

Occupational Well-being Social Impact Bond

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Organisation: Finnish Innovation Fund Sitra

Country: Finland

Level of government: Central government

Sector: General public services, Health

Type: Financial Resources, Methods, Other, Partnerships

Launched in: 2015

Overall development time: 4 year(s) 9 month(s)

Link to the innovation's website

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Description

Innovation is implemented as part of Sitra's Impact Investing focus area. Objective: Provide municipal/state employers a service package that enables them to promote occupational wellbeing and thereby e.g. reduce sick leaves in their own organisations. Parties to the agreement: Municipal/state employer and Epikus Occupational WellBeing I Fund (Epikus, social enterprise managing the fund / project). Service is produced on the basis of SIB funding. The customer organisation is automatically liable only for its own participation fee (EUR 15 / person). As the actual outcome-based service payment, the customer organisation pays a separately agreed proportion of the cost-savings generated by the reduction in sick leave and any other measurable positive developments. The subcontractors of The Fund (Epikus) Aino Health Management Oy, Headsted Oy, Tietotaito Group Oy and Trainers' House Oyj. Envisaged duration of contract per organisation 3 years.

Why the innovation was developed

- Wanted to focus on promotive and preventive activities also in terms of occupational well-being (compare for example support to economic growth) and piloting payment by results idea By using SIB model.
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Objectives

Develop staff capacity, Enhance transparency, Improve effectiveness, Improve efficiency, Improve service quality, Support economic growth

Main beneficiaries

Businesses, Government bodies, Government staff

Results

Efficiency

- Client organisations get all needed services from "one place" and they pay only by results. All activities are part of the process, not single projects. We have yet 12 months results only from one organisations. There sick leave days were decreased 3,1 days / person. One day more than the goal.
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Effectiveness

User satisfaction

- All employers and especially also employees seem to be very satisfied.

Development

Design

The innovation is based on survey and its recommendations done 9/2013 - 3/ 2014 for Sitra by Petri Hilli, Mika Pyykkö and Jussi Savukoski. Design time: 9 month(s)

Testing

- Not tested prior full implementation, which is then testing at the same time.
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Implementation

Tools used:

- The innovation is based on survey and its' recommendations done 9/2013 - 3/2014 for Sitra by Petri Hilli, Mika Pyykkö and Jussi Savukoski. For the survey, almost 100 experts from about 50 different organisations were interviewed, lot of research data were processed etc.

Resources used:

- Three persons surveys Group with budget of about EUR 150 000.

Implementation time: 4 year(s)

Challenges and solutions

- No single one service provider, who could come up to at least most of employers expectations in terms of occupational wellbeing and perspective of promotion and prevention
 - Lot of different kind of occupational wellbeing service providers without any track record
 - Payment by results idea in practice. Solution: lot of different kind of discussions and workshops with different service providers, possible client organisations in public sector etc.
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Partnerships

investors, service providers, client organisations and research organisations

Academics and Research Bodies, Other Public Sector, Private sector

Finnish Institute of Occupational Health works as an independent evaluator.

Lessons Learned

Lessons Learned

- Neutral coordinator is valuable
 - Concept has to be introduced more than once and from certain perspective to all stakeholders: Often have to start from very basic questions; Practical guidelines help to understand
 - Main stakeholders have to sit at the same table soon enough and create a common language and, from that, shared vision / goals
 - Procurement process is challenging
 - Needs, desire and courage of people in public sector is crucial
 - Social impact bonds are very much a new kind of co-operation
 - Modelling makes also measurement possible in a reasonable way.
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Conditions for success

- Confidential relationship enough between different stake holders and especially courage to piloting new. Financial and operational modelling is a very important basis for everything.

