

HISTORY

Southeast Enterprises was incorporated as a Missouri not-for-profit corporation by concerned parents and area business persons in November 1975. The purpose of this corporation is "...to establish an Extended Employment Sheltered Workshop Program to provide productive employment opportunity and necessary support services to Jackson County adults with developmental, physical, and emotional disabilities who are unable to successfully engage in competitive employment so that they may enhance their work skills and earning potential." These individuals develop not only appropriate job skills and behaviors; but also, pride in their work, confidence, maturity, and a sense of self-esteem.

During the past 30 years, Southeast has grown drastically in size and has greatly diversified the services offered. In 1976, 33 employees and 3 staff members worked on 2 contracts in a small, inaccessible building in Raytown. Although Senate Bill 40 moneys were available from the Jackson County Board of Services for Developmentally Disabled in 1978, they could not be fully utilized because of the constraints of the small facility. An employee fringe benefit package and simulated work tasks to occupy employees during frequent periods of downtime were added immediately.

In late 1978, a Marketing Manager was hired to acquire a larger volume of more challenging and diversified production contracts. Soon thereafter, Southeast rented the house next door to the existing facility to accommodate additional employees. In late 1979, a Program Director was hired to create Individual Program Plans to help each employee develop the best work skills and behaviors possible.

NEW FACILITY -- 1980

There were numerous changes during the period from July 1980 through 1981. Southeast Enterprises moved to a new facility built specifically to meet program needs with funds allocated by the Jackson County Board. This building at 6701 Booth (in Kansas City, near Raytown) contained 12,500 square feet of space -- 6,000 square feet of work area, 2,500 square feet of storage area, 3 loading docks, and separate office space. Therefore, workshop capabilities were greatly expanded.

By the end of 1981, there were 70 employees. Several were still on a waiting list, but a shortage of Missouri Department of Elementary and Secondary Education funds precluded accepting these applicants. To promote quality

production and on-time delivery, the position of Production Manager was developed and filled using moneys generated from the additional \$1.00 per diem from the Department of Education that became effective on January 1, 1981. A Work Skills Specialist (county-funded) was hired to provide closer supervision and

training to individuals who experienced problems adjusting to the work environment. A part-time truck driver was also added to the staff. Because of these changes, drastic increases were evidenced in the areas of income and productivity.

During 1982, the part-time position of Truck Driver was expanded to a full-time Truck Driver/Maintenance Person to further promote on-time delivery to customers and to adequately maintain the new facility and the equipment required to fulfill more challenging contracts. Also, an Employee Program Coordinator was added to perform individual training and to collect more detailed data to document the I.P.P.'s. Financially, 1982 was not a good year for Southeast, but great strides were made in the

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area of programming. The major accomplishment was the receipt of a three-year accreditation from C.A.R.F. After receiving only a one-year in 1981, this indicated a significant improvement in the overall program.

The financial picture was much brighter in 1983 and 1984. The Work Skills area was so successful under a new Specialist that a Work Skills Supervisor was hired to be responsible for production while the Specialist was mainly concerned with programming and individual training. The paperwork necessary to maintain a growing program and to fulfill C.A.R.F. requirements was so great that the position of Secretary was upgraded to Administrative Assistant. By the end of 1984, 80 employees with developmental disabilities were receiving greatly improved services afforded by a staff of 13 in a totally accessible facility.

Once again, 1985 was not a financially successful year. Downtime and subsidization increased while total production income and productivity per employee decreased. The average number of employees increased by 11%. A second three-year accreditation was received from C.A.R.F., and plans were underway to expand the five-year-old facility to accommodate still more employees.

FIRST BUILDING ADDITION -- 1986

In September of 1986, the new building addition was occupied. Built with Jackson County Senate Bill 40 moneys, this expansion included larger work and storage areas, a lunchroom and attached locker room, an area for the provision of supportive services, a conference room, a reception area, and additional office space.

Significant improvement in all areas of Southeast Enterprises' program followed immediately. This facility was totally accessible, extremely attractive, and allowed for efficient work flow and effective programming. The process that began in 1986 continued steadily through 1990.

Starting in 1987, a mobile crew from Higginsville Habilitation Center worked at our facility during our work day. This experience enabled several of their workers to transition to supported employment. Unfortunately, due to budgetary considerations, this project was discontinued in 1990. In August of 1990, the Kansas City Veterans Administration Medical Center CWT Project requested that we provide work for some of their patients so they could receive doctor-ordered therapy. A mobile crew of 15 patients and a supervisor came to our facility until lack of quality and poor attendance forced us to discontinue this endeavor.

SECOND BUILDING ADDITION -- 1991

As a result of this growth, a second addition to the facility was begun in early 1990 and completed in January of 1991. Improved work flow was a major consideration for that expansion. Quality and efficiency had been adversely affected by the cramped work area, causing a great deal of concern about the ability to maintain excellence of service to both employees and customers. Completion of the most recent addition allowed Southeast to better meet the needs of the community. It allowed us to improve and expand the services we offer.

Completion of the most recent addition allowed Southeast to better meet the needs of the community.

With the completion of our second building addition, the capacity of the Work Skills area was doubled by adding a second area and a second Work Skills Supervisor.

"Mainstreaming" and "least restrictive environment" are concepts that have helped mold workshop programs since the early 1990's.

More state school and special education graduates are now placed directly into competitive employment rather than starting their careers in workshops. This trend places more emphasis upon the continued success of the Work Skills area where closer supervision and more training are provided to individuals lacking the appropriate job skills and behaviors needed to be productive in a less-structured environment. Expansion of this activity helped meet the needs of the community.

A higher volume of more challenging work was acquired. The addition of a "clean room" allowed Southeast to accept a major contract requiring aseptic conditions. The availability of expanded work and dock space made it possible not only to increase the volume of work completed; but also, to improve the quality of that work. More efficient job layout and work flow resulted immediately. A Quality Control Room was also added to help maintain quality services to industrial customers.

Only months after the completion of this addition, we learned that our 1992 funding from the Missouri Department of Elementary and Secondary Education and the Jackson County Board of Services for Developmentally Disabled would be reduced significantly (\$65,000). This immediately threatened to slow the growth of our program.

However, it did have one positive effect. To maintain quality services to our employees and customers, we needed to replace at least a portion of these funds. Staff, parents, and employees worked as a team to develop fund-raising activities and cost-saving ideas.

We joined many Kansas City-area businesses by experiencing financial difficulties during 1991, 1992, and 1993. In addition to funding reductions, two major factors were significant:

- Increased expenses resulting from the building expansion.
- Less availability of work appropriate for the capabilities of our employees.

Our financial problems finally led to downsizing by one work area during the end of 1993 and the first half of 1994. On July 1, 1994, per diem funding from the Department of Education

increased by \$1.00. This allowed us to restore this area.

Despite these problems, positive events did occur during this period. In 1992, with the help of the Parents and Friends, we held our first extremely successful fund-raiser.

We added more quality assurance responsibility to the Dock Assistant position (now Dock Assistant/Quality Control) to help maintain quality and customer satisfaction. During a downturn, we could not allow these factors to deteriorate.

We changed our name from Southeast Workshop for the Handicapped to Southeast Enterprises - Packaging & Assembly Specialists to project a more positive image for our employees and the community. In 1993, legislation was passed to increase workshop funding. We were fortunate that Southeast was chosen as the place for the late Governor Mel Carnahan to sign the bill. Not often could we have such a major event at which to announce our name change.

1994 was the most successful year in our first 19 years of operation both financially and in the area of programming. We started the Southeast Employee Team, a group of 10 employees and 2 staff members who act as facilitators. These employees represent the entire work force. They have made a significant impact in several areas of our operation, especially by helping to revise our *Employee Policy Manual*. More employees achieved goals than ever before, meaning that we were developing more realistic goals that addressed the actual needs of the individual. Our Program Director implemented an expanded programming system to obtain more extensive input from employees and to assure that Southeast was addressing their plans for the future.

Production volume and \$'s were at an all-time high. We renegotiated existing contracts, obtained additional work from these companies, and acquired new contracts. Of course, this influx of work led to extensive changes.

- We became more mechanized in several areas.

- We had to become even more safety-conscious.
- We outsourced more work to other workshops.
- The SWAT Team, a group of parents and friends of Southeast employees, was organized to help us meet production deadlines when our workload became overwhelming.
- In collaboration with Network Rehabilitative Services and Helping Hand of Goodwill, we started a Second Shift. Most workers on this shift were persons who were homeless and had emotional problems. We needed their help to meet our deadlines, and they needed a way to ready themselves to reenter the competitive work force.

Since 1981, Southeast Enterprises has operated as a C.A.R.F.-accredited facility. In 1994, we received our fifth 3-year accreditation. Every 3 years, this national organization provides an independent and impartial review of the entire program: purposes, governing body, administration, record keeping, staff development, fiscal management, bidding techniques, quality control, scheduling, job accommodations, marketing, safety, accessibility, program planning and management, and program evaluation.

Production income, public support, Department of Education funding (increased by \$1.00 per diem), and Jackson County Board of Services moneys combined to make 1994 our first **\$1,000,000-year**.

In terms of income, our 20th year was even more successful than 1994. Production income increased by 11%. Not only did we increase the volume of work completed, but we also:

- Renegotiated ongoing contracts to make them more profitable.
- Continued to maintain 0% downtime (8 consecutive years for employees with all levels of capabilities).
- Purchased more

equipment to save time, improve accuracy, and allow more employees to work on jobs.

- Became more efficient on our shrink-wrapping jobs.

We received another \$1.00 per diem increase from the Department of Education. There have been no additional increases since that time.

On a slightly more negative note, we discontinued the Second Shift. Several factors were involved in our decision to do this:

- Loss of money.
- Inability to produce with acceptable quality.
- Inability to maintain a constant work force and consistent supervision.

We did make sure that most of the workers involved found other jobs before we discontinued the project.

We made a major investment in the future of Southeast when we purchased and networked our computers, upgraded our software, and received additional training in this area.

A patio was added to the northeast corner of the facility so employees and staff can relax and enjoy breaks and lunches outside if they so desire. Grants and donations covered a portion of the expense for the patio and the furniture. We held a formal patio dedication in July 1996.

With changes in funding projected for the future, fund-raising and public awareness will become even more important. We set the groundwork for what we hoped would be a very successful annual event. Our First Celebrity Memorabilia Auction was held in November of 1995 during Southeast Enterprises Awareness Week. Those who participated were extremely impressed, and we viewed it as a very important learning experience on which to build. Despite a great deal of effort, 1996's auction was far less successful.

Diversification:

Alley Cat Recycling

ALLEY CAT
RECYCLING

Our first attempt at program diversification consumed a vast amount of staff time during 1996. Since both of our major funding sources (Jackson County Board of Services and Department of Education) place emphasis on employee placement in the community, we decided to research the possibility of starting another business at a separate location. We met with representatives of recycling companies, customers, the chamber of commerce, and a variety of other agencies to determine: the need for recycling in the Raytown area; equipment, space, and staffing needs; profitability, etc. Before developing a business plan, we visited existing recycling centers to learn about their operations, and we researched our competition.

Our initial attempts at obtaining grants were very successful. The Wal-Mart Foundation awarded us a \$20,000 grant (the largest ever presented through the Raytown store). Although our original proposal was rejected by the Jackson County Board of Services for Developmentally Disabled (JCBS) because they felt we were asking for too much money to serve too few people, we received funding from them for 1½ staff members in 1998. The Missouri Department of Natural Resources (DNR) felt our project was worthy of a grant for \$99,480, and Mid-America Regional Council (MARC) awarded us \$19,980.

Initially, because of a lack of funds, we decided to implement a portion of our plan (to pick up recyclables from area businesses) and temporarily operate on our dock at Southeast. We purchased a baler for cardboard and containers to put at area businesses and rented other necessary equipment.

After being awarded the DNR grant, we moved into our Alley Cat Recycling facility at 10101 East 65th Street, Raytown. We purchased a truck, van, forklift, additional recycling containers, and a variety of other equipment. Donations of furniture, equipment, and supplies were received from individuals and companies. During 1997, Alley Cat was run by 4 1/2 staff members, and a total of 37 employees were involved in the operation. We installed a horizontal baler and conveyor system to speed up the process.

In November, 1997, we finally opened for recycling by the public. We worked with the Raytown C-2 School District, Raytown Rotary, and Wal-Mart on a successful environmental poster contest for elementary students in 2 Raytown area schools.

Our goals for Alley Cat Recycling were to:

- Provide jobs for Southeast employees outside the workshop.
- Project a positive image of persons with disabilities while benefiting our community.
- Provide flexible, convenient, and safe recycling capabilities for the Raytown area.
- Promote recycling to help improve our environment.
- Develop another long-term source of income to hedge against possible changes in funding.

Despite the time required to start this new venture, Southeast Enterprises continued to improve upon its quality services. (This can be attributed to the well-trained staff that is dedicated to providing quality services to our employees and customers.) A total of 194 persons with disabilities were employed during 1997 - more than ever before. More of these employees attained individual goals and learned new jobs than at any time in the past. These are two criteria for helping our workers develop a sense of confidence and self-esteem.

Production was significantly higher than in 1996, and we were able to complete more of this work in-house rather than outsourcing it to other facilities. We take pride in the fact that we continued to maintain 0% downtime when many area workshops experienced a severe shortage of work.

As a part of our public awareness campaign, we tried something new, and it was met with enthusiasm. Four (4) employees (with a staff member as a moderator) started making our presentations to local organizations.

We conducted surveys of employees, parents/residential providers, funding agencies, case workers/counselors, legislators, and visitors to determine how our customers viewed our

program at Southeast/Alley Cat. Responses were overwhelmingly positive.

We received our 7th C.A.R.F. accreditation in 1997. For once, this was a very pleasant experience. They have changed some of their requirements to more closely apply to our program. Also, the two surveyors concentrated on relationships between employees, staff, parents/residential providers, funding agencies, customers, case workers/counselors, and the public instead of strictly reviewing the mounds of paperwork we have to submit.

During 1998, we continued to maintain 0% downtime for all employees and did more production than ever before. Major factors leading to these outcomes were: designing and making numerous adaptive devices to help employees work on jobs they would otherwise be unable to perform, cross-training employees on a wide variety of jobs, developing and implementing meaningful Individual Program Plans, and adding a Programming Assistant (JCBS-funded) to help with individual training, follow-up, referrals for services, and evaluation of employee satisfaction.

The capacity of our building is 180 employees, and we were at that point most of the year. For this reason, we were unable to hire many new employees, and there was very little movement out of the Work Skills areas to the main production floor.

The market on recyclable materials declined drastically, and we decided to move Alley Cat Recycling onto the east dock at Southeast to help defray expenses incurred by the project. We sponsored an environmental poster contest for Raytown elementary students. We were disappointed that only two schools participated, but the students entering the contest enjoyed themselves and were excited that Wal-Mart displayed their posters.

Our 1998 fund-raiser, Action Auction, was a big success. We held three types of auctions (silent, live, and Chinese) with the help of several community volunteers and donations from many parents and friends of employees and staff. We learned a number of valuable lessons: find a better location for future activities, develop a

better advertising and promotion campaign, and research the value of donated items.

During early 1999, we finally had a retractable awning installed over the patio where many employees take their breaks and eat their lunches. This was the culmination of several fund-raising activities.

As a result of the continuously falling market for recyclable materials, we made the difficult decision to stop most of our recycling project. We continued to accept recyclables from the public and to work with the Raytown-area schools.

To help provide a smooth transition into 2000, we purchased a new 11-work station, networked computer system.

In July of 2000, we received our 8th consecutive 3-year CARF accreditation. We continued to maintain 0% downtime through August of 2000 when the company we had done the most work for during the last 15 years removed most of their product because they were experiencing economic problems.

Our entire focus changed from trying to expand into another facility in Lee's Summit to trying to locate enough challenging contracts for our employees. For the first time in over 12 years, we had to develop and utilize individual simulated programs so we would not be forced to lay off any of our employees off. Through attrition, we allowed our work force to drop from 180 to 163 employees. We did not replace 2 staff members. This situation posed an entire new set of challenges for staff and members of the board of directors.

After our 25th anniversary celebration where we thanked many of those who were involved in the beginning of our program, we aggressively addressed this "opportunity to learn from adversity."

To return to the level of success we experienced for over 13 years, we needed the help of everyone involved with Southeast.

Staff, parents, members of the board, and members of the organizations we participate in

all made referrals for possible production contracts.

Innovative supervisors trained employees on jobs once considered too hard for them to accomplish. They also developed imaginative simulated tasks to train employees on possible upcoming jobs and to keep morale as high as possible. Our truck driver worked with supervisors to design and build adaptive devices to make employees more productive, improve accuracy and to make it possible for individuals to work on a wider variety of jobs. Employees enthusiastically learned new jobs to help meet the expectations of our customers. Staff members became more involved in the community.

Board members and staff worked together to expand our strategic plan to help keep us focused on our current needs and our overall mission. They also developed an extensive cost-containment plan. Parents, board members, employees and staff strived to attain legislation favorable to Southeast Enterprises and all sheltered workshops.

Through our strategic planning process, we decided one of our goals should be to diversify our production capabilities. After researching the issue, we determined that there was a market in Jackson County (that no one else was addressing) for packaging spices, soup mixes, and other dry food products. An engineer recommended building changes that would be required, JCBS approved these changes, and the Missouri Department of Health and Senior Services certified the completed project. An area that was once three offices was renovated into our current "Spice Room" where we now serve several customers.

Our challenges continued through 2001, 2002 and 2003. Several companies we did work for claimed bankruptcy, moved out of the area, or chose to keep their work in-house to avoid laying off their workers. Although we experienced only minor funding reductions from the Department of Elementary and Secondary Education, the State of Missouri still faced a budget crisis.

In August of 2003, we received our 9th 3-year accreditation from CARF in the area of Organizational Employment Services. Because of our shortage of work in 2003, we recruited 4 persons to work with employees in groups and/or individually on mostly job-related activities. This project has been extremely successful in teaching employees new skills, developing good work ethics, providing an alternative to typical simulated work, and helping participants develop their self-esteem.

In an attempt to overcome some of the issues facing all workshops, and businesses in general, the 8 Jackson County workshops joined forces. With the financial help of JCBS, we hired the Executive Service Corps to conduct a study to compare our capabilities with the actual production needs of metro-area businesses. As a result, we hoped to develop a marketing strategy for our combined workforce.

Once again, our challenges continued through 2004 and the first part of 2005. Not only did we have a severe shortage of work for our employees, but also experienced numerous long-term staff illnesses and the death of our Marketing Manager of over 20 years.

We conducted surveys of our employees, parents, customers, service providers, and residential service providers. Despite our problems, we received an overwhelmingly positive response from all five groups.

In August 2005, production increased drastically, and it continued throughout the remainder of the year. This significantly reduced downtime and subsidization while it provided many opportunities for our employees to learn new jobs. Happily, for the first time in 4 years, we finished the year with a net income. To try to avoid some of the challenges of the past few years, we hired an outside agency to help us revise our strategic plan and develop a formal marketing plan. We need to diversify our services and define a new direction for Southeast to meet the changing needs of the Kansas City-area market.

In August 2006, we received our 10th 3-year CARF accreditation in Organizational

Employment Services. We have known for quite some time that one of our major customers was leaving the area by the end of the year. However, in August 2006, we learned that our largest customer (40% of our work) was taking their work to Mexico. In October, we learned that we will be losing a smaller job to Italy. Obviously, major changes are coming to Southeast. To help with this process, we hired a Development Director to work on grant writing, fund-raising, the development and implementation of both volunteer and internship programs, and public relations.

MEETING THE NEEDS OF THE FUTURE

To maintain Southeast Enterprises' excellent reputation in this highly competitive market of the 1990's and beyond, we started developing a Total Quality Management System. One of the first actions taken was to develop a mission statement to keep our efforts focused on the specific needs we are designed to meet. Total commitment of the Board of Directors, management, staff, and employees was necessary to proceed. This massive project was designed to promote excellence in production, programming, customer service, administration, and all other facets of Southeast Enterprises' operation.

Although, for a number of years, we did not pursue a formalized TQM system, the quality of our services is of utmost importance to Southeast. A great deal of time and energy has been expended upon maintaining and improving the quality upon which we have developed our reputation, and we feel the results will warrant this continued effort.

Upcoming legislation, public opinion, and changing market conditions will necessitate that we diversify our services while maintaining the quality of our current program. We see this as a major challenge for everyone in our organization.

We are now revising our 7-Step Plan to meet this challenge.

- Continue to work with ESC to develop a marketing plan and a strategic plan and

implement the strategies defined in these plans. This will include diversifying our services and further developing our public awareness/education program to promote a positive image of Southeast and the capabilities of our employees. Currently, we plan to seek work in these areas:

- Packaging of spices and dry food mixes
- Animal pharmaceuticals
- Value added services and supply chain management in the 3rd party logistics market

Change can be good for individuals and an organization

- Acquire an adequate volume of new challenging contracts for our employees and train our workers on these new jobs. Currently, we plan to automate many processes, thus providing a wide variety of more diverse jobs for our workers. Although this is a frustrating ordeal, it is also exciting. Sometimes change can be very good for individuals and an organization.
- Continue to research availability of and write grants to develop and staff new and expanded projects, upgrade technology, increase automation, purchase equipment, provide training, and improve services.
- Develop a more effective system to ascertain the satisfaction of our consumers: employees, staff, parents, customers, funding agencies, public officials, and members of the community. This will help us determine how well we are meeting their needs and what services we might consider changing, adding, or discontinuing to succeed in the current market.
- Increase our fund-raising efforts. Although most workshops do not have fund-raisers, we feel this is important to supplement our income and improve visibility in the community. In the past, we have had afghan raffles, a garage sale, silent auctions, a swing dance, etc. A chili dinner will be held

in November. In the future, we plan to increase these efforts.

- Develop a more formalized quality control procedure. Although we already maintain a high level of quality, we are sometimes lax in documentation. Currently, we are working with a representative of the Metropolitan Community College on our ISO 9001 2000 project.
- Review and revise all annual and semiannual reporting procedures. Evaluating our program is extremely important. However, we need to eliminate duplication and make reports more understandable.

HISTORY

1975

- In November, the Raytown Satellite Workshop was advised that operation of the shop would be terminated within two (2) days because the parent organization was filing for bankruptcy.
- The Parents and Friends Organization immediately contacted Missouri Senator Don Manford and Representatives Robert Seago and Tom Ryan.
- Within two (2) weeks, the organization was reorganized as Southeast Workshop for the Handicapped, Inc.

1976

- In January, the first Board of Directors was elected.
- Thirty-three (33) employees worked on production contracts from Beloved Toys and Concepts in Marketing.
- New staff was hired
- The Honey Drive (fund-raiser) was organized. In September, DeeAnn Vance was appointed as manager.
- Many times, parents were recruited from the parking lot (to help supervise) as they brought employees to work.
- The Bank of Raytown donated a small car "Tin Lizzie" that was raffled at Round-Up Days, and board members participated in the Bicentennial Chautauqua.
- Senate Bill 40 was passed to help provide funding for sheltered workshops and group homes.

1977

- Members were appointed to the original Jackson County Board of Services for Developmentally Disabled (SB40).
- Southeast submitted its first funding proposal to this board, and work started on selecting a new site for a larger, more accessible facility.

1978

- SB40 funding was used to offer an employee fringe benefit package and to purchase simulated work tasks to occupy employees during frequent periods of downtime.
- A Procurement Specialist was hired to acquire a larger volume of more challenging and diversified contracts.
- The first building proposal was submitted to JCBS, and staff started working toward CARF accreditation.

1979

- Southeast rented the house next door to the existing facility on Elm Street in Raytown to expand services to more individuals with disabilities.
- Ground was broken for the new facility.
- A Program Manager was hired to develop and implement Individual Program Plans to help each individual develop the best work skills and behaviors possible.

1980

On July 7, Southeast Workshop moved to its new facility at 6701 Booth, Kansas City. (This was good timing since there was an OSHA inspection at the old building earlier in the year.) Although some legal complications arose concerning the zoning of the new facility, everyone enjoyed their new totally accessible, aesthetically pleasing work environment. A forklift was purchased for material handling duties. Southeast received \$10,000 from the Child World Lawsuit.

1981

Southeast received a one-year CARF accreditation. This made all the preparation seem worthwhile. To promote quality production and on-time delivery, the position of Production Manager was developed and filled using moneys generated by the additional \$1.00 per diem from the Department of Elementary and Secondary Education. A Work Skills Specialist (JCBS-funded) was hired to provide closer supervision and training to individuals who experienced problems adjusting to the work environment. By the end of the year, Southeast had 70 employees.