Sitra and Impact Investing in Finland – use of SIB model for fast employment

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5 + 1 key facts about Sitra

1. A gift from Parliament to the 50-year-old Finland in 1967.

2. An independent foresight agency; futurologist, researcher, visionary, developer, trainer, experimentalist, networker.

3. Funded by returns on endowment capital and capital investments.

4. Vision of Finland as a successful pioneer in sustainable well-being.

5. Vision includes three themes, 6 focus areas, and several other projects.

Integration and fast employment of immigrants

Record numbers seeking international protection
- Almost 30,000 in 2015
- Predominantly from Iraq (80%), Somalia, Albania, Afghanistan, and Syria
- Mostly working-age single men, but includes families and children travelling alone
- The Finnish Immigration Services taking six months to handle applications – hence, the need for training and employment services has grown explosively in 2016

Rapid employment is challenging in the current model
- Long-term unemployment among immigrants 2.5 times higher than that of local population
- Finding employment for immigrants with refugee status is taking the longest
- Problems: 10-12 month integration studies, 10-15% illiteracy rates, available jobs being located at the highest cost-of-living urban centers and fragmented service provision

The opportunity is attractive
- Larger inflow of working-age immigrants can, if properly managed, have a significant positive impact on the economic support ratio and labor market flexibility – not to mention multiplier effects
Target group in Finland

59 000
seekers of international protection in 2015-2019

of which 17 200
get a resident-permit

of which 13 000
are of working age and seek employment

of which 11 000
know how to read & write

of which 3 700
volunteers are randomly selected to the program

Control group min. 7 400; in addition, approx. 50% randomly selected decline participation
Timeline for the fund

- Scoping study for the applicability of the SIB-model for rapid employment of immigrants (commissioner)
- Innovation of interventions (service providers)

Immigration crisis commences

2015

1H2016

6/2016 - 12/2019

2020-2023

- Impact audit
- Liquidation of the fund
- Capital raising
- Interventions
- Public procurement (Hansel)
- Tender award to Epiphus

Target: 53% of target group employed
The ecosystem

Integration Training
- Arffman Consulting Oy
- Biisoni
- Valmennuskeskus Amiedu

Personnel Services
- Barana
- Opteam

Employers
- L&T
- Fazer

Manager

Group
Impact investment fund management
Innovative program management

May use Efficum's integration & employment process

4,000 jobs identified thus far

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Intervention process

MODULE 1
30 days intensive period

- Due Diligence (2 to 5 days)
- Career coaching
- Language training 1
- Deep screening of knowhow/skills

DIVISION TO SECTORS
Modules 2-3 sector specific

- Logistics
- HoReCa
- Cleaning
- Real estate maintenance
- Environmental services
- Management
- IT
- Entrepreneurship
- Etc.

MODULE 2
20 to 50 days sector-specific training

- Priority: Deep sector-specific skills and knowhow
- Language training 2
- Work life skills
- Work training

MODULE 3
Measures that commit to work relation;
(at least 65 days during 3 years)

- Committing
- Language training 3
- Deep sector-specific skills and knowhow

EXPRESS LINE (16%): To work from module 1

TRAINING LINE (10%): Training at work, education, etc.

ENTREPRENEURAL LINE (10%)

SPECIALIST LINE (6%): Tailored support for managerial tasks

One can reverse to previous stages at any point, if necessary.
Target impact

- **Integration training**: 65% Reduction
- **Employment**:
  - 2x Increase
  - Percent at work on the 3rd anniversary of resident permit
- **Commissioner cost**:
  - 85% Reduction
  - Avg. employment benefits paid minus state income taxes and municipal taxes collected / person on the 3rd anniversary of resident permit

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