

Valuation & Strategy

# ***DialogMuseum gGmbH, Frankfurt am Main***

## ***Societal impact analysis***

*Strictly Private  
and Confidential*

*6 March 2015*



# ***The DialogMuseum – a special experience in the heart of Frankfurt am Main***

Chance for socially deprived people

Positive change of perception of Frankfurt am Main in the world



Enlightenment of the society

Tourist attraction

# DM aims at promoting inclusion and creating awareness for blind people in society

## DIALOG IM DUNKELN® EINE AUSSTELLUNG ZUR ENTDECKUNG DES UNSICHTBAREN

The main attraction is the tour „**Dialogue in the Dark**“, in which blind people guide visitors through dark rooms to show how blindness affects daily life.

## TASTE OF DARKNESS® DAS RESTAURANT IM DUNKELN

„**Taste of Darkness**“ is a restaurant in the dark. The menu includes a multi-course surprise menu. Since March 2013, the restaurant is temporarily closed.

Inclusion



Diversity

### For companies

The DM offers business workshops and trainings in the dark with blind trainers. Possible target customers include:

- Teams (e.g. team behavior)
- Manager (e.g. leadership competence)
- Etc.

### Special Events

The DM offers an attractive 700m<sup>2</sup> location for different purposes, including:

- (Corporate) events
- Presentations
- (Children's) birthday parties
- Etc.

## Propositions of DM

- 1 **Employment**
- 2 **Education**
- 3 **Inclusion**
- 4 **Tourism**
- 5 **Qualification**
- 6 **Placement**
- 7 **Consulting**

# Propositions – What are DM's value propositions to society?

## Main Propositions

### 1 Employment

The DM employs approx. 30 full-time employees. 70% of these employees are severely disabled.

### 2 Education

The DM educates and sensitizes visitors about the importance of „inclusion“ and „diversity“.

### 3 Inclusion

The DM promotes inclusion and, thus, improves the societal acceptance and quality of living of socially disadvantaged people.

### 4 Tourism

The DM is a tourist attraction in Frankfurt am Main and, thus, stimulates tourism in the city.

### 5 Qualification

The DM qualifies socially disadvantaged (in particular blind) people for the labor market.

### 6 Placement

The DM helps socially disadvantaged (in particular blind) people to find an employment in the labor market.

### 7 Consulting

The DM (in particular Ms. Kletzka & colleagues) consults other (social) organizations and institutions on different socially-related issues.

# ***The four major value propositions – What is the value the DM creates for society?***

## **Employment**

The DM employs socially disadvantaged (in particular blind) people with the result that less people are unemployed and thus ...

... the state can save transfer payments of approx. **320.000 EUR p.a.**

... the tax authorities and social security funds can receive additional income of approx. **340.000 EUR p.a.**

... additional income on the economy level of approx. **1.100.000 EUR p.a.** can be generated due to consumption effects.

## **Education**

The DM educates different stakeholders about the importance of “inclusion” and “diversity” with the result that ...

... every visitor receives education worth **19 EUR** by paying on average 12 EUR for a ticket.

... the state can save school costs of approx. **150.000 EUR p.a.**

... the gross domestic product (GDP) can increase by approx. **50.000 EUR p.a.** until the year 2030 due to better educated students.

... additional income on the economy level of approx. **500.000 EUR p.a.** can be generated due to improved corporate performances.

# ***The four major value propositions – What is the value the DM creates for society?***

## **Inclusion**

The DM promotes inclusion and tries to raise awareness and acceptance for disabled people in the society with the result that ...

... **13** new jobs can be created each year in Frankfurt am Main for socially disadvantaged people ...

... that can generate additional income of approx. **190.000 EUR p.a.** for the tax authorities and social security funds.

... that can save transfer payments of the state of approx. **140.000 EUR p.a.**

... that can generate additional income on the economy level of approx. **470.000 EUR p.a.** due to consumption effects.

## **Tourism**

The DM is a tourist attraction in Frankfurt am Main and thus stimulates tourism in the city with the result that ...

... local economy can receive additional revenues of approx. **740.000 EUR p.a.**

... government, state and municipality can receive additional tax revenues of approx. **80.000 EUR p.a.** due to tourism-related gross income.

... Frankfurt am Main can receive additional tax revenues of approx. **20.000 EUR p.a.** due to tourism-related gross income.

# *Other value propositions – What is the value the DM creates for society?*

## **Qualification**

The DM qualifies socially disadvantaged (in particular blind) people for the labor market with the result that ...

... the state can save training and education costs of approx. **120.000 EUR p.a.**

## **Placement**

The DM helps socially disadvantaged (in particular blind) people to find a job in the first labor market with the result that ...

... the state can save transfer payments of approx. **20.000 EUR p.a.**

... the tax authorities and social security funds can receive additional income of approx. **30.000 EUR p.a.**

... additional income on the economy level of approx. **70.000 EUR p.a.** can be generated due to consumption effects.

## **Consulting**

The DM consults other (social) organizations and institutions pro bono on different socially-related issues with the result ...

... that the other social institutions can save consulting fees worth **5.000 EUR p.a.**

# How do we define Social Return on Investment (SROI)?

## General definition

- A method for measuring the value for society (i.e., social value) of an entity's activities relative to resources invested.
- In the first step, the **Inputs** necessary to promote social activities are determined.
- In the second step, the **Social Return** of the entity's social activities is quantified, incl. instances when funds do not go directly to investors, but benefit the society.

## Our definition for the DM

- With reference to the general definition of the SROI, we defined the SROI of the DM as following:
  - **Inputs = Investments in the DM**, consisting of revenues and grants
  - **Social Return = Value contribution of the DM**, consisting of the individual activities' value contributions of the DM
- The SROI of the DM shows the total value contribution of the DM to society for each invested euro in the DM.

$$\text{SROI} = \frac{\text{Value contribution of the DM p.a.}}{\text{Investments in the DM p.a.}}$$

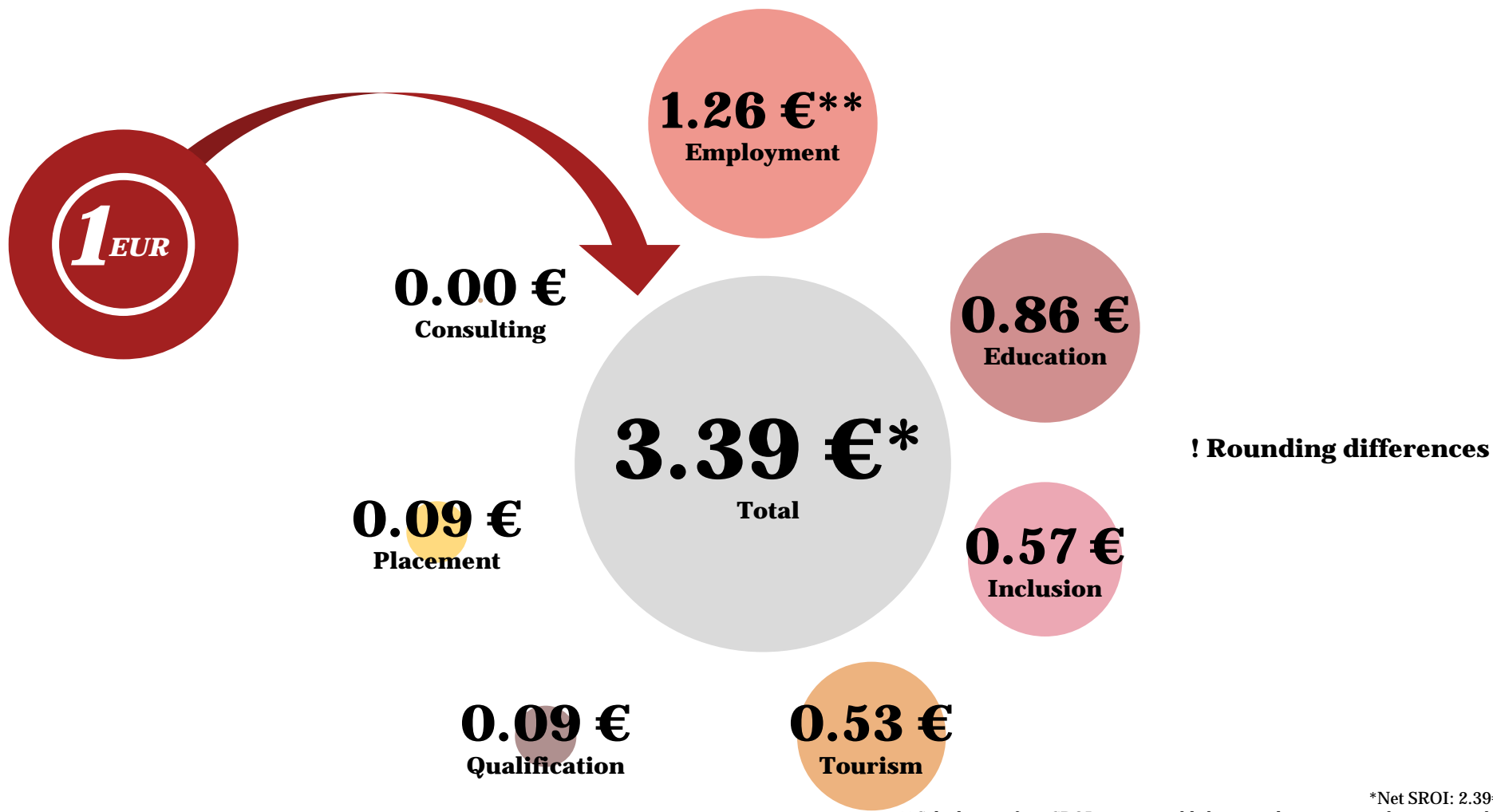
$$\text{Net SROI} = \frac{(\text{Value contribution of the DM p.a.} - \text{Investments in the DM p.a.})}{\text{Investments in the DM p.a.}}$$

Calculation of net SROI on the level of each activity of the DM is difficult, because the investment basis cannot be easily split up by each activity.

Source: The SROI Network, etc.



# ***SROI p.a. for each invested EUR in the DM: in total and separately shown per value proposition***



**! Rounding differences**

\*Net SROI: 2.39€

\*\*Calculation of net SROI is not possible because the investment basis cannot be split up by each activity

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# Sources

<b>Source reference no.</b>	<b>Name of the document</b>
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(8)	Federal Labour Office (2008): Severely disabled people in employment (the Land of Hesse)
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