



ganbina

Jobs4U2 Program

Social Return on Investment (SROI)

Full Report

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Executive Summary

This report provides a baseline Social Return on Investment (SROI) analysis of Ganbina's Jobs4U2 program which operates in the Goulburn Valley, Victoria. It looks at the investment from the 2009 calendar year and assesses the social impact that the activities have had on significant stakeholder groups.

Ganbina's mission is to improve the economic and social well-being of Indigenous people in the Goulburn Valley through programmes and partnerships focused on developing individuals to reach their full potential. Ganbina's vision is that within two generations Indigenous people will share the economic benefits of the Goulburn Valley region in an equitable manner. Ganbina will also work with other Indigenous communities throughout Australia to successfully migrate its strategy and processes to improve the economic and social well-being of those Indigenous communities.

Ganbina runs one Program, Jobs4U2, which has a number of components designed to support young Indigenous people to understand the relevance of education and training as part of a career plan and then equip them with life and employment skills.

In order to assess the social value that has been created through the Jobs4U2 program, Ganbina worked with Social Ventures Australia (SVA) Consulting, a leading Social Return on Investment (SROI) practitioner in Australia. SROI is an internationally recognised methodology that measures the value created for stakeholders. SROI is a framework for identifying, measuring and accounting for the value an activity creates from the perspective of each stakeholder.

The primary objective of this SROI analysis was to understand and value the impact that the Jobs4U2 program has had on the various stakeholders involved in the program. The analysis will be used to demonstrate to existing and potential investors the value created by Ganbina in the Goulburn Valley.

The major stakeholder groups who have benefited from Ganbina's Jobs4U2 program include:

- **Participants** who experience an increased awareness of career paths and the importance of education, increased self-confidence, independence and social interaction and increased pride in their cultural heritage and community
- **Federal and Victorian state governments** who experience increased savings in welfare payments, increased income taxes, a reduction in expenditure on employment services, and notional savings from a reduction in criminal offences and health services
- **Parents** who experience reduced financial stress, increased social interaction and improved family relationships
- **Investors**, such as SVA, RE Ross, Bennelong Foundation and VicHealth, who want their resources used efficiently and effectively to achieve positive outcomes for young Indigenous people in the Goulburn Valley

The SROI analysis indicated that:

Ganbina's Jobs4U2 program will deliver an indicative SROI of 4.20:1 based on the outcomes generated from the investment for the 2009 calendar year

That is for every \$1 invested, approximately \$4.20 of social value is created

An investment of \$1,087,556 in the 2009 calendar year has created \$4,572,676 of present value, resulting in an indicative SROI ratio of 4.20:1. That is, for the equivalent of every \$1 invested in Ganbina, \$4.20 is returned in social value. Social value is created for 3 years, with approximately 70% of value created in the first year. Over \$3m of social value is created for government and almost \$1.7m of social value is created for Ganbina participants. The key driver of social value creation is the value derived from sustainable employment for both Ganbina participants (increased self-confidence) and government (decreased welfare savings, increased income taxes)

This baseline SROI analysis should be considered as a benchmark for the measurement of impact and value creation achieved by Ganbina. This baseline SROI analysis is robust and should be considered conservative as it does not over-claim and looks only at the material outcomes, in line with SROI principles. The SROI ratio stays above par (1:1) even when major assumptions are tested in the sensitivity analysis.

Considerations

This SROI analysis is based on extensive stakeholder consultation, historic evidence that Ganbina had collected and secondary research. There were a number of assumptions required to complete the analysis. The sensitivity analysis demonstrates that the assumptions used throughout the analysis do not overclaim the value that Ganbina creates for stakeholders. The sensitivity analysis highlights evidence that Ganbina should provide in order to claim more value from its activities. There are however a number of limitations to the baseline SROI analysis conducted on Ganbina's Jobs4U2 program:

- The SROI analysis was focussed on one year of investment and therefore the impacts being measured needed to be commensurate with this period. However, Ganbina potentially supports participants for a number of years throughout school and into employment: conservative assumptions were made to account for this limitation
- Contradictory evidence exists about the real situation for Indigenous people in the Goulburn Valley. This is evident through official statistics that underestimate the number of Indigenous people in the area and the real unemployment rates. The authors have been transparent about the evidence used throughout this analysis and have used their understanding of the local situation, gathered through stakeholder consultation, to make informed decisions.
- Understanding the impact of Ganbina's work on Federal and Victorian state government has been difficult as access to the appropriate government representatives was limited because government does not invest in Ganbina. Secondary research has been used where appropriate

Recommendations

The SROI analysis revealed a number of areas where Ganbina can improve their operations to better demonstrate the social value they create:

1. Track employees after they have graduated from the Jobs4U2 program
2. Continue to engage with participants to understand what changes for them and how they value these changes
3. Update Ganbina's measurement and evaluation frameworks
4. Use this SROI analysis with partners who will replicate the Jobs4U2 program
5. Engage with existing and potential funders to communicate the value of the Jobs4U2 program

Social Ventures Australia (SVA)

Social Ventures Australia (SVA) invests in social change by helping increase the impact and build the sustainability of social sector participants. Our investments are focused on high potential organisations that are fostering solutions to some of the most pressing challenges facing our community. SVA provides funding and strategic support to carefully selected non-profit partners, as well as offering consulting services to the social sector more broadly, including philanthropists who are endeavouring to be more strategic in their approach to giving. As a non-profit organisation at the forefront of sector development and innovation, SVA works in collaboration with sector partners, as well as government, business, and some of Australia's leading philanthropists.

Social Ventures Australia Consulting (SVA Consulting)

SVA Consulting works with a range of non-profit organisations and social enterprises on customised, results-driven solutions which improve organisational performance and social impact. The consulting team also supports funders, including foundations, philanthropists and governments, to make informed decisions about their social investments.

Our professional staff have a depth and breadth of both corporate and non-profit experience, gleaned from organisations like Bain, McKinsey and BCG, positioning us well to work alongside our clients to meet their challenges. We operate throughout Australia from our offices in Sydney and Melbourne. Additionally, we partner with major strategic consulting organisations on a project basis as required.

SVA Consulting charge on a cost recovery basis – so our fees are low to keep our services accessible. We are able to offer our services at these rates thanks to the support of our major corporate sponsor Macquarie Group Foundation and philanthropist Robin Crawford. We are grateful to them for their support and vision.

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1 SROI Analysis

1.1 Purpose of the SROI

This report is a baseline Social Return on Investment (SROI) analysis of Ganbina's Jobs4U2 program for the 2009 calendar year. It provides a brief overview of the SROI methodology, the project approach, the objectives and activities of the program, and the key findings and assumptions of the SROI analysis. Finally, this report includes a discussion of the SROI results and recommendations for the Jobs4U2 program.

This report is not a review of whether Ganbina's operations are sustainable or an assessment of the Ganbina model. This report focuses on understanding the impact the Ganbina Jobs4U2 program has on stakeholders. The objectives of this project were to use the SROI methodology to:

- Identify and engage key stakeholders
 - Understand what each stakeholder wants to change (objectives), what they contribute (inputs), what activities they do (outputs) and what changes for them (outcomes, intended or unintended) as a result of their involvement with Ganbina
- Measure and value the social impact
 - Understand the value created as a result of the changes experienced by each stakeholder group by using indicators to measure the outcomes and financial proxies to value the outcomes
- Create a baseline analysis to drive performance improvement
 - Articulate the key drivers of social value and identify what data Ganbina should gather in order to better measure and evaluate the impact of its activities
- Use the SROI report and analysis to engage with investors
 - Demonstrate to potential and existing investors the social value the program has created to attract further funding to support the service

The audience for this SROI report is Ganbina's management and staff, the Ganbina Board, SVA's Venture Development team, and existing and potential investors, including government philanthropic organisations and corporate supporters. Ganbina also intends to use information from this report as marketing collateral to communicate the benefits of the program to stakeholders. In addition, as part of Ganbina's broader strategy to replicate the Ganbina model in other geographic areas with similar issues to those faced by the Indigenous community in the Goulburn Valley, this report will be a valuable tool in both the consultative and evaluative process of this strategy.

1.2 SROI Approach

Social Return on Investment (SROI) is a framework for measuring and accounting for the broad concept of value which incorporates social, environmental and economic benefits. SROI puts a value on the amount of change (impact) that takes place as a result of the program and looks at the returns to those who contribute to creating the change. It estimates a financial value for this change and compares this value to the investment required to achieve that impact, resulting in an SROI ratio. It takes standard financial measures of economic return a step further by capturing social as well as financial value.

This analysis was completed using best practice methodology developed by the SROI Network in the UK, which was funded by the UK's Office of the Third Sector. The SROI tool was first developed by the Roberts Enterprise Development Fund in the US and is now used across the US, UK and Europe. SVA has been working with the tool and overseas SROI practitioners for over six years, customising it to the Australian context and working with non profit organisations and investors. Revised guidance and training for SROI were introduced in 2009 and SVA is using the new approach. The SROI Network has introduced a process for assuring reports and accrediting SROI practitioners.

The SROI process works by developing an understanding of the program, how it meets its objectives, and how it works with its stakeholders. Critical to the process is the development of an impact map demonstrating the impact value chain for each stakeholder group. It links a stakeholders' objectives to inputs (e.g. what has been invested), to outputs (e.g. training program delivered), through to the outcomes (e.g. increase in income through employment). The process then involves identifying indicators for the outcomes, so that we can measure if the outcome has been achieved. The next step is to use financial proxies to value the outcome.

The next step in the process is to establish the amount of impact each outcome has had. This involves an estimate of how long each outcome lasts and then applying filters to assess whether the outcomes result from the activities being analysed. Four filters are applied to each outcome to establish the impact of the activities:

- Deadweight - what would have happened anyway?
- Displacement - were other outcomes displaced to create the outcome?
- Attribution - who else contributed to the outcome?
- Drop-off - how much does the value creation drop-off each year?

It is important to note that the SROI methodology is only a tool and has a number of limitations. Based on SVA Consulting's experience in conducting SROI analyses, the following have been highlighted as being important limitations:

1. Every SROI requires judgements. How should the theory of change for each stakeholder be phrased, how should outcomes be valued, and what research should be used to validate any assumption? The SROI principles seek to address this concern through ensuring that each SROI analysis is transparent and does not overclaim.
2. Inappropriate use of the SROI ratio. There may be a propensity for organisations and

investors to use the SROI ratio as shorthand for all of the analysis, thereby placing undue importance on the ratio. The SROI ratio should be considered only as part of the story given all the assumptions in the modelling: the insights derived from the SROI analysis are what really matters and will differ between organisations

3. SROI is not appropriate for all audiences. An SROI analysis can be used as an internal management tool, for communication to external stakeholders (including investors) and for public policy debate. Different insights from the analysis should be used for different purposes.

The SROI principles which guide the methodology are described in Appendix 1.0. Together with the standard process, this should address the limitations of an SROI analysis.

Finally, SVA Consulting believes that there are three types of SROI analyses:

1. Forecast SROI – designed to understand and predict the desired impact of a program or activity for significant stakeholders
2. Baseline SROI – using historic data to provide a baseline indicator of whether social value was created by a program or activity. The primary purpose is to identify outcomes, guide forward planning and establish what needs to be monitored and measured to demonstrate success. In the UK, this has been referred to as an “interim SROI” or as a “budget SROI”
3. Evaluative SROI - validate a forecast or baseline SROI to understand if the impact sought was achieved

1.3 Project Approach

This SROI analysis is considered a baseline SROI analysis. This SROI is an example of where an evaluative SROI was not advisable, as an evaluation of a service has more validity if you are clear on what you wanted to achieve in the first place. Although Ganbina have a strategic plan and clear program logic, it was deemed that a baseline analysis was more appropriate as this was the first time the SROI methodology was applied to Ganbina’s Jobs4U2 program.

The baseline SROI analysis for Ganbina was undertaken in four stages. The activities in these four stages include:

- Establish scope and identify stakeholders
 - define time scale for analysis
 - define stakeholders
- Conduct stakeholder interviews and an online survey for participants
- Complete analysis and test assumptions with working group
 - synthesise data from the stakeholder interviews and online survey into an impact map
 - identify relevant indicators and financial proxies to monetise the social outcomes
 - define the investment, both direct cash investments and pro bono contributions, from

- the various stakeholders
- conduct research to provide evidence for the impact from the Jobs4U2 program
- conduct follow up interviews to verify evidence where required
- test assumptions with community members, and other SVA and Ganbina staff
- Write report
 - write a detailed report which describes the methodology, assumptions made, results and recommendations
 - complete a 2 page overview and an abridged SROI report which summarises the SROI analysis

Who worked on the report?

This baseline SROI analysis had input from the following individuals and organisations:

- Simon Faivel, the lead author from SVA who has extensive experience in applying the SROI methodology, spent approximately 27 days conducting the analysis and compiling the report, and assumed overall responsibility for the analysis.
- Mark Leslie, an intern at SVA Consulting from Melbourne Business School's MBA program, assisted Simon throughout the project and learnt how to apply the SROI methodology.
- Ganbina staff members organised the stakeholder interviews, managed the survey for Ganbina participants, collated data, participated in workshops and actively contributed to the analysis. The authors would like to recognise the significant contribution from the team at Ganbina in completing this project.
- Katrina Alford, University of Melbourne, provided input to the draft and evidence of the local situation for Indigenous people in the Goulburn Valley, based on her research.

2 The Goulburn Valley, Ganbina, and the Jobs4U2 Program

2.1 The Goulburn Valley

Greater Shepparton, in the heart of the Goulburn Valley, is the fourth largest provincial centre in Victoria. This region covers 2,422 sq km and has a population of approximately 60,000¹. The region is a major fruit and vegetable processing centre, with two large canneries. There are also large dairy processing facilities located in and around Shepparton, which provide products for both local consumption and export. The main industries include agriculture, fruit and vegetable processing, and dairy product manufacturing.²

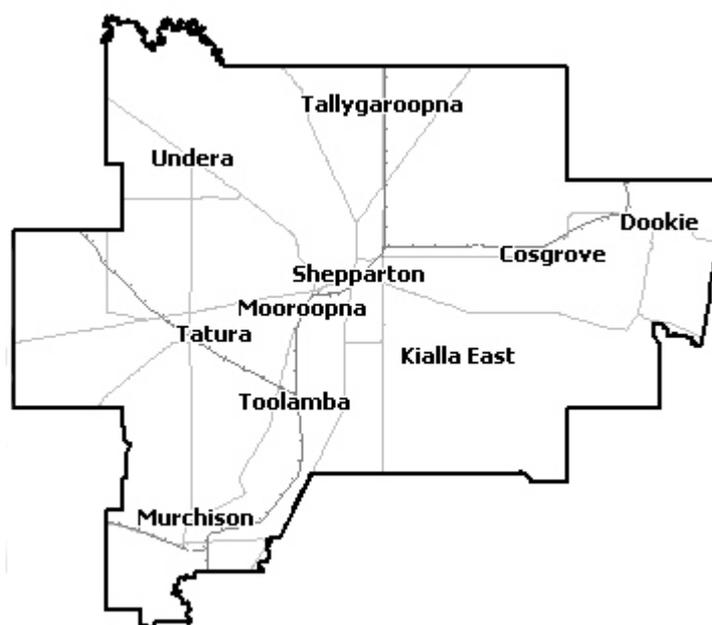


Figure 1: Greater Shepparton Local Government Area

2.2 The Issue in the Goulburn Valley

The Indigenous community in the greater Shepparton area is the largest in Victoria outside the Melbourne metropolitan region. There are conflicting figures over the exact number of Indigenous people in the region. The Australian Bureau of Statistics states that Indigenous people account for 3.2% of the region's population³; however the local Indigenous Rumbalara Medical Centre puts the figure at 7.4% (4,420 individuals)⁴. This could still be an underestimate of the total Indigenous population because it is estimated that about 80-90% of the Koori population needing health

¹ Australian Bureau of Statistics (ABS), 2006. Census (updates)

² Department of Planning and Community Development, Local Government Victoria. Accessed July 2010
<http://www.localgovernment.vic.gov.au/web20/dvclgv.nsf/AllDocs/A949DE10B6DD5473CA25716100237311?OpenDocument>

³ Australian Bureau of Statistics (ABS) 2006. Experimental Estimates of Aboriginal and Torres Strait Islander Australians, ABS Census of Population and Housing, Indigenous Population Profile

⁴ Alford, K. and James. R. 2007 "Pathways and barriers: Indigenous schooling and vocational education and training participation in the Goulburn Valley region." National Centre for Vocational Education Research (NCVER)

services go to Rumbalara. Therefore, anecdotal evidence suggests that the Indigenous population in the greater Shepparton area could be as high as 10% of the total population. This is also compounded by many people who are Indigenous but who do not identify as being Indigenous or do not want their Indigenous heritage recorded on official records. It is necessary to keep the statistical under-enumeration in mind when analysing all Indigenous information that utilise population statistics. This report attempts to represent the true level of Indigenous population and therefore considers that the Indigenous population is likely to be significantly higher than the ABS official statistics for the region's Indigenous population.

Consistent with the rest of Australia, the Indigenous population in the Goulburn Valley experiences substantial social, economic and health disadvantages. High Indigenous unemployment and low labour force participation rates are seen as the cause of this inequality. Based on the discrepancies in population estimates, the denominator in employment calculations vary greatly. ABS estimates of Indigenous unemployment in the Goulburn Valley are 19.9%.

In 2002 a study was undertaken to establish an accurate picture of the employment situation of the Indigenous population in the Goulburn Valley region. It indicated that Indigenous unemployment is 77.6% (not including Community Development Employment Projects (CDEP)).⁵

Indigenous Labour Market Outcomes in Greater Shepparton ABS and Alford analysis	
Measure	%
ABS - Indigenous Unemployment Rate	19.9%
ABS - Non-Indigenous Unemployment Rate	5.7%
ABS - Indigenous Participation Rate	52.4%
ABS - Non-Indigenous Participation Rate	65.5%
Alford – Unemployment Rate without CDEP	77.6%
Alford – Unemployment Rate with CDEP	68.2%

Table 1: Labour Market Outcomes in Greater Shepparton⁵

The reason for this large discrepancy is due to a number of factors including:

- Some Indigenous people not identifying as Indigenous on ABS census forms
- Some Indigenous people not completing ABS census information
- CDEP is considered as employment in official statistics
- Some Indigenous people not claiming government unemployment benefits and therefore not incorporated in official statistics
- Unemployment rate does not equate to meaningful employment as it is defined as being employed for one hour in the past fortnight

When referring to employment outcomes, this SROI analysis has adopted the unemployment figures used by Alford based on the 2002 study as it represents an accurate picture of the employment situation for Indigenous people in the Goulburn Valley, particularly as the effect of Ganbina's programs were yet to make a material difference. Indeed, anecdotally, the situation may have improved for Indigenous people, with the "real" unemployment rate likely to have improved to

⁵ Alford, K., 2002 'Shepparton Regional Indigenous Community Employment & Development Strategies', pg 12

between 50-60%,⁶ with a large percentage attributable to Ganbina.

A significant component of the poor employment outcomes is low Indigenous education attainment rates in the region. Again there are discrepancies in the data due to inaccurate population measurements: for example, the 2001 ABS census recorded only 115 Indigenous young people aged between 12 and 15 years in the region, but Rumbalara Medical Centre client records recorded 386 Indigenous young people in the school years 7-10 age range in 2004⁷. ABS (2006) reports that only ~8% of the Goulburn Valley Indigenous population have completed year 12 or equivalent, and ~15% have completed year 10 or equivalent.⁸ In addition, Alford contends that for Indigenous people in the Goulburn Valley the median year for leaving school is half-way through year 9 and the average just before the end of year 8. In 2002 the years 7 to 12 Indigenous retention rate was 25.7%. Based on the Rumbalara records, at most, 40% of Indigenous young people aged in the compulsory school years (7-10) bracket are enrolled in secondary schools.⁹

One of the key areas of focus for Ganbina is the fact that there appears to be large slippage in Indigenous enrolments as student's transition from primary to secondary school. Nearly half of Indigenous students (42.9% in Shepparton-Mooroopna) leave the school system either after primary school, or very early in secondary school. This highlights the severity of school retention and education problems affecting the Indigenous community in the region.¹⁰

Interviews, research and Ganbina's data indicates a deeper systemic problem within the education system. Most schools allow Indigenous students to progress to the next year level regardless of their proficiency in literacy and numeracy. At the end of 2009 Ganbina participants in secondary school were on average 9 months behind the level they should be, and 61% of the total participants were behind in maths and 59% behind in English. The table below shows the evidence that Ganbina have collected on English and Maths outcomes for students who participate in the Jobs4u2 program.

Ganbina		
Months Behind / Ahead	Maths	English
-30+	3	1
-30	2	7
-24	4	3
-18	9	9
-12	9	9
-6	12	10
0	23	22
Plus 6	2	5
Total	64	66
Average	-9.0	-9.3
Total Number of Students Behind	39	39
Percentage Students Behind	61%	59%

Table 2: English and Maths outcomes for Ganbina participants, start of 2010

⁶ Rumbalara Football Netball Club & The University of Melbourne, January 2010, "Proposal for the Munarra Centre for Regional Excellence", pg 10

⁷ Alford, K. and James, R. 2007 "Pathways and barriers: Indigenous schooling and vocational education and training participation in the Goulburn Valley region." National Centre for Vocational Education Research (NCVER), pg 21-24

⁸ Access Economics, May 2010, 'Economic impact of closing the Indigenous gap in the Goulburn Valley', pg 15

⁹ Alford, K. and James, R. loc. cit.

¹⁰ Ibid

Further evidence of the systemic problems with the education of Indigenous students in the Goulburn Valley can be seen through the recently launched myschool website which compares similar schools on their NAPLAN (National Assessment Program – Literacy and Numeracy) results.¹¹ Notably, schools in the area have a lower than average performance compared to statistically similar schools, and schools with higher Indigenous populations perform significantly below the average.

2.3 Overview of Ganbina

Ganbina's mission is to improve the economic and social well-being of Indigenous people in the Goulburn Valley through programmes and partnerships focused on developing individuals to reach their full potential. Ganbina's vision is that within two generations Indigenous people will share the economic benefits of the Goulburn Valley region in an equitable manner. Ganbina will also work with other Indigenous communities throughout Australia to successfully migrate its strategy and processes to improve the economic and social well-being of those Indigenous communities.

Ganbina was first established as the Koori Economic Employment & Training Agency Inc (KEETA), in 1997 following Indigenous community consultation and a regionally funded feasibility study. Ganbina has grown over the past 13 years from 2 staff and about 40 participants to 12 staff and 265 participants in the 2009 calendar year. The current name was adopted in 2004 to provide a unique local identity.

Ganbina works with Indigenous young people under the age of 25, primarily in the area of work readiness and employment. Since 1998, Ganbina has placed more than 380 young Indigenous people into employment. Today Ganbina runs one Program, Jobs4U2, which has a number of components designed to support youth to understand the relevance of education and training as part of a career plan and then equip them with life and employment skills. The result is students who stay in school longer, get a job and start a career. Components of Jobs4U2 include: Indigenous Education Scholarships, Education Program, Training Program, Employment Program, Koori Drivers Skills Program, Ganbina Achievement Awards and Indigenous Youth Leadership Program.

*"Ganbina is a hand up, not a hand out."
Parent of a year 10 participant*

Ganbina is also beginning to work with other Indigenous communities throughout Australia to successfully replicate its strategy and processes to improve the economic and social well-being of those Indigenous communities.

2.4 Overview and Program Logic of Jobs4U2

Ganbina runs one program, Jobs4U2. The program has a number of components designed to

¹¹ Please see <http://myschool.edu.au/>. Secondary schools that Ganbina works with include Wanganui Park Secondary College, Mooroopna Secondary College and Shepparton High School.

support students to stay in school, get a job and start a career. They are:

- **Indigenous Education Scholarships:** these scholarships were created to provide modest financial assistance to Indigenous young people to attend school or get training for employment. Parents, Guardians, and / or students are required to contribute 25% towards these scholarships. In 2009 there were 126 participants on scholarships spread from prep through to the workforce.
- **Education Program:** helps Indigenous young people create their vision of a future career path through an Individual Client Plan, industry tours and work experience. In 2009 there were 148 participants engaged in the education program.
- **Training Program:** assists young people to access training and certification with educational institutions or employment-based traineeships. In 2009 there were 19 participants engaged in the training program.
- **Employment Program:** facilitates the transition of young (under 25) Indigenous people from full time education in years 10-12 or accredited training into the workforce. In 2009 there were 11 participants engaged in the employment program.
- **Koori Driver Skills Program:** responded to a need for young people to obtain their L & P plates in order to transport themselves to their jobs and more generally gain self-sufficiency and confidence. In 2009 there were 67 participants engaged in the drivers program.
- **Ganbina Achievement Awards:** in 2004 Ganbina established awards in the areas of education, training and employment to acknowledge the achievements and efforts of some of these individuals and to encourage them on their journeys forward.
- **Indigenous Youth Leadership Program:** a year-long selective program designed to develop young people who demonstrate leadership potential. In 2009 there were 7 participants who completed the Youth Leadership Program.

Jobs4U2 Program Logic

An SROI analysis is different to program logic in that it defines the theory of change for each stakeholder group rather than for the whole program. The program logic defines the scope for what the program seeks to achieve in the changes experienced by stakeholders. Ganbina have developed the program logic for the Jobs4U2 program. The following figure shows the program logic which moves from defining the issue in society through to the intended impact the Jobs4U2 program will have on society.

Program logic

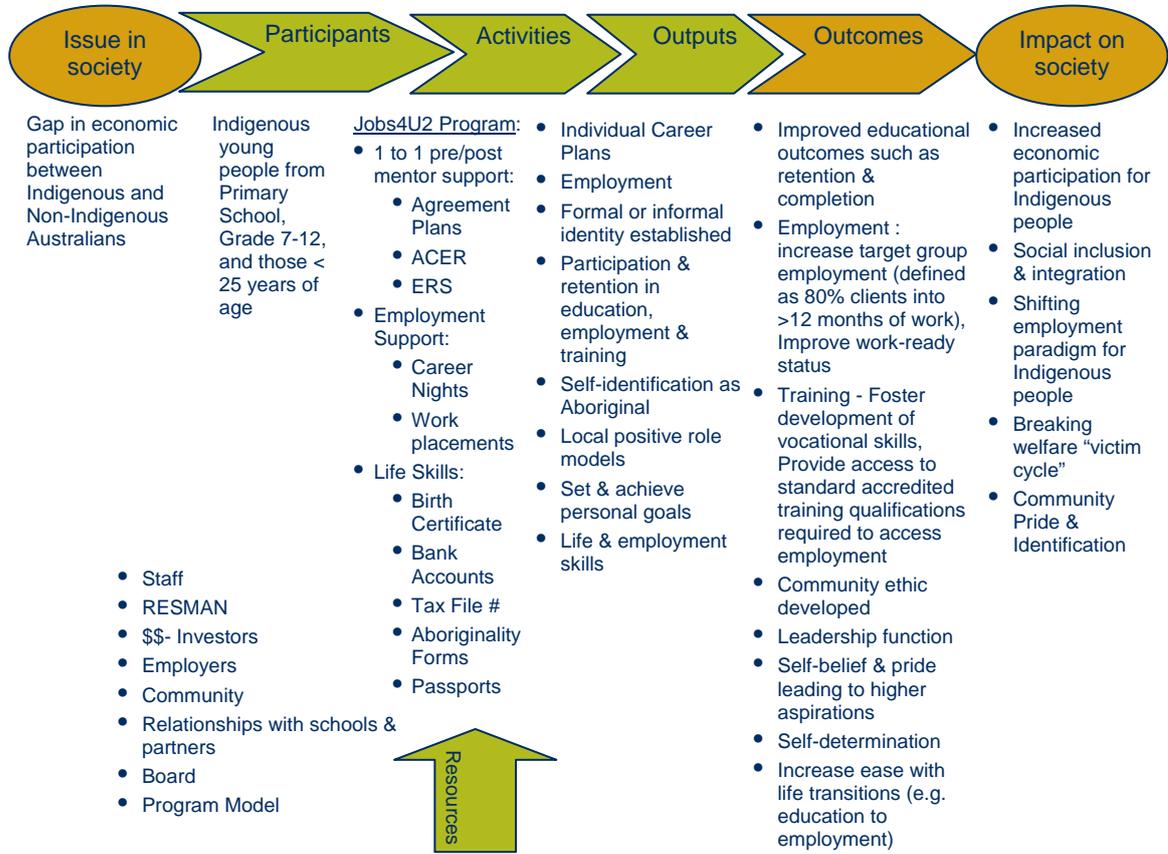


Figure 2: Ganbina Program Logic

For further detail on the Jobs4U2 model, please refer to Appendix 2.0.

3 Scope & Key Assumptions

The SROI principles were applied to ensure that the SROI analysis:

- did not over-claim the value that Ganbina is responsible for creating
- only included value for the outcomes which were experienced by stakeholders
- was transparent about the assumptions made throughout the analysis

3.1 Rationale for the Scope

As described in the section 2, Ganbina provides a range of services to Indigenous youth in the Goulburn Valley area with a specific target on work readiness and employment. The rationale for this SROI analysis was to demonstrate the impact of the Jobs4U2 program. There was also a need to continue to develop Ganbina's monitoring and evaluation framework to complement existing KPIs in place.

Funding for this project was provided by SVA's Venture Development team as part of their ongoing commitment to Ganbina. SVA Consulting was engaged to conduct an SROI analysis to establish a baseline for the social value created by the Jobs4U2 program. Therefore, this SROI analysis looks solely at the activities of Jobs4U2 and excludes other Ganbina initiatives such as the proposed roll out of the Ganbina model to other regions.

3.2 Period of Analysis

The time period for this baseline SROI analysis included all the activities, investments and the value created from Ganbina activities for calendar year 2009. Part of the analysis is based on outcomes that for many of the stakeholder groups are forward looking; i.e. an outcome that occurred due to activities in the 2009 calendar year lasts for 3 years into the future. These outcomes were evidenced through the engagement of participants who are more advanced in the program and from historical Ganbina data. The timeframes used for the duration of each outcome vary depending on stakeholder engagement and secondary research. The rationale for the duration used for each outcome is described in section 4.3 of this report.

It is critical to note that this is not a longitudinal study of the impact of Ganbina's activities or the impact on participants' lives. This SROI analysis is a snapshot of the activities from the 2009 calendar year, the investment made during this period, and the outcomes that can be attributed to that investment.

3.3 Overview of Stakeholders

All stakeholders that were impacted by Ganbina's activities were initially identified. After scoping the project and conducting preliminary interviews with most of the stakeholder groups, it was determined whether they would be included or excluded from the SROI analysis.

Stakeholder Group	Included / Excluded	Rationale
Students – Years 7&8	• Included	• Major beneficiaries who are, or are likely to, experience significant outcomes if the activity is successful
Students – Years 9&10	• Included	• Major beneficiaries who are, or are likely to, experience significant outcomes if the activity is successful
Students – Years 11&12	• Included	• Major beneficiaries who are, or are likely to, experience significant outcomes if the activity is successful
TAFE/University Participants	• Included	• Major beneficiaries who are, or are likely to, experience significant outcomes if the activity is successful
Employed (working) Participants, but not in the education system	• Included	• Major beneficiaries who are, or are likely to, experience significant outcomes if the activity is successful
Parents/Guardians of Primary School aged children	• Included	• Beneficiaries who are, or are likely to, experience significant outcomes if the activity is successful
Parents/Guardians of Secondary School aged children	• Included	• Beneficiaries who are, or are likely to, experience significant outcomes if the activity is successful
Government	• Included	• Beneficiaries who are, or are likely to, experience significant outcomes if the activity is successful
VicHealth	• Included	• Provide funding for the operation of the program, and are likely to experience outcomes in the future if the activity is successful
Investors through Ganbina (philanthropic, corporate foundations, non-profits, Ganbina retained earnings)	• Included	• Provide funding or pro-bono support for the operation of the program
Students – Primary School	• Excluded	• Although this group has been deliberately targeted as part of Ganbina’s strategy, the support and objectives for this group are primarily around scholarships. The students have no direct contact with Ganbina as it is solely through the parent or guardian
Employers	• Excluded	• Although a key partner for Ganbina to reach its objectives, after stakeholder interviews, it was deemed that the outcomes for this group were not impacted by Ganbina’s program. Employers would have achieved the outcomes they sought (i.e. fill a job vacancy) without Ganbina due to the strong economy and number of eligible work-ready people
Ganbina Staff	• Excluded	• Although engaged through interviews, staff were excluded from the analysis. They were identified as a valuable input for the service delivery and the success of the program (i.e. a means to an end), but did not experience change themselves outside their usual work responsibilities
Schools/Teachers	• Excluded	• Although engaged through interviews, schools and

Stakeholder Group	Included / Excluded	Rationale
		teachers were excluded from the SROI analysis. They were identified as a valuable partner for Ganbina, and Ganbina's major portal to working with participants, but did not experience change themselves outside their usual work responsibilities
Koori Education Support Officers (KESOs)	• Excluded	• Although engaged through interviews, KESOs were excluded from the SROI analysis. They were identified as a valuable partner for Ganbina, but did not experience change themselves outside their usual work responsibilities
Broader Goulburn Valley Community	• Excluded	• Although improving the economic and social well-being of Indigenous people in the Goulburn Valley will have an impact on the broader community, this stakeholder group is difficult to define. This analysis considers the impact in the community through defining the theory of change for Government

Table 3: Rationale of stakeholder inclusion/exclusion

Through the analysis stakeholders were engaged to understand what changes for them.

As the time available to complete the SROI analysis was limited, effort was paid to ensure adequate engagement with major stakeholders. Engagement of Indigenous youth was prioritised, since they are the group going through the process of change and personally benefiting from the activities of this program.

Below is a summary of stakeholder groups, the size of the group and number of stakeholders engaged per group. It should be noted that the participant groups are defined as those who have successfully completed their Jobs4U2 program in 2009: of a total of 265 participants, 91% successfully completed the program (231 participants), of which there is detailed data captured for 223 participants. The SROI analysis only the successful participants of which there is data captured.

Stakeholder Group	Size of group	Number Consulted		
		2009*	2010	
			Interview: One-on-one	Online Survey
Students – Years 7&8	• 58	• -	• 1	• 15
Students – Years 9&10	• 55 (incl. 9 ASHE students)	• 3	• 2	• 7
Students – Years 11&12	• 29	• -	• 3	• 8
TAFE/University Participants	• 14	• -	• 2	• 1
Employed (working) Participants, but not in the education system	• 7	• -	• 2	• 1
Parents/Guardians of Primary School aged children	• 60-120	• -	• 2	• -
Parents/Guardians of Secondary School aged children	• 205-410	• -	• 3	• -
Government	• N/A	• -	• 1	• -
VicHealth	• N/A	• -	• 1	• -
Investors through Ganbina (philanthropic, corporate foundations, non-profits, Ganbina retained earnings)	• ~8	• 6	• 2	• -

Stakeholder Group	Size of group	Number Consulted		
		2009*	2010	
			Interview: One-on-one	Online Survey
Students – Primary School	• 60	• -	• -	• -
Employers	• Undefined	• 1	• 2	• -
Ganbina Staff	• 12	• 4	• 5	• -
Ganbina Board	• 6	• 3	• 1	• -
Schools/Teachers	• 6 (Secondary Schools)	• 2	• 2	• -
Koori Education Support Officers (KESOs)	• ~5	• -	• 2	• -
Broader Goulburn Valley Community	• Undefined	• 3	• -	• -
Total		19	31	32

Table 4: Size of stakeholder group

*Interviews conducted by Lisa George, SVA Consulting, Documenting Ganbina's Model, June 2009

A mixture of online surveys, phone and on-site interviews were used to gather input for the SROI analysis. Stakeholders were engaged throughout the development of the SROI analysis. For more information on stakeholder engagement, please refer to Appendix 3.0. A copy of the questionnaire template for participants is included as appendix 4.0. Appendix 5.0 is a copy of the online survey for participants and includes all the results.

It should be noted that the interviews conducted with participants and parents were not determined through a random sample as the authors were reliant on Ganbina staff to contact and arrange the meetings. There is a possible bias in the stakeholders interviewed which was unavoidable in this project. The online survey may also have a positive bias as only participants who are willing to participate would complete the survey.

3.4 SROI Filters

It is important to present a realistic and pragmatic view of the social value that was created directly by Ganbina. This is done by applying a few key filters, which are discussed below. Where there was no accurate evidence from Ganbina, stakeholder interviews or secondary research to quantify an outcome, we have used the following approximations for the SROI filters.

1. Deadweight – Deadweight is an estimation of the value that would have been created if the activities from Ganbina did not occur. For example, would a Ganbina participant achieve sustainable employment without Ganbina?

Category	Assigned Deadweight (%)
1. The outcome would not have occurred without Ganbina	0%
2. The outcome would have occurred but only to a limited extent	25%
3. The outcome would have occurred in part anyway	50%
4. The outcome would have occurred mostly anyway	75%
5. The outcome occurred anyway	100%

Table 5: Deadweight description

2. Displacement – Displacement is an assessment of how much of the activity displaced other outcomes. For example, does the fact that a Ganbina participant gets a sustainable job displace another jobseeker from gaining employment?

Category	Assigned Displacement (%)
1. The outcome did not displace another outcome	0%
2. The outcome displaced another outcome to a limited extent	25%
3. The outcome partially displaced another outcome	50%
4. The outcome displaced another outcome to a significant extent	75%
5. The outcome completely displaced another outcome	100%

Table 6: Displacement description

3. Attribution – Attribution reflects the fact that Ganbina is not wholly responsible for all of the value created. For example, do schools or social clubs contribute to the changes that a Ganbina participant experiences?

Category	Assigned Attribution (%)
1. The outcome is completely a result of Ganbina and no other programs or organisations contributed	0%
2. Other organisations and people have some minor role to play in generating the outcome	25%
3. Other organisations and people have a role to play in generating the outcome to some extent	50%
4. Other organisations and people have a significant role to play in generating the outcome	75%
5. The outcome is completely a result of other people or organisations	100%

Table 7: Attribution description

4. Drop-off – Drop-off is a measure which recognises that outcomes may not continue to last year on year and in future years may be less, or if the same, will more likely be influenced by other factors. The drop-off rate indicates by what percentage the value of the outcome declines each year. For example, if an outcome related to employment lasts for 3 years, how much does the impact in years 2 and 3 drop-off compared to the first year?

Category	Assigned Drop-off (%)
1. The outcome lasts for the whole period of time assigned to it	0%
2. The outcome drops off by 25% during the time assigned to it	25%
3. The outcome drops off by 50% during the time assigned to it	50%
4. The outcome drops off by 75% during the time assigned to it	75%
3. The outcome drops off completely by the end of the time period	100%

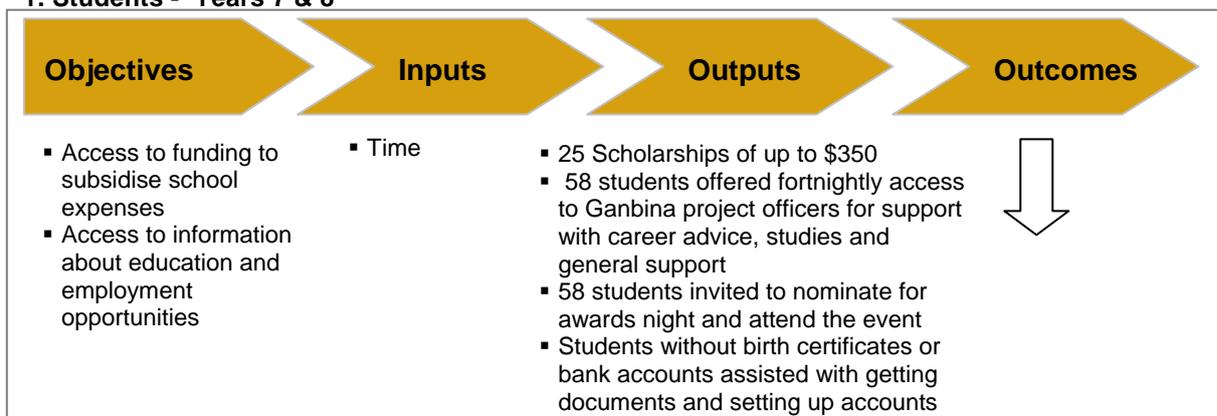
Table 8: Drop-off description

4 Description of Outcomes

4.1 The Theory of Change by Stakeholder group

The theory of change is a description of the objectives, inputs, outputs and outcomes for a particular group. This section describes the theory of change for each stakeholder group, with an emphasis on describing the outcomes experienced by each stakeholder group as a result of Ganbina.

1. Students - Years 7 & 8



It was recognised through stakeholder interviews that the objectives of participants in years 7&8 are still developing. Their primary reason for participating in the Ganbina program was access to funding, however they were also building awareness of the importance of education and subsequently employment opportunities and they wanted access to this information.

The following is a description of the outcomes experienced by students in years 7&8 due to the activities of Ganbina. These were reflected by the stakeholder interviews and survey responses.

- 1.1 Increased awareness of career paths and the importance of education. Through the programs activities such as industry tours and ongoing support from their project officer, participants start to get a feel for the importance of education and the bearing it has on their future employment opportunities. These activities also open the minds of the participants to the value of staying in school because it is a necessary to get a good job. It also helped these students understand potential career paths they would have otherwise ignored.
- 1.2 Increased self-confidence. This improved engagement with both school and Ganbina lead to increased self-confidence and enthusiasm to get involved in activities, leading to a more valuable education experience, an intent to stay at school and get a job in the future..

“Often these kids just need a spark; Ganbina gives them that spark.”
KESO

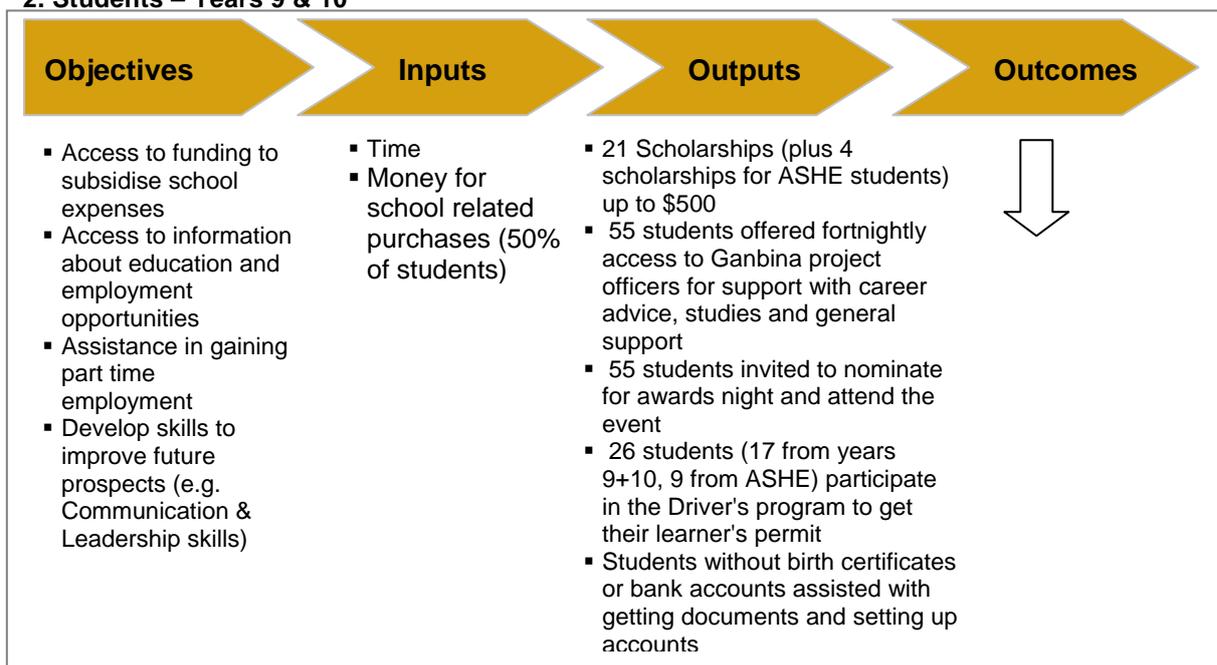
- 1.3 Increased independence. The Ganbina programs activities are targeted to improve participants work ready status. Many of these activities, such as ensuring the participant has

a birth certificate which then means they can get a bank account, are designed to set the participant on a path where they can stand on their own feet within broader society.

“Ganbina teaches them to try...don’t take failure as total defeat. You might need to do it three times and then you get it right.”
Government Employee

- 1.4 Increased social interaction. Throughout the interview process it was evident that because of the Ganbina program, participants engaged in extra activities in society, such as joining a sports club or choir. This is attributable not only to increased funding through the scholarships, but also the outcomes mentioned above, specifically increased self-confidence. Participants are not only meeting students from other schools through Ganbina’s activities, but they are also interacting with a range of additional people from the broader community.
- 1.5 Increased pride in cultural heritage and their community. It was evident from the interview process that Ganbina’s program had made the participants more aware of the long and proud history of the Aboriginal people in this country, and their own personal history and Aboriginal identity. This increased pride is not contained to the Indigenous community, but includes the broader Goulburn Valley community

2. Students – Years 9 & 10



Although the core objectives for ‘Students – Years 9&10’ remain similar to those of the year 7 & 8 students, they are now at or approaching the age where they can legally work (14 years 9 months), and as such there is the additional objective of assisting them to gain part time employment. A large component of being work ready and improving participants long term employment prospects is to start building work experience early. This not only improves their employability, but also helps them

form opinions about future career paths. It was also apparent from the interviews that students now had an awareness that in addition to core school education there are other skills that can improve employment outcomes such as communication and leaderships skills, and that these skills could be improved through Ganbina's program.

In addition to a time commitment, participants were now at an age where some would be contributing 25% themselves for a scholarship of up to \$350, as opposed to their parents or legal guardians providing these funds. Based on feedback from Ganbina staff an assumption has been made that half of the participants would be contributing the funds themselves. A new output for this age group is their participation in the Driver's Program. This program assists participants both financially and with the administration aspects of obtaining a learners permit and ultimately a probationary licence. Not having a licence restricts employment prospects and the participants' independence. This was identified as a critical component of the support Ganbina provides.

The outcomes experienced by Students – Years 9&10 due to the activities of Ganbina are consistent with the outcomes experienced by the Years 7&8 students, and these were reflected by the stakeholder interviews and survey responses. Please note that this stakeholder group also includes Ganbina participants who are a part of ASHE (Academy of Sports Health and Education) as their literacy and numeracy level is likely to be at a year 9 to 10 level regardless of their age (most are likely to be older).

- 2.1 Increased awareness of career paths and the importance of education. The program acknowledges that as the students are now at or approaching the age where they can legally work and leave school that there needs to be a focus on just how important education is for the individual's future prospects. Remembering that Ganbina's outputs are framed around employment outcomes as opposed to just getting the participants through school; ensuring that a participant graduates from year 10 to year 11 may not be the right move for all students, perhaps at this point the program will lead some participants towards a career path such as a trade or make them aware of VET qualifications.
- 2.2 Increased self-confidence. As students progress through school they increasingly make distinctions about the way they behave and interact with others. It was clear from the stakeholder interviews with both the participants and members of the school staff (internal and KESOs) that the students involved in Ganbina's program were more likely to put themselves forward and have a greater prospect of completing school and getting work.

*"It blows you away how vibrant and confident the kids are when they get up to speak at the awards night."
Government Employee*

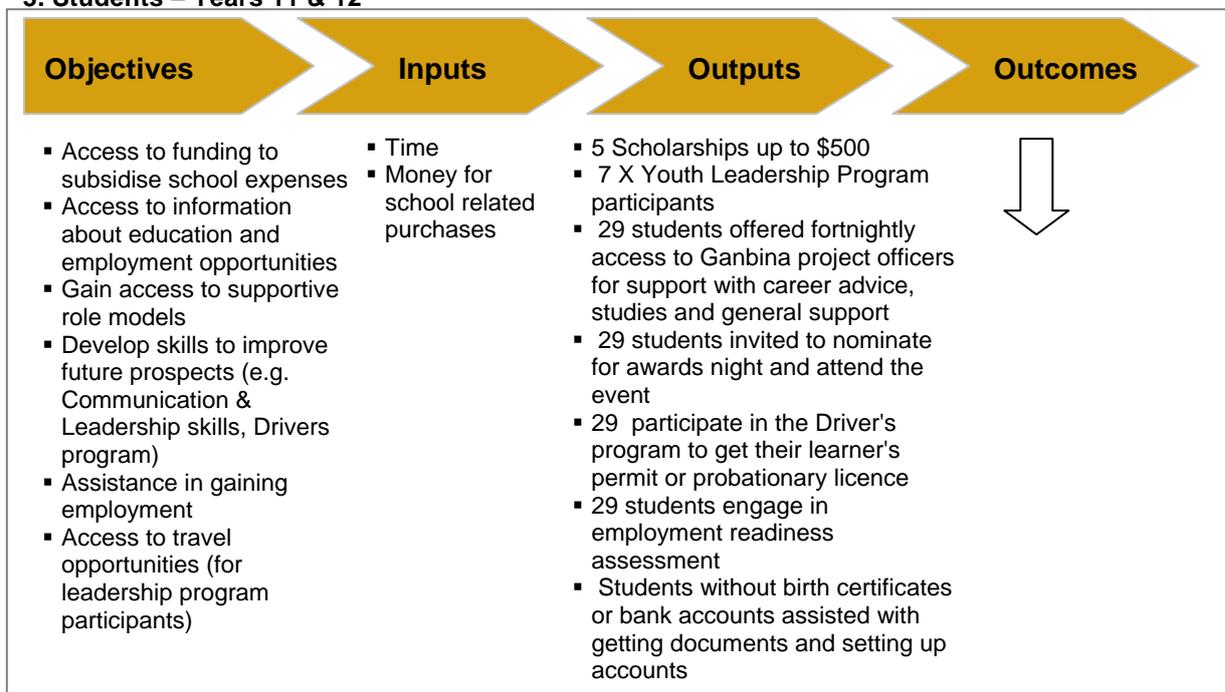
- 2.3 Increased independence. Adolescence is usually accompanied by increased independence. In addition to basic items such as gaining a birth certificate, the program also ensures that participants are work ready and have a Tax File Number (TFN), a career plan, and are making progress in obtaining some form of casual or part-time employment or work experience.
- 2.4 Increased social interaction. Generally as students move through the education system and become more confident and independent, this brings the opportunity to access a wider range of activities and broader networks. Due to the outcomes mentioned above it was clear

that the Ganbina program facilitated an increased level of social interaction for participants either directly within the activities of the program, or indirectly through external clubs and societies.

- 2.5 Increased pride in cultural heritage and their community. As the participants mature and gather more information, it was evident through the stakeholder interviews that by being involved with Ganbina, and more specifically Ganbina’s staff, that they were able to find out more about their heritage and in some cases even identify as Indigenous for the first time.

“I now have faith in my culture: not everything is bad”
Student – Year 10

3. Students – Years 11 & 12



From the interviews and surveys, it became apparent that the older the participant, or closer to entering the workforce or further education, the broader their objectives were for participating in the Jobs4U2 program. For the stakeholder group ‘Students – Years 11&12’, in addition to the objectives mentioned for the younger stakeholder groups, there was now an awareness of the importance of having supportive role models in their lives, the need for assistance in gaining sustainable full-time employment (as opposed to part-time or casual employment), and access to travel opportunities.

In regards to role models it is important to note that many of these participants have lived in an environment where generational welfare was the norm. Often both of their parents / guardians have never had a job, or no-one in the family has finished school or had a meaningful job. One theme that came out strongly in the interviews was that participants first became interested in Ganbina when they heard of other Indigenous students going on trips to the city or overseas with Ganbina’s

leaderships program. It was evident that this was an enormous draw-card for participating in Ganbina's activities, as many of these participants had never left the Shepparton area. It is important to note that travel opportunities were only granted to participants in the Youth Leadership Program: this demonstrates the power of creating role models for young Indigenous people to aspire to in their local communities.

The inputs are similar to year 9&10 stakeholder group, and the assumption remains that half will be contributing the 25% towards the scholarships themselves.

The differences in the outputs for this stakeholder group are related to the 7 Youth Leadership Program participants, and there are more targeted outputs towards employment outcomes given this is a critical point in their lives.

The following is a description of the outcomes experienced by 'Students – Years 11&12' due to the activities of Ganbina. These were reflected by the stakeholder interviews and the survey responses.

- 3.1 Increased awareness of career paths and the importance of education. At this point the participants have made the decision to continue their schooling, which generally indicates a desire to finish secondary school. So this outcome now is more targeted around the awareness of career paths, finishing school, and post school education options.
- 3.2 Increased self-confidence. Many of the participants have been in the program for a number of years by this point and have greatly benefitted from the assistance and support that Ganbina has provided. It was evident that they have seen improvements in their lives across a number of fields and this in turn fuels further confidence to partake in activities. For example if a student has seen their school results improve because of this increased engagement with the education system, they are then more likely to contribute and seek knowledge both in and out of the class room. There was also strong feedback in the interviews about the Awards night: participants identified that they can now get up in front of a crowd with less hesitation, and also that seeing their peers get involved showed them that there was nothing to fear.

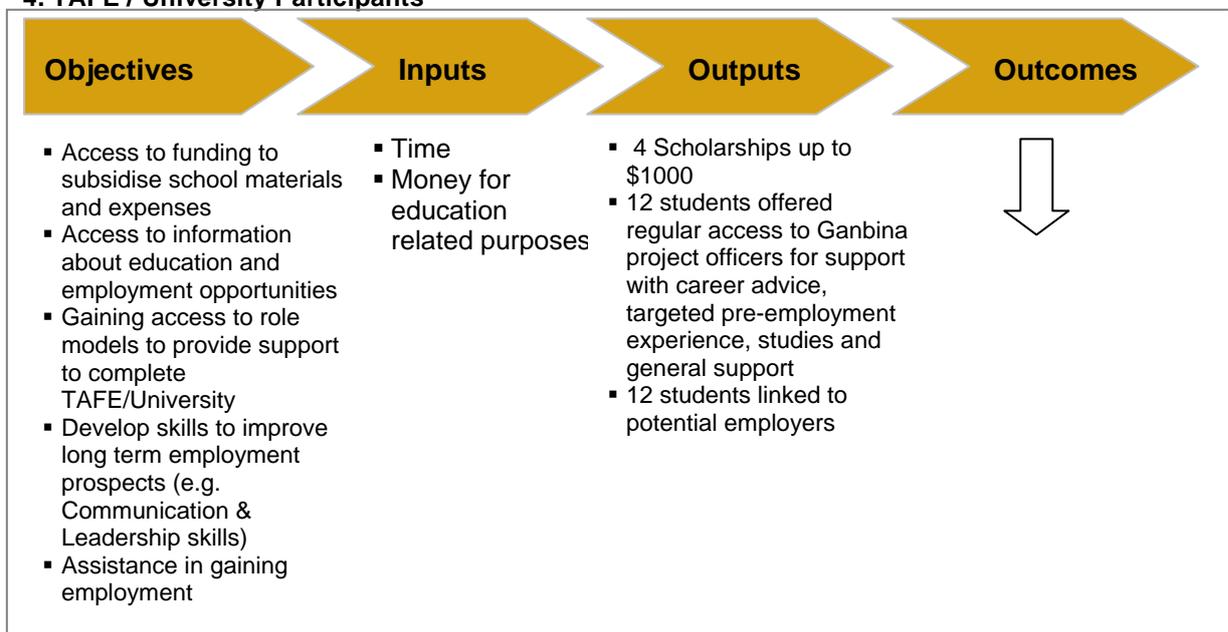
*"Ganbina is that extra push."
Student – Year 11*

- 3.3 Increased independence. By now the participants are at the age where they can legally work, drive, and are often in charge of managing their own affairs and finances. It was evident that without Ganbina's support many still would not know how to access many basic tools to allow them to experience independence. In fact, without Ganbina, many would not have had the interest to take any steps towards establishing independence.
- 3.4 Increased social interaction. As with the year 7 to 10 students, the Ganbina program leads to increased involvement in various groups, clubs, and societies. In addition, Ganbina acts as a social mechanism for participants to meet participants from other schools during the Ganbina related activities.
- 3.5 Increased pride in cultural heritage and their community. It was this stakeholder group

that demonstrated the most marked increase in pride for their heritage and community. This is a function of the fact that they are at an important age where they are required to identify more regularly as an 'Indigenous Person' when filling out government forms and other paperwork, but also because Ganbina helps them reconnect with their past and family trees.

*"I don't look Aboriginal, but I now know that that is OK. I now hang out with all of the other Aboriginal kids at school."
Student – Year 12*

4. TAFE / University Participants



As the participants progressed through the education system to tertiary and further education their objectives remained focussed on employment outcomes, and they demonstrated an increased awareness of Ganbina's role in assisting them achieve these outcomes.

The inputs remain the same and it has been assumed that all students contribute the funds themselves for this age group.

Once participants have made the decision to undertake further education, Ganbina have less regular and formal contact with them. However, Ganbina still provides support when required for this difficult transition period, such as with financial support through scholarships, careers guidance, assistance with pre-employment experience, and links to potential employers.

The following is a description of the outcomes experienced by 'TAFE / University Participants' due to the activities of Ganbina. These were reflected by the stakeholder interviews and survey responses.

- 4.1 Increased awareness of career paths and the importance of education. It is incorrect to

assume that once participants have chosen further education, they are aware of future career paths and the importance of education. However, the norms that are entrenched in the Goulburn Valley mean that Ganbina's support is still imperative for participants to choose a positive pathway. Participants are still gathering new information and increasing their awareness of options, and formulating decisions about their future.

*"Without Ganbina I wouldn't have known that I could go to Melbourne Uni."
Participant - University*

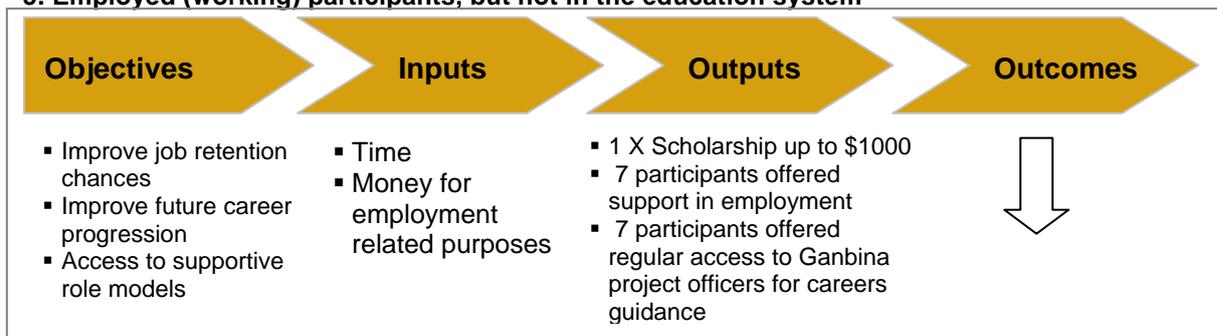
- 4.2 Increased self-confidence. Post-school education generally does not have the same continuous supervision that school education provides. The support and knowledge that Ganbina provided gave the participants added confidence that they were heading in the right direction. The access to role models also gave the participants the confidence to ask for support when it was required and not before it was too late. This support was imperative for them to finish studies and move into sustainable employment.
- 4.3 Increased independence. Due to Ganbina's support, participants were able to continue to do casual work while they were studying. Some of the participants in this stakeholder group have needed to move away from Shepparton to pursue their studies and required additional support given they were living away from home, in a new city, for the first time. In addition, some participants participated in the Driver's Program to obtain a licence, which is imperative for the transition into employment.
- 4.4 Increased social interaction. Without Ganbina many of the participants would not have progressed to further study and as such would not have had the opportunity to broaden their networks, some outside the Goulburn Valley, and engage with new activities and people.

*"I miss my friends in Shepp, but since moving to Melbourne I have met so many new people...we often go out to dinner on Lygon Street."
Participant - University*

- 4.5 Increased pride in cultural heritage and their community. This theme continued to develop with maturity, and in some cases the fact that they had moved away from the area only strengthened their identification as being a Yorta Yorta person, for example.

*"I'm a proud Yorta Yorta girl!"
Participant - University*

5. Employed (working) participants, but not in the education system



Employment is the final outcome for Ganbina, but the program does not just stop as soon as the participants are in employment. To influence real change over the long term the employment must be sustainable. The trend that emerged from the interviews is that as the participants got closer to, or into, employment, their objectives became more aligned with Ganbina's. Here the participants' objectives were focussed around retention, progression, and support. The inputs included a modest amount of the participants' time and money towards the scholarship (25% of the total). The main output that was provided to both the employee and the employer was support and guidance.

*"Ganbina is like having an extra person you can turn to."
Local Employer*

The following is a description of the outcomes experienced by 'Employed (working) participants, but not in the education system' due to the activities of Ganbina. These were reflected by the stakeholder interviews and survey responses.

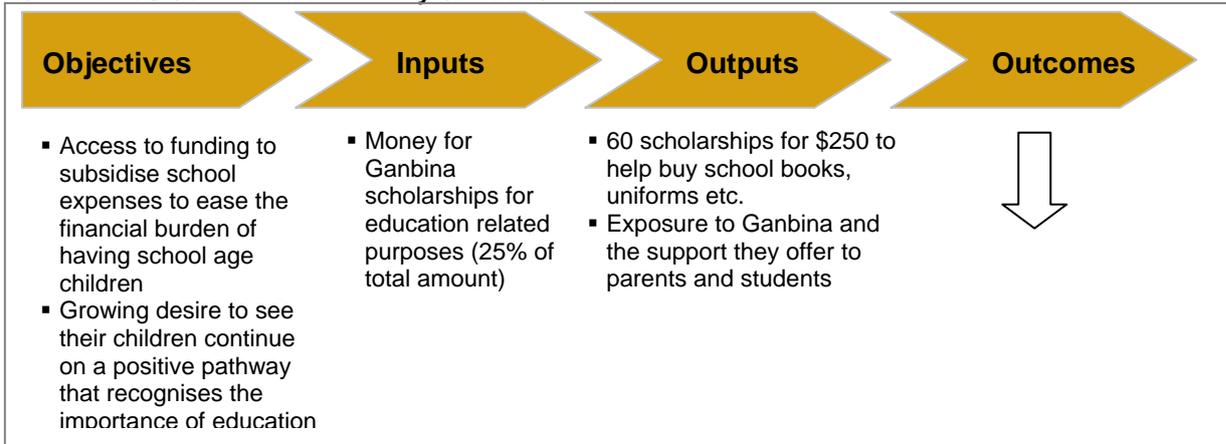
- 5.1 Increased independence and self-confidence. Being employed brings with it financial security, responsibility and ambition; the foundations that the Ganbina program puts in place help the participants manage this increased independence and continue to develop their confidence to achieve their dreams. It was also evident from the interviews that financial security and responsibility made the participants feel good about themselves. Quite often the participants are the only person in their family to have any form of meaningful employment.
- 5.2 Increased awareness of career progression. As described above, the program wants participants to reach their full potential and as such encourages and assists them with maintaining employment and advancing their careers.

*"Before I wanted to be a policeman, but now, working for a community based employer, I feel like I can help members of the community to do the right thing, rather than simply stopping them do bad things."
Employed Participant*

- 5.3 Increased social interaction. In addition to the increased social interaction in the workplace this financial security and increased self confidence translates into increased involvement in other external activities with clubs, societies, and expanded networks in general.
- 5.4 Increased pride in cultural heritage and their community. Ganbina keeps these participants connected to other Indigenous members of the community who are employed or on the path to employment. This access to other 'successful' Indigenous people helps to fuel pride in their cultural heritage and their community.

*"I now know how to introduce myself properly as a Bangarang person; Ganbina encourages me to do this when I meet new people."
Employed Participant*

6. Parents / Guardians of Primary School Children



Primary school students were an excluded stakeholder group given the engagement is solely financial and through their parent or guardian. The objective of the parents or guardians at this level is largely focussed on the funding, but the interviews did show that there was a desire for their children to continue in a positive direction. Often they heard about Ganbina through word of mouth or through an existing relationship with one of the Ganbina staff members.

The input is 25% towards the scholarships.

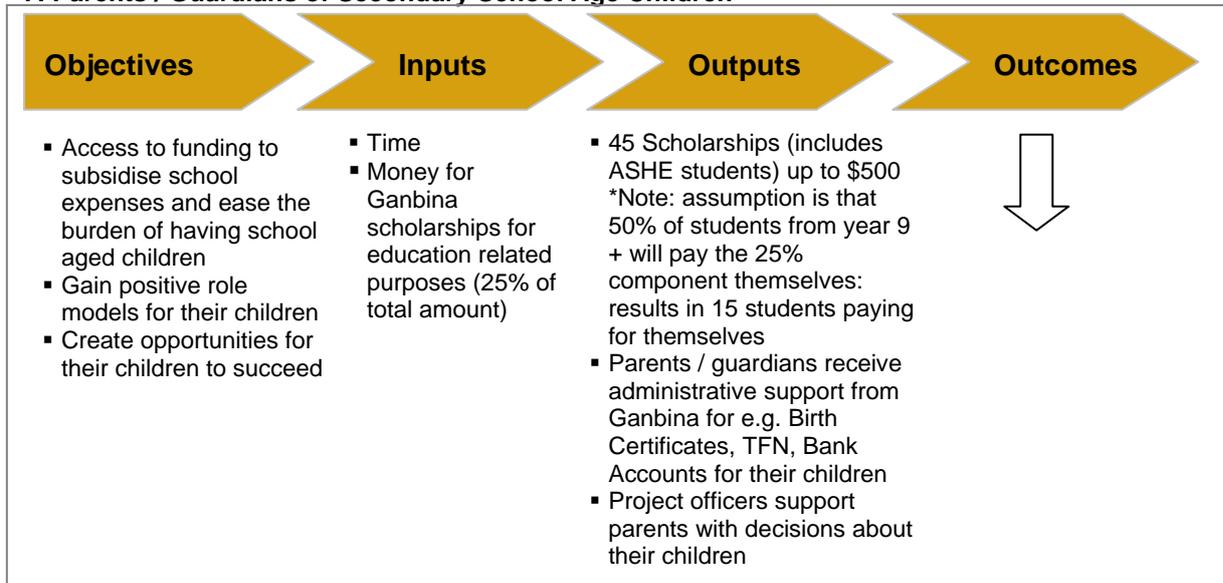
Ganbina provided 60 scholarships for parents or guardians of primary school students for up to \$250 each. Although this is a small amount, this begins the engagement with Ganbina. It was also noted by Ganbina staff that the parents bring the children into the office with them when they come in to fill out the paperwork and this helps the children feel comfortable with Ganbina and hopefully leads to them joining the program by their own accord in the future.

“You are supported no matter what you look like or what background you come from.”
Parent

The following is a description of the outcomes experienced by ‘Parents / Guardians of Primary School Children’ due to the activities of Ganbina. These were reflected by the stakeholder interviews.

- 6.1 Reduced financial stress. The financial support provided by Ganbina reduces the burden of having school age children and allows the family to spend money on other activities for their children, or in some cases means that their children can actually attend school.
- 6.2 Outcomes experienced directly by their children. Most parents recognised the importance of school and wanted their children to attend as often as possible. The extra funding and support from Ganbina is often the catalyst for these parents to ensure their children actually attend school. Children who attend school more regularly are more likely to stay engaged with the education system and graduate to the next year level.

7. Parents / Guardians of Secondary School Age Children



Similar to the parents and guardians of the primary school children, the parents and guardians of secondary school aged children initially access Ganbina for funding. Due to the fact that their children are older and can now engage in the Ganbina program their objectives also included gaining access to positive role models for their children (such as the Ganbina staff), and the fact that they want their children to have access to opportunities to succeed.

The parents have to put in some time and 25% of the money towards the scholarships. The outputs for this stakeholder group include the 55 scholarships, administrative support for basic functions such as getting birth certificates, TFNs, and bank accounts, and general support from Ganbina project officers with decisions about their children.

The following is a description of the outcomes experienced by 'Parents / Guardians of Secondary School Age Children' due to the activities of Ganbina. These were reflected by the stakeholder interviews.

- 7.1 Reduced financial stress. The scholarships were consistently cited as a means to reduce the financial stress of having school age children. This was cited as a critical outcome for parents / guardians.

*"\$350 funding is that extra push that enables me to send my kids on camp."
Parent*

- 7.2 Increased social interaction. The reduced financial stress leads to an increase in activities their children are participating in. This subsequently leads to more social interaction for the parents. For example, because of the funding from Ganbina the parent can now afford the fees for the participant to play netball, they take their child to netball twice a week and while they are there, they mix with other parents who they enjoy spending time with.

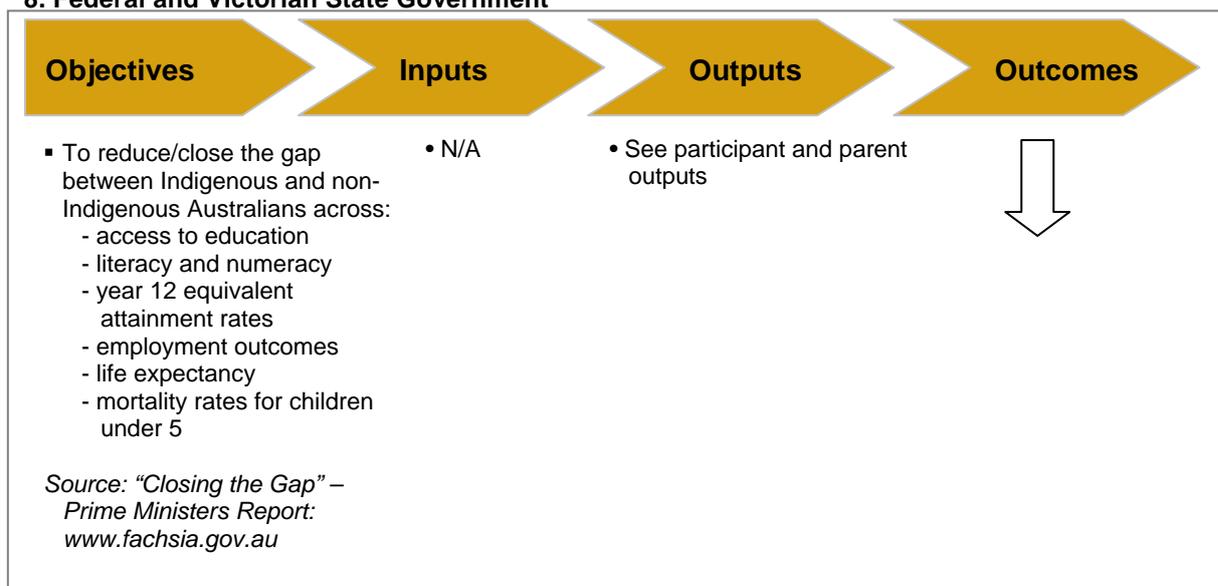
"I'm not Indigenous, but Ganbina has connected me to Indigenous groups for the kids...Now when I take them to netball I sit with all the other Indigenous parents who I am now friends with."
Guardian

- 7.3 Improved family relationships. Often project officers help chase up students to complete their homework and have the 'hard' conversations with children about school. The means that the relationship between children and their parents is not as strained, and there is more time for quality interaction.

"Sports are our time together"
Parent

- 7.4 Outcomes experienced directly by their children. As with primary school parents / guardians, most parents recognised the importance of school and wanted their children to attend as often as possible. The extra funding and support from Ganbina is often the catalyst for these parents to ensure their children actually attend school. Children who attend school more regularly are more likely to stay engaged with the education system and graduate to the next year level.

8. Federal and Victorian State Government



The Governments' longer term objectives for Australians Indigenous population were set out in November 2008. The Prime Minister's 'Closing the Gap' report set out 6 key targets to reduce the gap in life expectancy and opportunities between Indigenous and non-Indigenous Australians. These targets are:

- Close the gap in life expectancy between Indigenous and non-Indigenous Australians within a generation: Currently the gap has been revised to 11.5 years for Indigenous men and 9.7 years for Indigenous women.
- Halve the gap in mortality rates for Indigenous children under five by 2018: Indigenous children under five are more likely to die than non-Indigenous children.

- Ensure access to early childhood education for all indigenous four year olds in remote communities by 2013: Just over 60 per cent of Indigenous children are enrolled in early childhood education programs in the year before school compared to around 70 per cent for all children.
- Halve the gap in reading, writing and numeracy achievement for Indigenous children by 2018: Only 63.4 per cent of Indigenous year 5 students were at or above the national minimum standard for reading compared to 92.6 per cent of their non-Indigenous counterparts.
- Halve the gap in year 12 or equivalent attainment rates by 2020: Non-Indigenous 20-24 year olds are almost twice as likely to attain a year 12 or equivalent qualification as their Indigenous counterparts.
- Halve the gap in employment outcomes between Indigenous and non-Indigenous Australians by 2018: In 2008, almost 54 per cent of the Indigenous working age population was employed compared with 75 per cent of the non-Indigenous working-age population.¹²

The federal and Victorian state governments do not invest in the Ganbina Jobs4U2 program. Although they do not invest in the program, the outcomes derived from the program address the “Close the Gap” objectives. The following is a description of the outcomes experienced by ‘Federal and Victorian State Government’ due to the activities of the Ganbina. These outcomes are based on an interview with one state government employee, interviews with federal government employees conducted by SVA Consulting through other projects and secondary research.

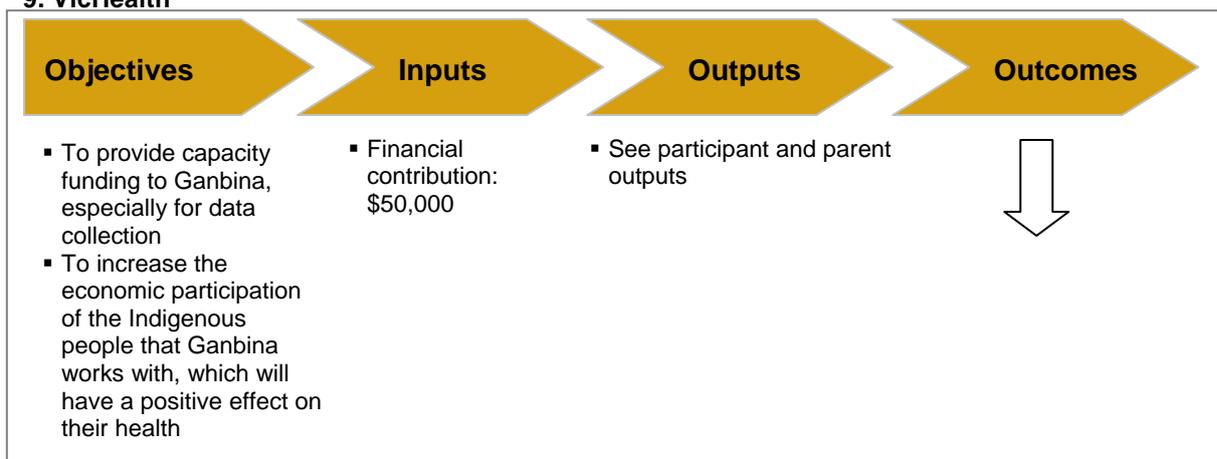
- 8.1 Increased savings in welfare payments. If the participant is successful and completes the Ganbina program, the result is that they will be in sustainable employment. They will therefore not be receiving welfare payments they would have otherwise been entitled to.
- 8.2 Reduced expenditure on employment services. The Government has to put resources into placing unemployed people into jobs. The Ganbina program reduces this burden because their successful participants will not be included as unemployed and Ganbina works with employers to place participants into jobs.
- 8.3 Increased tax income. If a participant is employed, there will be a direct increase in tax income as a percentage of the employed person’s wages.
- 8.4 Increased notional savings from a reduction in criminal offences. As a result of participation in the Jobs4U2 program, the participant is now likely to be on a positive pathway and have less probability of committing a criminal offence.
- 8.5 Increased notional savings on health services. Employment brings with it financial security and higher living standards which results in healthier individuals. This leads to higher government outlays on Medicare, pharmaceuticals, residential aged care and private hospitals. However, this is outweighed by a reduction in expenditure on community health services and public hospitals. In addition, as these participants earn higher incomes they will be more readily able to afford private health insurance, and hence private hospital care.¹³

¹² “Closing the Gap”, Prime Ministers Report, 2010

¹³ “An overview of the economic impact of Indigenous disadvantage”, Access Economics, August 2008, p 30.

It was recognised that if Ganbina achieves its intended outcomes for participants and government, there would be additional costs incurred by the government to support participants in education and employment. However, it was deemed that this was not an unintended or negative outcome from the government's perspective because it is in line with their objectives, i.e. the government has identified that they want to "close the gap" between Indigenous and non-Indigenous Australians. Ganbina's Jobs 4U2 program is meeting those objectives. This assumption is tested in the sensitivity analysis.

9. VicHealth



VicHealth's mission is to build the capabilities of organisations, communities and individuals in ways that:

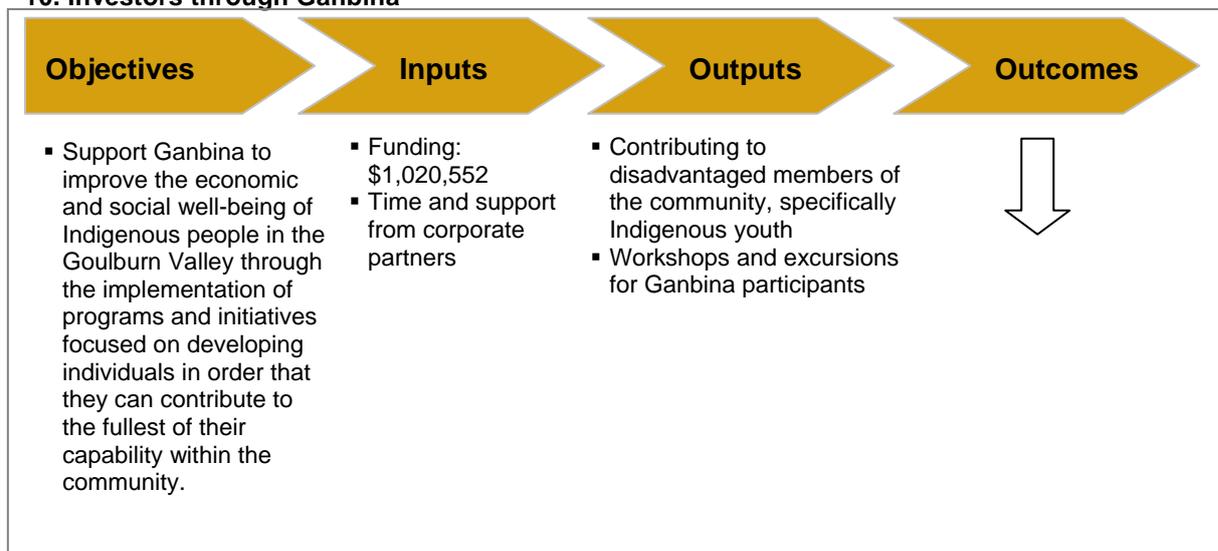
- Change social, economic, cultural and physical environments to improve health for all Victorians
- Strengthen the understanding and the skills of individuals in ways that support their efforts to achieve and maintain health¹⁴

VicHealth contributed \$50,000 in funding to Ganbina for the 2009 calendar year. This was capacity funding for Ganbina targeted for use to continue to develop Ganbina's measurement and evaluation systems. The outcomes experienced by VicHealth are:

- 9.1 Government outcomes, especially "Increased notional savings on health services". This is directly related to VicHealth's overall mission of improving the health of Victorians.
- 9.2 Material outcomes experienced by Ganbina participants. As an investor focussed on building the capacity of Ganbina to achieve outcomes for participants, the outcomes identified by participants accurately reflects the changes "investors through Ganbina" wanted to see.

¹⁴ <http://www.vichealth.vic.gov.au/en/About-VicHealth/About-Us.aspx>

10. Investors through Ganbina



The objectives of the 'Investors through Ganbina' (philanthropic, corporate foundations, non-profits, and Ganbina retained earnings) stakeholder group are aligned with those of Ganbina. However it is worth noting that some of the funds' mandates dictate how the funds can be deployed within Ganbina.

*"We are investing in change, not charity."
Philanthropic Investor*

Ganbina's partners provided total funding for the period of \$1,020,552.¹⁵ Many of these organisations and individuals also provide small amounts of 'in kind' support in the form of travel, workshops and tours for the participants.

The outcomes identified for this stakeholder group include:

- 10.1 A strong alignment with their personal and corporate interest to help Indigenous youth and "close the gap". Ganbina was identified as an exemplary example of an Indigenous program where real tangible outcomes were being achieved with young people.
- 10.2 Material outcomes experienced by Ganbina participants. Investors through Ganbina wanted participants to have their lives transformed through their engagement with Ganbina. As with VicHealth, the outcomes identified by participants accurately reflect the changes "investors through Ganbina" wanted to see.

¹⁵ This includes retained earnings from Ganbina used to fund 2009 calendar year activities. Please see section 5.0 "Investment Value" for further breakdown of the investment made by investors through Ganbina

4.2 Social Value included in the SROI Analysis

The following table shows each stakeholder group, the outcomes they experienced, the indicators used to measure the outcomes, whether data could be accessed to measure the outcome and, finally, if the outcome was included in the SROI ratio.

Outcomes	Indicator	Data Access	Included in SROI Ratio
1. Students – Years 7&8 (58 participants)			
1.1 Increased awareness of career paths and the importance of education	Number of students who successfully complete Ganbina programs in the year	✓	✓
1.2 Increased self-confidence	Number of students who are likely to obtain sustainable employment	✓	✓
1.3 Increased independence	Number of students with a birth certificate or bank account	✓	✓
1.4 Increased social interaction	Number of students who actively participate in a club (sport, choir, dance, etc)	✓	✓
1.5 Increased pride in cultural heritage and their community	Number of students who have had leadership roles in the community	x	x
2. Students – Years 9&10 (55 participants, including ASHE)			
2.1 Increased awareness of career paths and the importance of education	Number of students who successfully complete Ganbina programs in the year	✓	✓
2.2 Increased self-confidence	Number of students who are likely to obtain sustainable employment	✓	✓
2.3 Increased independence	Number of students who have gained a learner's permit or probationary licence	✓	✓
	Number of students in part time or casual employment	✓	✓
	Number of students who receive scholarship money directly	✓	✓
2.4 Increased social interaction	Number of students who actively participate in a club (sport, choir, dance, etc)	✓	✓
2.5 Increased pride in cultural heritage and their community	Number of students who have leadership roles in the community	x	x
3. Students – Years 11&12 (29 participants)			
3.1 Increased awareness of career paths and the importance of education	Number of students who successfully complete Ganbina programs in the year	✓	✓
3.2 Increased self-confidence	Number of students who are likely to obtain sustainable employment	✓	✓
3.3 Increased independence	Number of students who have gained a learner's permit or probationary licence	✓	✓

Outcomes	Indicator	Data Access	Included in SROI Ratio
	Number of students in part time or casual employment	✓	✓
	Number of students who receive scholarship money directly	✓	✓
3.4 Increased social interaction	Number of students who actively participate in a club (sport, choir, dance, etc)	✓	✓
3.5 Increased pride in cultural heritage and their community	Number of students who have leadership roles in the community	✗	✗
4. TAFE / University Participants (14 participants)			
4.1 Increased awareness of career paths and the importance of education	Number of uni students or TAFE participants continuing to develop their career plans	✓	✓
4.2 Increased self-confidence	Number of uni students or TAFE participants who are likely to obtain sustainable employment	✓	✓
4.3 Increased independence	Number of students who have gained a learner's permit or probationary licence	✓	✓
	Number of students in part time or casual employment	✓	✓
	Number of students who receive scholarship money directly	✓	✓
4.4 Increased social interaction	Number of employees who actively participate in a club (sport, choir, dance, etc)	✓	✓
4.5 Increased pride in cultural heritage and their community	Number of students who have leadership roles in the community	✗	✗
5. Employed (working) Participants, but not in the education system (7 participants)			
5.1 Increased independence and self-confidence	Average salary of employed supported participants	✓	✓
	Number of students who receive scholarship money directly		
5.2 Increased awareness of career progression	Number of employees continuing to develop their career plans	✓	✓
5.3 Increased social interaction	Number of employees who actively participate in a club (sport, choir, dance, etc)	✓	✓
5.4 Increased pride in cultural heritage and their community	Number of employees who have had leadership roles in the community	✗	✗
6. Parents / Guardians of Primary School Children (60 parents / guardians)			
6.1 Reduced financial stress	Number of parents receiving scholarships from Ganbina	✓	✓
6.2 Outcomes experienced directly by their children	N/A	N/A	N/A
7. Parents / Guardians of Secondary School Age Children (45 parents / guardians)			
7.1 Reduced financial stress	Number of parents receiving scholarships from Ganbina	✓	✓

Outcomes	Indicator	Data Access	Included in SROI Ratio
7.2 Increased social interaction	Number of parents involved with their children's activities (and therefore interacting with other parents)	✓	✓
7.3 Improved family relationships	Number of hours of better quality time spent with children	✓	✓
7.4 Outcomes experienced directly by their children	N/A	N/A	N/A
8. Federal and Victorian State Government			
8.1 Increased savings in welfare payments	Number of participants who are likely to obtain sustainable employment	✓	✓
8.2 Reduced expenditure on employment services	Number of participants who are likely to obtain sustainable employment	✓	✓
8.3 Increased tax income	Number of participants who are likely to obtain sustainable employment	✓	✓
8.4 Increased notional saving from a reduction in criminal offences	Number of participants who avoid juvenile offences	✓	✓
	Number of participants who avoid criminal offences	✓	✓
8.5 Increased notional savings on health services	Number of participants who are less of a burden on the health system because they are in sustainable employment	✓	✓
9. Vic Health			
9.1 Increased notional savings on health care	See Government outcome 8.5	Captured in 8.5	Captured in 8.5
9.2 Material outcomes experience by Ganbina participants	N/A	N/A	N/A
10. Investors through Ganbina (philanthropic, corporate foundations, non-profits, Ganbina retained earnings)			
10.1 Strong alignment with their personal and corporate interests to help Indigenous youth and "close the gap"	N/A	x	x
10.2 Material outcomes experienced by Ganbina participants	N/A	N/A	N/A

Table 9: Stakeholder group by outcome, indicator, data access and inclusion in SROI ratio

4.3 Summary of Social Value Created

The following table is a summary of the social value for each stakeholder group, considering all Ganbina participants as one stakeholder group, and parents of primary and secondary students as one stakeholder group:

Stakeholder	Real Outcomes due to Ganbina	Social Value*	Social Value per Stakeholder Group*
Ganbina Participants	Increased self-confidence	\$1,249,422	\$1,691,171
	Increased independence	\$306,971	
	Increased awareness of career paths and the importance of education	\$112,911	
	Increased social interaction	\$21,867	
	Increased pride in their cultural heritage and community	No financial proxy identified	
Federal and Victorian state governments	Increased savings in welfare payments	\$1,790,761	\$3,030,008
	Reduction in expenditure on employment services	\$472,211	
	Notional savings from a reduction in health services	\$264,970	
	Increased income taxes	\$256,476	
	Notional savings from a reduction in criminal offences	\$245,590	
Parents	Reduced financial stress	\$40,373	\$96,504
	Improved family relationships	\$36,444	
	Increased social interaction	\$19,688	
Investors	Resources used efficiently and effectively to achieve positive outcomes for young Indigenous people in the Goulburn Valley	see value derived for other stakeholders	see value derived for other stakeholders

Table 10: Summary: Social Value per Outcome

The following table shows the indicator, financial proxy and social value calculated for each outcome for each stakeholder group:

Stakeholder Outcomes	Indicator	Financial Proxy	Social Value*
1. Students – Years 7&8			\$321,751
1.1 Increased awareness of career paths and the importance of education	Number of students who successfully complete Ganbina programs in the year	Market rate for cost of life coach to develop a career plan	\$26,100
1.2 Increased self-confidence	Number of students who are likely to obtain sustainable employment	Difference between net income and Centrelink	\$290,667
1.3 Increased independence	Number of students with a birth certificate or bank account	Cost of birth certificate and Ganbina support	\$1,109
1.4 Increased social interaction	Number of students who actively participate in a club (sport, choir, dance, etc)	Annual cost of activity (e.g. playing sport)	\$3,875

Stakeholder Outcomes	Indicator	Financial Proxy	Social Value*
2. Students – Years 9&10			\$593,975
2.1 Increased awareness of career paths and the importance of education	Number of students who successfully complete Ganbina programs in the year	Market rate for cost of life coach to develop a career plan	\$43,313
2.2 Increased self-confidence	Number of students who are likely to obtain sustainable employment	Difference between net income and Centrelink	\$403,426
2.3 Increased independence	Number of students who have gained a learner's permit or probationary licence	Cost of learner's licence and 5 driving lessons	\$10,115
	Number of students in part time or casual employment	Est. of annual earnings based on minimum wage at 10 hours per week for 40 weeks	\$122,199
2.4 Increased social interaction	Number of students who receive scholarship money directly	Dollar value of scholarship	\$7,048
	Number of students who actively participate in a club (sport, choir, dance, etc)	Annual cost of activity (e.g. playing sport)	\$7,875
3. Students – Years 11&12			\$461,315
3.1 Increased awareness of career paths and the importance of education	Number of students who successfully complete Ganbina programs in the year	Market rate for cost of life coach to develop a career plan	\$30,178
3.2 Increased self-confidence	Number of students who are likely to obtain sustainable employment	Difference between net income and Centrelink	\$336,084
3.3 Increased independence	Number of students who have gained a learner's permit or probationary licence	Cost of learner's licence and 5 driving lessons	\$14,908
	Number of students in part time or casual employment	Est. of annual earnings based on minimum wage at 10 hours per week for 40 weeks	\$72,664
3.4 Increased social interaction	Number of students who receive scholarship money directly	Dollar value of scholarship	\$1,410
	Number of students who actively participate in a club (sport, choir, dance, etc)	Annual cost of activity (e.g. playing sport)	\$6,070
4. TAFE / University Participants			\$203,285
4.1 Increased awareness of career paths and the importance of education	Number of uni students or TAFE participants continuing to develop their career plans	Market rate for cost of life coach to develop a career plan	\$6,036
4.2 Increased self-confidence	Number of uni students or TAFE participants who are likely to obtain sustainable employment	Difference between net income and Centrelink	\$168,042
4.3 Increased independence	Number of students who have gained a learner's permit or probationary licence	Cost of learner's licence and 5 driving lessons	\$6,169
	Number of students in part time or casual employment	Est. of annual earnings based on minimum wage at 10 hours per week for 40 weeks	\$16,148

Stakeholder Outcomes	Indicator	Financial Proxy	Social Value*
	Number of students who receive scholarship money directly	Dollar value of scholarship	\$4,000
4.4 Increased social interaction	Number of employees who actively participate in a club (sport, choir, dance, etc)	Annual cost of activity (e.g. playing sport)	\$2,891
5. Employed (working) Participants, but not in the education system			\$110,845
5.1 Increased independence and self-confidence	Average salary of employed supported participants	Difference between net income and NewStart	\$110,845
	Number of students who receive scholarship money directly	Dollar value of scholarship	\$1,000
5.2 Increased awareness of career progression	Number of employees continuing to develop their career plans	Market rate for cost of life coach to develop a career plan	\$7,284
5.3 Increased social interaction	Number of employees who actively participate in a club (sport, choir, dance, etc)	Annual cost of activity (e.g. playing sport)	\$1,156
6. Parents / Guardians of Primary School Children			\$15,000
6.1 Reduced financial stress	Number of parents receiving scholarships from Ganbina	Dollar value of scholarship	\$15,000
7. Parents / Guardians of Secondary School Age Children			\$81,504
7.1 Reduced financial stress	Number of parents receiving scholarships from Ganbina	Dollar value of scholarship	\$25,373
7.2 Increased social interaction	Number of parents involved with their children's activities	Annual cost of child involved in an activity (e.g. playing sport)	\$19,688
7.3 Improved family relationships	Number of hours of better quality time spent with children	Value of time based on hours saved per week at minimum wage	\$36,444
8. Federal and Victorian State Government			\$3,030,008
8.1 Increased savings in welfare payments	Number of participants who are likely to obtain sustainable employment	NewStart payment and Avg. Housing Assistance payments for one year	\$1,790,761
8.2 Reduced expenditure on employment services	Number of participants who are likely to obtain sustainable employment	Median spend on JSA stream 3 participant successfully placed in a job	\$472,211
8.3 Increased tax income	Number of participants who are likely to obtain sustainable employment	Taxes based on full-time average Indigenous wage in VIC	\$256,476
8.4 Increased notional saving from a reduction in criminal offences	Number of participants who avoid juvenile offences	Avg. cost per juvenile offender (community based orders, remand, detention)	\$61,491
	Number of participants who avoid criminal offences	Avg. cost per adult offender - Community Correction and 2 year stay prison stay	\$184,099
8.5 Increased notional savings on health services	Number of participants who are less of a burden on the health system because they are in sustainable employment	Difference between government recurrent health expenditure for avg. Australian compared to Indigenous Australians	\$264,970

Table 11: Social Value per Outcome

* Social value calculated prior to discount rate being applied

Rationale for Calculations

Note: for further details about the calculations, please see the excel spreadsheet “Ganbina Jobs4U2 SROI Impact Map – August 2010 FINAL”. This spreadsheet includes all of the calculations described below.

Filters applied throughout the analysis

The following is the rationale for each assumption and SROI filter:

Deadweight – What would have happened anyway? Deadweight varied throughout the impact map depending on whether the outcomes were framed around employment or other measures. For employment related financial proxies, the unemployment rate is good indicator for deadweight. As previously discussed, the Indigenous unemployment rate in the Goulburn Valley was 77.6% in 2002, therefore the deadweight is 22.4%, which means that the outcomes would have had a 22.4% chance of happening without Ganbina’s activities. For example, when a Ganbina participant experiences an outcome such as “increased self-confidence”, there was a one in five chance (i.e. 22.4%) chance that this would have happened anyway, that they would have experienced this outcome without Ganbina.

Displacement – Were other outcomes displaced to create the outcome? Following research, interviews with stakeholders and members of the community, and an online survey, it was concluded that the activities of Ganbina did not displace any other outcomes. Specifically, the activities of the program and the employment outcomes do not displace other job seekers from finding employment or detract from their opportunities. The basis for this assumption is that the Goulburn Valley is a relatively prosperous area, evidenced by a relatively low non-Indigenous unemployment rate of 5.7%, and anecdotally, employers require more workers to maintain economic activity. This was also evidenced with stakeholder consultation with employers. For all outcomes for each stakeholder group, there was no displacement accounted for.

Attribution – Who else contributed to the changes? The SROI analysis focussed on the changes experienced by stakeholders due to the activities of Ganbina during the 2009 calendar year. A conservative assumption has been made that 25% of the outcomes experienced by stakeholders have been attributed to other services and organisations outside of the Ganbina Jobs4U2 program. From the stakeholder interviews, survey responses and feedback from Ganbina staff it was evident that the schools are an important partner to Ganbina and contribute to the outcomes experienced by participants and government. Many participants are also involved in various clubs and societies that contribute to the outcomes identified. However, there are some outcomes which had a lower attribution (0%) or higher attribution (50%) to other organisations due to their specific nature. Unless specified, the attribution to other organisations was 25%.

Duration and Drop-off – How long does the outcome last for and does it drop-off in future years? The duration of the outcomes experienced by the participants varied depending on the age and school level of the participants. Based on stakeholder interviews and the surveys completed, the duration of outcomes for participants is as follows:

Duration of Outcomes	
Participant Group	Years
Students – Primary	1
Students – Years 7&8	1
Students – Years 9&10	2
Students – Years 11&12	3
TAFE & University Participants	3
Employed (working) participants, but not in the education system	3

Table 12: Duration Profile

These values apply to all stakeholder groups where the outcomes relate to the specific participant group, i.e. government outcomes that relate to the participants successfully completing the program.

The assumption of a duration of 1 year for primary and years 7&8 participants is conservative but reflects the fact that at this age the main (but not only) motivation to be involved in the program is access to funding. This limits the duration of the outcome to the year in which the scholarship funding is received.

Once the participants reached years 9&10 their objectives had matured and many participants identified that the outcomes due to Ganbina's involvement would 'last a lifetime', but further evidence from the surveys and in-line with conservative principles, an estimate of 2 years was used to account for duration of the outcomes experienced by this stakeholder group. This means that the outcomes generated from the investment from Ganbina for the 2009 calendar year has a duration of 2 years for these participants.

Those in years 11&12, TAFE & University, or who were employed felt very strongly that the outcomes Ganbina assisted them to obtain over the years would stay with them for a very long time. However, as they progress through their education or employment, there would be an increasing amount of factors that would come into their lives. The conservative estimate used throughout the analysis was a duration of 3 years for this group.

A drop-off rate of 25% per annum was used to acknowledge the fact that after the first year of the impact calculation, each subsequent year of social value creation will be affected by other factors and variables which do not relate to the initial investment from the 2009 calendar year.

Quantity

The number of participants used for calculating the outcomes varied depending on the data available from Ganbina. Where there was no specific quantity data for the outcome, a conservative assumption was made based on Ganbina's baseline internal success rates of 80%. In 2009, Ganbina surpassed this baseline and experienced a 91% participant success rate. For the SROI analysis, we have taken the 91% as a basis and assumed a percentage of these participants will achieve positive outcomes, in line with the SROI principle of not over claiming. Of the participants who successfully completed the 2009 Ganbina program, the following assumptions have been made for success rates to achieve outcomes:

- 60% of primary school students
- 50% of ASHE students
- 80% of Years 7 to 12 and TAFE participants

- 100% of employed and university participants

It should be noted that actual numbers are used for all calculations (e.g. 26.8 participants) but whole numbers are used for reporting (e.g. 27 participants).

Participant Outcomes

Due to the similarity in the rationale used to calculate the outcomes for the stakeholder groups years 7&8 students, years 9&10 students, years 11&12 students, TAFE and university participants, these five stakeholder groups will be dealt with in conjunction in this section. (This section on participant outcomes covers outcomes 1 to 5).

Increased awareness of career paths and progression, and the importance of education

Based on the stakeholder interviews and the online survey, the indicator was the number of students who successfully completed the Ganbina program during 2009. The financial proxy used to value this outcome was the market rate for the cost of a life coach to develop a career plan based on 5 hours of work at \$120/hour.¹⁶

Deadweight was assumed at 0% for each stakeholder group as this outcome would not have happened without Ganbina; however, for TAFE and university participants, deadweight of 50% was assumed because they would be likely to receive some support from their educational institution to achieve this outcome. An attribution of 25% was applied to recognise the influence of other organisations, particularly schools, through career awareness and work experience programs, who contribute to the successful achievement of this outcome. For employed participants, an attribution of 25% was assumed to recognise the role their employer has in increasing awareness of career paths.

Increased self-confidence

This outcome was identified by participants as one of the most important outcomes of Ganbina's Jobs4U2 program for them. The indicator for this outcome was the number of students or participants who are likely to obtain sustainable employment; for employed participants, this was phrased as "the number of participants in sustainable employment". In line with conservative principles, the number of participants this outcome applied to was 50% of ASHE participants, 80% of high school and TAFE participants and 100% of employed and university participants. The financial proxy used to value this outcome was the difference between their net income, based on the average Indigenous wage of \$520 per week,¹⁷ and Centrelink benefits, based on the NewStart allowance of \$231.40 per week.¹⁸ The average Indigenous wage was chosen even though it is lower than the minimum wage (\$569.90/week), in line with conservative principles.

Deadweight was 22.4%, the inverse of the Indigenous unemployment rate for the Goulburn Valley, i.e. 22.4% of this outcome would have been achieved without Ganbina's program. Attribution was assumed to be 25% to other organisations for all five stakeholder groups for this outcome.

Increased independence

There were a number of different indicators and financial proxies to measure and value this outcome.

¹⁶ www.improvelife.com.au/index_en.htm

¹⁷ ABS, 2006. Population Characteristics, Aboriginal and Torres Strait Islander Australians, pg 121 www.austatas.abs.gov.au

¹⁸ www.centrelink.gov.au and www.ato.gov.au

For year 7&8 students, the indicator used to measure increased independence was the number of students with a birth certificate or bank account (24 students). The financial proxy used to value this outcome was the cost of a birth certificate (\$27.20),¹⁹ cost per annum of monthly access fees for a bank account (\$36) and the value of Ganbina's support (5 hours at minimum wage, \$15/hour). A deadweight of 25% was assumed and an attribution of 50% was applied to account for a parent or guardian's contribution to achieving the outcome.

For years 9&10, 11&12, TAFE and university participants, there were 3 indicators and financial proxies used to measure and value this outcome:

- The Driver's Program was a critical component for achieving this outcome for these stakeholders. An indicator used to measure the outcome of increased independence is therefore the number of students who gained a learner's permit or probationary licence. The financial proxy used to value this outcome was the cost of a learner's licence (\$70.20)²⁰ and the cost of 5 driving lessons (\$325).²¹ A deadweight of 25% was assumed to account for the likelihood that some participants would have been able to get their licence without Ganbina. And 25% was assumed for attribution to account for the assistance of family or friends to obtain the licence.
- Many students also experienced casual or part-time work with the assistance of Ganbina. This is a major factor in achieving increased independence. Therefore, an indicator for this outcome is the number of students who are in part-time or casual employment (total of 33 participants) Based on stakeholder interviews, the financial proxy used to value this outcome was working 10 hours a week for 40 weeks in the year, based on the federal minimum wage of \$15/hour.²² The inverse of the Goulburn Valley unemployment rate was used as the deadweight, i.e. 22.4% of this outcome would have happened anyway, and an attribution of 25% was assumed to account for the employer's contribution to achieve this outcome for stakeholders. *Please note that students who previously had casual or part-time work, but did not work in 2009 because they were focussed on their studies, were excluded because there was no evidence to support this claim.*
- Approximately 50% of students in years 9 to 12, and all TAFE and university participants, receive scholarships directly from Ganbina. This contributes significantly to their independence. Therefore, an indicator to measure this outcome is the number of students who receive scholarships directly, and the financial proxy used was the dollar value of the scholarship. Based on a top-down calculation from Ganbina's accounts, the value of the scholarship ranged from \$564 to \$1000 per participant for these stakeholders. This would not have happened without Ganbina, therefore no deadweight was applied, and no-one else contributed to achieve this aspect of the outcome, therefore no attribution was applied to other organisations or people.

For the "employed (working) but not in the education system" stakeholder group, the outcome was phrased as "increased independence and self-confidence". There were 2 indicators for this outcome, both of which have been described. The first indicator was the number of Ganbina participants in sustainable employment and the second indicator was the number of participants

¹⁹ www.justice.vic.gov.au

²⁰ www.vicroads.vic.gov.au/Home/Licences/FeesFormsAndFAQs/Fees/LicenceFees.htm

²¹ www.cheapdrivinglessons.com.au/index.php?option=com_content&view=article&id=1&Itemid=40

²² www.fairwork.gov.au/Pay-leave-and-conditions/Finding-the-right-pay/Pages/National-minimum-wage.aspx

who receive scholarships directly. The financial proxies used to value this outcome are also consistent with what was described for the other stakeholder groups.

Increased social interaction

The indicator used to measure this outcome was the number of students who actively participate in a club (e.g. sports, choir or dance). Notably, less than 50% of all Ganbina participants participated in social activities such as sports, choir or dance that contributed to the outcome of increased social interaction. The financial proxy used to value this outcome, based on stakeholder interviews, was the annual cost of an activity which comprised a cost per session of \$10 for 30 weeks, together with equipment costs per annum of \$200. A deadweight of 50% was assumed to account for the fact that many participants would have increased their social interaction without Ganbina, and an attribution of 50% was assumed to account for the contribution of families and the clubs that assist in achieving this outcome.

Parents / Guardians of Primary School Children

6.1 Reduced financial stress

Based on the client interviews, the indicator for this outcome was the number of parents / guardians who received scholarships from Ganbina, which were 60 parents of primary school aged children. The financial proxy used to value this outcome was the dollar value of the scholarship at \$250. There was no deadweight or attribution applied to this outcome because it would not have happened with Ganbina and no other organisation contributed to the change.

Parents / Guardians of Secondary School Age Children

There were 3 outcomes valued for parents / guardians of school aged children

7.1 Reduced financial stress

As with the parents / guardians of primary school aged children, the indicator for this outcome was the number of parents / guardians receiving a scholarship from Ganbina, which was 45 parents / guardians. The financial proxy used to value this outcome was the dollar value of the scholarship at \$564; the amount was calculated based on a top-down calculation from Ganbina's accounts as the scholarship amount varies between parents. There was no deadweight or attribution applied to this outcome because it would not have happened with Ganbina and no other organisation contributed to the change.

7.2 Increased social interaction

As with their children and other participants in Ganbina's programs, parents / guardians also experienced increased social interaction due to Ganbina. The indicator for this outcome was the number of parents / guardians involved in their children's activities. The financial proxy used to value this outcome was the same as the financial proxy used to value increased social interaction for participants: the annual cost of an activity which comprised a cost per session of \$10 for 30 weeks, together with equipment costs per annum of \$200. No deadweight was applied as this would not have happened without Ganbina because they were now more engaged with their children's activities. An attribution of 50% was assumed to account for the contribution of families and the

clubs that assist in achieving this outcome. This outcome was deemed to last for 2 years with a drop-off of 25% in the 2nd year.

7.3 Improved family relationships

The indicator for this outcome was the number of hours of quality time parents / guardians were able to spend with their children (i.e. not asking them to do homework) due to Ganbina's program. The financial proxy used to value this outcome was the value of time based on the federal minimum wage (\$15/hour) for 3 hours per week, 36 weeks per annum (i.e. school time). The outcome would not have happened without Ganbina so no deadweight was applied, but an attribution of 50% was applied to account for the contribution of both parents / guardians and children to achieve this outcome.

Federal and Victorian State Government

The following is a description of the rationale used to calculate the value for each of the outcomes experienced by the federal and Victorian state governments due to Ganbina's Jobs4U2 program. The number of participants who achieved the outcomes for government is based on a conservative assumption for success rates of Ganbina participants: 50% of ASHE participants, 80% of high school and TAFE participants and 100% of employed and university participants.

8.1 Increased savings in welfare payments

Based on research and evidence the "number of participants likely to obtain sustainable employment" can be used to measure the outcome, and both the "Newstart payment for one year" and the "average Indigenous Housing assistance payment for one year" were the financial proxies used to value the outcome.

The Newstart payment for one year was based on an allowance of \$462.80 per fortnight,²³ annualised to \$12,032.80 per year. Newstart was used as opposed to Youth Allowance due to the fact that Ganbina is focussed on employment outcomes and not welfare outcomes. A deadweight of 22.4% was applied as an inverse of the Goulburn Valley Indigenous unemployment rate of 77.6%. The assumption here is that if a person is employed then they are not receiving the Newstart allowance, and if it was not for Ganbina, then there would have been a 22.4% chance that they would have a job anyway and not be receiving welfare payments.

The housing assistance payment has been calculated using a weighted average of the cost to government of Indigenous housing assistance based on ABS statistics for Victoria of \$1,354. A deadweight of 65.3% has been applied, the inverse of the total proportion of Indigenous Victorians receiving some form of housing assistance. The assumption is that when the participant obtains sustainable employment, then they will not access government housing assistance; however, there would have been a 65.3% chance that this would happen anyway. Based on feedback from Ganbina staff, members of the community and Government this figure is conservative as it is based on Victoria wide and not specific to the Goulburn Valley. It is likely that the situation is significantly worse in the Goulburn Valley; for example national statistics suggest that one in every two Indigenous household receives some form of government housing assistance.²⁴

²³ www.centrelink.gov.au, accessed July 2010

²⁴ AIHW, 2005. "Health and Welfare of Australia's Aboriginal and Torres Strait Islander People"

Indigenous Housing Assistance		
Program	% Indigenous Victorians²⁵	Amount (Deficit)²⁶
Indigenous Community Housing Organisations (ICHO)	3.1%	\$2,400
State Owned and Managed Indigenous Housing (SOMIH)	8.8%	\$272
Public Housing	8.7%	\$269
Community Housing	0.4%	\$2,400
Commonwealth Rent Assistance (CRA)	13.7%	\$2,470
Total	34.7%	\$1,354

Table 13: Indigenous Housing Assistance

This outcome has identified real cash savings to the government which will be achieved due to Ganbina's Jobs4U2 program.

8.2 Reduced expenditure on employment services

Based on research and evidence from stakeholder consultation, and in line with outcome 8.1 above, the "number of participants likely to obtain sustainable employment" is the indicator that can be used to measure the outcome, and the "median government spend on a Job Services Australia (JSA) stream 3 participant successfully placed in a job" was the financial proxy used to value the outcome.

JSA contracts are "commercial in confidence" so there are no public records for the amounts paid by DEEWR to each JSA provider as they tender for each contract. The financial proxy used the median figure from the ranges provided by DEEWR for JSA contracts for stream 3 participants. This is value at \$5,039.50 for each participant.

Job Services Australia (JSA) price range for stream 3 participants²⁷		
	Range	Median
Service Fees	\$0 - \$1,202	\$601.00
Employment Pathway Fund	\$0 - \$1,100	\$550.00
Outcome and Job Placement Fees	\$385 - \$7,392	\$3,888.50
Total		\$5,039.50

Table 14: JSA Contract Price Range

As this is an employment based outcome, the inverse of the Indigenous unemployment rate for the Goulburn Valley was applied as the deadweight (22.4%) because this is the chance that an Indigenous person in the region will get a job without Ganbina's assistance, and as such will not be a drain on Government employment services. This outcome was deemed to last for only 1 year.

This outcome has identified real cash savings to the government which will be achieved due to Ganbina's Jobs4U2 program.

8.3 Increased tax income

Based on research and evidence from stakeholder consultation, and in line with outcomes 8.1 and 8.2 above, the "number of participants likely to obtain sustainable employment" is the indicator that can be used to measure the outcome. The financial proxy used to value this outcome is the "taxes based on the annual salary of an employed Indigenous Australian".

²⁵ ABS, AIHW 2008. "Health and Welfare of Australia's Aboriginal and Torres Strait Islander Peoples"

²⁶ AHURI Research & Policy Bulletin, May 2006. "The cost of housing in diverse Indigenous communities in Australia"

²⁷ DEEWR, May 2008. "The Future of Employment Services in Australia"

The annual salary for employed Indigenous Australians was calculated by taking the gross weekly individual income of all employed Indigenous, Australia of \$520²⁸ and annualising it, resulting in \$27,040. To calculate the increase in tax income, the following steps are required:

- Compulsory superannuation of 9% must be deducted
- An allowance made for the low income tax offset (LITO) of \$1,350²⁹
- Tax rates applied, including the tax free threshold of \$6,000
- Add the Medicare levy of 1.5% of taxable income

The net tax paid to the Government then becomes \$1,810³⁰ per participant. This outcome has identified real cash savings to the government which will be achieved due to Ganbina's Jobs4U2 program.

The SROI filters and assumption for quantities were the same as those applied to outcomes 8.1 and 8.2.

8.4 Increased notional savings from a reduction in criminal offences

Based on research and evidence from stakeholder consultation, a causal link was identified between Ganbina's program and the positive pathways created for participants, especially employment outcomes, which results in a reduction in criminal offences.

For participants in primary school through to year 10 the "number of participants who avoid juvenile offences" was used to measure the outcome, and the "average cost per juvenile offender" was the financial proxy used to value this outcome.

The average cost per juvenile offender includes community based orders, remand, and detention. The financial proxy was calculated using a weighted average of the supervision rates and the total average cost per capita of the supervision, equating to \$15,389.

Deadweight was 96.4%, the inverse of the total supervision rates of Indigenous Victorians aged between 10 and 17 of 3.6%. The logic is that because of a participant's involvement with Ganbina, the successful participants are likely to be on a positive pathway and as such not fall foul of the law; if they were not involved with Ganbina this would still have been the case 96.4% of the time.

Juvenile Justice			
Program	% Indigenous Victorians, Aged 10-17, 2007-08 ³¹	Median Length (Days) ³²	Cost Per Day ³³
Community Based Supervision	1.3%	127	\$23.00
Detention	0.9%	79	\$556.00
Remand	1.4%	16	\$556.00
Total	3.6%	Weighted Ave	\$15,388.66

²⁸ ABS, 2006. 'Population Characteristics, Aboriginal and Torres Strait Islander Australians', pg 121 www.austatas.abs.gov.au

²⁹ The Low Income Tax Offset (LITO) is a tax rebate for individuals on lower incomes. From 1 July 2009 it provides individuals earning less than \$30,000 with a tax rebate of \$1,350. The full offset is reduced by 4c for every dollar of taxable income above \$30,000, meaning incomes greater than \$63,750 do not receive any benefit. The LITO creates an effective tax-free threshold of \$15,000 for low income earners

³⁰ ATO Tax Calculator, www.ato.gov.au, accessed July 2010

³¹ AIHW, 2007-08. "Juvenile Justice in Australia", pg 61-95

³² Ibid, p 35-79

³³ NSW Human Services 'A strategic review of the NSW Juvenile Justice System, pg 115, www.djj.nsw.gov.au, accessed July 2010

Table 15: Juvenile Justice Rates, Sentence Lengths, and Costs

Overall, Indigenous young people were 28 times more likely to be detained than non-Indigenous young people on an average day. The supervision periods completed by Indigenous young people were on average, about 1 month shorter than those completed by non-Indigenous young people, but Indigenous young people were more likely to complete more supervision periods than non-Indigenous young people. Indigenous young people were also likely to spend an average of 5 days longer on remand due to a lack of access to funds and legal representation.³⁴

For participants in year 11 through to employed, the “number of participants who avoid criminal offences” can was used to measure the outcome, and the “average cost per adult offender – community corrections” and the “average cost per adult offender – 2 year prison stay” were the financial proxies used to value this outcome.

The average cost per adult offender – community corrections was calculated using a median length of community corrections of 2 years. The net recurrent costs and capital costs per offender per day were \$16.60, which equates to a total of \$12,118. Indigenous community corrections rates for Victoria are 0.2%.³⁵ The inverse of this figure, 99.8%, was used as the deadweight assumption.

The average cost per adult offender, based on the median length of a prison stay for Indigenous Australians of 2 years,³⁶ was calculated by using total net recurrent costs and capital costs per prisoner per day of \$278.90,³⁷ equating to the average cost of a prison stay for Indigenous Australians of \$203,597. Deadweight was calculated by taking the inverse of the Indigenous imprisonment rates in Victoria of 1.2%³⁸, 98.8%.

Although the deadweight is high here there is still considerable social value created. Indigenous prisoner rates remain on the rise in Victoria; Indigenous prisoners currently make up 5.5% of Victoria’s prison population, nationally they compose 24.6%. This over representation is commensurate with the lower socio-economic position of the Indigenous population.

This outcome is not a real cash saving to government but should be considered as a notional saving, a way of valuing less demand on correction services.

8.5 Increased notional savings on health services

Note: This outcome was also explicitly identified by VicHealth, a Victorian statutory authority, as an outcome that meets their objectives, i.e. outcome 9.1.

Based on research and evidence from stakeholder consultation, the “number of participants who are less of a burden on the health system because they are in sustainable employment” can be used to measure this outcome. The financial proxy used to quantify this is the “difference between government recurrent health expenditure for average Australians compared to Indigenous Australians.”

The financial proxy of \$1,870 is the difference between the average health expenditure per

³⁴ AIHW, 2007-08, op. cit. pg 4-35

³⁵ Productivity Commission, 2009. “Report on Government Services”, p63

³⁶ ABS, 2009. “Prisoners in Australia”

³⁷ Productivity Commission, 2009, loc. cit.

³⁸ Ibid. p 59

Indigenous Australian (\$5,360) and the average health expenditure per person of \$3,490.³⁹

The SROI filters and assumptions for quantities are the same as outcomes 8.1, 8.2 and 8.3.

This outcome is not a real cash saving to government but should be considered as a notional saving, a way of valuing less demand on health services.

³⁹ Access Economics, 2008. "An overview of the economic impact of Indigenous disadvantage", pg 30

5 Investment Value

The investment for this SROI analysis is the total of the inputs from all stakeholder groups, cash or in-kind, which contributes to achieving the outcomes described in section 4. The following table outlines the amount invested by stakeholder group for the 2009 calendar year.

2009 Investment for SROI analysis	Value
<i>Cash Investment to Ganbina</i>	
Investors through Ganbina	\$874,370
Social Ventures Australia	\$496,000
R.E. Ross Trust	\$232,750
Portland House	\$75,000
Bennelong Foundation	\$35,000
Smith Family	\$19,975
Allens Arthur Robinson	\$15,645
Ganbina's Investment from Retained Earnings	\$146,182
VicHealth	\$50,000
<i>Total</i>	<i>\$1,070,552</i>
<i>Cash investment from other stakeholders</i>	
Parents / Guardians	\$12,518
Participants: 50% of years 9 -12 students, TAFE, university and employed participants	\$4,486
<i>Total</i>	<i>\$17,004</i>
Grand Total	\$1,087,556

Table 16: Investment for SROI analysis

Investors through Ganbina, VicHealth and Ganbina's investment from retained earnings, all contributed cash to run the Jobs4U2 program. The contribution made by parents / guardians and participants are their direct investment to receive the scholarships from Ganbina. As described in section 4, this assumption is based on feedback from Ganbina staff that 50% of participants in year 9 and above make the 25% contribution towards the scholarship directly themselves. Regardless of the exact breakdown between parents / guardians and participants, the total amount contributed to achieve the outcomes is the same (\$17,004) and does alter the calculation.

*"Our foundation very rarely extends beyond 3 years; we have just extended for another year with Ganbina."
Philanthropic Investor*

In addition to the direct cash investment made by corporate foundations and philanthropic organisations, many of these organisations, and others, provide 'in kind' support to Ganbina and the program participants. For example, the Leadership program has an annual industry trip to Melbourne where the accommodation is provided by Trinity College at The University of Melbourne, and then staff from the Bennelong Group or GSJBW show participants around their offices and share experiences. Although this support is valuable for both the organisations providing it and the Ganbina participants, a value has not been placed on this support as it was deemed immaterial for the analysis.

*"We get a lot out of having the kids down to our offices."
Philanthropic Investor*

The following table provides a breakdown of the income and expenses for the 2009 calendar year.

2009 Calendar Year P/L	
Income	\$1,063,824
Expenses	
Administration Expenses	\$183,519
Occupancy Costs	\$62,825
Operating Expenses	\$194,169
Payroll Expenses	\$503,031
Vehicle Expenses	\$127,008
Total Expenses	\$1,070,552
EBIT	-\$6,728
Tax	\$0.00
Net after Tax	-\$6,728

Table 17: Ganbina Profit and Loss Statement for 2009 Calendar Year

6 SROI Ratio

Ganbina's Jobs4U2 program will deliver an indicative SROI of 4:20:1 based on the outcomes generated from the investment for the 2009 calendar year

Ganbina Jobs4U2 SROI Ratio 4.20:1	=	Present value of benefits \$4,572,676
		Present value of investment \$1,087,556

To calculate the net present value (NPV), the costs and benefits incurred or generated in different time periods need to be summed. For these costs and benefits to be comparable, a process called discounting is used. A discount rate of 3.75%, which was the Australian target cash rate on 31st December 2009,⁴⁰ was used for the NPV calculations.

To calculate the added social value created by Ganbina, the NPV calculation is as follows:

$$\begin{aligned} & \text{Added social value created by Ganbina} \\ &= [\text{Present value of benefits}] - [\text{Present value of investments}] \\ &= \$4,572,676 - \$1,087,556 \\ &= \$3,485,120 \text{ (Net Present Value)} \end{aligned}$$

The social return of \$4.20 for every dollar invested is generated over a 3 year period, with 70% generated in the first year.

It must be noted that it is not advisable to directly compare SROI ratios between organisations without having a clear understanding of both organisations' strategy, program logic or theory of change, geographic location, stage of development and what they are trying to achieve. There are numerous differences in the theory of change that can significantly alter the valuation. A judgement about whether a return is good or bad can only be made when using comparable data. However, any return greater than 1:1 should represent good value for stakeholders.

6.1 Sensitivity Analysis

The SROI ratio calculated is contingent on several assumptions and it is necessary to test the effect of changing these assumptions on the ratio. In doing so, we challenge the robustness of our assumptions to determine whether we can still be confident that Ganbina will be creating value.

⁴⁰ Reserve Bank of Australia <http://www.rba.gov.au/statistics/cash-rate.html>, accessed July 2010

Assumptions that were tested in the sensitivity analysis for this SROI report were:

1. Additional costs to government
2. Primary school students
3. Financial proxy for sustainable employment
4. Attribution %
5. Duration of outcomes
6. Deadweight – unemployment rate

The following table describes the variable, the baseline assumption, the new assumption and the resulting SROI:

Variable	Baseline	New Assumption	SROI ratio
Baseline			4.20
1. Additional costs to government	No additional costs to government included in the SROI	Include increased education and Indigenous Wage Subsidy costs	3.55
2. Primary school students	60% success rate included for government related outcomes	Remove outcomes generated for all primary school students	3.79
3. Financial proxy for sustainable employment	Average Indigenous wage (\$520 / week)	Minimum wage (\$569.90 / week)	4.46
4. Attribution	50% for majority of participant and government outcomes	25% attribution for majority of participant and government outcomes	2.84
5. Duration of outcomes	Yrs 7&8 – 1 year Yrs 9&10 – 2 years Yrs 11&12, TAFE, Employment – 3 years	Yrs 7&8 – 2 years Yrs 9&10 – 3 years Yrs 11&12, TAFE, Employment – 5 years	6.24
6. Deadweight - unemployment rate	Unemployment rate of 77.6%, therefore deadweight of 22.4% (Alford, 2002)	Unemployment rate of 19.9%, therefore deadweight of 80.1% (ABS, 2006)	1.47

Table 18: Sensitivity analysis

1. Additional Costs to Government

Two additional costs to government were identified that would materially impact the SROI ratio. The first is an increase in notional spending on the education system and the second is an increase in spending on supporting Indigenous employees in the workplace. Together, these reduced the SROI ratio from 4.20:1 to 3.55:1 as they incurred an additional cost of \$746,853 (before discounting) to the government. These outcomes were excluded from the baseline analysis because they should not be considered as unintended or negative outcomes from the government’s perspective; they are additional costs that would be incurred if Ganbina’s Jobs4U2 program is *successful* and are in line with what the government seeks to achieve through the “Close the Gap” initiative. It must also be noted that there was limited government engagement in this SROI as government do not fund Ganbina. The following outlines the assumptions behind the calculations.

Increased notional spending on the education system

The indicator to measure this outcome was the “number of participants who remain at school”. The financial proxy used to value the outcome was the “government cost of school per student per year” for participants from primary through to year 12, and for TAFE / university participants the financial proxy was the “government cost of TAFE per student per year”.

The real government recurrent expenditure per student in government schools, including user cost of capital per student, in Victoria is \$9,776 for primary schools, \$12,900 for secondary schools, and \$2,631 for TAFE.

Government Education Costs & Retention Rates		
Program	Government Expenditure (incl. Cost of Capital)^{41, 42}	Apparent Retention Rates, Indigenous Australians^{43, 44}
Primary School	\$9,776	97.5%
Years 7&8	\$12,900	97.5%
Years 9-12	\$12,900	46.7%
TAFE/University	\$2,631	33.0%

Table 19: Indigenous school retention rates and government education expenditure

The deadweight used for the school aged participants is the school retention rates for Indigenous Australians; for example, without Ganbina, a year 10 student would go onto the next year of schooling 46.7% of the time, so the Government would have made this investment anyway. For TAFE / university participants, the percentage of Indigenous Australians with post school qualifications has been used; 33% of the time, without Ganbina, the Government would have had to make this investment anyway. This figure is a national figure and is likely an overstatement of the situation in the Goulburn Valley which could be as low as 11.5%.⁴⁵

There is also a difference for this outcome around the duration figure for year 11 and year 12 participants given they are nearing the end of their schooling. Although the outcomes of the programs activities still have an impact for 3 years, for this particular indicator the duration has been adjusted to 2 years and 1 year for participants in year 11 and 12 respectively. The assumption is that a year 11 student can has 2 more years of school to complete, and a year 12 student has 1 year.

Increased spending on the workplace

The indicator to measure this outcome was “the number of the wage assistance payments for participants who are likely to obtain sustainable employment”, and the financial proxy used to value this outcome was the “average Indigenous Wage Subsidy (IWS)”.

The IWS program is funded by DEEWR and is available to employers who have Indigenous staff in their business. It is essentially a subsidy to employers and is available for 26 weeks over an 18 month period. The IWS is available for both full time and part time employees; the payments are

⁴¹ Productivity Commission, 2009. “Report on Government Services”, pg 4-31

⁴² Monash University, ACER, 2010. “TAFE Funding and the Education Targets” pg 7-11

⁴³ ANU – CAEPR, 2010. “A Human Approach to the Educational Marginalisation of Indigenous Australians”, pg 14

⁴⁴ Dusseldorp Skills Forum, 2009. “How Young Indigenous People are Faring – Key Indicators 1996-2006”

⁴⁵ Alford & James, op. cit.

\$6,600 and \$3,300 respectively.⁴⁶ Based on the percentage of full time versus part time employed people in Australia, with 30.4% in part time work,⁴⁷ the weighted average IWS figure used was \$4,303.20.

After engaging local employers and feedback from Ganbina staff it was determined that approximately half (50%) of employers in the Goulburn Valley access the IWS. This assumption has been applied to the number of participants at each year level who would be in sustainable employment. The duration of this outcome was assumed to last for one year because the IWS is a once only payment to employers of Indigenous workers and cannot be claimed on an annual basis. A deadweight of 22.4% was used to recognise that 22.4% of the Indigenous working age population in the Goulburn Valley would find work anyway and Ganbina's program would not incur an additional cost to the government.

2. Primary school students

Ganbina has only recently (in 2008) expanded the Jobs4U2 program to include primary school students, or more specifically, scholarships for primary school students' parents / guardians. This is to develop the relationship with kids at an earlier stage and assist them in staying in school and improve their chances for getting a sustainable job in the future. Given the short time this program has been running, there is no evidence that this has been (or will be) successful.

If we remove the government related outcomes for primary school students, the SROI ratio reduces from 4.20:1 to 3.79:1. The outcome for parents is still maintained (reduced financial stress), but the impact from the students is zero – effectively this assumes a success rate for primary school kids of 0%. This shows that the investment Ganbina is making in primary school students is small and could reap large benefits in the future.

3. Financial proxy for sustainable employment

The financial proxy used for participants to value their confidence, and for government to value the increase in income taxes, was the difference between the average Indigenous wage (\$520 / week) and NewStart. If we were to use the federal minimum wage (\$569.90) for a full-time employee, the financial proxy is \$12,735 per participant compared to \$10,764. This is also applied to the increase in income taxes, where the financial proxy increases from \$1,810 to \$2,200. When this is applied to the SROI analysis, this results in the SROI ratio rising to 4.46:1 from 4.20:1. This demonstrates the value to Ganbina of capturing the income of participants who are currently being supported in employment, but to also track participants' incomes after they have left Ganbina. This would potentially further increase the SROI ratio as the federal minimum wage is also a conservative assumption: the average weekly wage in Australia is over double the minimum wage, and the resulting impact on the SROI is significant – the SROI ratio rises to well over 6:1.

4. Attribution

The assumptions made about attribution have a significant impact on the SROI calculation. In this SROI analysis, we have been conservative and used an attribution of 25% for the majority of participant and government outcomes. However, if we were to use an attribution of 50%, i.e. other organisations or people have an equal role to Ganbina in achieving the outcomes, the SROI ratio

⁴⁶ DEEWR, www.deewr.gov.au/Indigenous/Employment/Programs/Pages/IndigenousWageSubsidy.aspx#indigenous_wage_subsidy, accessed July 2010

⁴⁷ ABS, June 2010. "Australian Social Trends, 4102.0"

reduces to 2.84:1.

This is a difficult area to gather concrete evidence. The baseline assumption of 25% was gathered from stakeholder consultation, particularly with participants. It would be worthwhile for Ganbina to further explore this area to demonstrate the value of their program relative to other organisations that contribute to the changes that stakeholders' experience.

5. Duration of outcomes

This SROI analysis has looked at one year of investment. Many Ganbina participants have been involved with Ganbina for a number of years, and it is Ganbina's intent that participants will continue to choose to be engaged with Ganbina throughout their education and transition to employment. Given the long-term nature of their engagement with Ganbina, getting participants to isolate the impact of one year of investment the following question was asked "imagine that Ganbina stopped assisting you, how long do you think that the changes that have happened to your life would last?"). In the interviews, the overwhelming response was "my lifetime", and in the survey, 51.7% said 1-2 years, while 24.1% said 5 years or more. The author recognises the bias in this question because if a participant has already had 2 or more years of experience in Ganbina's programs, this response could include more than one year of investment.

In line with the SROI principle of not over claiming, the duration of the outcomes in the baseline SROI analysis was limited to a 1 year for years 7&8, 2 years for years 9&10 and a maximum of 3 years for participants' years 11+. If the duration of the outcomes increases to 2 years for years 7&8, 3 years for years 9&10 and 5 years for years 11+, then the SROI ratio increases to 6.24:1 from 4.20:1. This once again emphasises the need for Ganbina to track participants over the long term to understand how the Jobs4U2 program has impacted their lives.

Ganbina's Jobs4U2 program essentially aims to break the generational welfare cycle for young Indigenous people in the Goulburn Valley. It is therefore plausible that the duration of outcomes could be a lot longer than even 5 years. Longitudinal studies will be necessary to gather evidence to demonstrate these changes.

6. Deadweight – unemployment rate

Although the unemployment rate is a crude measure of deadweight ("what would have happened anyway"), and underestimates the true extent of the impact of unemployment,⁴⁸ the official ABS statistics put the Indigenous unemployment rate in the Goulburn Valley at 19.9%.⁴⁹ The rationale for using the Indigenous unemployment rate in the Goulburn Valley of 77.6% in the baseline SROI analysis was outlined clearly throughout this report as a meaningful proxy for deadweight. If this is applied to the SROI analysis, the SROI ratio reduces to 1.47:1. This means that even if the outcomes related to employment would have happened anyway to 4 in 5 Ganbina participants, the Jobs4U2 program still generates a positive outcome for stakeholders. This is a powerful demonstration of the efficacy of Ganbina's program.

Additional Observations

An SROI analysis is built on evidence gathered from stakeholder consultation, secondary research

⁴⁸ The unemployment rate does not capture those who are underemployed or who are not seeking unemployment benefits

⁴⁹ Access Economics, May 2010, "Economic impact of closing the Indigenous gap in the Goulburn Valley", pg 12

and the organisation. In this SROI analysis, conservative assumptions were made for outcomes related to incarceration, juvenile justice, health and income generated from employment. If Ganbina is able to source reliable local information for these assumptions, especially for deadweight, then this is likely to add significant weight to the analysis. The author recognises that this may take time but should become a priority for Ganbina to demonstrate their impact.

7 Conclusion & Recommendations

The SROI analysis demonstrates that Ganbina's Jobs4U2 program creates significant social value for stakeholders.

An investment of \$1,087,556 in the 2009 calendar year has created \$4,572,676 of present value, resulting in an indicative SROI ratio of 4.20:1. That is, for the equivalent of every \$1 invested in Ganbina, \$4.20 is returned in social value. This return is generated over a 3 year period, with approximately 70% generated in the first year. This baseline SROI analysis should be considered as a benchmark for the measurement of impact and value creation achieved by Ganbina.

The following is a summary of the social value created:

<i>Stakeholder</i>	<i>Real Outcomes due to Ganbina</i>	<i>Social Value*</i>	<i>Social Value per Stakeholder Group*</i>
Ganbina Participants	Increased self-confidence	\$1,249,422	\$1,691,171
	Increased independence	\$306,971	
	Increased awareness of career paths and the importance of education	\$112,911	
	Increased social interaction	\$21,867	
	Increased pride in their cultural heritage and community	No financial proxy identified	
Federal and Victorian state governments	Increased savings in welfare payments	\$1,790,761	\$3,030,008
	Reduction in expenditure on employment services	\$472,211	
	Notional savings from a reduction in health services	\$264,970	
	Increased income taxes	\$256,476	
	Notional savings from a reduction in criminal offences	\$245,590	
Parents	Reduced financial stress	\$40,373	\$96,504
	Improved family relationships	\$36,444	
	Increased social interaction	\$19,688	
Investors	Resources used efficiently and effectively to achieve positive outcomes for young Indigenous people in the Goulburn Valley	see value derived for other stakeholders	see value derived for other stakeholders

* Before discount rate of 3.75% applied to outcomes with a duration more than 1 year

Social value was created by Ganbina's Jobs4U2 program for the participants they support. Participants identified that through the Jobs4U2 program they had an increased awareness of career paths and the importance of education. They also experienced increased self-confidence, independence and social interaction, and had increased pride in their cultural heritage and community. The older the participants, the more social value they derive from Ganbina's support.

The key driver of social value was their increased self-confidence which was measured by their ability to obtain sustainable employment. The value of a job was subsequently the key driver of the value created for Ganbina participants.

The Federal and Victorian state governments were also major benefactors of Ganbina's program, although they do not directly invest in the program. Due to the Jobs4U2 program, participants are more likely to obtain sustainable employment which results in a number of positive impacts for government. As with Ganbina participants, the key driver of value creation was that Ganbina participants were in sustainable employment. Government experiences an increase in savings in welfare payments, an increase in income taxes, a reduction in expenditure on employment services and notional savings from a reduction in criminal offences and health services. A majority of the total social value created for government are real cash savings that will be realised immediately and in the future.

Investors in Ganbina, such as Social Ventures Australia, RE Ross, VicHealth (a statutory authority) and the Bennelong Foundation, all intended to support the social value created for participants and society (through the government). There was no discrete social value creation for these stakeholders as they invest money to support the outcomes experienced by participants and government. Parents and guardians of participants are also a significant stakeholder group as Ganbina attempts to break the welfare cycle for participants and engage directly with them.

Considerations

This SROI analysis is based on extensive stakeholder consultation, historic evidence that Ganbina had collected and secondary research. There were a number of assumptions required to complete the analysis. The sensitivity analysis demonstrates that the assumptions used throughout the analysis do not overclaim the value that Ganbina creates for stakeholders. The sensitivity analysis highlights evidence that Ganbina should provide in order to claim more value from its activities. There is however a number of limitations to the baseline SROI analysis conducted on Ganbina's Jobs4U2 program:

- The SROI analysis was focussed on one year of investment and therefore the impacts being measured needed to be commensurate with this period. However, Ganbina potentially supports participants for a number of years throughout school and into employment: conservative assumptions were made to account for this limitation
- Contradictory evidence exists about the real situation for Indigenous people in the Goulburn Valley. This is evident through official statistics that underestimate the number of Indigenous people in the area and the real unemployment rates. The authors have been transparent about the evidence used throughout this analysis and have used their understanding of the local situation, gathered through stakeholder consultation, to make informed decisions.
- Understanding the impact of Ganbina's work on Federal and Victorian state government has been difficult as access to the appropriate government representatives was limited because government does not invest in Ganbina. Secondary research has been used where appropriate

Recommendations

The SROI analysis revealed a number of areas where Ganbina can improve their operations to better demonstrate the social value they create. The following are recommendations for Ganbina based on the SROI analysis:

1. *Track employees after they have graduated from the Jobs4U2 program.* A significant amount of the valuation for participants and government is generated from the difference between being on welfare and having sustainable employment. If Ganbina is able to track participants in employment, and gather data on the incomes they are paid, the SROI ratio will increase.
2. *Continue to engage with participants to understand what changes for them and how they value these changes.* This SROI analysis has demonstrated the value in formally engaging with participants to understand what changes from their perspective while they are still in Ganbina's program. This could be achieved through an annual survey, similar to the one used for this SROI analysis. This will also build the evidence base for Ganbina to demonstrate impact.
3. *Update Ganbina's measurement and evaluation frameworks.* The SROI analysis should be used to inform Ganbina's existing measurement and evaluation frameworks on what are the right metrics to use to measure success. This could impact KPIs and performance reporting, and ultimately provide an input into strategic planning.
4. *Use this SROI analysis with partners who will replicate the Jobs4U2 program.* Together with Ganbina's existing measurement and evaluation frameworks, this SROI analysis provides a foundation for other Indigenous organisations or communities who implement the Jobs4U2 model with a holistic measurement and evaluation framework for their operations.
5. *Use this SROI analysis with existing and potential funders to communicate the benefits of Ganbina's Jobs4U2 program.* The SROI analysis is more than just a ratio: it is a powerful story of the change that Ganbina has had on participants' lives. Ganbina should use this analysis with existing and potential funders to demonstrate what Ganbina has achieved and what is required to support young Indigenous people in the Goulburn Valley and beyond.

8 Appendix

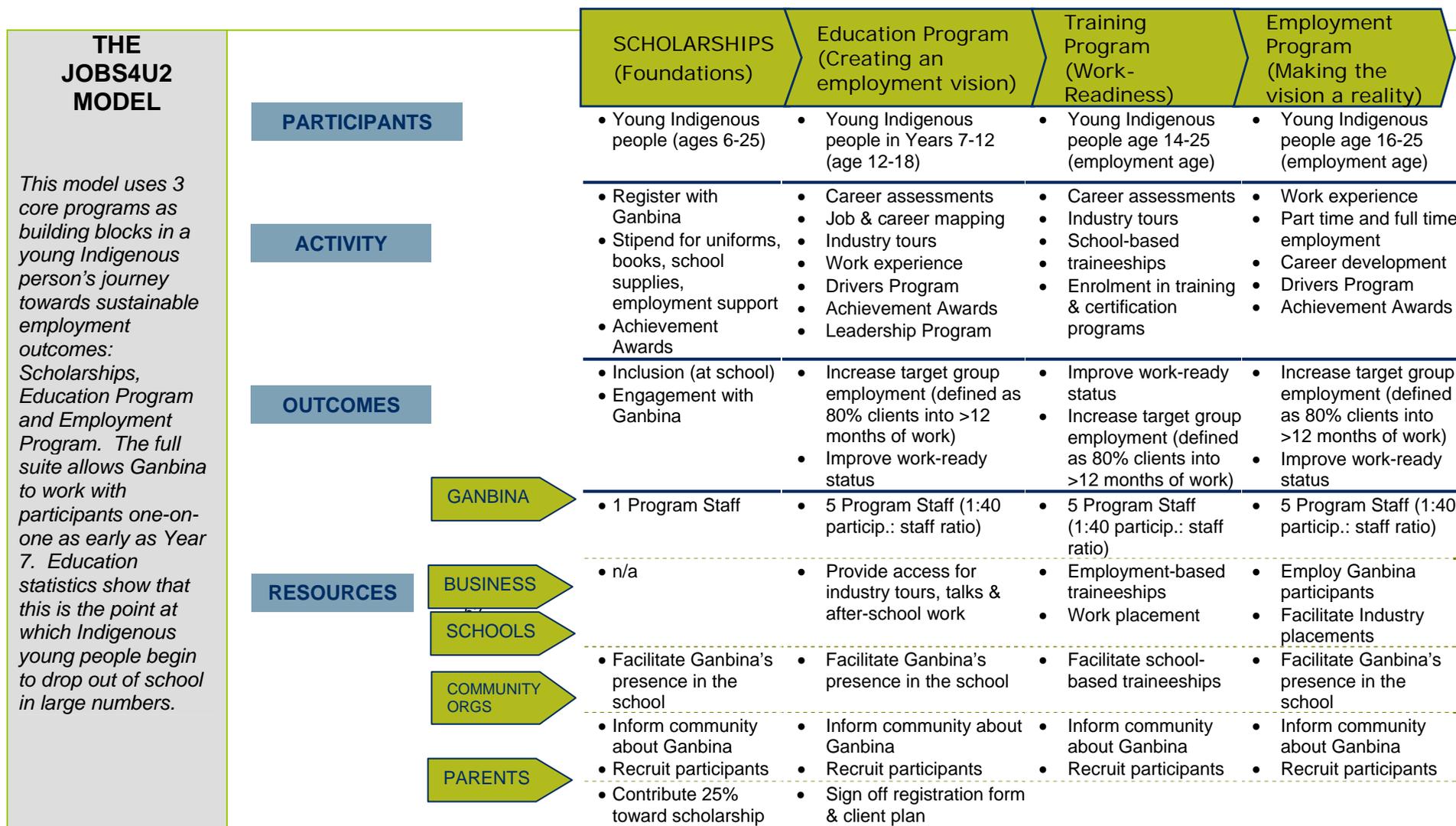
1.0 SROI principles

The following principles guide the work conducted for an SROI analysis:

Principle	Definition
Involve stakeholders	Stakeholders should inform what gets measured and how this is measured and valued.
Understand what changes	Articulate how change is created and evaluate this through evidence gathered, recognising positive and negative changes as well as those that are intended and unintended.
Value the things that matter	Use financial proxies in order that the value of the outcomes can be recognised.
Only include what is material	Determine what information and evidence must be included in the accounts to give a true and fair picture, such that stakeholders can draw reasonable conclusions about impact.
Do not over claim	Organisations should only claim the value that they are responsible for creating.
Be transparent	Demonstrate the basis on which the analysis may be considered accurate and honest and show that it will be reported to and discussed with stakeholders.
Verify the results	Ensure appropriate independent verification of the account.

For further information on the SROI principles and methodology, please see the SROI Guide published by the SROI Network in May 2009: www.thesroinetwork.org

2.0 Jobs4U2 Program – Operating Model



3.0 Stakeholder Engagement

A mixture of online surveys, phone and on-site interviews were used to gather input for the SROI analysis. The table shows the stakeholder group, type of engagement, duration and location.

Stakeholder Group	Type of engagement	Duration	Location
Students – Years 7&8	<ul style="list-style-type: none"> One-on-one Online survey 	<ul style="list-style-type: none"> 50 minutes 10 minutes 	<ul style="list-style-type: none"> Ganbina Offices School - computer
Students – Years 9&10	<ul style="list-style-type: none"> One-on-one Online survey 	<ul style="list-style-type: none"> 50 minutes 10 minutes 	<ul style="list-style-type: none"> Ganbina Offices School - computer
Students – Years 11&12	<ul style="list-style-type: none"> One-on-one Online survey 	<ul style="list-style-type: none"> 50 minutes 10 minutes 	<ul style="list-style-type: none"> Ganbina Offices School - computer
TAFE/University Participants	<ul style="list-style-type: none"> One-on-one Online survey 	<ul style="list-style-type: none"> 50 minutes 10 minutes 	<ul style="list-style-type: none"> University of Melbourne Ganbina Offices
Employed (working) Participants, but not in the education system	<ul style="list-style-type: none"> One-on-one Online survey 	<ul style="list-style-type: none"> 50 minutes 10 minutes 	<ul style="list-style-type: none"> Ganbina Offices
Parents/Guardians of school aged children	<ul style="list-style-type: none"> One-on-one 	<ul style="list-style-type: none"> 50 minutes 	<ul style="list-style-type: none"> Ganbina Offices
Government	<ul style="list-style-type: none"> One-on-one 	<ul style="list-style-type: none"> 50 minutes 	<ul style="list-style-type: none"> Ganbina Offices
Investors through Ganbina	<ul style="list-style-type: none"> One-on-one 	<ul style="list-style-type: none"> 50 minutes 	<ul style="list-style-type: none"> Phone Interviews
Employers	<ul style="list-style-type: none"> One-on-one 	<ul style="list-style-type: none"> 50 minutes 	<ul style="list-style-type: none"> Work Premises
Ganbina Staff/Board	<ul style="list-style-type: none"> One-on-one 	<ul style="list-style-type: none"> 50 minutes 	<ul style="list-style-type: none"> Ganbina Offices
Schools – Vice Principals	<ul style="list-style-type: none"> One-on-one 	<ul style="list-style-type: none"> 50 minutes 	<ul style="list-style-type: none"> At schools
Koori Education Support Officers (KESOs)	<ul style="list-style-type: none"> One-on-one 	<ul style="list-style-type: none"> 50 minutes 	<ul style="list-style-type: none"> At schools

Below summarises the involvement of stakeholders at each stage of the project:

Stakeholder Group	Scoping	Defining Outcomes	Defining Indicators & Financial Proxies	Verification
Ganbina participants: Years 7 to 12, TAFE, University + Employed	x	✓	✓	x
Parents	x	✓	✓	x
Investors through Ganbina	x	✓	✓	x
Employers	x	✓	✓	x
Ganbina management	✓	✓	✓	✓
Schools – Vice Principals	x	✓	✓	x
Koori Education Support Officers (KESOs)	x	✓	✓	x
Ganbina board	x	✓	✓	✓

4.0 Questionnaire Template - Participant

Organisation: Ganbina

Program: Jobs 4U2

Client:

Location:

Date:

OK to use for quotes or as a case study?

Question	Response
<p>Thanks and introduction to SROI project. State that they can stop the interview at any point. All responses will remain anonymous; they won't be identified by name.</p>	
<p>History. - How old are you, school year? - Tell us a little about yourself (siblings, if so did they finish school/employed, etc?) - How long have you been involved with Ganbina? - What made you want to get involved with Ganbina?</p>	
<p>Objectives. - Why do you use Ganbina? - What do you hope to get out of the program?</p>	
<p>Outputs. - What do you choose to do with Ganbina and what do you have to do with Ganbina? - What aspects of Ganbina are you currently utilizing?</p>	
<p>Outcomes. - Has being involved with Ganbina had any significant changes to your life, if so, what? - What do/can you do differently now that you are involved that you didn't do before? - Have you become more involved with the community since joining Ganbina (i.e. Rumbalara Co-op)?</p>	
<p>- What do you hope your involvement with Ganbina will lead to in the future?</p>	

- How have these factors, both actual change and anticipated change, changed your life, how does it make you feel?	
- Are there any negative factors arising from your involvement with Ganbina (i.e. Sacrifices from other areas of your life, status, etc)?	
Input into Ganbina to achieve outcomes	
- How much time do you put into the program? - What else do you do to be involved with the program?	
Check on objectives and outcomes	
- Explore further answers from above	
Social value – indicators, financial proxies	
- How might you value what you do differently now?	
Deadweight	
- Without Ganbina what do you think would happen, what would be different for you and your family? - What do you think you would have done otherwise?	
Attribution	
- What other organizations have helped you along the way with these changes?	
Duration and Drop-off	
- How long do you think the outcomes you have mentioned will last for you?	
Displacement	
- Have the outcomes you have gained come at any cost? Have they 'displaced' anything in your lives or the community?	
Closing the interview	
- Is there anything else that I haven't asked, or that you would like to tell me about Ganbina before we finish?	

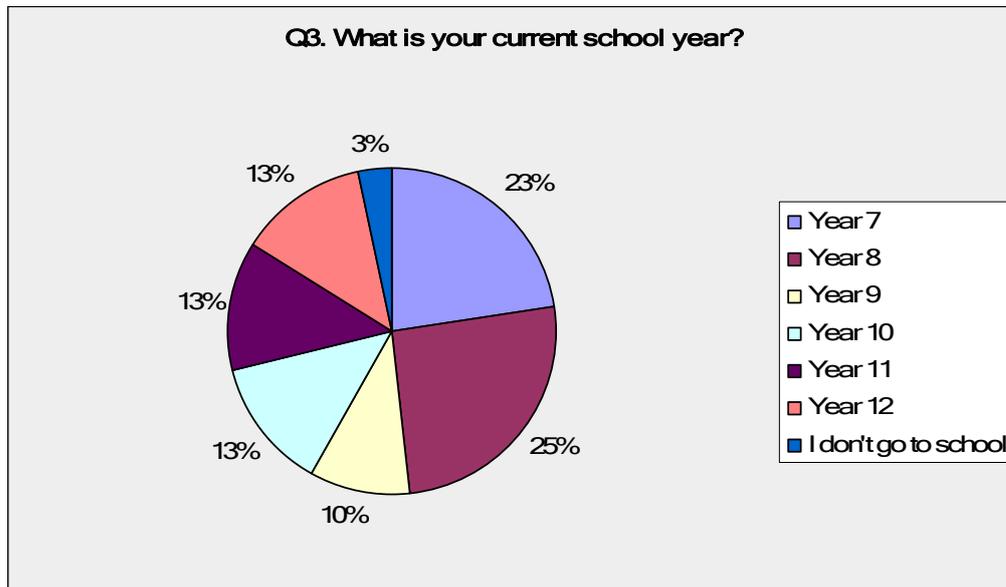
5.0 Participant Online Survey

As part of the SROI analysis an online survey was designed and distributed to Ganbina participants. The survey served as an efficient means to gather additional data to provide an evidence base for the SROI analysis. The survey was designed to have open questions so that participants were not led to a certain answer.

Q1. Are you older than 14 years & 9 months?		
Answer Options	Response Percent	Response Count
Yes	46.9%	15
No	53.1%	17

Q2. Have you ever had a part time job?		
Answer Options	Response Percent	Response Count
Yes	57.1%	8
No	42.9%	6

- Participants were only directed to this question if they responded 'Yes' to Q1.



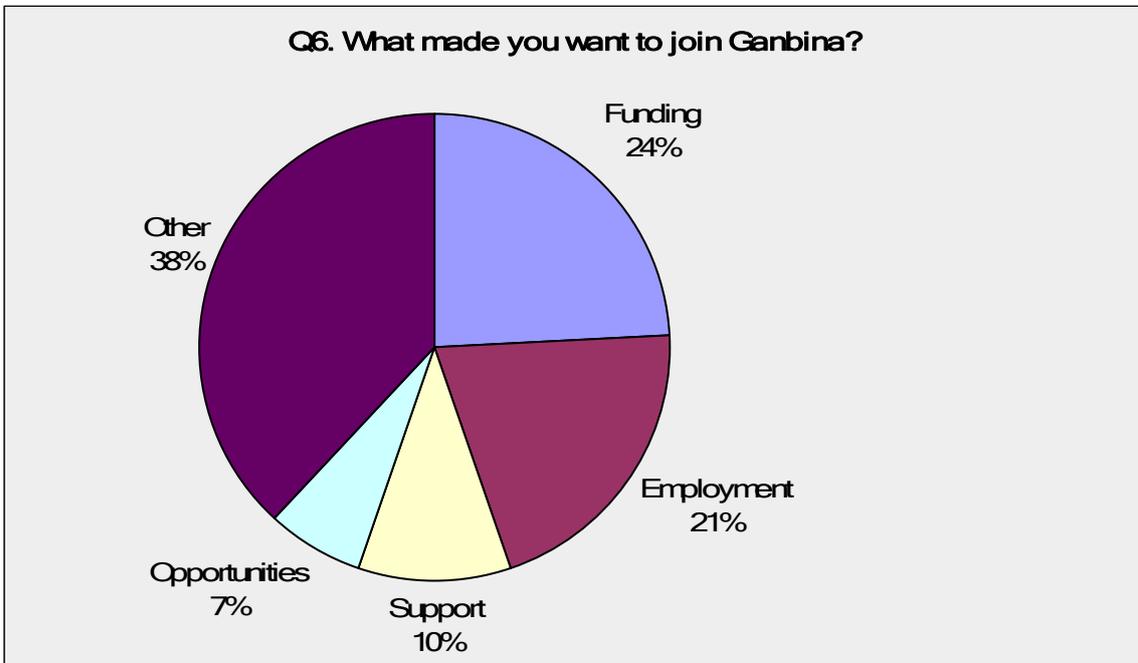
Q4. Do you plan to go on to year 12?		
Answer Options	Response Percent	Response Count
Yes	87.1%	27
No	12.9%	4

- A resounding majority intend to go on to year 12, far higher than the average for Indigenous Australians

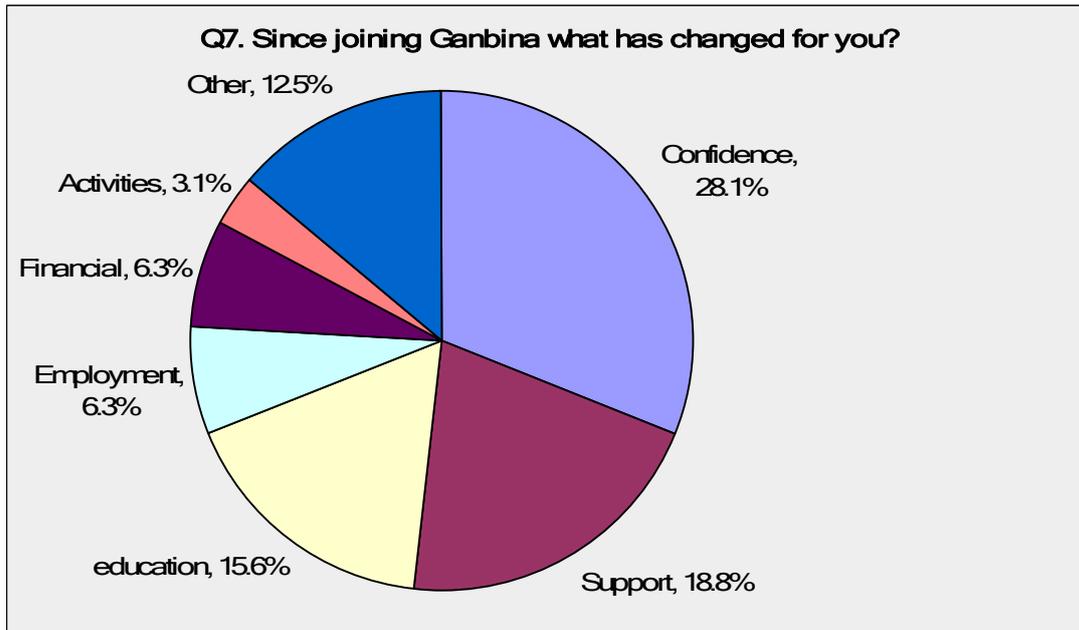
Q5. How long have you been involved with Ganbina?

Answer Options	Response Percent	Response Count
Less than 1 year	17.2%	5
1 - 2 years	44.8%	13
3 - 4 years	31.0%	9
5 years or more	6.9%	2

Q6. What made you want to join Ganbina?



- This was an open question. Funding and employment were the resounding responses for the participants' objectives.

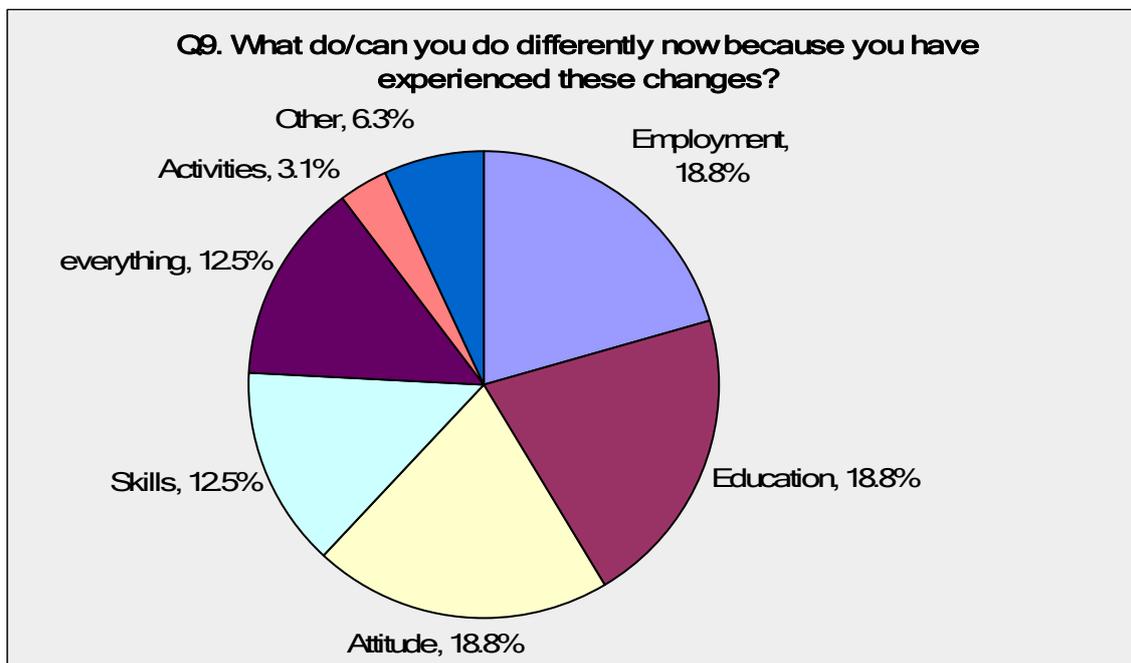


- This was an open question. Confidence was the main outcome that the participants' identified; this was in line with the responses from the one-on-one interviews.

“Much has changed over 4 years, but I would say that I've learnt many new skills in relation to working. I have also gained some confidence and knowledge to back up that confidence.”
 Survey Respondent – Year 12

Q8. Imagine if you were not involved with Ganbina, do you think the changes you mentioned in Question 7 would have happened anyway?

Answer Options	Response Percent	Response Count
No Way	0.0%	0
Unlikely	31.0%	9
Maybe	58.6%	17
Probably	6.9%	2
Definitely	3.4%	1

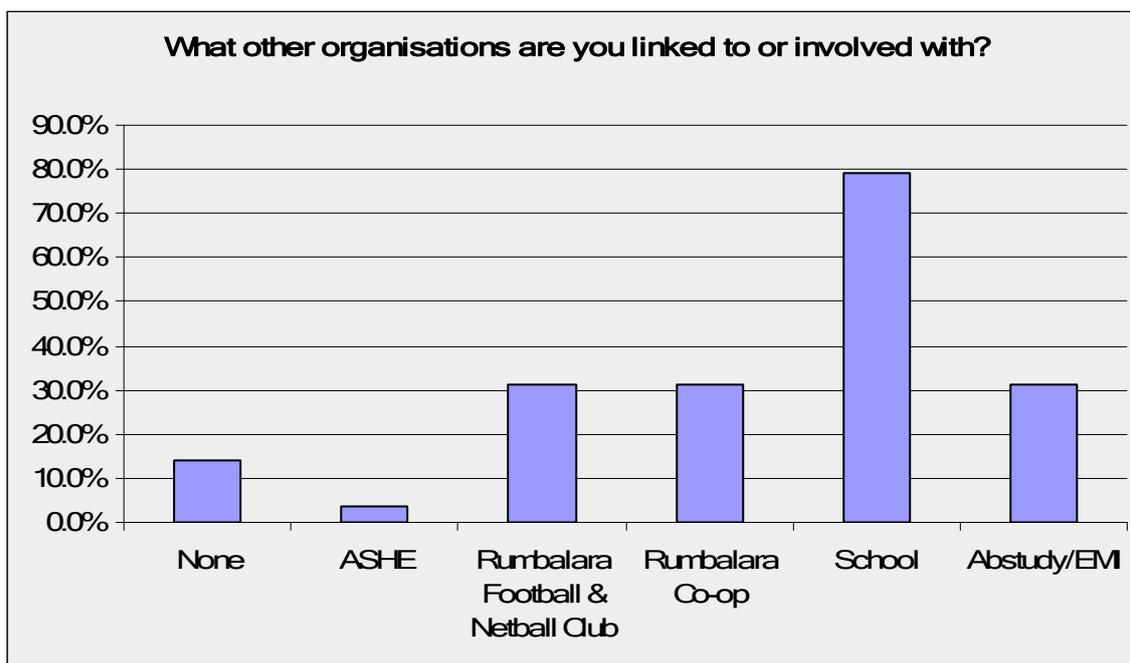


- This was an open question.

Q10. Imagine that Garbina stopped assisting you, how long do you think that the changes that have happened to your life would last?

Answer Options	Response Percent	Response Count
Less than 1 year	17.2%	5
1 - 2 years	51.7%	15
3 - 4 years	6.9%	2
5 years or more	24.1%	7

- This combined with other research and interviews formulated the basis for our assumption around the duration of the outcomes.



- Participants could select one or more of these options. This formed part of the basis for the assumptions around attribution.

Q12. What do you hope being involved with Ganbina will lead to in the future?

	Response Percent	Response Count
Employment	71.9%	23
Education	12.5%	4
Other	6.3%	2

- This was an open question. The vast majority of responses were around employment outcomes.

"I think that my time with Ganbina is more so coming to a close as I have completed year 12 and am in full time employment. So I feel that they have already assisted me and it is time for me to go out on my own."

Survey Respondent - Employed

6.0 Impact Map

The impact map details the theory of change (described in section 4.1), the indicators, financial proxies and the calculations used to calculate the social value for each outcome, and finally the SROI. Please see the document "Ganbina Jobs4U2 SROI Impact Map - August 2010 FINAL.xls".