



**April 11, 2014**  
**Pathways Clubhouse**  
**Initial Capital Campaign SROI Report**

**Impact Areas:**

Mental Health, Housing, Employment, Metro Vancouver

**Value Created:**

Pathways Clubhouse provides adults and youth dealing with crisis and endemic mental health issues with education support, employment support, stable housing, physical fitness, social activities, and a sense of community and belonging<sup>1</sup>. These regularly produce important sustained changes in many critical aspects of their lives.

On average, Pathways Clubhouse is expected to produce between \$10.00 and \$21.00 for every dollar given, with a best estimate of around \$14.00. Of this, \$5.50 goes directly to Pathways Clubhouse members and a further \$8.50 goes to greater society<sup>2</sup>. Pathways Clubhouse members see improved mental health, stable and safe housing, increased employment and physical health as a result of their relationship with the Clubhouse. Social gains are mostly in the form of increased tax revenue and reduced social service payments, with some benefits stemming from reduced costs associated with mental health issues and homelessness.

Pathways Clubhouse adopts a clubhouse style approach to their programming, whereby the core workday program is supplemented by a wide range of other programs that members choose from to create a specific program tailored to their needs and goals. This individualized approach allows for a high success rate at helping individuals with mental illness improve certain aspects of their lives. If a member so chooses, they can opt into a wide range of programs, from assistance in finding a job, to stable housing, to physical fitness classes, and social activities, that results in a member who is able to successfully live with their mental illness and avoid future relapses.<sup>3</sup>

The clubhouse program style has a multiplicative effect for Pathways Clubhouse's highly successful candidates, who experience significant improvements in many aspects of their lives.

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<sup>1</sup> A complete description of the unusually comprehensive range of programs offered can be found on the Pathways Clubhouse website.

<sup>2</sup> Using a 3% discount rate and attributing 68% (on average) of the benefits to PC programming results in these estimates.

<sup>3</sup> There is a high level of positive correlation between individual successes and failures across the programs. So an individual who is successful in one program area will tend to be successful across the spectrum of programs they participate in. This results in some very comprehensive and large changes in people's lives due to PC interventions.

Over the course of an average 5 year stay, the average member personally receives approximately \$80,000 (with a further \$130,000 accruing to society) at a cost of around \$15,000.

Pathways Clubhouse is currently fundraising to fund the construction of new facilities to replace their current location. Lease costs are increasing and the long-term viability of Pathways Clubhouse at their current location is in question. By constructing their facilities, Pathways Clubhouse will be able to maintain their current successful level of programming, with increased long-term stability and reduced costs. After moving into their facilities the Social Returns On Investment of Pathways Clubhouse is expected to increase by \$0.50 per dollar donated, from a best estimate of \$14.00 to an updated estimate of \$14.50.

### **Analysis Authorship**

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