracts to mainstream suppliers, only to discover the successful bidder had claimed social benefit through minimal Indigenous subcontracting or disability employment tokenism.

"Gaming the system" emerged as a major concern. Without robust verification and monitoring, mainstream businesses can claim social credentials without delivering meaningful outcomes. This not only diverts opportunities from genuine WISEs but undermines the entire social procurement concept.

Value beyond price
Moving from price-based to value-based procurement requires fundamental mindset shifts. As Dr Admiral Manganda from University of Melbourne argued, current procurement frameworks cannot capture employment outcomes, community benefits, or long-term social value creation.

Several innovations showed promise. Some councils now score social value at 30% of tender assessments. The Victorian Government's Social Procurement Framework provides tools for quantifying broader value. Yet implementation remains inconsistent, with procurement officers often reverting to price as the primary criterion under pressure.

Participants called for standardised social value measurement tools, training for procurement officers, and systems recognising the true cost of creating employment for people facing barriers. Without these changes, WISEs remain forced to compete on an uneven playing field.

Contract design challenges
Large, bundled contracts exclude most WISEs from participation. A $10 million cleaning contract might suit multinational providers but remains inaccessible to enterprises employing 20 people. The summit revealed appetite for contract "unbundling" – breaking large requirements into WISE-sized components.

Yet unbundling alone isn't sufficient. Payment terms designed for large corporations with credit facilities devastate small enterprises. Risk allocation pushing liability onto providers creates insurmountable barriers. Performance bonds and insurance requirements price out community organisations.

Innovative approaches emerged. Some government agencies now offer staged payments recognising WISE cash flow constraints. Others provide performance support rather than punitive contract management. The key insight: contract terms must recognise WISE operational realities without compromising service quality.

Corporate partnerships: authentic or exploitative?
Corporate engagement with WISEs spans a spectrum from transformative partnerships to extractive relationships. Australia Post's presentation demonstrated how they had adapted their systems based on WISE feedback, opening supply chains to social enterprises, and recognising mutual learning opportunities.

Conversely, participants shared experiences of corporations demanding discounted rates "because you're a charity," requiring WISEs to absorb costs of corporate social responsibility programs, or abandoning partnerships when internal priorities shifted. The power imbalance between large corporations and small WISEs creates vulnerability to exploitation.

Building authentic partnerships requires long-term commitment, risk-sharing, and recognition that WISEs offer expertise beyond cheap labour. As one participant noted: "We're not asking for charity. We're offering valuable services while creating social impact. That should command a premium, not a discount."

Regional variations
Procurement opportunities vary dramatically by geography. Metropolitan WISEs access diverse government and corporate contracts. Regional enterprises face thin markets dominated by single industries. Remote communities might have no procurement opportunities beyond local government.

This geographic inequality compounds existing disadvantages. A WISE in inner Melbourne can build capabilities through diverse contracts. A similar enterprise in regional Queensland might depend entirely on one mining company's social procurement commitment. When that company's priorities shift or commodity prices fall, the WISE faces existential threat.

Regional strategies must recognise these realities. Participants suggested regional procurement targets, support for WISE consortia bidding for larger contracts, and infrastructure investment enabling remote enterprises to service metropolitan markets.

Beyond compliance to transformation
The summit revealed tension between compliance-driven and transformation-oriented procurement. Compliance approaches treat social procurement as box-ticking – meeting minimal targets through low-value purchases. Transformational procurement sees WISEs as partners in achieving broader social objectives.

One presenter challenged buyers to think bigger: "This isn't about giving WISEs a slice of existing procurement. It's about reimagining how procurement can drive social change." This might mean co-designing services with WISEs, investing in capability building, or restructuring supply chains around social impact.

Practical pathways forward
Despite challenges, clear opportunities emerged:
- Commonwealth leadership through mandatory targets with teeth. Not aspirational goals but requirements with consequences for non-compliance. Standardised reporting revealing which departments genuinely support social enterprise versus those gaming the system.
- Capacity building for both sides. WISEs need support meeting procurement requirements without compromising their mission. Procurement officers need training in social value assessment and relationship management with smaller providers.
- Intermediary organisations facilitating connections and supporting market access. Expansion of these services could unlock significant opportunities.
- Systems change, not charity. Procurement reform isn't about helping disadvantaged enterprises but recognising that current systems perpetuate disadvantage. Fair procurement creates level playing fields where social value is properly valued.

The summit made clear that procurement reform remains central to WISE sustainability. Without reliable revenue streams from government and corporate contracts, the sector remains dependent on philanthropy, subsidies, and nascent mechanisms that address impact costs.

6. Build sector capability and resilience

Proposal: Strengthen capabilities to deliver quality employment outcomes.

Emerging priorities:

- **Leadership development pipeline:** Programs addressing governance, succession planning, and preventing burnout.

- **Commercial capability building:** Strengthen business acumen while maintaining social purpose, including cashflow management tools.

- **'Collaboration ready' capability:** Build capabilities for WISEs to engage effectively in ecosystem approaches.

- **Evidence and learning infrastructure:** Systematic capture and sharing of what works, moving beyond individual case studies.

- **Lived expertise pathways:** Structured development for people with lived experience to become sector leaders, not just participants.

Summary of theme #6:

The summit revealed a sector rich in passion but stretched thin on capacity. Building resilience requires systematic investment in leadership, commercial skills, and collective learning infrastructure.

Leadership crisis looming
"Burnout is a risk," noted wrap-around support session participants, understating a crisis visible throughout the summit. WISE leaders juggle commercial pressures, complex participant needs, and chronic underfunding. Many operate in perpetual crisis mode, leaving little capacity for strategic development.

The sector faces a leadership pipeline problem. Founders approaching retirement lack clear successors. Middle managers burn out before reaching senior roles. Board members struggle to balance governance with operational support. As one participant observed: "When do the hours end?" The answer, too often, is they don't.

Solutions emerged from collective wisdom:
- Structured mentoring programs pairing experienced leaders with emerging ones.

- Shared leadership models distributing pressure across teams.
- Sabbatical programs allowing leaders to recharge without abandoning their enterprises.
- The key insight: leadership development cannot be an afterthought squeezed between crises.

Several participants referenced mainstream business approaches. Executive coaching, 'once considered luxury', proves essential for navigating WISE complexity. Peer advisory groups provide safe spaces for admitting vulnerability. Leadership exchanges between enterprises build sector-wide capability while preventing insularity.

Commercial capability gaps

The cash flow discussion group revealed fundamental business skill gaps. "Focus on getting away from the monthly accountant-provided cash flow and getting to weekly (or daily)," urged one participant. Yet many WISEs lack tools or skills for such financial management.

This isn't about turning social enterprises into conventional businesses. Rather, it's recognising that commercial failure prevents social impact. Participants shared stories of enterprises with excellent social programs undermined by poor pricing decisions, inadequate cash reserves, or misunderstood unit economics.

The group identified practical solutions: cash flow management tools beyond spreadsheets, software linking to accounting systems, safe harbour training for directors facing insolvency. As they noted: "economies of scale fail if you're loss making." Commercial discipline enables rather than compromises social mission. Indeed, WISEs often pursue growth without assessing readiness, leading to circumstances that impact their stakeholders and damage sector credibility.

Evidence infrastructure lacking

"Being mindful of the nuance in terminology between 'evidence', 'data', 'narrative', 'story'," observed one small group, "these terms resonate differently with different stakeholders." The sector struggles to capture and communicate impact effectively.

Individual WISEs collect rich data but rarely analyse it systematically. Sector-wide learning remains anecdotal. Academic research often happens in isolation from practice. The result: WISEs repeat mistakes, funders lack confidence, and policy makers dismiss the model's potential.

Participants envisioned shared evidence infrastructure. Common impact measurement frameworks enabling comparison. Repositories of evaluated interventions. Peer review processes validating claims. Technology could enable this, but culture change matters more – moving from competitive secrecy to collaborative learning.

The distinction between outputs and outcomes proved crucial. Employment numbers impress funders but miss deeper impact. How does supported employment change families? What happens to community cohesion? When do mental health improvements stabilise? These questions require longitudinal research beyond individual WISE capacity.

Collaboration readiness

Theme 3 emphasised collaboration's importance, but Theme 6 revealed capability gaps. Many WISEs lack skills for effective partnership. Collaboration requires different muscles than competition – trust building, resource sharing, collective decision-making.

"Collective scaling" sounds attractive but proves difficult. Governance structures designed for individual organisations struggle with shared initiatives. Leaders trained to protect their enterprise's interests must learn ecosystem thinking. Staff accustomed to organisational loyalty need comfort with fluid boundaries.

Practical challenges emerged. Legal structures for collaboration remain underdeveloped. Insurance complications multiply with shared programs. Intellectual property concerns inhibit innovation sharing. These aren't reasons to avoid collaboration but capabilities requiring development.

Indigenous models again offered guidance. First Nations organisations demonstrated "relational partnerships" as core capability, not add-on activity. This cultural orientation toward collective success provides a template others might adapt.

Lived expertise pathways

A powerful presentation distinguished "lived experience" from "lived expertise." People with lived experience of disadvantage bring invaluable perspective, but leadership requires additional capabilities. As the presenter argued: "In order for me to design and create and deliver a successful program, not only do I need to know about the lived experience that I have, but I also need to know about the systems, the challenges, the economy, the regulations."

The sector talks about valuing lived experience but often traps people in entry-level roles. Career pathways from participant to practitioner to leader remain underdeveloped. This wastes talent and perpetuates power imbalances.

Successful models emerged. Structured development programs building system knowledge alongside experiential wisdom. Mentoring relationships pairing lived expertise with technical skills. Board positions specifically for people with lived experience, with support to participate effectively. The goal: lived expertise informing all organisational levels, not tokenistic representation.

Resilience through diversity

Organisational resilience emerged as a connecting theme. WISEs dependent on single funding sources, key individuals, or narrow markets face existential risks. Resilient WISEs diversify across multiple dimensions including: revenue streams balancing government contracts, philanthropic support, and commercial income, leadership teams with complementary skill, geographic markets that spread risk, and participant cohorts avoiding over-specialisation.

Yet diversification requires capabilities many WISEs lack. Strategic planning beyond annual budgets. Market analysis identifying opportunities. Change management supporting evolution. These business school concepts need translation for social enterprise contexts.

System learning, not just individual development
The summit revealed appetite for sector-wide capability building transcending individual organisational development. Participants envisioned:
- WISE-specific leadership programs recognising unique challenges.
- Commercial capability bootcamps balancing business discipline with social mission.
- Evidence and evaluation training building sector-wide credibility.
- Collaboration laboratories where enterprises practice working together.
- Lived expertise academies developing next generation leaders.

The infrastructure exists in fragments – universities offer social enterprise courses, capability builders provide training, and consultants support individual organisations. But systematic, sustained capability building remains elusive.

The summit made clear that capability building isn't optional extra but essential investment. Without systematic development of leadership, commercial skills, and collaborative capacity, the sector remains vulnerable to shocks and unable to achieve potential scale. Building resilience requires recognising capability as infrastructure deserving sustained support.

7. Create cultures of wellbeing and sustainable workplaces

Proposal: Promote workplace models that demonstrate how supporting staff wellbeing drives both social impact and business sustainability.

Emerging priorities:

- **Wellbeing-first workplace models:** Develop and share approaches that prevent burnout and support staff mental health.

- **Person-centred flexibility:** Share learning and guidelines for tailoring support to individuals rather than one-size-fits-all approaches.

- **Psychological safety standards:** Frameworks for creating belonging and preventing "us and them" dynamics.

- **Staff retention strategies:** Recognise and resource the intensity of WISE work with appropriate support systems.

- **Boundary setting frameworks and mentoring:** Help WISEs manage the tension between meeting all needs and organisational sustainability.

Summary of theme #7:

The summit revealed a sector confronting an uncomfortable truth: organisations dedicated to supporting vulnerable people often struggle to support their own staff. Creating sustainable workplaces requires fundamental shifts in how WISEs approach wellbeing, boundaries, and organisational culture.

The wellbeing imperative

WISE staff navigate extraordinary complexity daily – supporting participants through crises, managing commercial pressures, navigating bureaucratic systems, all while maintaining empathy and professional boundaries. The emotional toll is substantial.

The wrap-around support session laid bare the intensity of WISE work. Staff routinely help participants obtain identification documents, navigate Centrelink, manage mental health crises, support through homelessness, and address substance abuse issues. As one participant noted: "Nothing happens in the workplace unless we can help address these immediate issues."

This work extends far beyond traditional employment support. Rural WISEs described operating in "valleys of no support" where they become default providers for all participant needs. Urban enterprises face different but equally intense pressures – gang violence, intergenerational trauma, systemic racism. The personal cost to staff often remains invisible until crisis hits.

Person-centred flexibility

The small group on wellbeing emphasised moving beyond "cookie cutter approaches" to support. Just as WISEs tailor assistance to individual participants, they must extend similar flexibility to staff. What works for one person may harm another. Some thrive on clear boundaries; others need fluid roles. Some want professional distance; others find meaning through deep engagement.

Successful models emerged from the discussions. One WISE implemented "wellbeing budgets" allowing staff to choose their own support – counselling, gym memberships, cultural activities, professional development. Another created role rotation, preventing burnout in high-intensity positions. Several described team-based approaches where emotional labour is explicitly shared rather than falling on individuals.

The key insight: wellbeing isn't an add-on program but fundamental to operational design. Rosters that account for emotional intensity. Workspaces enabling both collaboration and retreat. Meeting structures including emotional check-ins. These aren't soft touches but hard necessities for sustainability.

Preventing 'us and them' dynamics

"Focusing on belonging can prevent a culture of 'us and them'," noted wellbeing session participants. This division – between supporters and supported, between those with and without lived experience – undermines both wellbeing and effectiveness.

The dynamic manifests subtly. Staff meetings where participant challenges are discussed but participants aren't present. Separate spaces for staff and participants. Language that unconsciously others – "clients", "beneficiaries", "target groups". Over time, these divisions calcify into hierarchies antithetical to WISE values.

Progressive enterprises demonstrate alternatives. One enterprise described a culture where "neurodivergent staff bring so much joy, so much love, so much kindness." The distinction between supporter and supported blurs when everyone contributes unique strengths.

Creating belonging requires intentional design. Shared spaces and rituals. Decision-making structures including participant voices. Career pathways from participant to staff. Language emphasising common humanity over categories. As one presenter noted: "We're all broken in some way. The question is how we support each other."

The boundaries challenge
"When do the hours end?" This question, posed during wrap-around support discussions, captures a central tension. WISE staff often feel personally responsible for participant outcomes. The line between professional support and personal rescue blurs. Many sacrifice their own wellbeing attempting to meet infinite needs with finite resources.

Setting boundaries in WISEs proves particularly challenging. Mainstream employment's clear demarcations – job descriptions, office hours, professional distance – seem to contradict the relational approach that makes WISEs effective. How do you maintain boundaries while building authentic relationships? How do you say no when someone's life depends on yes?

Experienced practitioners shared hard-won wisdom. Boundaries aren't walls but membranes – permeable but defined. Team-based approaches prevent individual saviour complexes. Clear escalation pathways handle crises without overwhelming frontline staff. Regular supervision provides space to process emotional impact. Most importantly, organisational culture must support boundary-setting as a professional necessity, not personal failure.

Retention through respect
Staff retention emerged as both a challenge and indicator of organisational health. High turnover destroys institutional knowledge, traumatises participants who've formed attachments, and perpetuates cycles of crisis management. Yet many WISEs accept turnover as inevitable given the work's intensity.

The summit challenged this fatalism. Organisations with strong retention shared common features. Competitive wages acknowledging the work's complexity. Professional development pathways preventing stagnation. Flexible work arrangements supporting life beyond work. Most critically, cultures that genuinely value staff wellbeing rather than treating it as afterthought.

Indigenous organisations again provided leadership. Firesticks Alliance described making "space for careers, culture, caregiving – bring it all and we'll work around it." This holistic approach recognises staff as whole people with multiple responsibilities and identities. Supporting staff

cultural obligations, family responsibilities, and personal growth strengthens rather than weakens organisational capacity.

Mental health as core business
"Poverty manifests in the workplace," observed one participant, highlighting how participant trauma impacts staff wellbeing. WISEs operate at the intersection of multiple systems failures – unemployment, homelessness, mental illness, addiction. Staff absorb this systemic dysfunction daily. Progressive organisations recognise mental health support as core infrastructure, not an optional extra. Embedded counsellors supporting both participants and staff. Regular debriefing protocols processing traumatic incidents. Peer support groups sharing emotional load. Mental health first aid training equipping all staff with basic skills.

The investment pays dividends. Reduced sick leave. Improved decision-making. Stronger participant relationships. Enhanced reputation attracting quality staff. As one CEO noted: "We budget for mental health support like we budget for rent. It's non-negotiable infrastructure."

Systemic solutions required
Individual organisational efforts, while necessary, prove insufficient. The summit revealed systemic issues requiring collective response. Funders demanding outcomes without funding wellbeing infrastructure. Contracts creating perverse incentives for overwork. Competitive dynamics prevent sharing of wellbeing innovations.

Participants called for sector-wide initiatives. Wellbeing standards embedded in certification systems. Funder compacts recognising true support costs. Shared employee assistance programs achieving economies of scale. Peer support networks crossing organisational boundaries. Research documenting wellbeing impacts on outcomes.

The ultimate goal: demonstrating that staff wellbeing drives rather than detracts from impact. WISEs pioneering sustainable workplace models benefit not just their own sustainability but provide templates for broader employment reform. In supporting those who support others, the sector models the transformative potential of putting people first.

8. Secure sustainable financing

Proposal: Build a mature investment ecosystem that provides appropriate capital for different WISE needs and growth stages.

Emerging priorities:
- **Sector Infrastructure Fund:** Patient capital for sector-wide assets and platforms that benefit multiple WISEs.

- **Working capital facilities:** Address cashflow challenges that threaten WISE sustainability, especially for smaller enterprises.

- **Further develop blended finance models:** Combine grants, loans, and investment to match different stages of WISE development, while creating open-source resources to further the sharing of successful financing approaches across the sector.

- **Funder coordination:** Convene funders to align around shared sector strategies increasing the potential for investments to be coherent and complementary.

- **Impact investment readiness:** Build WISE capacity to assess and access appropriate funding that matches their growth stage and mission, including understanding concepts of 'right-sizing' and declining financing opportunities that may lead to unsustainable growth.

Summary of theme #8:

Financial fragility undermines the WISE sector's potential. The summit revealed enterprises trapped between mission and survival, with funding models that often work against rather than for their social objectives.

The fundamental mismatch
WISEs operate in markets where their social mission creates additional costs while limiting pricing power. Yet funding models assume they can achieve commercial sustainability while supporting people mainstream businesses reject.

The impact cost research presented by experts from the sector revealed that WISEs typically absorb significant unfunded costs. Supporting employees with complex needs, providing wraparound services, maintaining higher supervision ratios – these essential elements of the WISE model rarely receive adequate funding recognition. Participants estimated that true impact costs add 30-50% to standard employment costs, yet contracts and grants rarely acknowledge this reality.

This chronic underfunding creates a vicious cycle. Enterprises operating on thin margins cannot invest in systems, leadership development, or innovation. They lurch from crisis to crisis, dependent on heroic efforts from underpaid staff. When key people burn out or move on, organisations can collapse, destroying years of social investment.

Working capital: the silent killer
Cash flow emerged as an existential threat for many WISEs. Unlike mainstream businesses with credit facilities and investor backing, social enterprises often operate hand-to-mouth. Government contracts paying on 90-day terms can destroy an enterprise meeting weekly payroll for vulnerable employees.

The cash flow discussion group shared survival strategies. Daily cash position monitoring rather than monthly reviews. Invoice factoring despite punitive rates. Personal guarantees from directors

risking their homes. These aren't sustainable solutions but desperate measures highlighting systemic failures.

Several participants noted the cruel irony: WISEs demonstrating excellent social outcomes still fail financially. A participant shared how their enterprise, despite 95% participant satisfaction and 80% employment retention, nearly closed when a major contract payment was delayed by four months. Social impact means nothing if the organisation doesn't survive to deliver it.

Blended finance: promise and complexity
The summit revealed growing sophistication about blended finance approaches combining grants, loans, and investment. Yet implementation remains challenging. Each funding type comes with different expectations, reporting requirements, and stakeholder demands. Managing this complexity diverts energy from mission delivery.

A representative from White Box Enterprises described their loan fund supporting WISE growth. While valuable, debt finance only works for enterprises with reliable revenue streams and growth potential. Many WISEs, particularly those serving the most disadvantaged cohorts, lack the commercial prospects to service loans regardless of how patient or discounted.

Impact investment attracted both interest and scepticism. Participants recognised the need for growth capital but worried about mission drift. Several shared cautionary tales of enterprises accepting investment then pressured to prioritise financial returns over social outcomes. The concept of "right-sizing" was discussed – understanding when to decline funding that might drive unsustainable growth.

Funder behaviour: part of the problem
Frank discussions revealed how funder behaviour often exacerbates rather than alleviates financial stress. Short-term grants creating employment programs that end just as participants stabilise. Restricted funding preventing investment in core capabilities. Competitive tendering processes pitting natural collaborators against each other.

One participant described the "project funding trap" – grants for innovative pilots but nothing for sustaining proven models. Another noted how reporting requirements for a $50,000 grant consumed $30,000 worth of staff time. The sector spends enormous energy satisfying funder requirements rather than developing sustainable business models.

Government funding can also be problematic. Departments seeking innovation while funding only established approaches. They require collaboration while structuring programs that encourage competition. They expect sustainability while providing only short-term support. These mixed demands reflect a confusion about whether WISEs are businesses, charities, or something distinct requiring different approaches.

Infrastructure funding: The missing piece
The proposed Sector Infrastructure Fund addresses a critical gap. Individual WISEs cannot afford the systems, research, and collective capabilities the sector needs. Shared infrastructure – from

impact measurement platforms to peer learning networks – offers economies of scale while preserving enterprise autonomy.

International examples were referenced as possibilities. European social finance intermediaries managing pooled funds and shared services. Canadian community loan funds providing patient capital alongside capability building. American community development financial institutions combining multiple funding streams for holistic support. There was acknowledgement that some philanthropists in Australia are already playing this role.

Yet participants stressed that infrastructure funding must avoid replicating current problems. Long-term core funding (such as reliable mechanisms that cover impact costs) rather than project grants. Trust-based relationships rather than onerous compliance. Recognition that infrastructure multiplies rather than diverts from impact.

Toward financial sustainability
Several enterprises shared journeys toward financial sustainability, revealing common elements. Diversified revenue reducing dependence on any single source. Reserves providing buffers against cash flow shocks. Clear understanding of unit economics ensuring each activity contributes to sustainability. Board members with financial expertise balancing social mission focus.

The Payment by Outcomes trial demonstrated both promise and limitations. While providing some funding for outcomes rather than activities, implementation revealed significant challenges at the interface between government and aggregation. Data collection costs, delayed payments, and rigid definitions of success all created new problems while solving others. Participants wanted the model refined rather than abandoned, with greater flexibility and recognition of diverse pathways to employment success.

Systemic reform required
Individual enterprise efforts alone cannot solve systemic underfunding. The summit called for fundamental reforms:
- Recognition of impact costs in all government contracts and grants. Standard loading factors acknowledging the additional costs of employing people with barriers. Payment terms reflecting WISE cash flow realities. Multi-year funding enabling strategic planning and investment.
- Development of WISE-specific financial products. Patient capital accepting below-market returns. Working capital facilities preventing cash flow crises. Insurance products understanding WISE risk profiles. Investment structures balancing social and financial returns.
- Funder coordination reducing duplication and gaps. Aligned sector strategies enabling coherent and complementary investments. Shared due diligence reducing application burdens. Collective learning about what works.

The summit made clear that financial sustainability requires more than better business models or more generous funders. It demands recognition that SEs require funding approaches that reflect

their reality. Without this recognition, the sector will remain trapped in perpetual fragility, unable to achieve its potential.

9. Develop transition pathways and employer partnerships

Proposal: Further build bridges between WISEs and mainstream employment that prepare both workers and workplaces for success.

Emerging priorities:

- **Employer education program:** Systematic approach to preparing mainstream employers for inclusive hiring.

- **Two-way learning frameworks:** Structured programs where WISEs and employers learn from each other.

- **Transition coaching fund:** Resources for intensive support during the critical transition period.

- **Industry-specific pathways:** Develop deep partnerships in industries with strong job growth and WISE alignment.

- **Young people employment strategy:** Specific focus on retail and other youth-employing sectors to shift attitudes and practices.

Summary of theme #9:

The summit highlighted that successful employment outcomes depend not just on WISEs preparing participants but on mainstream employers being ready to receive them. Building effective bridges requires transformation on both sides.

Transition complexity revealed
"Transition isn't linear," emphasised a presenter, challenging conventional assumptions. The traditional model envisions a neat progression from supported to mainstream employment. Reality proves messier. Participants move sideways, backwards, between organisations, returning to WISEs when mainstream employment fails.

One organisation implemented 12-month maximum program durations, creating urgency for participants to engage with transition planning. This seemingly harsh limit actually improved outcomes by preventing the "post-COVID glut" where participants became too comfortable to move on. Yet they balanced this with guaranteed minimum hours, providing security during the transition journey.

The transition coaching model showed particular promise. Intensive support during the critical first months in mainstream employment dramatically improved retention rates. Yet funding rarely covers this phase. As one participant noted: "We're funded to get people job-ready, not job-successful."

Employer readiness: the other half
One presentation revealed how mainstream employers can become when properly engaged. Their youth advisory council helps navigate generational dynamics. They adapted training after learning from WISE partners. "It doesn't sound that unreasonable," their representative noted about WISE-explained support needs.

Yet most employers remain unprepared. One presenter representing an organisation working with people experiencing homelessness shared an anecdote about approaching a retail partner. Before they could finish explaining their program's success, they were "bombarded with questions" about workplace safety, cash handling, and dress codes – all grounded in stigma rather than reality. "Young people experiencing homelessness aren't there because of alcohol, drugs, or crime," they emphasised. "It's completely wrong."

The dialogue revealed a fundamental mismatch. WISEs spend years building participants' confidence and skills. Mainstream employers can destroy this in days through unconscious bias, inflexible systems, or simple ignorance about support needs.

Two-way learning frameworks
Progressive partnerships demonstrated mutual benefit when employers engage authentically. Several WISEs described collaborative approaches where they provided expertise while employers offered opportunities. These weren't placement services but genuine exchanges.

The dialogue session on scaling through mainstream employers revealed an appetite for deeper engagement. One employer asked what young people need to succeed, then listened carefully to the answer: "They need a youth worker. They need understanding, they need compassion. They need concessions made." Rather than dismissing these as unreasonable, they began exploring how to provide such support.

Industry-specific approaches showed promise. Retail, as "the single biggest employer of young people in Australia," emerged as a priority sector. Manufacturing offered different opportunities, with structured environments suiting some participants. The key was matching industry characteristics to participant strengths rather than forcing square pegs into round holes.

Government as employer: the missed opportunity
"The biggest employers in the country are governments," observed one participant, noting their absence from transition discussions. With over a million public servants across all levels, governments could lead by example. Yet beyond isolated examples like the Sydney Opera House, systematic engagement remains minimal.

This represents a massive missed opportunity. Governments have diversity targets, disability action plans, and Indigenous employment strategies. They control procurement levers and set employment standards. Yet they rarely engage with WISEs as talent pipelines. The few examples of success – specific departments working with particular WISEs – remain isolated rather than systematic.

Cultural and practical barriers

The summit exposed multiple barriers to successful transitions. Workplace cultures expecting immediate productivity clash with participants needing adjustment time. Standard HR processes screen out anyone with employment gaps or criminal records. Rigid rosters don't accommodate medical appointments or cultural obligations.

Geography creates additional challenges. A participant might thrive in a supportive WISE but live far from mainstream employment opportunities. Rural areas face particularly acute challenges, with thin labour markets offering few transition options. Even in cities, transport barriers can make otherwise suitable jobs inaccessible.

The "benefits cliff" emerged as a critical issue. Participants fear losing disability support payments or healthcare benefits if they take mainstream employment. The financial risk of trying mainstream employment – and potentially failing – keeps many in the relative safety of supported environments.

Successful transition models

Despite challenges, successful models emerged. Some WISEs created internal progression pathways, with participants moving from highly supported roles to supervisory positions. This challenged the assumption that success only means leaving the WISE.

"Collective transitions" showed promise. Groups of participants moving together to the same mainstream employer, providing peer support and reducing isolation. Employers found this easier too, developing systems for one cohort rather than individual accommodations.

Several enterprises described "reverse transitions" without shame. Participants who struggled in mainstream employment could return to the WISE, rebuild confidence, and try again. This safety net paradoxically made participants more willing to attempt transitions.

Young people: a specific focus

The youth employment challenge received particular attention. With specific barriers – lack of work history, education disruption, family breakdown – young people need tailored approaches. Yet they also offer specific advantages: adaptability, energy, and longer potential working lives making investment worthwhile.

Successful youth transition models combined practical skill development with identity work. As one presenter noted, young people need to see themselves differently before employers will. This requires more than resume writing – it's fundamental confidence building.

Industry partnerships beyond placement
The most successful partnerships transcended transactional relationships. One WISE described co-designing roles with employers, creating positions that suited participant capabilities while meeting business needs. Another developed industry-specific training programs with guaranteed interviews for graduates.

Supply chain integration offered creative solutions. Rather than direct employment, some mainstream businesses contracted with WISEs for specific services. This provided stable revenue while maintaining supportive environments. Gradual integration of mainstream expectations prepared participants for eventual transition.

Toward systematic change
Individual success stories, while inspiring, won't achieve scale. The summit called for systematic approaches: employer education programs building sector-wide readiness, transition coaching funds recognising the critical post-placement period, and industry compacts committing entire sectors to inclusive employment.

Most fundamentally, the summit revealed that transitions require transformation on both sides. WISEs must prepare participants for mainstream realities without crushing their spirits. Employers must adapt their workplaces without compromising productivity. This isn't charity but mutual benefit – accessing untapped talent pools while creating more inclusive societies.

The path forward requires recognising that employment transitions are not endpoints but ongoing journeys requiring sustained support, understanding, and flexibility from all parties involved.

10. Regulatory and policy reform

Proposal: Foster an enabling regulatory environment that recognises WISEs' hybrid nature and removes barriers to their success.

Emerging priorities:

- **Regulatory review and harmonisation:** Reduce burden on enterprises navigating multiple compliance frameworks across jurisdictions.

- **NDIS integration pathways:** Clear and simplified mechanisms for WISEs to access disability services funding.

- **Industrial relations recognition:** Award structures that recognise cultural knowledge, flexibility needs, and WISE-specific roles.

- **Tax and legal clarity:** Resolve hybrid status challenges and explore appropriate tax benefits for genuine WISEs.

- **Safe harbour provisions:** Protections for WISEs taking on higher-risk employees while maintaining quality employment standards.

Summary of theme #10:

WISEs operate in a regulatory no-man's land. Neither purely commercial nor traditionally charitable, they navigate complex compliance requirements designed for entities they don't resemble. The summit revealed how regulatory complexity drains resources and impedes innovation.

The hybrid challenge
"We're not a charity, we're not a for-profit, we're something in between," summarised one participant, capturing the fundamental regulatory challenge. Australian legal structures force WISEs into ill-fitting categories. Choose charitable status and face restrictions on commercial activity. Opt for commercial structures and lose tax benefits crucial for sustainability.

This binary thinking pervades the regulatory landscape. The Australian Taxation Office struggles to classify enterprises generating commercial revenue for social purposes. The Australian Charities and Not-for-profits Commission applies rules designed for grant-dependent organisations to market-driven social enterprises. State regulators add their own interpretations, creating a patchwork of requirements varying by jurisdiction.

The practical impact is substantial. One enterprise described spending $50,000 annually on compliance across multiple regulatory frameworks. Another abandoned expansion plans when legal advice revealed prohibitive complexity in operating across state boundaries. Resources that could support employment outcomes instead fund lawyers and compliance officers.

NDIS integration: unfulfilled potential
The National Disability Insurance Scheme theoretically offers significant funding for employment support. Yet WISEs report significant friction in accessing these resources. Registration requirements designed for clinical services don't align with employment support models. Pricing structures assume individual service delivery rather than group employment settings.

A particularly frustrating challenge emerged around "double dipping" concerns. Participants employed by WISEs while receiving NDIS support face scrutiny about whether they're being funded twice for the same outcome. This fundamentally misunderstands the WISE model, where employment itself is the intervention, not preparation for employment elsewhere.

Several presenters shared stories of promising NDIS partnerships collapsing under administrative burden. One enterprise spent 18 months navigating registration only to discover their employment model didn't fit any service categories. Another found that NDIS plan managers didn't understand supported employment, rejecting legitimate claims for workplace support.

Industrial relations inflexibility
Award structures designed for conventional employment create particular challenges. Standard classifications don't recognise the dual role many WISE staff play – part supervisor, part support worker. Minimum wage requirements, while important for worker protection, can price out participants whose productivity remains limited during initial employment phases.

The summit heard how cultural obligations clash with industrial relations frameworks. Indigenous enterprises struggle to accommodate ceremony participation within leave provisions designed for predictable absences. Refugee-focused WISEs face similar challenges with religious observances and cultural responsibilities.

Several participants called for WISE-specific awards recognising the sector's unique characteristics. These might include classifications for support-intensive roles, provisions for graduated wage structures during skill development, and flexibility for cultural and health-related absences. Without such recognition, WISEs remain forced into frameworks that compromise either compliance or mission.

Regulatory harmonisation needed
State-based variations in regulation create particular challenges for WISEs seeking to scale. Fundraising laws differ across jurisdictions. Employment standards vary. Social procurement definitions lack consistency. A WISE operating successfully in Victoria might face entirely different requirements in Queensland.

This fragmentation prevents efficient scaling and knowledge transfer. One national organisation described maintaining separate legal entities in each state to manage regulatory complexity. Another abandoned plans for interstate expansion after calculating compliance costs would exceed projected revenues for years.

The summit revealed an appetite for national harmonisation. Not necessarily uniform rules – regional variation has legitimate purposes – but consistent principles and mutual recognition arrangements. If a WISE meets standards in one jurisdiction, that should count for something elsewhere.

Safe harbour provisions needed
WISEs take calculated risks mainstream employers avoid. Hiring people with criminal records, complex mental health conditions, or histories of workplace failure requires courage. Yet current regulations offer little protection when these risks materialise.

Participants shared sobering stories. An enterprise faced WorkSafe investigation after a participant with schizophrenia experienced an episode despite appropriate support. Another dealt with fraud by a participant they'd hired despite criminal history. In both cases, the WISEs faced potential penalties for taking chances mainstream employers wouldn't consider.

The sector needs "safe harbour" provisions recognising the inherent risks in inclusive employment. These wouldn't excuse negligence but would protect WISEs taking reasonable risks

to create opportunities. Some suggested a reverse onus – presuming good faith unless evidence suggests otherwise. Others proposed specialist tribunals understanding the WISE context.

Policy coherence lacking
Different government departments pursue contradictory agendas. Employment services push rapid job placement while social services emphasise careful support. Treasury demands efficiency while social policy promotes inclusion. Each department creates programs and regulations reflecting their narrow perspective.

This incoherence manifests in practical challenges. One WISE described being simultaneously praised by a state government for innovation and investigated by federal regulators for the same practices. Another found different departments within the same government classifying them differently – a social enterprise for procurement purposes but a commercial entity for grants.

Participants called for whole-of-government approaches recognising WISEs' cross-cutting nature. This might include lead agency models, where one department coordinates policy affecting WISEs. Or formal recognition in legislation, providing clarity across government about WISEs' legitimate role.

Regulatory burden versus mission delivery
The cumulative impact of regulatory complexity diverts resources from mission delivery. Small WISEs particularly struggle. Without dedicated compliance staff, leaders spend increasing time on paperwork rather than supporting participants.

One powerful example: a 20-person WISE calculated that regulatory compliance consumed 30% of management time. Another reported board meetings being dominated by compliance discussions rather than strategy or impact. Several described abandoning innovative approaches due to regulatory uncertainty.

The summit didn't advocate for deregulation – participants recognised legitimate purposes behind most requirements. Rather, they sought proportionality and recognition of their unique position. Risk-based approaches focusing scrutiny where problems exist. Streamlined reporting recognising resource constraints. Regulatory sandboxes enabling innovation within defined parameters.

The path forward requires recognising WISEs as legitimate actors deserving appropriate regulatory frameworks. Not special treatment but suitable treatment. Not exemption from accountability but accountability mechanisms recognising their unique contribution. Until regulation evolves, the sector operates despite rather than because of the rules meant to govern it.

What's next?

At the heart of the national strategy for social enterprise, the sector named 'access to decent work' as one of the four challenges it can help shift the dial on.

As part of its role in working with the social enterprise sector to develop and lead its national strategy, Social Enterprise Australia will use the insights and ideas shared at the summit to inform future work.

Social Enterprise Australia will:

1. Use these insights to inform a draft national strategy for social enterprise and develop the 'access to decent work' focus within it, engaging the WISE Hub (comprising the national peak, social enterprises, intermediaries and funders).
2. Come back to the sector with the draft for feedback and further development.
3. Put what is developed to its Members for endorsement at an AGM.

This is the beginning of the conversation, not the end. Thank you for contributing to the summit and helping shape our sector's future.