

# VANGUARD LAUNDRY

## Laundry with Heart

It was inspiring to visit Vanguard Industrial Laundry in Toowoomba in July 2022. It was grounding to get a tour with the General Manager Harry Sillett, hear the story of the social enterprise, and meet some of the workers.

Harry is a charismatic, business savvy guy with a heart for supporting people who face barriers to mainstream employment. This combination of business skills and social purpose is what makes Harry, and Vanguard Laundry, such a great success.

### GETTING STARTED – A SOCIAL PURPOSE

Like most of the case studies, the story of Vanguard started around a social purpose. The founder, Luke Terry, wanted to create a social enterprise that would enable inclusive employment with people who were marginalised from paid work in the Darling Downs region. Luke had a strong relationship with the Clubhouse in Toowoomba, a social service that worked with people living with mental health issues/illness. His dream was to create paid work for these people who had been excluded from mainstream employment.

### WHY AN INDUSTRIAL LAUNDRY? THE LEAKY BUCKET ANALYSIS AND ANCHOR CONTRACT

Luke didn't dream up the idea of an industrial laundry social enterprise through any brainstorming workshops, or people's 'good ideas'. Instead, he worked systematically with what's known as the leaky bucket analysis. That is, analysing where money that

is coming into the Darling Downs region is leaking out of the community. And, as such, where can the leak be plugged. A systematic analysis revealed that St Vincent's Hospital in Toowoomba was about to close its onsite laundry and was planning to send a truck load of dirty laundry to Brisbane each day for cleaning. That's a substantial leakage – money moving from Toowoomba to Brisbane and provided a great opportunity for a social enterprise. Luke approached the hospital with a proposal that a local industrial laundry could be established, and their dirty laundry could be cleaned locally. An agreement was reached with an initial 9-year contract signed. This contract acted as an anchor contract with guaranteed income for 9 years which would enable Vanguard to establish itself and attain further contracts (with local hotels/motels etc).

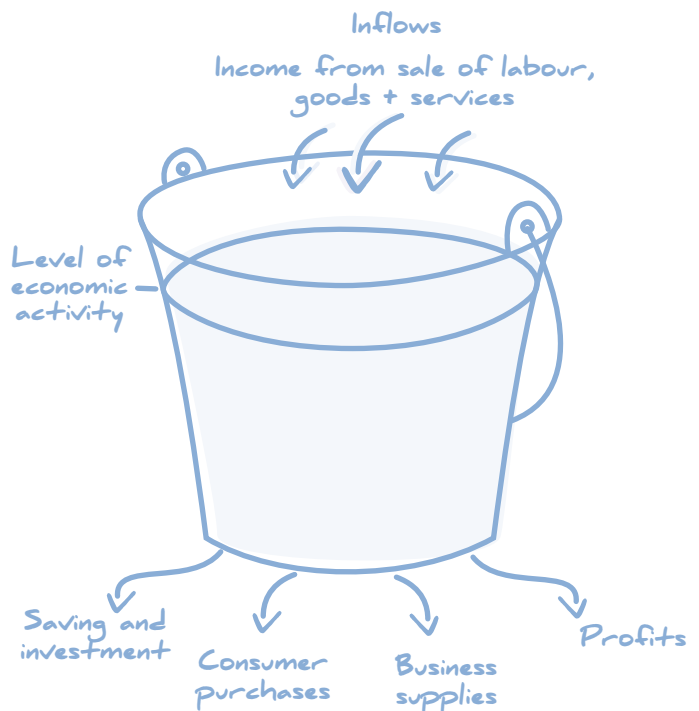


Figure 1 Leaky bucket (Adapted from <https://coady.stfx.ca/wp-content/uploads/pdfs/OP9.pdf>)

## START-UP FINANCE

With the contract signed Vanguard needed finances to start, and they were successful with a \$1 million grant from the federal government. With this seed funding they could purchase an industrial washing machine and build an industrial warehouse on land purchased by a local developer who donated it to Vanguard. They were up and running.

## SOCIAL PURPOSE – TRANSITIONAL EMPLOYMENT

While the social purpose of other social enterprises (for example Nundah Community Enterprise Co-op) is long-term employment (with all the social, emotional benefits for people living with cognitive and intellectual disability), Vanguard’s social purpose is what they call ‘transitional employment’. By this, they mean people who have been marginalised from work – and may have never had paid employment in Australia – work for a while at Vanguard, and are then supported to transition into more permanent work opportunities in the Darling Downs region. Most of the people employed there include those with mental health issues (built from the initial link with The Clubhouse), and people from migrant, refugee and asylum seeker backgrounds. Some stay for a while and love it. Many work for a few years and then transition to other local work. This transition is an explicit social impact goal of the social enterprise in order to benefit as many people as possible and Vanguard has a ‘social impact team’ that actively support workers through this process.

## ACTUAL IMPACT

Since launch Vanguard has employed over 150 workers. 80 came from local referrals (the ClubHouse or refugee/asylum/migrant organisations), and 45 have transitioned into new work.

Vanguard invests in tracking and measuring its social impact and has published several social impact reports which outline the positive benefits to workers, including social and mental health.

## KEY LESSONS

### WORKER CHOICE

One advantage of the industrial laundry business is that most workers do not have the pressure of interacting with clients or customers – as within hospitality and many other kinds of work. This ensures a low stress environment for many workers. The work, as such, is low tech and labour intensive, and the physical labour provides additional health benefits for workers. Staff are able to work at the level that fits their current needs, they can be social with other workers or choose to work alone or without much social contact if that suits them better. Similarly, the casual nature of the workplace means that staff can work when they feel able and well enough but can also take extended breaks if needed for their own mental well-being, without impacting their employment.

### THE SWEET SPOT- SOCIAL AND COMMERCIAL INTERESTS EQUALLY WEIGHTED

Vanguard Laundry does not trade on the social enterprise ideology, as most of its laundry clients aren’t aware that the workplace provides inclusive employment for those on the margins. Thus, if the business is to survive in a competitive market, exceptional service and business quality are as important and must be weighed equally with the social benefits for employees. This balance isn’t always easy to achieve. Thus the ‘sweet-spot’ is where commercial and social benefit agendas work in harmony.

### MORE INFORMATION

#### Vanguard Laundry

[vanguardlaundry.com.au/our-story](http://vanguardlaundry.com.au/our-story)

## PROJECT SUMMARY





▲ Leading Hand Paul Martin, a Vanguard staff member since 2018



Kadaan Jamo, the first participant when Vanguard launched its Refugee Employment Program in 2018, and now a supervisor.

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This case study was developed by Community Praxis Co-Op and Nundah Community Enterprise Co-Op and has been endorsed by Vanguard in March 2023.