

# **Evaluation of the White Box Enterprises Evolve program**

*Summary Interim Report, 2025*

Prepared by the Centre for Social Impact Swinburne

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## Acknowledgement of Country

We respectfully acknowledge the Wurundjeri People of the Kulin Nation, who are the Traditional Owners of the land on which the Centre for Social Impact Swinburne is located on in Melbourne's east, and pay our respect to their Elders past and present. We are honoured to recognise our connection to Wurundjeri Country, history, culture, and spirituality through these locations, and strive to ensure that we operate in a manner that respects and honours the Elders and Ancestors of these lands. We also respectfully acknowledge Swinburne's Aboriginal and Torres Strait Islander staff, students, alumni, partners and visitors.

We also acknowledge and respect the Traditional Owners of lands across Australia, their Elders, Ancestors, cultures, and heritage, and recognise the continuing sovereignties of all Aboriginal and Torres Strait Islander Nations.

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CSI Swinburne is focused on people and technology working together for a better world, exploring the intersection between social entrepreneurship and technology, in areas such as social enterprise, social business and social finance; community services innovation; employment access and equity; and impact and evaluation and measurement.

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## **Disclaimer**

The opinions in this report reflect the views of the authors and do not necessarily reflect those of the Centre for Social Impact or White Box Enterprises.

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## GLOSSARY

ADE	Australian Disability Enterprise
BAU	Business as usual
CSI	Centre for Social Impact
DRC	Disability Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability
DSS	Department of Social Services
IDD	Intellectual and Developmental Disability
KPI	Key Performance Indicators
NDIA	National Disability Insurance Agency
NDIS	National Disability Insurance Scheme
WBE	White Box Enterprises
WISE	Work Integration Social Enterprise

# INTRODUCTION

## *Project context*

'Supported employment' in Australia is an evolving concept. Historically in Australia, the term has been used to define 'supported employment services' within the former Disability Services Act 1986 (now replaced) and thereby associated with segregated or sheltered workshop settings. Hence, notions of 'supported employment' have been synonymous with Australian Disability Enterprises (ADEs).

By contrast, internationally, the purpose of 'supported employment' is to '*support individuals with the most significant disabilities in achieving competitive employment outcomes in integrated work settings*' (Wehman et al., 2018, p.133). In this context, international definitions of 'supported employment' strongly differentiate it from traditional sheltered or segregated employment settings, but this has not been the case in Australia.

The Disability Royal Commission (DRC, 2023) has criticized the current state of Australia's supported employment, calling for significant reforms. These reforms include:

- decreased segregation - meaning workplaces are not exclusively for people with disability;
- increased integration with community;
- increased wages; and
- support for employee productivity (DRC, 2023).

Responding to the DRC, the Commonwealth government and sector have developed Guiding Principles for Supported Employment (DSS, 2023). These have broadened the understanding of supported employment in Australia, though some confusion remains. The Guiding Principles highlight the purpose and key ingredients of 'supported employment' activities including increased choice, increased employment opportunities and decreased segregation. In doing so, the principles can apply to many types of employment initiatives and employment services/supports, potentially including Australian Disability Enterprises, as long as they comply with these principles.

The advent of the National Disability Insurance Scheme (NDIS) changed the funding arrangements for supported employment services (moving funding to individualised budgets) and expanded the potential for employment services to support open employment. Despite this change, transition rates to open employment remain low (3.1% for ages 15-24 and 1% for ages

25+). Additionally, the DRC and other research have highlighted the fact that most ADEs are commercially non-viable with concerns also being raised about low wages and the segregation of people with disabilities within these organisations (Gendera et al., 2024; Wilson, 2022).

This context sets the scene for the transformation of ADEs from 'their original format' (DRC, 2023) to either closure of these organisations or a new iteration that is consistent with DRC recommendations and the Guiding Principles for Supported Employment (DSS, 2023).

## ***Project overview***

### **The Evolve program**

The Evolve program aims to transition three ADEs into jobs-focused social enterprises through consulting and funding. Funded by philanthropy, White Box Enterprises (WBE) is leading the two-year program with an estimated 150 days of pro-bono consulting and up to \$350K in grants to support the transition of each enterprise across the two years.

WBE delivers the program with a focus on three workstreams:

#### **Social workstreams**

- Pathways – defining an employment pathways model and establishing a pilot to trial pathways supports
- Training and development – defining skills/career development plans and establishing a pilot to trial supports
- Model strategy – clarifying the organisation's social model and services provided.

#### **Commercial workstreams**

- Profitability improvements – identifying and actioning pricing, cost, and sales quick wins
- Go-to-market – strengthening business development practices
- Portfolio strategy – shaping growth strategy to increase future commercial revenue.

#### **Organisational workstreams**

- KPIs – setting clear KPIs that drive social, commercial, and organisational outcomes
- Culture and change – planning, communicating and measuring cultural and behavioural change.

As at September 2025, WBE is delivering the program via:

- approximately 8 'workstreams' (across social, commercial and organisational) per organisation including 2-3 critical workstreams, and 5-6 smaller workstreams per organisation
- \$300-450k of grant funding per organisation, in pieces of \$50-250k
- regular Community of Practice interactions (this includes 6 meetings, 3 tours, and sector events)
- a set of resources such as 'ADE transformation playbook' and good practice guides, under development (WBE, September 2025).

Support is delivered by specialised consultancy (with 274 days delivered as at 30 September 2025 of a total of 700), with 20+ industry experts engaged drawing on an expertise mix of disability employment, commercial and transformation expertise.

## **EVALUATION OF THE EVOLVE PROGRAM**

The Centre for Social Impact Swinburne is evaluating the Evolve program to assess its effectiveness and outcomes. This evaluation sets out to define 'transformation', identify effective support activities, explore achieved outcomes, and identify barriers/enablers to transformation.

This interim report shares findings from the first two rounds of data collection in 2025. It is important to note that this data represents less than one year of active transformation support via Evolve and therefore outcomes are likely to be nascent.

### ***Research methods***

Various methods were employed to gather data for evaluating the Evolve program. These included:

- A literature review to align findings with existing knowledge on transformation
- Twenty-nine interviews (Round 1 (May-June) and Round 2 (October-November) conducted with managers, supported employees, a family member, and WBE staff involved in facilitating Evolve or overseeing it
- Workshops with each of the three disability enterprises to reflect on current practice and explore goals for continued improvement
- Analysis of disability enterprise indicators and program data collected by WBE.

# LITERATURE REVIEW

A literature review was conducted on transformation of Disability Enterprises (known outside Australia as sheltered employment or sheltered workshops). This literature review explored the existing evidence around what is already known about what transformation might look like, the types and amount of support required to transform, and the barriers and enablers to transformation.

The literature review reveals limited evidence on transforming disability enterprises and highlights key characteristics of successful transitions.

## *What does disability enterprise ‘transformation’ look like?*

Overall, the body of literature exploring disability enterprise transformation is scarce. There are two main transformation focuses:

1. Closure of sheltered workshops and transformation into open employment services.
2. Transformation of sheltered workshops into market-based work integration social enterprises.

## **Closure of sheltered workshops**

The majority of this literature focuses on the transformation of sheltered workshops into employment services seeking to place individuals into open employment. For example, Lyons et al. (2018) reported on services in the USA who chose to cease sheltered workshops for people with intellectual disability and transition into delivery of employment services to support open employment. Lyons et al. (2018) conducted a Delphi panel of 36 experts in organizational transformation, to learn about the essential characteristics of this transformation for organisations. Later research further tested these ingredients with four successful case-studies of sheltered workshop transformations into employment services targeting open employment (Timmons et al., 2019). The ten essential characteristics of transformation were identified as:

3. **Clear and consistent goals** including a stated and visible commitment to increase integrated and open employment and support to achieve this.
4. **An agency culture that values inclusion.** This involves a change in focus from safety and care to independence, inclusion and contribution.
5. **An active, person-centred job placement process.** Best practice in supported employment is applied including networking, job creation and job carving, work trials, and post-hire

follow-up. Job seekers should have choice and control in influencing the direction of their employment pathway.

6. **A strong internal and external communications plan** including clear and transparent expectations around working to support open and integrated employment.
7. **Reallocated and restructured resources.** This involves analysing existing resources and re-directing these to support transformation goals around increased employment options.
8. **An ongoing investment in professional staff development.** This might include workplace training or other continued education, mentorship, and opportunities to connect with communities of practice.
9. **A focus on customer engagement.** This involves working collaboratively with employees, families, customers and employers and building relationships with the local business community.
10. **Effective employment performance measurement, quality assurance, and program oversight.** Organisations need clear frameworks that drive actions, systems to track progress, and clear structures that support shared accountability.
11. **A holistic approach** that not only involves individuals and staff, but also families and broader social networks. The approach should be a mix of career planning with wrap-around life supports, with employment positioned as central to life and a fundamental goal of all service provision, including day supports.
12. **Multiple and diverse community partnerships.** Organisations need buy-in and support from other businesses and from government to facilitate change. Building collaborative partnerships with local employers, business councils, schools, employment services and other community organisations can help promote shared action towards job development and creation of employment opportunities (Lyons et al., 2018; Timmons et al., 2019)

## **Evolution of market-based work integration social enterprises**

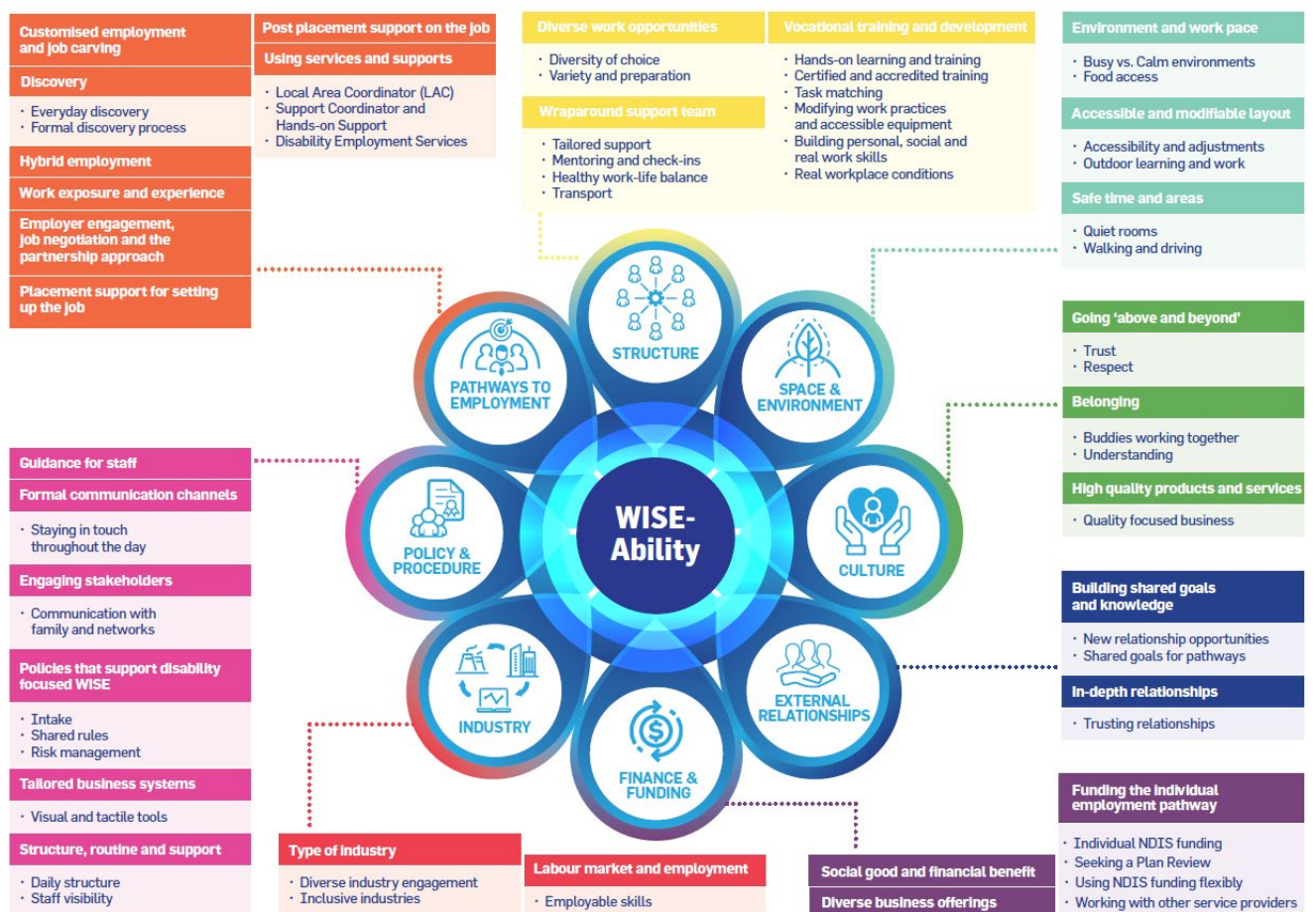
A small set of literature examines the evolution of market-based work integration social enterprises for people with disability. Lysaght, Krupa and Bouchard (2018) examined the transformation of sheltered workshops in Canada into market-based work integration social enterprises (WISEs) supporting the employment of people with intellectual and developmental disability (IDD). They identified a number of transformation strategies including:

- 'producing high quality, desirable goods or services that meet a recognized or potential market need, and thus are valued in the community

- presenting a positive public image of people with IDD and their work roles
- creating integrated work structures, where workers with and without IDD work side-by-side
- providing opportunities for interactions between workers with IDD and the general public
- paying wages at minimum wage or industry standards' (Lysaght et al., 2018).

In this vein, Campbell et al., (2024) developed the WISE-Ability model as an organisational design model for work integration social enterprises, particularly ADEs, seeking to transform their model to maximise employee wellbeing and opportunities of inclusive employment. The WISE Ability model builds on CSI's previous research with Work Integration Social Enterprises (WISEs) – organisations designed to support people with various experiences of marginalisation to enter, or return to work after unemployment. The model identifies eight organisational design features, as outlined in Figure 1, including a focus on pathways to mainstream employment for people with disability (Campbell et al., 2024; CSI Swinburne, 2024).

**Figure 1 - WISE Ability Model (Centre for Social Impact Swinburne, 2024)**



The model aligns with research conducted by the NDIA (2023) which identified a similar set of support activities that can be delivered by ADEs as part of supporting transitions to open and inclusive employment. Strategies that ADEs have used to increase open employment pathways (NDIA 2023) include:

- Providing access to formal or informal training aligned with employee work goals
- Supporting opportunities for volunteer or open employment work, including self-employment or microenterprise
- Offering a range of job types within the ADE including customer/community facing work, and utilising NDIS funding to support employees to work across different areas of the organisation
- Considering where open employment opportunities within the ADE could be filled by a person with disability.

## ***What are the outcomes of transformation?***

### **Outcomes of transformation to open employment**

Most of the evidence has focused on strategies to foster open employment (in line with the international understanding of ‘supported employment’ discussed in the Introduction). Within this focus, the literature reports on outcomes when segregated employment organisations close. In these contexts, the focus of transformation is largely at system-level rather than at the level of the organisation. Evidence points to policy levers such as:

- mandating closure (and the removal of options to remain in closed employment)
- retention of income support regardless of positive employment outcomes
- removal of funding from closed employment organisations
- increased employment support provision for open employment opportunities, and
- increasing school to work transition initiatives (Gendera et al., 2024).

Given the reliance on these system changes, outcomes are mixed in these circumstances, with apparent increases in non-work activity, often facility-based, for those previously employed in segregated employment, though with some exceptions where employment of people with IDD appears to have increased in pockets and in the short term (Gendera et al., 2024). There is also some evidence that people who transitioned to open employment prefer this employment setting,

alongside evidence that employees of sheltered workshops found the change process stressful and difficult (Gendara, 2024).

## **Outcomes of transformation within a social enterprise approach**

The small Canadian study of social enterprise transformation (Lysaght et al., 2018) found a range of outcomes across the diverse sample. Some positive results were identified in relation to integrated workforces and increased wages (though without data to explain the extent of this). However, they also noted that as part of transformation, enterprises needed to create ‘alternative options for legacy workers with IDD who were not interested in or able to work to business expectations’ (Lysaght et al., 2018, p.22). As also seen in a range of other research, employees and their families did not always view these changes positively (Lysaght et al., 2018). Changes included transitions to non-work activities in many instances (Gendara, 2024) which resulted in ‘diminished income, empty days and lack of productive engagement’ (Lysaght et al., 2018, p.22). The authors noted that, offset against positive outcomes in some areas, are the risks engendered by transformation where supported employees lose employment, livelihood and other valued elements of their lives. The Canadian research highlighted that:

*‘Such situations presented a crisis point, challenging the underlying mission [of the disability enterprise] of enhancing the productive lives and incomes of people with IDD’ (Lysaght et al., 2018, p.22).*

While enterprises in the Canadian study aimed for minimum wages or above, this was not always achieved and the means of compensation varied (including profit share, piece rates, and training stipends) (Lysaght et al., 2018).

Enterprises attained social inclusion outcomes via a diversity of approaches including:

- integrated workforces of people with and without disability
- community-facing work settings
- social participation activities outside of paid work.

Finally, career progression and expanded role choice was made available through:

- enterprises managing a range of business lines
- expanding into new business lines
- deploying specific strategies to open up jobs with increased responsibility and pay (Lysaght et al., 2018).

While some enterprises also supported transitions to open employment, for others this was seen as out of scope, and no data was available to determine the extent of these outcomes (Lysaght et al., 2018).

*'It was noted that some attempts by workers to move to conventional jobs had not been successful. Issues related to the general lack of suitable employment and difficulties with transportation, particularly within rural areas, were also raised. There was evidence that the workers experience a high level of social belonging within the WISE and that families may push-back when they perceive that this social stability will be disrupted. Overall there were few explicit incentives for leaving the WISE to pursue community employment' (Lysaght et al., 2018, p.26).*

## ***What are the barriers and enablers to transformation?***

### **Barriers to transformation**

Lyons et al. (2022) identified barriers to the transformation of sheltered workshops into competitive integrated employment services. Competitive integrated employment for people with disabilities was defined as full-time or part-time work at minimum wage or higher, with wages and benefits similar to those without disabilities performing the same work. In this context, people with disabilities are fully integrated with co-workers without disabilities. Identified barriers included:

- Lack of strategic planning
- Lack of job development experience
- Lack of information for service providers and job developers regarding best practices
- Low expectations for people with IDD and the belief that they must be “job ready” before entering competitive integrated employment
- Lack of information on engaging jobseekers’ friends and family (Lyons et al. 2022).

Recent research by the National Disability Insurance Agency (NDIA) explored how Disability Enterprises are changing and supporting employees to work towards open employment transitions (NDIA, 2023). This study found that:

- Clearer information is needed to understand how NDIS employment capacity building supports can be used to support open employment transitions

- ADEs want to see case studies and examples of how ADEs can successfully support employees to transition to open employment (NDIA, 2023).

Around half of ADE managers who took part in this research said that supporting open employment transitions was outside their organisation's remit. While some ADE managers accepted their increasing role in supporting employment transitions, several felt that current funding was inadequate for this (NDIA, 2023).

The WISE-Ability Model research found that barriers to supporting employment pathways through Disability Enterprises included:

- Resourcing staff time, which was often not covered adequately within available funding
- NDIS funding challenges, such as:
  - Lack of sufficient funding allocation and not being able to plan ahead because funding for employment/support can end up being used for other things such as recreation
  - Having the right ratio of supports (i.e. a low caseload ratio) so that staff can provide an adequate level of assistance for customised employment pathways
  - Delays in getting NDIS plans reviewed
  - NDIS employment funding is inflexible and administratively complex which reduces ability to rapidly tailor supports as needed over time, meaning existing supports are stretched thin.
- Concerns about supported wages (i.e. productivity-based wages) and how these would be managed in open employment settings
- Knowledge and attitude gaps around inclusive work and training among open employers and education providers
- Difficulties and delays in accessing workplace modification funding through Job Access
- Extended delays along an employment pathway (for example, waiting a long time for a job contract or start date) which negatively impact participant wellbeing. (Campbell et al., 2024).

## **Enablers of transformation**

The WISE-Ability Model research with Australian Disability Enterprises found several enablers that supported organisations in facilitating open employment pathways. These included:

- Access to designated employment transitions funding
- Building collaborative relationships with Disability Employment Services (now Inclusive Employment Australia) that can provide additional support and assist with funding gaps across an individual's employment pathway journey
- Embedding opportunities for continued professional development
- Advocating for broader change through building relationships with employers and sharing knowledge about creating inclusive work environments
- Drawing on Customised Employment approaches, including Discovery approaches, by continually learning about:
  - individuals' goals, skills, interests and networks, and
  - opportunities that might be available through employers or micro-business creation. (Campbell et al., 2024)

Related Australian research by Joyce et al. (2025) explored the organisational factors that contributed to successful open employment transitions for supported employees of disability enterprises. This research identified that enterprises could create internal employment conditions that supported transformation goals through a focus on enabling diverse work opportunities, well-matched and tailored roles, customised training and development opportunities within the enterprise. In addition, enterprises could leverage external relationships to build external employment opportunities, while enabling the option for 'hybrid' work arrangements where supported employees could undertake employment both within the disability enterprise and in open employment simultaneously (Joyce et al., 2025).

## RESEARCH FINDINGS

The section presents research findings on the transformation of disability enterprises, focusing on the views of senior personnel in each disability enterprise (n=10) as well as those of personnel in White Box Enterprises responsible for leading and delivering the Evolve initiative (n=3). The views of supported employees (n=11) and family members (n=1) are also presented in this section.

The section is divided into insights related to the key evaluation questions: what does transformation look like; what are the types and amounts of transformation support required; what progress or outcomes is being attained; and what are the enablers and barriers to transformation?

The data represents the early experience of implementing transformation within the first year. A further evaluation report will capture data towards the end of year 2.

### *What does 'transformation' look like?*

#### **Transformation as tension**

All disability enterprises and WBE acknowledged that transformation is a complex process and necessitates an agile and iterative approach to change. Social enterprises inherently hold the commercial and social purposes of their approach in tension, with the transformation process re-examining and heightening this.

*"...how do we do that in a way that we can financially sustain the businesses that we're delivering as well? Because we know that whilst we're here for the supported employees and to try to provide them with as many opportunities as possible, we can't do that if we're not running commercially viable businesses. And so the head and the heart have to have equal value in this to be able to be successful." – Disability enterprise 1, Manager 1*

#### **Transforming across social purpose, commercial viability and organisational design**

Key transformation goals related to social purpose include employment transitions, wages, skills development and workforce integration. These goals were widely shared across enterprises.

Related areas of importance as part of the transformation process included:

- an increased understanding and focus on diverse employment pathways
- the importance of choice and control in terms of offering options for internal and external employment transitions and respecting employees' right to decide what their personal work goals are, while ensuring that meaningful opportunities for skill development and exploration are available to everyone
- raised wages, depending on increasing efficiency, productivity and profitability of businesses
- increased integration within disability enterprises e.g. shifting practices towards all employees (supported or not) being treated as employees, rather than 'participants' or service users
- providing meaningful work and positive, safe, inclusive workplaces.

*"...so for transformation for us I think it really is around: how do we support our supported employees to grow, to develop, to progress in their career?  
So whether that be internally or externally, ... whatever their goals are" – Disability enterprise 1, Manager 1*

Business viability was seen by all disability enterprises and WBE as a foundational part of achieving transformation and best practice in disability enterprise operation. Moreover, commercial viability was understood as enabling social purpose outcomes. Commercial viability was defined as encompassing:

- Providing valued, quality products and services
- Covering the cost of goods and service production as well as organisational overheads
- Efficient business and organisational design
- Not using NDIS funding to subsidise or reduce costs to market
- NDIS funding is used to deliver wrap around supports and training/capability building of people with disability
- Strategic sustainability through well-chosen, long-term markets.

As a result, much of the transformation focus has been on this area through a focus on strengthening the commercial value proposition to customers and by leveraging opportunities for new work via existing relationships with customers or forming consortiums to bid collectively for work.

Organisational design was seen as a critical infrastructure of transformation. Clear systems and processes that support the purpose of disability enterprises were viewed as essential, and

something that required significant investment in order to get right. This included general business functions like communications, marketing, tendering and contracting, as well as systems related to social purpose such as for employee onboarding, induction and development. Enterprises often identified the significant transformation load in the area of organisational systems and process redesign. Transforming organisational elements included:

- consistent organisational culture from executive to factory floor
- clear systems and processes that support the purpose of disability enterprises
- having the right people in key roles, who have the required capability and values alignment to deliver on the organisation's purpose and operational needs
- clear oversight of information and ways of documenting progress through success measures. Examples include:
  - increased monitoring of commercial performance, and ensuring information is available and communicated across the organisation to inform future actions
  - development of organisational systems to track and monitor social purpose outcomes.

*“... when I say we're changing everything about the organisation, I literally mean we're changing everything about the organisation. And those kind of foundational enabler pieces around comms and profile and systems and processes, they are really critical to all of that. Because it's quite hard to move forward unless you've got some of those foundational pieces in place, because all you do is scale up your problems then.” – Disability enterprise 2, Manager*

## ***Types and amount of transformation support***

The WBE team described a range of activities undertaken to date as part of the Evolve program, including regular meetings with enterprise executives, participating in workshops, data collection, advisory support and contributing technical expertise around financial modelling and marketing.

*“It's a really complex environment, so without a doubt, I think there's support required in all the facets of the transformation pillars, so that might look like your people frameworks, and your commercial frameworks and your pricing, your models, and your integrated workforce, and all of the streams are new and different, and I think uplift is required across all of them...” – WBE 3*

The types of support identified as particularly important and needed within the transformation process are outlined below.

## Capacity building

WBE and disability enterprise staff identified capacity building as an important enabler in dealing with the complex environment of disability enterprise, and thinking bigger in terms of what might be achievable in both commercial and social outcomes through strategic scaling. Capability support was provided across each of the three areas of transformation: social, commercial and organisational. Support is needed in various facets of transformation, including frameworks and pricing models.

WBE provided a highly valued critical friend or consultant role, as part of the capability building approach. Across all three disability enterprises, examples were shared of 'alongside' support from the Evolve program team, including the value of objective guidance in encouraging reflection, as well as direct support with some of the work that transformation involves.

*"...within four months, we've taken probably a very significant information piece from inception to completion. It's just a relatively extraordinary timeframe given the fact that it's shared time, number one, and [Disability enterprise 1] is a big animal that moves very slowly. So, in terms of effective time, it's been extremely good and [the WBE Senior Strategy Lead and WBE Evolve Project manager] in particular who – I've been working through with them – have been extremely good where sometimes I go astray where they've pulled us back in a bit and said, 'No, we've got to keep on this page and we'll get to that later on.' So, it was really good that they had a bit more overarching guidance within all of our divisions as well. 'We're experiencing this over here so maybe we can help you with this but it's not right now.' It was good to have that, just that one step of removal... because to sit outside gives you that objectivity, I think, which was important for change." – Disability enterprise 1, Manager 4*

WBE describe this kind of support as 'running ahead, running alongside, and running behind', plugging in additional supports along the activity path where needed.

*"...in a lot of cases we've put our hands up and said 'you're not getting to that, we'll do that for you' because we can see it's going to be a blocker in the future... In some cases when we're running ahead, we'll kind of do the work in advance and then say 'what do you think of this?' rather than walk alongside and do it together because we're so aware of how much change and work and constraint already exists with these organisations and generally in this sector." WBE 3*

## Strategising

Comments from disability enterprises indicate that the Evolve program's support with setting and prioritising a clear strategic direction had increased engagement and communication across the organisation as people worked towards shared goals. Strategising support resulted in:

- increased engagement across organisations
- a sense of ownership and excitement among staff
- improved inter-departmental communication, fostering a culture of collaboration
- gradual performance improvement.

*"I've started to observe departments talking to each other in ways that they hadn't previously even thought was relevant or necessary. And again, culturally that is a significant step forward for an organisation ... And it's been driven largely because the Evolve project has set and enforced a strategic direction which everybody feels part of. And where there might have been resistance or maybe apathy around 'look, I know that we're doing it but I don't know why we're doing it', I think there's a sense of excitement that's coming through now around actually getting it done, which is heartening to see." – Disability enterprise 2, Manager*

## Business model change

The Evolve program has provided valuable support for reviewing and enhancing business models to ensure sustainability. Organisations have gained clarity on product offerings and pricing, leading to improved financial health. For example, a food business at genU transitioned from a loss to profitability through a comprehensive product and pricing review.

*"...we did a whole review of all the products and all the prices and how are you costing your supported employees? And everything's been relaunched with new pricing guides and things. So, that's amazing to do a whole reset of how things are – like, 'What are the right products and what are we selling them for?' and then actually seeing that that's made a difference in the clarity and in the pricing so that's exciting." – WBE 3*

## Data wrangling

All three disability enterprises reported that help with getting the right data together was extremely valuable. This enabled organisations to have clearer oversight of commercial and NDIS income, and clearer breakdowns of business operations to inform decision making. For example,

organisations were able to isolate their various income streams, allowing for better financial oversight and the identification of areas for improvement.

## **Organisational redesign to support workforce development and transition pathways**

Disability enterprises gave specific feedback on the value of support with organisational structure and design aspects, noting that this contributed to transition pathways work, such as getting a permanent team member in place to better enable the organisation to deliver this. Key changes in this area included:

- internal structural changes to enhance workforce team effectiveness
- increased awareness of the importance of workforce roles, leading to permanent appointments in critical positions
- strengthened collaboration across teams, promoting knowledge sharing and resource allocation.

## **Funding as catalyst and safety net**

The funding that the Evolve program provided access to was described as important in enabling transformation. It should be noted that data collected to date reflects the period leading up to this funding allocation and so does not include outcomes in relation to it. As a result, this capital injection was less discussed than the practical support provided by the WBE team. However, the available funding did provide a sense of potential, capacity and confidence to act, especially in environments where enterprises lacked funding to invest or were cash poor. It also accelerated the pace of transformation.

*“So that sort of capital outlay to essentially pick up and place our property care model in a whole new different site is probably something that wouldn't have been possible, or would have been a much slower process, if we'd tried to self-fund. So that catalyst of funding... that's allowed us to have the confidence that that's there, that that's coming, so that we can start to do all the work.” – Disability enterprise 1, Manager 5*

## **Accountability**

All enterprises mentioned the role of external accountability, via the role of WBE, as something that catalysed the focus on and priority of transformation activities. For example, grant funding created a sense of obligation to demonstrate effective use of resources and achieve results.

*“I think what the White Box Enterprise crew have done is probably forced the strategic thinking to come to the higher order priority in exactly the right way. There is no point carrying on with BAU regardless of how busy its needs are if we don’t actually have a defined strategy, a roadmap to sustainability in terms of its profits and an alignment around what is the model that we’re operating. ... It forced the organisation to stop and be strategic. It actually forced it to do the work.” – Disability enterprise 2, Manager*

## **Networking and connecting to valuable expertise**

Disability enterprises noted the value of networking and connections facilitated by the Evolve team, including connections with possible customer leads, and with expert advisors in areas like as productivity review, profitability advice and data improvement.

## **Having a community of practice**

Having a community of practice was identified as a valuable part of the Evolve program, enabling organisations to connect and learn from each other as they each continued along their transformation journey.

*“...that community of practice, I think is a really, really strong model because each of the organisations are running at different paces on different streams, and the co learning and connection has been amazing, and it really has helped leap forward, you know, the orgs that are coming behind on certain streams because they’re focusing on others first. So collectively it’s a fantastic model for increasing the velocity I guess of the outcomes, but also just the co learning opportunities, when we do get together, of everyone building trust and saying, ‘Yeah, this is hard,’ or ‘This isn’t working,’ or ‘What do you do, and how are you doing it?’ – WBE 3*

## **Amount of support**

All enterprises and the WBE team agreed that the amount of support was significant, and the time required from all parties was also very substantial. Enterprises appreciated the accountability and drive to progress transformation work, although this could present challenges when competing with other priorities. Disability Enterprise managers appreciated being able to negotiate or have some input into frequency and timing of meetings and milestones with the WBE team. Importantly, the WBE team have identified that the level of support provided exceeds that originally planned for (i.e. about 150 percent of anticipated support). On average, around 50% of support has been focused on the commercial aspects of transformation, 30% on social purpose, and 20% on organisational levers.

*“...while we could get away with lighter touch during the first six months as we were dealing with lots of different areas and getting lots of solutions up, this middle six months, where we're really driving month-to-month results, we've had to go more intensively with each of the organisations and meet more frequently and have a real focus on results-translating or activity-translating into results on the ground” - WBE 1*

While it is the WBE team providing the high levels of support, each enterprise also has to make time and staff available to participate which, while highly valued, manifests as extra load. The workload within enterprises, across different departments, has been described as ‘extensive’, ‘way more than I expected’ but ‘genuinely invaluable’.

*“I think the good thing has been... I suppose, the timelines of checking in and our stand-up meetings, things like that, have actually been determined operationally by me ...so, it's been able to fit in with the operation needs, and that's ... an important part too where it's hard to stand still [i.e. stop to deal with] with extra stuff when the fundamental day-to-day stuff was... in your face.” – Disability enterprise 1, Manager 4*

## ***Progress or outcomes achieved in disability enterprise transformation***

WBE and all three disability enterprises reported that progress had been made towards transformation goals through the Evolve program – while recognising that this scale of change can be gradual. Progress included redefining models for the future, building thinking on commercial sustainability, and considering scaling opportunities. Disability enterprises also reported shifts in thinking around employment pathways, and greater focus and prioritisation on strategy delivery.

While the program is less than one year into implementation and further outcomes are anticipated, data from interviews to date indicates that progress is being achieved in the following focal areas:

### Social purpose transformation

- Career pathway outcomes
- Levels and type of wages paid to supported employees

### Commercial transformation

- Business viability and profitability

### Organisational transformation

- Developing systems to support employment pathways
- Changes in organisation design.

## **Social purpose transformation**

WBE program data shows positive outcomes in the areas of transitions, wages, and integration (see Table 1).

**Table 1 – Social outcomes of transformation from WBE program data**

<b>Metric</b>	<b>Target</b>	<b>Results as at 30 Sept 2025 (across 3 enterprises)</b>
<b>Transitions</b>	20 transitions (includes to open employment, internal and hybrid)	12
<b>Wages</b>	45 people with disability move to more than 50% of supported wage	66
<b>Integration</b>	More than 65% of employees in a setting with 0-80% supported employees	2/3 ADEs meeting this
	More than 15% of employees in a setting with 0 - 60% supported employees	0/3 ADEs meeting this

Additionally, eleven (11) supported employees provided their views on aspects of disability enterprises, particularly in relation to aspects of the social purpose of the enterprises.

Overwhelmingly, supported employees positively described practices and outcomes in relation to working at the enterprise, the opportunity and process of learning at work, the help provided in the workplace, opportunities for career pathways, and the experience of working in open employment.

**Table 2 - Sentiments expressed by topic area**

Topic area	Number of times Negative sentiments were expressed	Number of times Positive sentiments were expressed
Work at the disability enterprise	18	122
Learning at work	6	56
Help at work	4	46
Career pathways	12	54
Work outside of disability enterprises	14	6

### **Career pathway outcomes**

Career pathways are showing early signs of success, with supported employees progressing into supervisor roles and higher wages. Supported employees are trialling work in commercial environments, with some transitioning to full award wages.

*“Well, the most significant [outcome] is we’ve actually identified an internal pool of supported employees who are looking for, or motivated to try, working in more commercial environments. And so, the ‘hero’ outcome there is that we actually know, in our current pool of supported employees, who wants the opportunity, and we’ve started conversations and to document and map what that opportunity looks like for them. So that’s the main element there. The second is, we do have some supported employees... who have gone from life skills opportunities into work related ADE type environment and as a ‘test and learn’ sort of trial. So at each end of the scale we’ve actually got people who have been in life skills, comfortable but not actually having that kind of nudge into low barrier work transitioning through. And then those people who have been doing low barrier work but are very, very capable and confident have been encouraged to consider and put their hand up for commercial work at higher rates. Probably just as important, is the capturing of people’s work goals as part of the pathways project to really understand what is it that people want. That process of capturing and recording participants goals is now underway.” – Disability enterprise 2, Manager*

Supported employees spoke about learning new skills in Round 2 of the interviews. This occurred through formal training courses, and also through on-the-job training.

*“I did a weed spraying course over the two days last week. Yes, I did [enjoy that]. And I passed.” – Disability enterprise 2, Supported Employee 3*

*“...when I wanted to learn new skills, I chose to choose till - learn to do the till... I put my hand up. I can learn - that's what my new skill wanted to be.” – Disability enterprise 3, Supported Employee 4*

*“They [the Skills Trainers] actually are really, really nice. Like they'll say. ‘Look, [Name], it's probably better if you do it like this’ rather than just going, ‘No, that's wrong.’ Or ‘Maybe you should try...’ or ‘It's safer to do it like this’... rather than just going, ‘No.’ ... Any new task you do is always difficult when you first begin. That's why they have the training thing.” – Disability enterprise 2, Supported Employee 1*

Employees' career aspirations vary based on personal interests, health, and capacity. Some aimed to eventually move into unrelated industries, like childcare, while others were focusing on enhancing skills within their current roles. Few supported employees explicitly expressed a desire to work outside disability enterprises; those who did had shared this with their employer as a goal. Transition to open employment relied on support via the NDIS as well as others such as relevant health professionals.

*“[Aiming to go into open employment] was part of part of my NDIS plan from the beginning. So it's there, just not being dealt with at the moment. ... I've got a support coordinator with NDIS, so I contact her for different things - but all the open work and any work has to go through my neurologist. So I'll be seeing her in a few weeks. So they'll determine if I'm allowed to do more work and that sort of thing. So that's all good.” – Disability enterprise 1, Supported Employee 1*

The majority of supported employees identified that they wanted to continue working at their disability enterprise. Reasons for wanting to stay were often related to the level of support and flexibility, the challenge of adjusting to a new work environment and routine, or being in a stage of life where career goals were more around stability and planning for retirement.

*“...no, this'll be my last job. I'm just staying here until I retire... Yeah, that'd be my goal, yeah. Just work until I can't work anymore and just do the job I'm doing now.” – Disability enterprise 2, Supported Employee 4*

Negative past experiences of open employment had a bearing on this desire. A number of supported employees described past experiences of unfair dismissal, stigma, discrimination, lack of accommodation of health and disability needs, and workplace stress within open employment settings.

*“I worked at McDonald's as well ... as well as the Bunnings and Coles and - like some people, some places also don't understand that I have a disability - like a learning difficulty, you could say - and that's what I've been diagnosed with sort of thing. So some places, like don't understand that... And so like: what's so different about McDonald's to here? Well, the stress. Like also McDonald's is very stressful and under pressure, like very under pressure.” – Disability enterprise 3, Supported Employee 1*

## **Levels and type of wages paid to supported employees**

White Box reported that overall progress targets were on track in terms of the proportion of people moving to higher wages. Wage assessment conducted in the latter half of 2025 had resulted in some increases and boosts of confidence among supported employees.

*“...when we do the assessments on people, it's interesting to see that the people that we've identified as being most likely to be able to look at going into open employment are the people that are coming out with the higher [wage] assessments. So, it's reinforced what we believed to be the case, that they were capable of and – not all have a desire to do it - but we believe they're capable of it. They are coming out with the higher assessments, and in some cases, full award wage. So, that tells us we're on the right track, and for them, too, it's given them, maybe, that degree of confidence. Whereas in the past, they may have said, 'Oh, no, I don't really want – I don't think it's for me. I like it here, I want to stay where I am.' Having that much higher assessment – so, going from, maybe, from a \$12 or \$15 an hour to a \$21 an hour wage tells them that, 'Well, yeah, I am capable, maybe,' and it's boosted confidence.’ – Disability enterprise 1, Manager 2*

Comments among supported employees about wages varied. Among those that spoke about wages, most mentioned that their wage had increased over time. However, this wasn't always the case when wage assessments were done, and it was not always clear why an increase had not been achieved.

*“We did have a wage assessment come in. So it's outside people come in to do the wage assessment. ... I didn't pass those tests. My supervisors were a bit disappointed hearing that. They didn't understand that. But again, it's what happens, so we'll see what happens next time around. I think I was just busy doing my work, I think they were wanting me to do everything else. But I'm not too sure... I knew they were there watching me and taking notes and things like that. ... they never really spoke to me so much. They were there just to see me work.” – Disability enterprise 1, Supported Employee 1*

Wages also increased through changes in job roles, including where supported employees were able to transition to full award wages.

*“...between the last four to six months, I think there's been a transition of supported employees in grounds maintenance go across to be staff members on full award wages. I think we've actually championed four so far and that's been brilliant. That has been so good, because it actually pricks the ears up of the other team members to go, 'I want to be like him one day, I want to be like her one day.' We've done it on one of our commercial sites out at [Business Name] refinery. So we've got three contracts there. The supported model do the external buffer zone because it's low-risk, but when you do the grounds maintenance internally at the refinery, that's high-risk work and that's seen as a non-supported model. But [the refinery] have embraced that we've empowered, encouraged, trained, capacity-built two supported employees from the buffer zone. They were successful in their interviews, they are now full award wages, they're staff members, and they've gone into [the refinery].... So they've gone from being a supported employee on a supported wage to a full award wage.” – Disability enterprise 1, Manager 3*

## **Commercial viability and financial growth**

The enterprises are improving their financial performance, with some achieving profitability and clearer financial tracking.

*“I think there's been a big swing and I think Evolve has been a really good cornerstone of that. We're recognising that commercial success is not a byproduct but an essential to supported employment. It must be able to stand on its own two feet. And gone are the days where the perception is, 'well, we can lose money because it just gets topped up through funding' and those kinds of things where it's not how it's used for. So, ... over the last months, .... operationally, we're having to find more knowledge in terms of how funding models work, how all those different elements of disability actually directly affect the ability to run the service. So, we had to be much broader in our knowledge of that and integrate them into different areas of [Disability enterprise 1] to support us in doing so... from May through to now, we recorded profit every month and that had never been achieved in the past as well. So, we're at a space where we're viable and we know why we're viable, which is probably more important as well for the future.” – Disability enterprise 1, Manager 4*

Baseline data shows some business lines operating at a deficit, but overall commercial areas are profitable. Financial data to compare to baseline is not available for this report. However, interview data revealed changes in business viability and profitability. Key findings include:

- a shift to regular monthly profits, a first for some enterprises
- clearer financial performance dashboards and tracking systems
- improved understanding of funding models and cost structures
- refinement of supported employment data collection and business data systems allowing for greater clarity.

## Organisational changes

Significant organisational changes have been driven by the Evolve program, including new business sites and integrated models. Examples include:

- genU developed a new Landcare site in Melbourne's western suburbs, with local leadership to build community relationships
- Intelife integrated employees with disabilities into existing commercial cleaning businesses, shifting from a focus solely on margin to balancing mission and profit
- Intelife is exploring acquisition opportunities aligned with social impact and employment expansion
- Organisations aim to diversify employment opportunities, adding administrative and internal work, beyond traditional outdoor physical roles.

The WISE-Ability model (Campbell et al., 2024) has been used as a self-assessment tool by enterprises that provides visibility across eight organisational elements and areas for improvement.

Developing systems to support employment pathways has been a key focus, including utilising existing skills matrices to flag development opportunities and progress, goal setting, tracking, and transition mapping.

*"I think one of the main things would be the goal setting work ... so in our Vic Property Care team there's a very rudimentary matrix of the skills that each supported employee might be wanting to develop. It's a bit of a traffic light system on: green - super competent; yellow - needs more training; red -risk, and we need to do some more bespoke or custom training. And we've got a bit of a system going now where when someone's on all greens, or majority greens, that's a trigger for our Support Services*

*team, or our Workforce team, to come in and say, 'Hey, let's do a goal setting session. Let's give you the feedback for you to understand that you're performing really, really well. Is it a wage assessment to help uplift your wage? Are you interested in a different type of transition?' It's just been a really good trigger point to have some of those conversations, and I think that's also largely why my Workforce team does the work that they do, to be able to help people realise their goals. So that's been really inspiring. ... So a bit of that sort of strategic implementation on transitions has been really helpful." – Disability enterprise 1, Manager 5*

Enterprises report refining data systems, such as pricing platforms and business dashboards, to improve operational clarity.

## **Negative or unintended outcomes of transformation**

### **Staffing changes**

It is estimated there was a 40-50% turnover at executive level across the three enterprises in nine months. New leadership and staff brought fresh perspectives aligned with the evolving mission and strategic direction of organisations.

*"Well maybe the biggest thing - and again this may be slightly sensitive but I think it's an important factor - is the macro change, is that we had key leadership positions that have decided to step out of the organisation because from a mission and purpose point of view there wasn't the right alignment around this notion of social enterprise being the core. It was kind of a not-for-profit and a commercial enterprise, and those two worlds didn't necessarily align. .... So I think that is actually an enormous strategic win because aligning around mission, purpose and values is kind of your bedrock isn't it in these environments. The work is hard enough but if what we don't have is alignment around why we're undertaking this work it really becomes incredibly challenging.." – Disability enterprise 2, Manager*

### **Stress, pressure and workload**

All three disability enterprises acknowledged that the time required to work towards transformation while balancing other demands could sometimes contribute to additional workload or stress with one participant describing the experience as 'building a plane while you're flying it'. Open and transparent communication helped to manage these pressures.

*"And I know from my team, they're sometimes feeling a little bit like, 'Oh, we're talking to the Evolve team and they want us to do this many transitions by this time', and it's like 'I*

*totally get that but we don't have the recruitment in place to backfill those roles so that's not possible, and also, I need you doing all these other priorities that ladder up to the bigger organisational structure'. But I would say that we've had some really open and transparent conversations with White Box about that and I think we're navigating it really well. At the start definitely it was like, 'Wait, what's happening? We've got all of these requests coming in from a project level, and then I've got all these other things that I'm pushing my team to do.' So I think it took a little bit of teasing apart" – Disability enterprise 1, Manager 5*

## ***Enablers and barriers to transformation***

A set of factors were highlighted as enabling or hindering transformation. The discussion of enablers and barriers is combined below around four key themes:

1. Transformation capability, support and action
2. Shifting mission, changing culture and personnel
3. Commerciality
4. Employment pathways.

Underpinning these factors is the nature of the 'hands-on implementation partnership' built between WBE and the three organisations which has been identified as a significant enabler of the transformation process.

*"I think just that close working relationship and that the organisations have signed up – they've self-selected into a program with these objectives. They've signed up and they've said, 'we said up front that we're going to put this amount of consultancy time into working with you. [And] you're going to need to put in at least that amount of time from within your business to affect this transformation'. And that has really been a key success factor as well. This is absolutely not a, take the money or loosely participate kind of journey. ...And so I think that's been a pretty important enabler as well as we go through. And it's not at all a typical consultancy relationship. Normally, a consultant would come in and give you some advice and some models or design a framework for you, and whereas this is very much hands-on implementation partnership. So I think that's a key enabler too." – WBE 1.*

## Transformation capability, support and action

### Injection of capability and support

The injection of new ideas, frameworks and knowledge was a catalyst. Providing dedicated personnel and resources for guidance, expertise, and implementation tasks was critical for transformation. While some organisations were able to dedicate personnel and resources to transformation internally, the provision of WBE personnel was key given that enterprise staff were required to continue to 'do their day job' as well as think about transformation.

*"I think that having that separate resource that we can have as an additional resource within the organisation, to support the work and support the transformation, has actually been really important. So it would be easy for me to work with [the White Box team] and others to help break down the tasks and do that part, which I think is important, but people – at times – would have still felt overwhelmed, or it would have lagged, or whatever. But being able to have, in addition to that, an extra internal resource that is dedicated to the transition, and being able to not have a full role where it's, 'Oh, he's doing this work and, in addition to that, he's doing transformation.' He's just here to help with transformation. That has actually been really helpful and really important because, as I said, we can set him loose wherever the pressure's most – he's needed most." – Disability enterprise 2, Manager*

### Licence to act

Empowering staff to think creatively, take risks, and move rapidly into implementation contributed to progress. Staff need clear directions about how to enact transformation with a focus on clearly identified actions and steps of implementation.

*"I think it comes down to two things. One is messaging and communication, and then the second one, related to that, is how you break the task down a little bit. It's like human nature, right, if I say to you... 'I want you to go and transition this organisation,' you think about everything that entails and it's overwhelming, right, and you go, '...how am I going to do that, where do I start? And I've got all this stuff to do.' But if we break that down into smaller bite chunks and say, 'Don't worry about it, just do what you're doing, but this week can you add this task to that, or can you work on this, or think about that?' and we do the back-end work." – Disability enterprise 2, Manager*

Another strategy is a focus on 'quick wins' and commencing with a 'minimum viable' approach which supports areas of rapid implementation whilst continuing to diagnose areas for change. A rapid piloting approach enables testing of new ideas without committing to full scale change immediately. This can help in overcoming implementation reluctance.

## **Concurrent change across multiple dimensions**

Interviewees identified the challenge of achieving concurrent change across business and social purpose goals. Having a simultaneous focus on social, commercial, and organisational aspects was essential for holistic transformation. This included work on strategy, purpose, finances, leadership, brand and marketing, among others. At the level of workforce, this requires a focus on both transitioning workforce to new employment opportunities while onboarding new workforce into the organisation, or an 'end-to-end' approach.

*"...the one that's been a recurring dominant theme is the combined barrier/enabler of just the sheer challenge of trying to operate a real business while also transforming at the same time. And so, we have seen that all three of the organisations we're working with have struggled with revenue and getting revenue in the door, and gaps versus budgets, and needing to be a bit more cost-controlled in the financial year. And as that materialises, that puts a lot of pressure on people and– I guess, the effects of that would be it draws people away from the transformation and it constrains resources and starts to limit what you are able to do, the levers that they have to play with to transform. And so we've deliberately included the commercial levers as part of the Evolve transformation because if we just came in and focused on the social levers, then we would be beholden to those commercial wins. And so I think that's one of the enablers – us being able to engage with the organisations across their commercial results as well as across their people results has been a key enabler of making that transformation happen, because otherwise the whole thing would be at risk, and all the outcomes would be at risk." – WBE 1*

The 'chicken and egg' dilemma of what aspect of change to undertake first was a point of discussion with the recognition that, in the main, transformation required simultaneous activity across change dimensions.

## **The double workload of transformation and BAU**

Managing transformation alongside business-as-usual (BAU) operations created significant strain and slowed progress. Tensions were often described around managing ongoing business demands as well as transformation activities and the pace of transformation was put at risk because of insufficient resources and personnel to do both.

*"...it's just there's points of real tension where everyone has got a lot on their plate, and I think the transition that we're trying to do, and the timeframes that we're trying to do it, it's trying to manage that without killing everybody along the way." – Disability enterprise 2, Manager*

Re-conceptualising the change activities as ‘business-critical’ enabled the organisation to overcome these obstacles and, in particular, win executive support.

### **Change management skills**

The challenge of change management was highlighted as a barrier. The Evolve program represents a major change for the participating organisations, yet acknowledgement of this within each organisation was not always explicit. Structured change management processes and change leadership skills were seen as vital for effective transformation, along with the time for each relevant role to design and implement change processes and communications.

### **Lack of agility for change and risk of snap-back to BAU**

The Evolve program comes with its own implementation deadlines and it was recognised that these were likely to not match the timescale of change required in enterprises. Some enterprises identified a barrier around shifting to a more agile approach, though this was noted as something that was changing through involvement in the Evolve program. One interviewee identified the need to embed and normalise transformation – described as “BAU 2.0” – before transformation support is withdrawn in order to ensure that enterprises don’t revert back to pre-existing practices.

*“One of the things that I see that I think is a danger here is that whilst there is a third-party providing guidance, leadership, structure, resources, process and also putting the mandate there that we need this by this time, the biggest danger here is that when that process ends, the organisation reverts to its BAU... So, the element that I think is really important for White Box, and to achieve and sustain value, is to ensure that this transformation is embedded before the end of the process. It has to have been delivered and embedded, not be left with a series of intentions that will be achieved provided people do what they say. There’s an element of actually planning it, trialling it, normalising it and then I think that’s the departure piece once you’ve got your BAU as 2.0. I think there’s something really, really important about that. So it might be helpful feedback from a White Box point of view to ensure that how much and how long are you going to stay involved in order to make sure that we haven’t done that classic return to how things have always been done here?” – Disability enterprise 2, Manager*

## **Shifting mission, changing culture and personnel**

### **Clarity and alignment on mission**

Agreement on mission and clear explanation of outcomes was seen as key to transformation.

*“I think there are some key success factors that we’ve tried to build into our program design that are very much bearing out to be very necessary. And so, one is having a very*

*clear sense of 'What are the outcomes we're trying to drive and what's the critical path to driving that?' and also 'What does a balanced view of the outcomes look like?', so both the ultimate outcomes, but also some early markers of progress toward transformation. So that clarity of focus is definitely a key success factor and an enabler."*

- WBE 1

Engaging *all* employees, families, and other supports with the transformation journey and setting clear expectations was seen as important. These require intentional strategies to communicate about the mission and the change process.

*"What's become clear is, it's not just us and that person, it's their whole support team outside. So, it could be parents, carers, it could be a sister or a brother, whoever's working closely with that person. Their support coordination, their OT, their physiotherapist, the whole allied health team of people, it's really important to get them on board and for us to work together... And so, it's a whole team approach for all of us to get involved and to be on the same page, because you'll find sometimes that not everyone is on the same page. Mum and Dad might think, 'No, he can definitely go into open employment,' and be pushing him through it when we know that will fail if we don't give him extra support. Or it could be the other way around. No, they don't want him to go into open employment because then he'll come off his DSP and then he'll lose all his benefits. So, if we work in isolation, it's really not giving that person the best possible opportunity. We need to all work together, and I think that's something that we've realised is really, really important to be successful."* - Disability enterprise 1, Manager 2

### **Attitude and culture change**

Shifting attitudes and organisational culture from a 'we're here to support' to a 'we're here to develop people' mindset was challenging. However, all three disability enterprises emphasised the importance of attitude and culture changes in enabling transformation.

*"...the other thing that I think that we need here is a little bit of a culture shift within the industry. ... One of the things that we're looking for ...is shifting people out - they're the people that we call 'the healers' and bringing people in that are 'the enablers'... So you'll see it where somebody says, 'Oh... I've always wanted to work in the industry to give back, they've had such a hard life, we need to make their life simpler for them.' and things like that. ... I don't think that's fair on the people [with disability] in front of us... If you want them to develop the self-respect ... they need to know that they've worked hard during the day, that there were expectations set and they've matched it, not that somebody has come along and gone, 'Oh, you know what? That's too hard for you. Do this one instead.'" - Disability enterprise 3, Manager 2*

Ultimately, existing staff need to understand and be aligned with the transformative social purpose of the organisation, which may be different from the expectations they were hired under originally.

*“I think one of the other keys for success ...is also the way that we're speaking and we're thinking. It has to be embedded across all parts of the enterprise, and this is a tough job, right? Because there's going to be different managers that have different ways of thinking. And then there's going to be people ... that work in our services that perhaps were employed thinking: ‘Well, I'm here as a cafe assistant, I just happen to be working with people with disability, but I'm here to make coffees and, you know, sell food’ and don't necessarily align to the ‘Well actually my purpose of being here is not just about making coffees and selling food, it's actually also about mentoring, supporting, you know, helping supported employees grow.’ And I think it's really difficult to embed that across such a diverse workforce” – Disability enterprise 1, Manager 1*

## **Commerciality**

### **Business and financial mindset**

Interviewees spoke of a mindset shift in the commercial thinking of organisations. Integrating more clarity, commerciality and accountability within businesses was viewed as part of the overall culture change necessary to enable transformation.

*“The other thing that’s probably shifted since that five months prior [in the program] is there is a rolling conversation now about doing things with more clarity, more commercially and with more management controls. And so, the business in its previous form, and I say this without judgement, but it is definitely a strong observation, is you had this community of individuals holding it together through goodwill and sticky tape. And so, what we’re trying to do now is really have divisions of business that have clear KPIs, clearer accountability who work together because they recognise they have an influence and impact on each other.” – Disability enterprise 2, Manager*

A key enabler is the increased commercial insight around costings, business margins and the potential power of being a social procurement partner that can offer ESG gains.

*“...the whole conversation around commercial pricing is starting to shift because there was this whole sense of, ‘We just need work for people to do, so it doesn’t really matter whether it’s priced right, or that the effort involved is estimated correctly, as long as people are busy that’s sufficient.’ And that whole conversation now around, ‘You have to be commercially viable, you need to have margin, you need to understand your margin, you need it be available to reinvest in your people development,’ I can see that is definitely transforming as well.” – WBE 3*

## **Lack of business data systems**

Inadequate data systems delayed decision-making and transformation activities.

*“I think it comes down to how ready they are for the process and I don't think a lot of them were very ready, because they didn't understand some fundamentals of their own business and it took us ages to pull out the information that we needed. Arguably, three of the months has been gathering information that will help us make good decisions as opposed to having the information available that would enable that to occur. And the reason that information isn't available is because it's hard to get.” – WBE 2*

Organisations each discussed strategies that were necessary to address this issue.

*“...that kind of trade versus NDIS revenue piece that I spoke about – which is really quite critical – is really hard to do with our current system, because it's all got to be done manually, and that's really time consuming. And so getting new systems that will give us the data that we need down to a contract level at the press of a button, is really going to be foundational to all of those kinds of changes as well, so you can really understand your business a lot more.” – Disability enterprise 2, Manager*

## **Understanding and managing support funding**

One key piece of commercial transformation thinking was the increased understanding of the trade-derived versus the NDIS revenue of the organisation. This has involved a change from historical practices and assumptions and a more detailed examination of NDIS funding and the services delivered to supported employees through this funding source.

*“I think part of becoming more commercially viable, and getting really clear on how the business is being held up from a balance of commercial and NDIS funding, means that we can be sustainable regardless of what happens to NDIS funding over time. And it also means that all of that NDIS funding should be plugging back into essentially my workforce team, which is anything from recruitment to support and skill capacity-building, to pathways and actually transitioning, in whatever way that looks like, into an open market.” – Disability enterprise 1, Manager 5*

## **The complexity of the wage system**

The complexity of the various systems at play in supported employment services remains a barrier to transformation. At a commercial or financial level, there are challenges in pay calculations as enterprises change wage structures and Awards and support employees in different settings (including through labour hire arrangements).

*“The final barrier, I think, is also linked to the complexity of things like wages and Awards, and NDIS compliance and funding compliance. So our model is predicated on the fact that we will increase people’s income, we will align that to different Awards, we will align that to different pay rates in different industries. It’s enormously complex to pay someone to do that work in a typical week.” – Disability enterprise 2, Manager*

## **Employment pathways**

### **Building employment pathways**

Enablers to achieving the social purpose of increased employment opportunities included building partnerships connecting with other organisations, and developing flexible employment models that may be able to support employment pathway goals.

*“So, it’s more, who else can we involve outside of our own organisation to make this successful? It doesn’t just have to be our organisation. There’s so many other [employment service] providers out there who could do it [i.e. provide transition support]. So, for me now, it’s much more about – not just a [Disability enterprise 1] approach, it’s a community approach: what are we doing to help these people that wish to get into open employment and earn a full wage?” – Disability enterprise 1, Manager 2*

Labour hire models were seen to be particularly valuable as a mechanism to increase opportunities outside the enterprise and increase confidence of open employers.

*“I think one of the best ways we can probably help both parties – the employer and the employees – to feel safe about moving forward, is probably to increase the labour hire model that we use, where we send a team of our people into Rip Curl’s warehouse, or the Cotton On warehouse, and under our supervision, work there to the point where they then see themselves as just being part of the Cotton On team, and Cotton On see them just as being part of their team, too. And it’s a very easy transition when you do that for both parties. I think it makes the employer realise there’s nothing to worry about here: ‘These people are no different to everybody else on my workforce, and we can cope with them just exactly the same way.’” - Disability enterprise 1, Manager 2*

However, not all enterprises had these and other pathway opportunities, or a suitable diversity to match the needs and interests of their supported personnel.

### **Building recruitment pipelines**

Unless there is a clear recruitment and talent development pipeline, a barrier to transformation is the reluctance of enterprise managers to transition high performing supported employees out of their business. Establishing pipelines to recruit new employees ensured operational needs were met as supported employees transitioned out.

*“So, the big thing for us now is to be able to get new people in the door so that we can set that whole thing in motion, so that when people are transitioning out, we’ve got people transitioning in at the same time. ...So, actively going out to support coordinators, other agencies out there who have got people with disabilities who may not even know that they want to work. May not even know it’s a possibility. But we’ll go out and actively seek out people that we feel could benefit from working with us for a period of time to help them on that journey.” – Disability enterprise 1, Manager 2 interview 2*

*“At the moment I call it ‘sticky seat syndrome’ where we’ve got incredible supported employees who are really good at their job. They’re at the highest wage assessment, they’ve got an incredible network within the team, they’re delivering great results, and no one really wants them to leave. But I think if we were able to build in more systems and processes and strategies on recruitment to feel like, ‘Hey, we’ve got other people coming through to take those roles if somebody does want to explore. And it doesn’t have to be one day you’re with us, one day you’re in open employment forever.’ I think those different models of how someone could transition and experience work in a different way in a non-supported environment is something that is a big focus. And I think certainly part of what the Evolve project will help us to put some more focus on.” – Disability enterprise 1, Manager 5*

## **NDIS funding**

Having adequate NDIS funding to provide the required support ratios, and employment pathways assistance was viewed as an important enabler. However, a significant barrier to employment pathways and transitions is the lack of NDIS funding to enable this support to be provided by organisations.

*“I think there’s a couple of challenges, particularly around the NDIS funding side of things because ... there’s this fear of going for a plan review for additional funding for Capacity Building for a period of time, or for Pathways, and having plans reduced - because there’s this appetite, at the moment, for everybody to be moving into open employment and the new IEA [Inclusive Employment Australia]...being the answer. And so people are hearing about having their plans reduced, because if you’re too high capacity you can’t be in supported employment anymore or whatever. So, there’s a bit of a fear about plan reviews, which is going to be problematic under the assumption that some of the disability enterprises need... funding through the NDIS because it is Capacity Building [funding] for development towards employment. So it really does make sense to be funded, but there’s this view that it won’t be, so that’s a barrier I guess. We’ve heard of people having their plans reduced... The theory is, you should be able to*

*go for a plan review and have that funded from the Capacity Building funding on top of your Supported Employment [funding]. But if you do that and actually your Supported Employment funding gets reduced and you don't get that funding, you're stuffed. So, this is why we need to test what that really looks like in reality because we feel that we're building a model that supports someone on their pathway to open employment with a really structured realistic approach of what it's going to take to get them there, and if that isn't funded what does that mean?" – WBE 3*

## **DISCUSSION**

The Australian and international literature provides little guidance to inform analysis of the Evolve program. While the international literature is helpful in characterising best practice in supporting open employment for people with significant disability (which is relevant to ADE transformation), it does not provide insight into disability enterprise transformation from closed or segregated employment settings to new iterations of inclusive social enterprises. In this context, the Evolve program is unique and important.

### ***Transformation is an evolving concept***

There has been a focus on change for Australian Disability Enterprises for more than a decade, aligned with international experience and the expectations set by the United Nations Convention on the Rights of Persons with Disabilities. The literature highlights that the main foci of change have been in relation to increasing open/mainstream employment outcomes for people with (significant) disability; as well as increasing wages and desegregation for people with disability working in 'sheltered workshop' or ADE settings. The DRC captured the divergent views about the pathway to these outcomes. As often proposed in international supported employment literature, one path is the closure of ADEs and like-settings, while the other path is one of gradual reform of these settings. The risk of significant job loss for those employed in these settings is highlighted in the international literature (and the DRC) as a major (and likely) risk of the closure path, while the DRC also highlighted the importance of informed and supported choice-making by people with disability themselves.

The 'Guiding principles for the future of supported employment' (DSS, 2023) side-step decisions about ADE closure and provide, instead, a set of criteria to inform change. These criteria can be lifted into any employment setting where 'people with disability with high employment support needs' are employed (DSS, 2023). These principles have framed (or enabled) a wider solution set to the problem of transformation. In this context, ADEs or disability enterprises can offer a

supported employment setting where people with significant support needs are employed consistent with these principles, *and* they can offer supported employment services that aim to support employment for those who choose it outside the disability enterprise.

This wider frame has enabled the enterprises in the Evolve program to initiate diverse activities for change. For example, while the project commenced with a predetermined metric around employment outcomes in open employment (understood, at least initially, as external transitions), the Evolve enterprises have encountered barriers to this attainment (including lack of interest from supported employees) and therefore they have simultaneously focused on 'internal transitions' through capability building initiatives and career planning. This is a substantial outcome area, though not one well documented in existing literature, and challenges existing notions of employment outcomes in disability enterprises where only employment beyond the enterprise has been called out as a legitimate outcome.

Despite the various understandings represented in government and funder definitions, the ambiguity around 'transformation' has been a major challenge. It appears to have taken approximately 12 months of refinement to define transformation outcomes for the Evolve ADEs in a way that maximises delivery of the DSS Guiding Principles (DSS, 2023). Hence, transformation is discussed in various ways by interviewees in the Evolve project. This somewhat indeterminate nature of transformation can also be understood as generative of new types of transformation, with the explicit metrics of success and the Guiding Principles (DSS, 2023) providing sufficient direction. Over time, the Evolve project will provide original and unique data about what forms transformation might take. The learnings from this process will help define and shortcut transformation across the sector.

## ***Foci of change***

Data highlights three core areas of change focus, called 'workstreams' in the WBE model:

1. Social
2. Commercial
3. Organisational.

Each of these is comprised of a substantial set of elements and the change process is complex. Evolve has shown that all three aspects of change need to be addressed simultaneously whilst also maintaining business as usual operations.

*"You're actually trying to continue doing everything you're doing, but also change everything at the same time." Disability enterprise 2, Manager*

While 'the solution looks different in every organisation' (WBE interview 2) there is grounded clarity on commonalities as well. It is clear that organisations are moving from a service provider to a development organisation, where supported employees are treated as equal employees not participants or clients.

This is not without its difficulties. Enterprises recount the complexity of providing inclusive and individualized employment opportunities within their own business, with the added layer of career development, skills building and employment transitions (internal and external), while also managing a diverse workforce to meet commercial business needs. The critical tensions in this are named by enterprises, and echoed in the literature. By any metric, this is far more than any non-disability enterprise would attempt.

## ***Support to transform***

Transformation requires support for enterprises to understand both what to change and how to change. The Evolve project highlights the importance of a capability injection of added expertise and applied personnel who can run behind, in front and alongside the enterprises as they plan and enact change. To date, most support from WBE has been provided in relation to the commercial focus (50% of support), with 30% provided to the social purpose focus and 20% to the organisation change focus of the enterprises. The transformation support is distributed or rationed across one deep area of change, three areas for medium level support, and light touch areas across each enterprise. Rapid testing and pilots have been a key mechanism of change that moves change planning into action and fosters 'buy-in' within the organisation.

Communities of practice are an additional mechanism to exchange learnings as each enterprise embarks on different aspects of change at different times.

Given the resource constrained environment, it is unlikely that enterprises can transform, or at least not at this pace, without this support. Enterprises repeatedly recount the substantial time and labour impost of participation in transformation, extending across the whole organisation.

## ***Outcomes of the Evolve program***

Metrics for the Evolve program were determined by the funder, focusing on integrated workforce (of people with and without disability), wages uplift, and transitions. In all areas, Evolve enterprises are demonstrating outcomes, including exceeding targets for wages increase, and achieving 12 transitions (of a target of 20 by program end). However, this early experience of the Evolve program suggests that these metrics could be expanded and adapted in order to better reflect the necessary and desirable changes being made by enterprises. For example, capability building of supported employees is an area of significant activity in the enterprises, with effort

also focused on tracking progress and aligning this to new opportunities to meet individual employee goals. This could be an additional metric for transformation over time, along with a more nuanced understanding of 'transition' which might be better aligned to career development goals, recognizing a range of realized opportunities both within and external to disability enterprises.

As summarized above, the Evolve program appears to have brought about real changes in participating enterprises. After less than a year of participation, they each have a clear vision, have real examples of organisational change, have visibility of their commercial data, and are establishing concrete employment pathways in the organisation. Some show increased commercial viability, which they attribute to their participation in Evolve.

Despite this success, barriers to transformation remain. The capacity of enterprises to participate is constrained and the transformation load is difficult to manage. A high level of staffing turnover has been experienced across all enterprises, potentially as a result of staff identifying a misalignment with transformation goals and roles. While ultimately, this is a positive change, it causes disruption, workload and delays in the short term.

Overall, there is a high level of internal organisational support and activity for transformation. However, transformation success is heavily influenced by systemic and external factors as well. Substantial barriers remain to unlocking NDIS funding to underpin the financing of skills development, career development and employment pathway support for supported employees. This is consistent with data available from the WISE-Ability program (Cambell et al., 2024). Additionally, there continues to be evidence of negative attitudes towards and experiences of people with disability in open employment which act as major hand brakes to change. This is compounded by perceived and actual negative impacts on income support arrangements through the Disability Support Pension. In this context, transformation activities need to be systemic as much as they are organisational.

This kind of evidence suggests that while some outcomes can be achieved within a relatively short timeframe (12 months), via the provision of targeted transformation support, the results timeline is a prolonged one. The nature of the transformation changes and challenges (e.g. definition of transformation, leadership turnover) will mean most results will be seen over 3-5 years and beyond. This is a learning for future transformation design and evaluation.

## CONCLUSION

Transformation is an evolving concept. The Evolve program is demonstrating the tensions in its development and application. The literature highlights similar tensions, even when enterprises are well established as WISE's. While the outcomes of transformation in terms of job opportunities, career development and wages are clear, as with the Canadian experience, participating enterprises struggle with the liminal space they occupy: 'most of the WISEs existed in a space that lay between social agency and competitive business' (Lysaght, Krupa, Bouchard, 2018, p.26). This Australian pilot to transform three ADEs shows significant commitment to managing these tensions between establishing viable business models alongside a focus on the social purpose of the organisation to offer employment for people with disability, support their career progression through skills development, and transition into new roles with increased wages.

The transformation process encompasses a broad set of change activities right across the organisation, extending out to its partners. Doing everything at once, both transforming while meeting existing business and organisational commitments, carries significant impost for the organisations and their staff. The added input, via White Box Enterprises, of skilled personnel, business and change models and systems is key to the change and its pace. The risk remains that, while organisations demonstrate that change is occurring, transformation will stall or wind-back should the additional resources and mandate they bring be withdrawn. While there is little evidence internationally or domestically, some research evidence and Evolve project interviewees speak to a minimum period of five years of change implementation.

However, even partially along the journey of transformation, organisations are able to advance 'the social inclusion mandate beyond what would be possible if entrepreneurial strategies were not used' (Lysaght, Krupa, Bouchard, 2018, p.28), This suggests that any effort to uplift the capacity of disability enterprises has positive outcomes.

Finally, change carries risks. The resultant loss of employment, livelihood and social role that occurred in other countries when segregated employment closed is not yet apparent in Australia and has not been discussed to date in the Evolve program. Possibly this speaks to the unique contribution of the Evolve program, that it appears to be managing the tension between social and commercial purpose without this negative outcome to date.

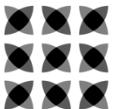
In this complex context, there is a need to continue to follow the outcomes and learnings of the Evolve program to inform the transformation understanding for supported employment services in Australia, and elsewhere.

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