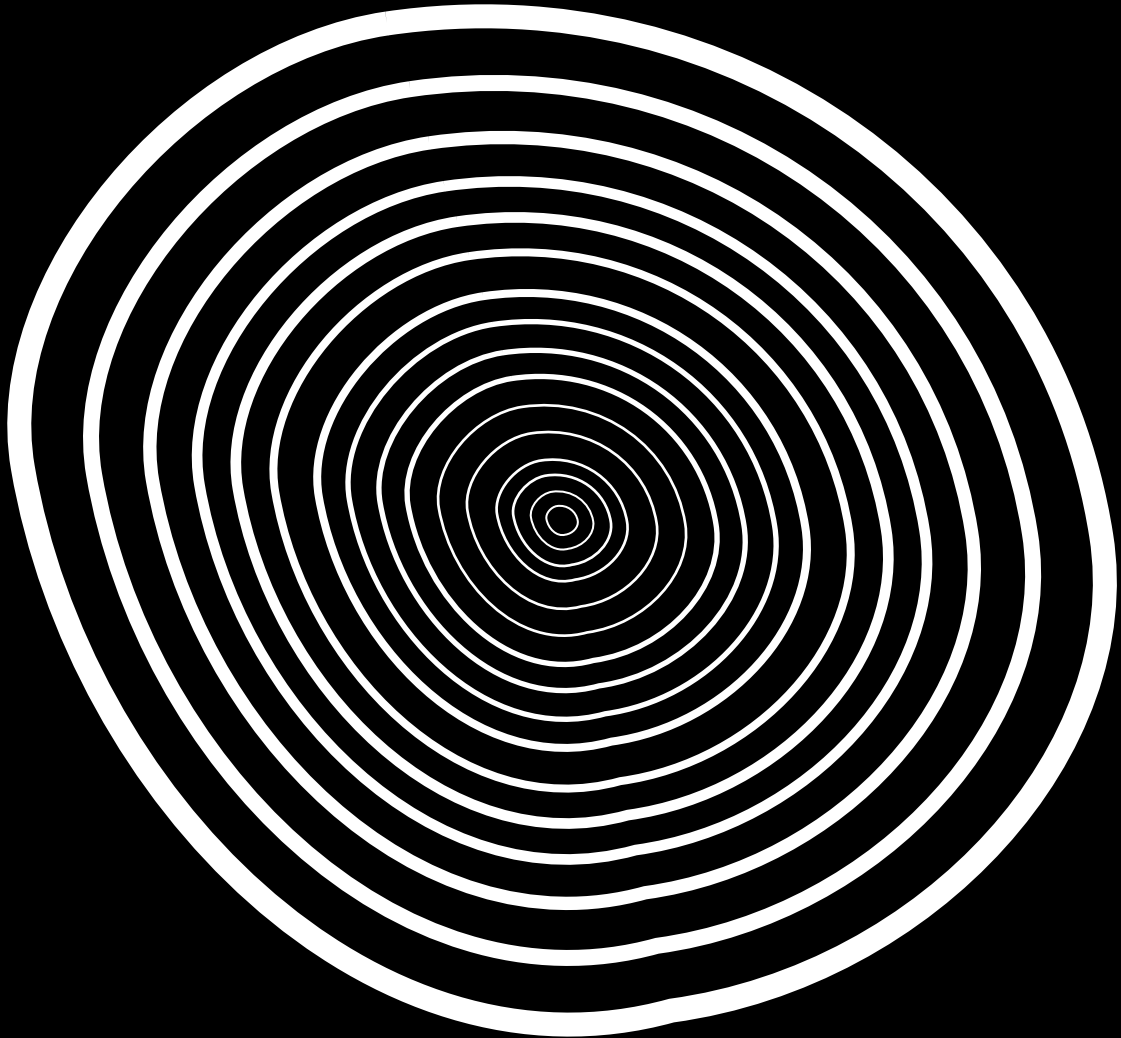

IMPACT REPORT 2020

FULL REPORT



ACKNOWLEDGEMENT

IBA pays respect to our Elders past and present. We acknowledge the generations of emerging leaders, now and in the future, and their role in continuing to maintain connection. We honour the resilience and continuing connection to country, waters, culture and community by all Aboriginal and Torres Strait Islander people across Australia. We recognise that the decisions we make today will impact the lives of generations to come.

Throughout this document the term Indigenous refers to both Aboriginal and Torres Strait Islander people.

Prepared by Dr Kevin Dolman, Indigenous Evaluation Services and
Professor Sheree Cairney, The Interplay Project Pty Ltd.

Photography by Wayne Quillam (www.aboriginal.photography).

February 2021 | 243-02-2021

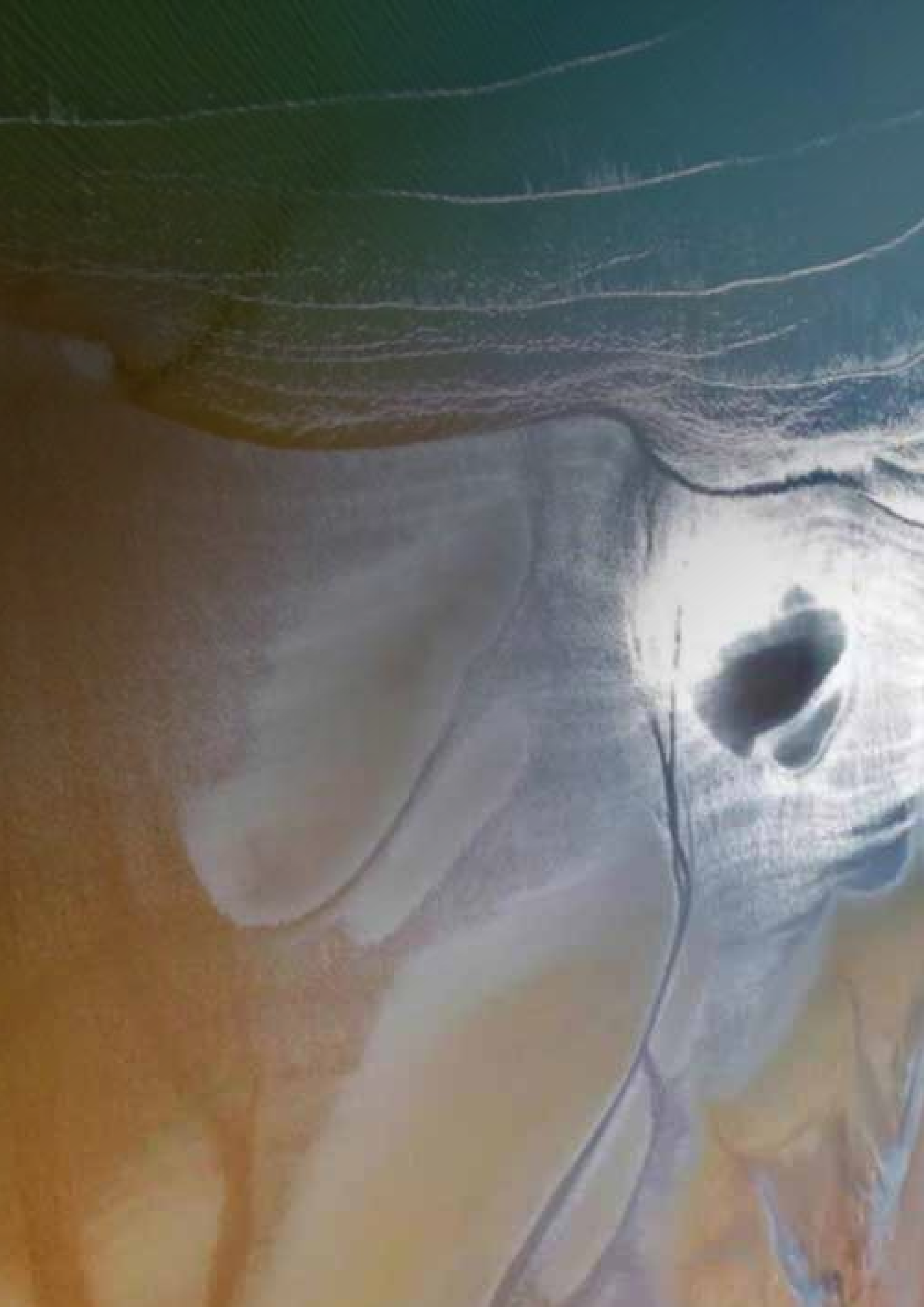


IT ONLY TAKES A SINGLE ACTION TO START A RIPPLE EFFECT.

THE THEME OF THIS YEAR'S IMPACT REPORT IS 'RIPPLES', REPRESENTING THE RIPPLE EFFECT OF A SINGLE PEBBLE LANDING ON A POOL OF WATER.

THIS IMPACT REPORT AIMS TO UNDERSTAND THE RIPPLES OF IBA'S WORK, HOW HELPING A SINGLE CUSTOMER ACHIEVE THEIR DREAM OF HOME OWNERSHIP, STARTING OR GROWING A BUSINESS OR INVESTING IN THE FUTURE OF THEIR COMMUNITY, CAN GO ON TO CREATE A POSITIVE RIPPLE EFFECT ON COUNTLESS OTHERS.

IT IS OUR GOAL TO DEEPEN OUR UNDERSTANDING AND INCREASE THESE POSITIVE IMPACTS IN YEARS TO COME.



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BACKGROUND

Indigenous Business Australia (IBA) recognises and respects the 80,000+ years of deep connection Aboriginal and Torres Strait Islander people have with this country and how these connections to land, sea, culture and community impact all aspects of life.

IBA is an organisation with a specific purpose. We exist to assist Aboriginal and Torres Strait Islander people to achieve self management, self-sufficiency and economic empowerment. We have a clear vision to help build a nation where Aboriginal and Torres Strait Islander people are economically independent and an integral part of the economy. But we understand that, in order to achieve this, our impact needs to extend beyond pure economic outcomes through home ownership, business support and investment opportunities, and help to generate positive social and cultural impacts as well.

The economic landscape has changed significantly for Aboriginal and Torres Strait Islander people over the past 30 years since IBA was established, and so have the expectations and aspirations of our customers.

Like many organisations, historically IBA focused its reporting on outputs rather than outcomes. While reporting numbers is important, especially in the economic realm we exist within as an agency of government with a strong commercial focus, it doesn't tell the story of what is creating lasting change. Over the past several years IBA has invested heavily in improving our tools and systems, to help improve the speed and efficiency of our customer experience. These improvements are helping us respond faster, but they are also helping us capture better data to understand the short, medium and long-term impacts we are creating for our customers, communities and the wider Australian landscape.

In 2019, IBA partnered with Indigenous evaluation expert Dr Kevin Dolman (Eastern Arrernte) to develop an Impact Framework for the purpose of deepening understanding of IBA's social, economic and cultural impacts as experienced by our customers. This framework (www.iba.gov.au/impactframework) is designed to guide how we monitor, evaluate and report on the impact of our activities, but also to help us adapt our products and services to maximise the positive impacts for our customers and the broader Australian community into the future.

In partnership with Dr Dolman and Professor Sheree Cairney from the Interplay Project (www.interplayproject.com), IBA undertook its inaugural impact research project throughout 2020. This Impact Report aims to distil eight months of research, survey responses from 1,238 customers and 15 hours of in-depth interviews, into an accessible and useful document. Every attempt has been made to ensure this report follows the guiding principles of being credible, useful, ethical and transparent, as outlined in the Productivity Commissioner's Indigenous Evaluation Strategy, as well as the Guidelines for Ethical Research in Australian Indigenous Studies by the Australian Institute of Aboriginal and Torres Strait Islander Studies.

It is important to note that, like all research of this kind, the depth of our understanding and the actions we should take will grow from strength to strength over time. IBA is deeply committed to undertaking this research and producing an Impact Report on a yearly basis. The findings contained in this report help deepen our understanding and guide us on how to work alongside our customers to ensure they experience positive impacts in the short, medium and long term.



EXECUTIVE SUMMARY

To understand the social, economic and cultural impacts of being an IBA customer and how IBA creates these impacts, our research focused on three core elements:

1. a quantitative survey completed anonymously by 1,238 customers
2. 15 hours of qualitative customer interviews
3. analysis of existing data and reports from the past five years that focus on IBA's output, outcomes and impact.

The data compiled from the survey and interviews was analysed separately for each of IBA's three divisions (Home Ownership, Business Solutions and Investments and Asset Management) to answer two evaluation questions:

EVALUATION QUESTION 1

What social, economic and cultural impacts are being generated by IBA for its customers and the wider community?

EVALUATION QUESTION 2








What inputs and/or levers within IBA's work are driving these impacts, and what could be done to ensure maximum positive impact for customers and the wider community?

While the results for each customer segment are unique and show a different set of experiences and impacts, across all programs

there was consistent evidence of empowerment, financial resilience and wellbeing impacts being generated by IBA.

As to be expected, the levels of empowerment, financial resilience and wellbeing experienced as an IBA customer differ depending on what product and service the customer engages with and at what point they are at in their journey.

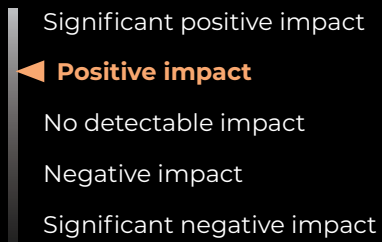
TABLE 1: IMPACT ASSESSMENT

WHO	Who are we servicing and impacting?	Potential customers	Serviced customers	Community and society		
HOW	How are we delivering impact?	Housing Solutions <ul style="list-style-type: none"> • Finance • Workshops 	Business Solutions <ul style="list-style-type: none"> • Loans • Workshops • Leasing • Cashflow finance • Mentoring 	Investments and Asset Management <ul style="list-style-type: none"> • Partnerships • Investment options • Capability development 		
WHAT	What is the impact?	Transitional  Economic self sufficiency  Economic	Sustainable  Economic empowerment  Social	Broad  Self management  Cultural		
HOW MUCH	How much of an impact is occurring that is attributed to IBA?	Significant negative impact	Negative impact	No detectable impact	Positive impact	Significant positive impact
						

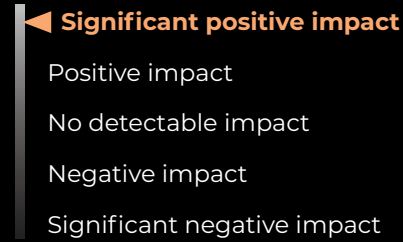
IMPACT BAROMETERS

HOME OWNERSHIP

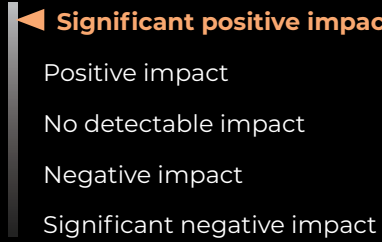
SOCIAL IMPACT BAROMETER



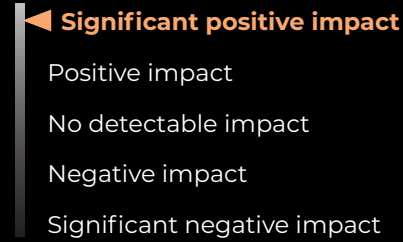
CULTURAL IMPACT BAROMETER



ECONOMIC IMPACT BAROMETER

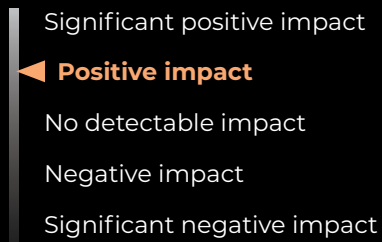


OVERALL IMPACT BAROMETER

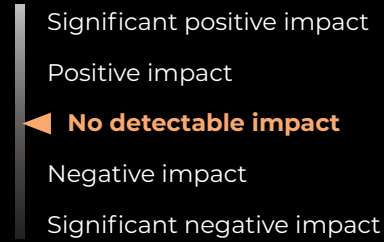


BUSINESS OWNERSHIP

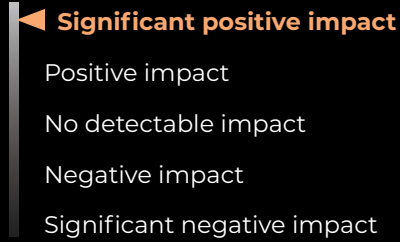
SOCIAL IMPACT BAROMETER



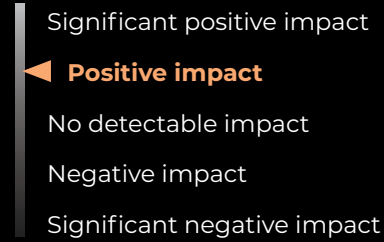
CULTURAL IMPACT BAROMETER



ECONOMIC IMPACT BAROMETER

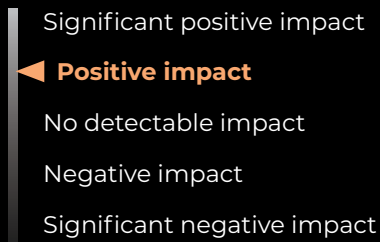


OVERALL IMPACT BAROMETER

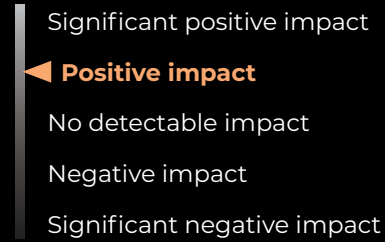


INVESTMENTS AND ASSET MANAGEMENT

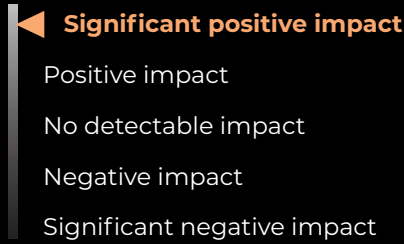
SOCIAL IMPACT BAROMETER



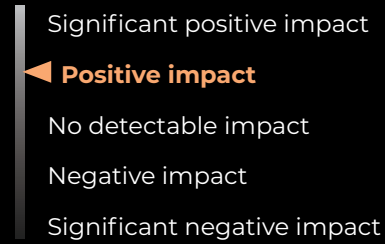
CULTURAL IMPACT BAROMETER



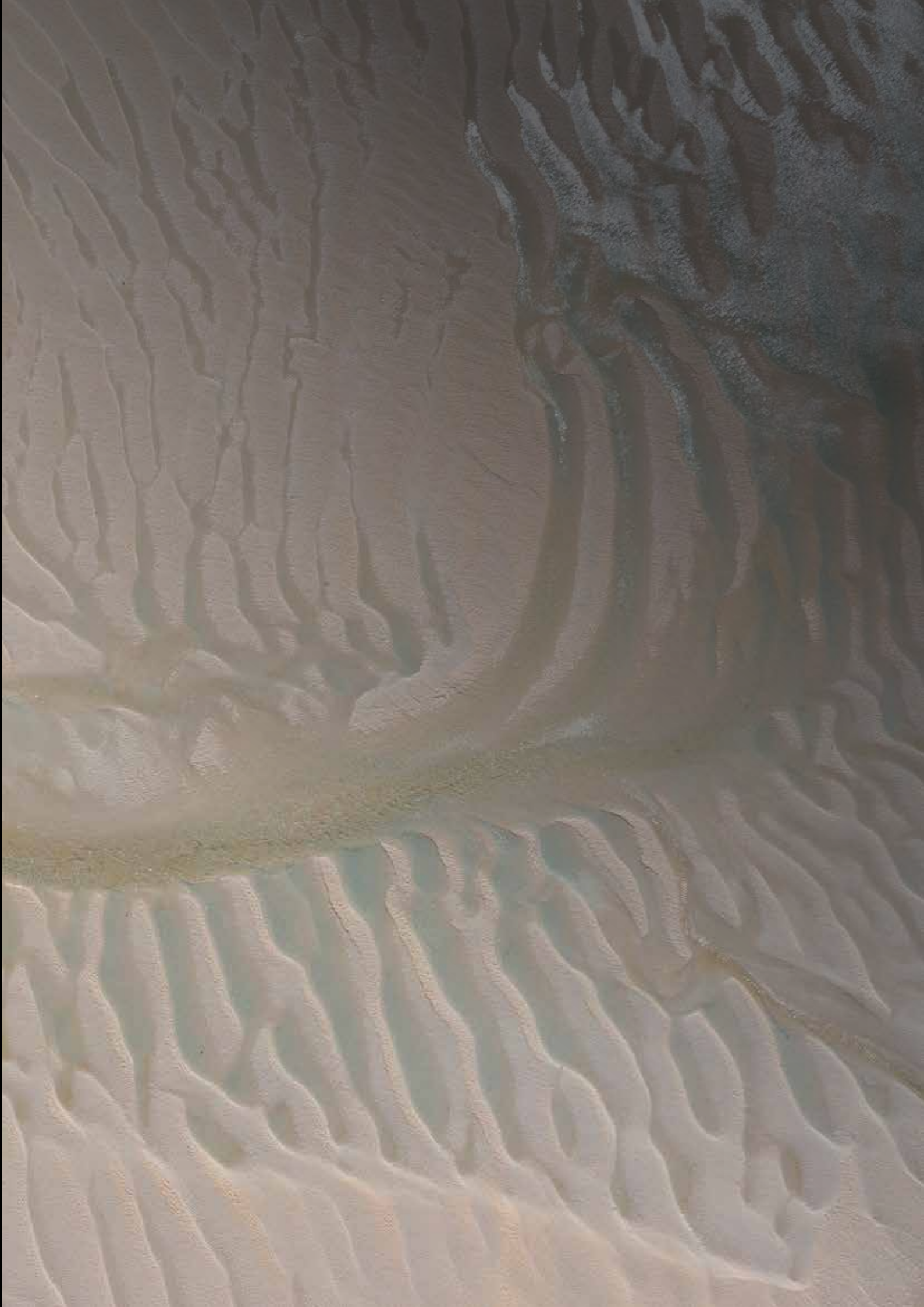
ECONOMIC IMPACT BAROMETER



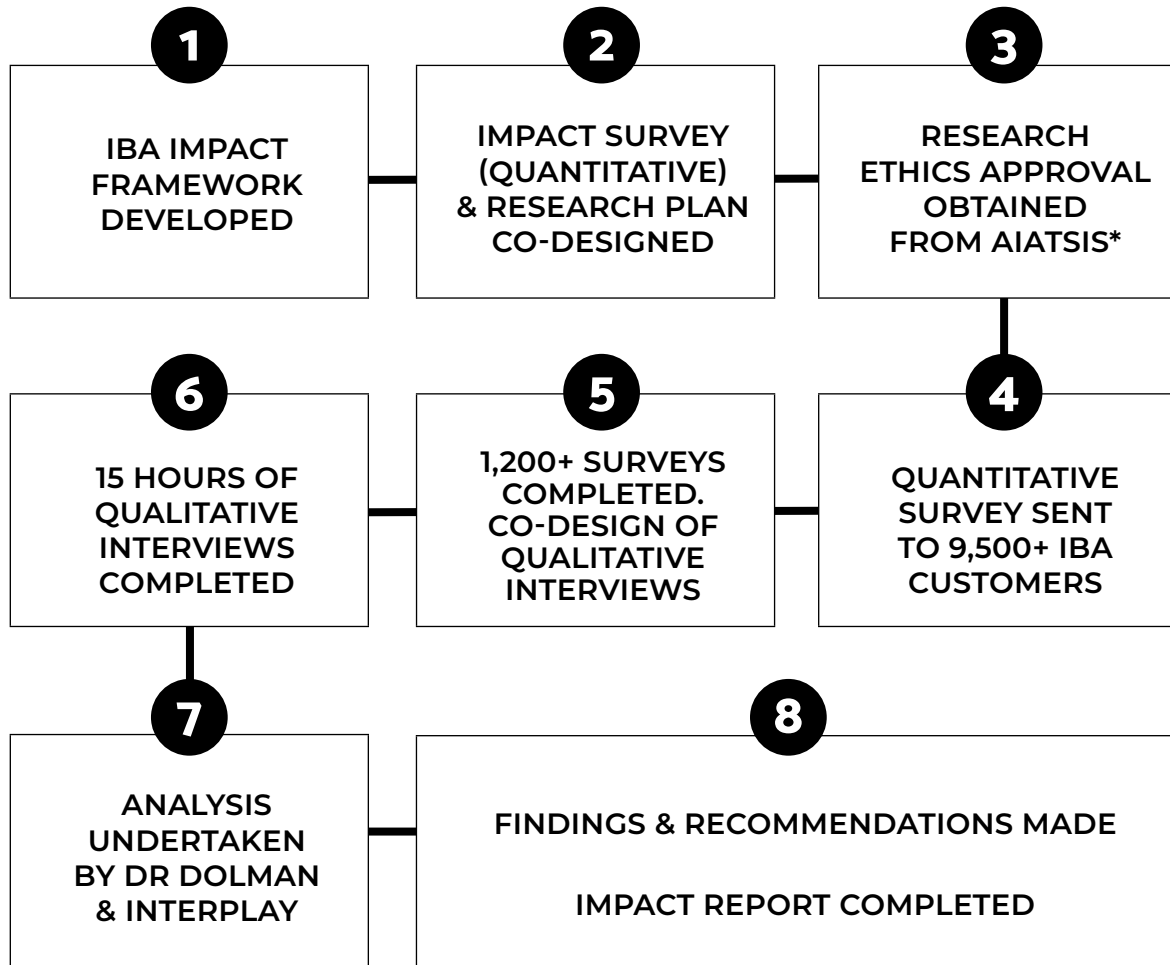
OVERALL IMPACT BAROMETER



Note: This rating, provided by the evaluation team, is based on recent reports and analysis by the Investments and Asset Management program and interviews conducted by the evaluation team with Investments customers. Research will be undertaken in 2021 to understand these impacts further, in order to calculate attribution to IBA.



IMPACT REPORT PROCESS



*Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS)

UNDERSTANDING OUR DOMAINS

A key element of IBA's Impact Framework is to understand the root cause of impacts and what is driving them. We understand that impacts are generated as a result of having accessed a product and/or service with IBA, but also through the experience the customer had while engaging with IBA staff.

These two streams are identified throughout this document under the following domains:

IBA support: IBA support refers to the level of 'support' customers felt when dealing with IBA. This includes things such as IBA's understanding of Aboriginal and Torres Strait Islander people and their cultures, IBA staff's ability to answer questions, feelings of trust and support and levels of understanding for individual circumstances.

IBA change: IBA change refers to how customers believe their lives have changed as a direct result of having access to an IBA product or service. This includes things such as financial security, reliance on others, ability to help others, confidence with financial processes, overall household income and wealth, feelings of personal safety and security, and financial security.

More information about the domains and how they work can be found on page 66.

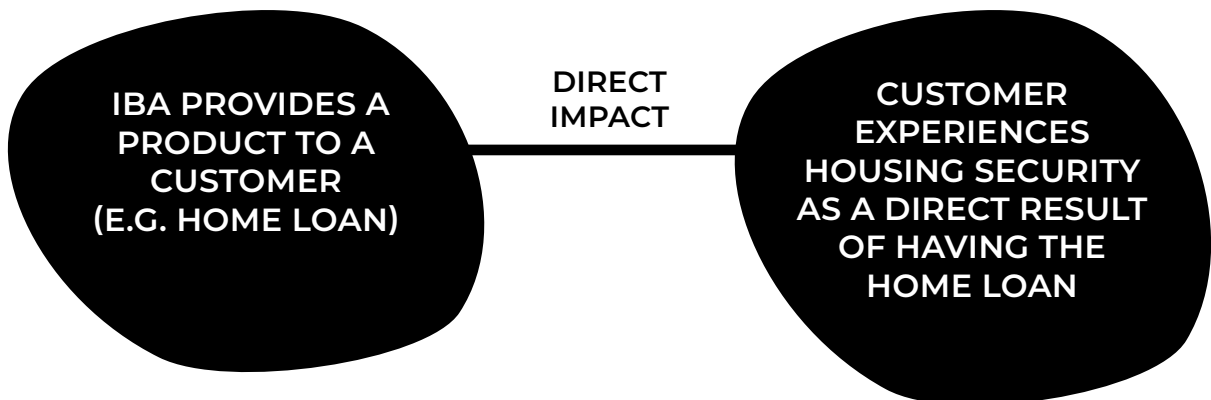
— UNDERSTANDING OUR IMPACT —

An important part of any impact evaluation is understanding what direct and indirect impacts are, and how attribution can be calculated. The nature of IBA's products and services means that both types are made. This research has helped IBA to understand that neither of these impacts is more important than the other and that it is the culmination of the two that is generating positive outcomes for customers and the wider community.

DIRECT IMPACT

Direct impacts occur through direct interaction with a product or service. An example of direct impacts could include housing security for a family through access to an IBA home loan or economic impact through financial returns for co-investors in IBA's Investments program.

Figure 1: Example of direct impact

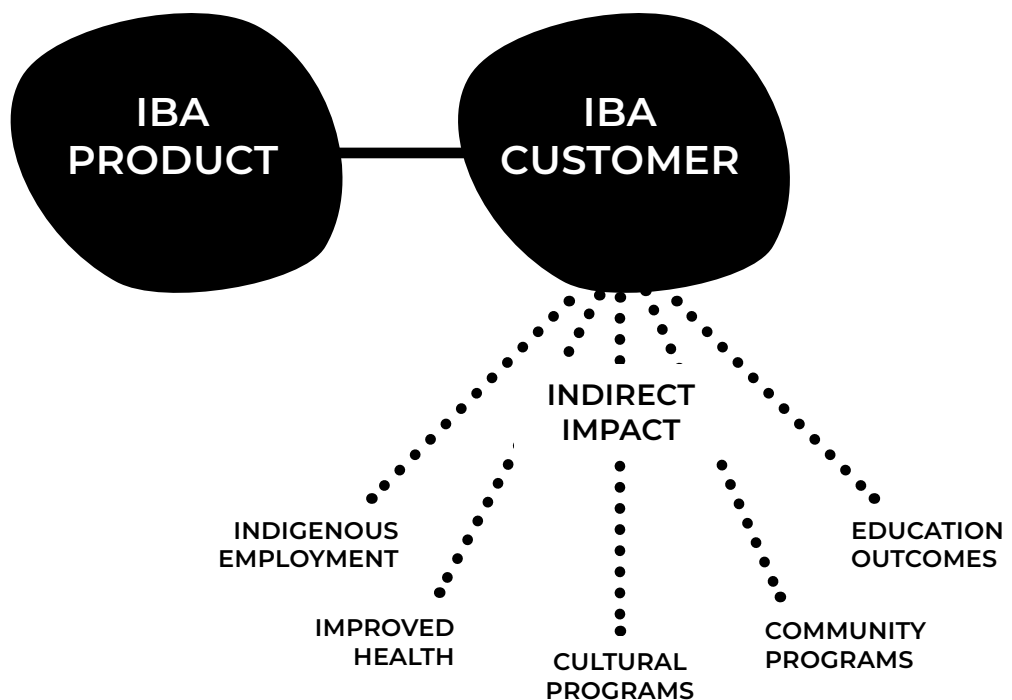


INDIRECT IMPACT

Indirect impacts are best described as being created by an IBA customer or partner as a result of their access to IBA's products or services. While the impact may not have been directly generated by IBA, it was made possible through IBA's outputs.

These impacts are produced through pathways, which are shown in the Interplay maps throughout this report. An example of an indirect impact might be increased Indigenous employment through a Business Solutions customer, or education programs funded through returns generated by the Investments customer.

Figure 2: Example of indirect impact



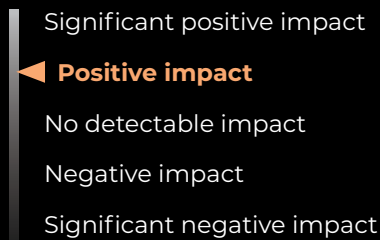


HOME OWNERSHIP IMPACT

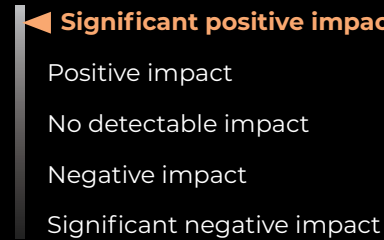
“I JUST THANK GOD THAT IBA IS THERE,
THAT I COULD ACCESS THEM WHEN I NEEDED TO
AND WE’VE GOT THE HOME THAT WE’VE GOT.”

– IBA HOME OWNERSHIP CUSTOMER

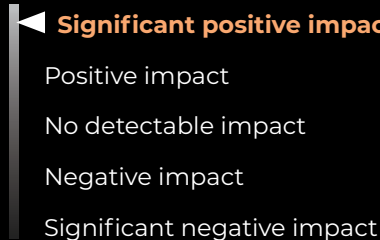
SOCIAL IMPACT BAROMETER



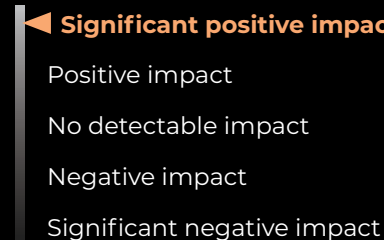
CULTURAL IMPACT BAROMETER



ECONOMIC IMPACT BAROMETER



OVERALL IMPACT BAROMETER



HOME OWNERSHIP

Based on the data obtained, this report concludes the following:

Key impacts generated by IBA:

- empowerment
- financial resilience
- wellbeing.

Key findings:

- Having a home loan with IBA improves personal empowerment, financial resilience and wellbeing for Aboriginal and Torres Strait Islander people.
- The support offered by IBA creates both direct impacts (for the customer) and indirect impacts (for the wider community).
- IBA's Home Ownership customers experience positive cultural impacts through a sense of personal empowerment.

The strongest impacts for Home Ownership customers are to culture, empowerment, financial resilience and wellbeing. These impacts are manifested through being a role model for family and community, and moving away from poverty and renting into an empowered position of financial stability.

Key positive themes: Support and care from IBA staff help to create lasting positive impacts for customers.

Key negative themes: Red tape and uncertain expectations.

Key drivers for impact: The support and care customers experienced in their relationships with IBA is the key driver for both direct and indirect impacts. This includes an increased sense of personal capability to manage personal finances, care for family, practise culture and navigate financial instability through uncertain times.

TABLE 2: HOUSING CUSTOMER IMPACTS

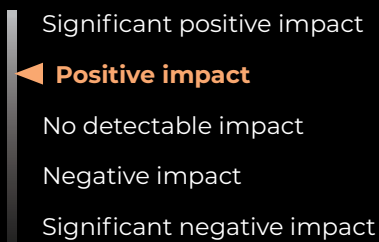
Domain	Impact average	Impact
Cultural impacts	0.30	Significant positive impact
Social impacts	0.12	Positive impact
Economic impacts	0.31	Significant positive impact
Total	0.24	Significant positive impact

BUSINESS SOLUTIONS IMPACT

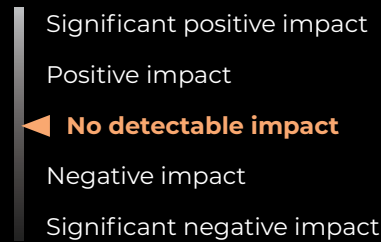
“IT’S THE FIRST TIME IN MY LIFE I’M SUPPORTING MYSELF. AND IT’S ALL COME ABOUT BECAUSE I WAS ABLE TO TAKE MYSELF SERIOUSLY AS A CREATOR, WHICH HAPPENED BECAUSE OF IBA.”

– IBA BUSINESS SOLUTIONS CUSTOMER

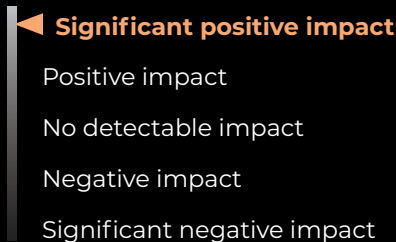
SOCIAL IMPACT BAROMETER



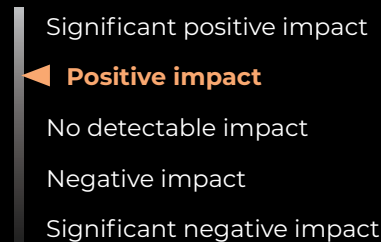
CULTURAL IMPACT BAROMETER



ECONOMIC IMPACT BAROMETER



OVERALL IMPACT BAROMETER



BUSINESS SOLUTIONS

Based on the data obtained, this report concludes the following:

Key impacts generated by IBA:

- empowerment
- financial resilience
- wellbeing.

Key findings:

- When IBA support is strong, Business Solutions customers report positive personal empowerment, financial resilience and wellbeing impacts.
- Inversely, when IBA support is weak, Business Solutions customers report negative personal empowerment, financial resilience and wellbeing impacts.
- When IBA support is strong, Business Solutions customers experience significant personal growth, learn new business skills and increase their wealth.
- Low responsiveness, red tape and uncertain expectations create negative impacts for customers, which can result in significant financial and personal consequences.

The strongest impacts for Business Solutions customers are significant personal growth, learning business skills and increased wealth.

Key positive themes: When a needs-focused approach is taken, customers report positive impacts. Younger females reported high levels of IBA support.

Key negative themes: Low responsiveness, bureaucracy, red tape and uncertain expectations. When a product-focused approach is taken, customers report negative impacts.

Key drivers for impact: Both positive and negative impacts primarily relate to the experience customers have with IBA staff—positive experiences are driven by a needs-focused approach and negative experiences from a product-focused approach.

TABLE 3: BUSINESS CUSTOMER IMPACTS

Domain	Impact average	Impact
Cultural impacts	0.00	No detectable impact
Social impacts	0.16	Positive impact
Economic impacts	0.31	Significant positive impact
Total	0.16	Positive impact

TABLE 4: SNAPSHOT OF KEY SOCIAL, ECONOMIC AND CULTURAL IMPACTS FOR IBA HOMES AND BUSINESS CUSTOMERS

Question		Homes	Business
SOCIAL IMPACT			
Empowerment			
Resilience	I move on from bad experiences	71%	78%
Self-efficacy	I make changes in my life when I need to	75%	81%
Identity	I feel strong about who I am	82%	88%
IBA change (X has changed for me from being an IBA customer)			
Personal safety and security	Personal safety and security	78%	60%
Assisting others	Ability to help others (friends, family, community)	73%	61%
Confidence in decision-making	Confidence in decision making	74%	63%
ECONOMIC IMPACT			
Financial resilience			
Financial optimism	I feel good about my financial future	70%	67%
Financial competency	Confidence and competency with financial processes	75%	63%
Financial satisfaction	I was satisfied with my financial position prior to getting support from IBA	49%	45%
IBA change (X has changed for me from being an IBA customer)			
Household budget	Ability to plan a budget for the immediate and mid-term future	73%	62%
Financial security	Financial security	80%	62%
Income and wealth	Household income and wealth	72%	57%
CULTURAL IMPACT			
Kinship and family	How important is kinship and family to you?	94%	93%
Cultural activities	I participate in cultural activities and events	70%	72%
Connection to family and community	I feel connected to my family and community	85%	85%
Pride in culture	I feel pride in my culture	92%	93%
IBA change (X has changed for me from being an IBA customer)			
Looking after family	Ability to look after my family	80%	60%
Balance responsibilities (economic, family, social and cultural)	Ability to balance my responsibilities (economic, family, social and cultural)	73%	61%

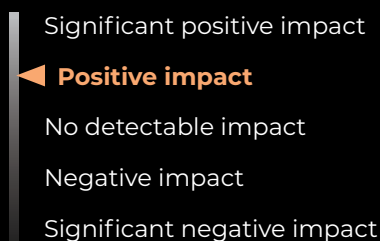


INVESTMENTS AND ASSET MANAGEMENT IMPACT

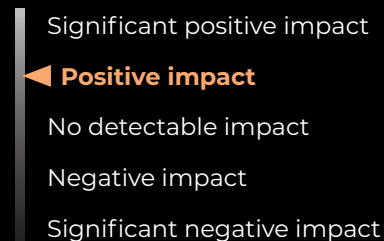
“HOW MANY KIDS HAVE WE GOT IN SCHOOL THIS YEAR, HOW MANY EMPLOYEES HAVE WE GOT TO WORK AND OFF WELFARE, HOW MUCH BUSINESS HAVE WE DEVELOPED IN THE 12 MONTHS, HOW MANY ASSETS HAVE WE PUT BACK IN, HOW MANY HOUSES HAVE WE BUILT? YOU ADD ALL THAT UP AND THAT TELLS YOU HOW SUCCESSFUL YOU’VE BEEN IN IT. BUT AT THE SAME TIME, WE LOOK AT HOW STABLE ... IF YOU LIKE, OUR ASSETS ARE FOR THE FUTURE. EVERYTHING WE DO NOW IS FOR THE FUTURE, FOR THE PEOPLE...”

– IBA INVESTMENTS AND ASSET MANAGEMENT CUSTOMER

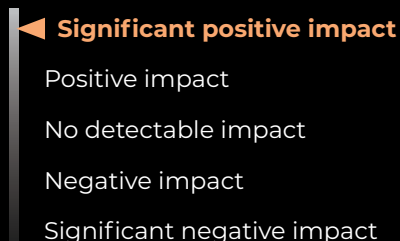
SOCIAL IMPACT BAROMETER



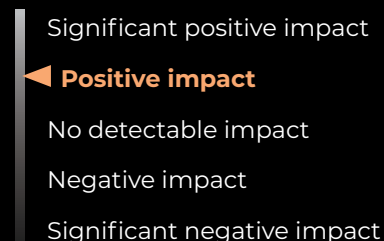
CULTURAL IMPACT BAROMETER



ECONOMIC IMPACT BAROMETER



OVERALL IMPACT BAROMETER



Note: This rating provided by the evaluation team is based on recent reports and analysis of the Investments and Asset Management program and interviews conducted by the evaluation team with Investments customers. Research will be undertaken in 2021 to understand these impacts further in order to calculate attribution to IBA.

INVESTMENTS AND ASSET MANAGEMENT

While IBA's Home Ownership and Business Solutions programs differ in many ways, the similarities in their customer profile (primarily individuals) and number of customers (thousands) enabled a similar design of domains, pathways and surveys. Due to the nature of the Investments and Asset Management program, the customer profile (organisations) and the number of customers (65 in FY 2019–20), a different approach has been taken in assessing impact. As such, no survey calculations or Interplay mapping can be provided for this section of the report. Evaluation of the impact made by the Investments and Asset Management program will be explored further in the 2021 Impact Report.

The findings for the Investments program detailed in this report are based on a series of qualitative interviews with co-investors and Dr Kevin Dolman, customer satisfaction surveys from 2019 and several reports produced by IBA specifically for the program, including the Indigenous Economic Impact Report (IEIR). The IEIR tool calculates the impacts of IBA's subsidiaries and associates in terms of their positive procurement, employment and training impacts for Aboriginal and Torres Strait Islander people.

Key impacts generated by IBA:

This report concludes that the collective resources of IBA's 65 co-investors amounts to beneficial economic, social and cultural impacts that reach deep into urban, regional and remote Aboriginal and Torres Strait Islander communities.

IBA contributes directly and indirectly.

For the 13 subsidiaries that operated in the 2019–20 financial year and monitored for impact, key impacts generated included:

- an average of 185 jobs held by Indigenous people per month, making up 27% of the average total workforce across all subsidiaries on a monthly basis
- a total of \$11.9 million in salaries paid to Indigenous employees, with an average annual salary paid of around \$64,000
- 349 instances of training and skills development for Indigenous employees, with a total of \$152,000 spent on supporting that training
- on average, procurement from 46 Indigenous suppliers per month (6.4% of suppliers)
- \$3.9 million expenditure on the procurement of services.

In the five years from FY 2015–16 to FY 2019–20, the total return to co-investors was \$39.9 million, making a significant contribution to their ability to create positive social, economic and cultural impacts within community.

While it is not yet possible to provide a detailed description of socioeconomic and cultural impacts being achieved by co-investors, here are some examples from interviews conducted for this study.

ECONOMIC IMPACTS INCLUDE

- in the five years from FY 2015–16 to FY 2019–20, the total return to Indigenous co-investors was \$39.9m
- increased employment opportunities
- building an asset base that increases bargaining power with governments because the community can make financial contributions to community investment programs
- construction of a \$2 million building in the community that is leased to Centrelink, which creates ongoing income from lease payments, and social benefits.

SOCIAL IMPACTS INCLUDE

Listed below are examples of indirect impacts generated in part through IBA's co-investor returns*:

- providing services and relief of poverty to isolated community homelands
- youth services such as the construction of a youth centre, purchase of school and sports uniforms, a school bus, school excursions, attendance and nutrition programs, day care centre renovations and more
- assistance with constructing and operating a community safe house and men's shed
- assistance with managing chronic health problems and purchase of medical equipment
- air conditioners into houses to help with environmental health and dust management
- assisting with food security issues and reducing high prices in community stores which result from industry structural issues such as difficult remote supply logistics.

CULTURAL IMPACTS INCLUDE

Listed below are examples of indirect impacts generated in part through IBA's co-investor returns*:

- financial support for funerals, which are often large events with significant costs
- cultural site protection
- language preservation resources and programs
- enabling cultural performers to attend big cultural events like the Laura Festival
- performances for tourists to share and conserve culture
- employment for community members not interested in working in the office, front desk or restaurant but very interested in running cultural tours in the evening to share culture and pass on stories.

Key impact drivers used by IBA: The Investments and Asset Management team has developed products to meet the needs of its co-investors. The quality of relationships as described by customers, makes a direct strategic contribution in supporting organisational leaders to generate and increase beneficial community impacts. This is enhanced by building investor capacity and investment governance maturity through product delivery processes and tailored workshops.

Key positive themes: Co-investors report having a sense of security from the longer term investments, through their relationship with IBA. Customers also report that the perspectives and experience of IBA staff assists in ways that other government partnerships don't.

Key negative themes: Customers felt that their need to assess all investment options as they grow was not always met by services offered by IBA.

*It is important to note IBA is not claiming direct attribution for these impacts. They are created and led by the co-investors, but reported by the partners as being, in part, made possible through returns from IBA.

HOME OWNERSHIP

CONTEXT

Over the course of Australia's history, Aboriginal and Torres Strait Islander people have been systematically excluded from home ownership. Historical laws and government policies that directly prohibited Indigenous Australians from owning property, right through to indirect exclusion from education, employment and financial opportunities that make wealth creation and home ownership possible. This historical reality creates current barriers and challenges which mean that Aboriginal and Torres Strait Islander people remain almost half as likely to own a home today than their non-Indigenous neighbours.

Like many Western countries, home ownership is a critical part of the Australian dream, and for good reason. As well as the obvious economic benefits, the ability to purchase a home creates a range of other social and cultural impacts. Secure housing affects our access to education, employment, health services, transport, public and cultural spaces and helps to facilitate our social networks. It can also help to build our sense of pride, levels of resilience and general wellbeing.

IBA's Home Ownership program aims to make home ownership as accessible to Aboriginal and Torres Strait Islander people as it is for non-Indigenous Australians. Through home ownership, we aim to support our customers to grow their wealth and support positive life outcomes for themselves and their families. Over the life of the program, IBA has supported more than 20,000 customers into home ownership, with hundreds of new customers approved each year. Lending is delivered primarily to first home owners (95% of home lending in 2019–20) and

low-income earners (91% of home lending in 2019–20). A report by Deloitte Access Economics estimated that the program generated social and economic outcomes for home loan recipients to the value of \$895 million (2017–18) dollars over the period 1975–76 to 2017–18.

There are approximately 2,500 eligible customers on the waiting list for an IBA home loan, with an average wait time of nine months (noting that construction loans can be processed quicker under new funding announced in October 2020). The primary restraint to reducing wait times for customers to access a home loan is IBA's lack of available capital to write these loans and the current cap on staffing levels imposed by the Commonwealth.

Further, approximately 9% of all customers inquiring about an IBA home loan ultimately proceed to purchasing a home. The main reason for prospective customers not proceeding is financial readiness.

This Impact Report aims to:

- outline the impacts being generated through the Home Ownership program
- explain what is driving these impacts
- make recommendations for IBA to consider on how to improve our impact.

KEY FINDINGS

Evaluation Question #1: What economic, social and cultural impacts are being generated by IBA for its customers and the wider community?

IBA's Home Ownership program is generating significant positive impacts for Aboriginal and Torres Strait Islander customers in relation to culture, empowerment, financial resilience and wellbeing.

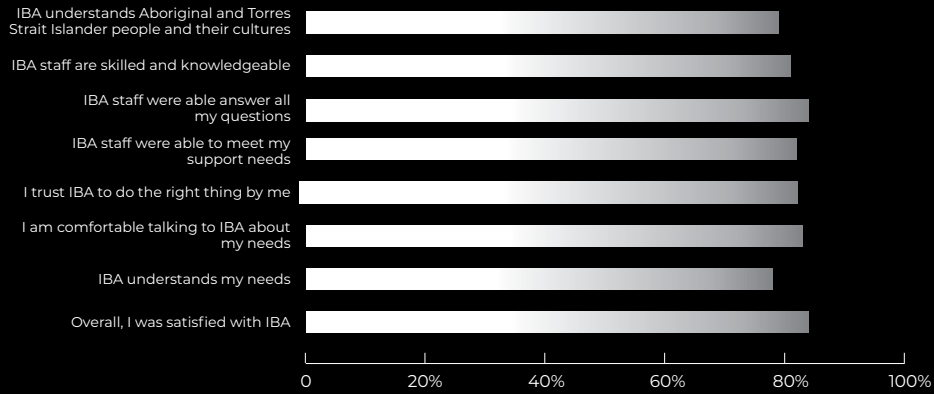
These impacts are manifested through being a role model for family and community and moving away from poverty and renting into an empowered position of financial stability.

Evaluation Question #2: What inputs and/or levers within IBA's work are driving these impacts, and what could be done to ensure maximum impact for customers and the wider community?

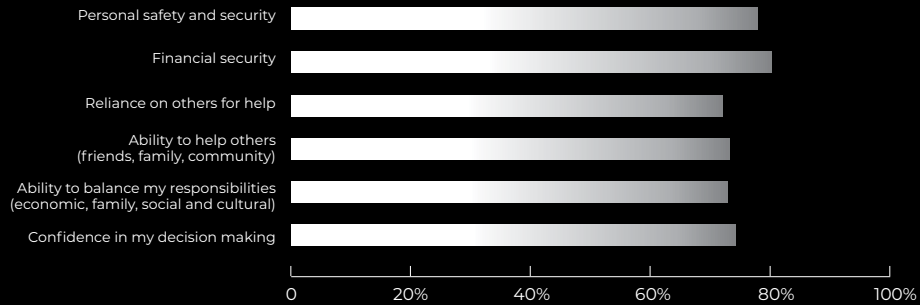
The key drivers which create these impacts are the supportive and caring relationships customers form with IBA. Through this support from IBA staff, customers feel empowered and more capable managing personal finances, caring for family, practising culture and navigating financial instability through uncertain times.

FIGURE 3: HOME OWNERSHIP QUANTITATIVE RESULTS

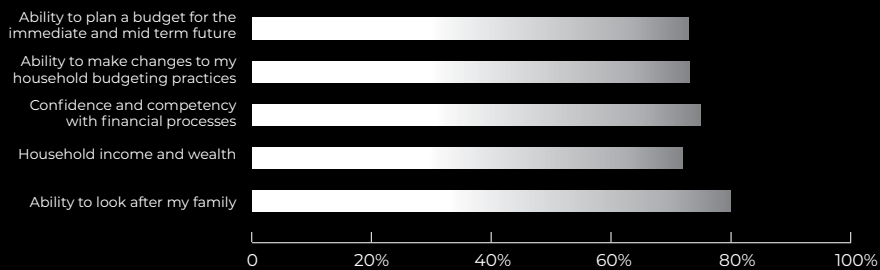
SUPPORT FELT FROM IBA



SELF MANAGEMENT



ECONOMIC SELF-SUFFICIENCY



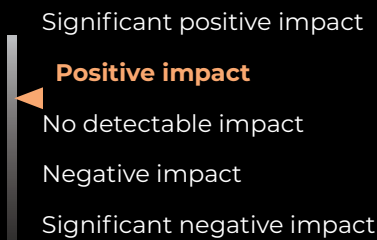
IMPACT GENERATED BY IBA

The following impacts were confirmed through the qualitative research.

SOCIAL IMPACT

All respondents described enormous changes in their lifestyles from purchasing their own home and greatly appreciated IBA's assistance. Almost all respondents reported having unstable housing conditions (renting, community housing or staying with friends and family) prior to receiving a home loan from IBA. There is a consensus that renting means moving at the end of every lease, which reflects the difficulty in securing long-term rental stability that many Aboriginal and Torres Strait Islander people face. Respondents clearly stated that they believed they would still be living with the unpredictable nature of renting, or worse if they hadn't secured a home loan with IBA. This counter-factual demonstrates the unique opportunity that IBA presented and enables some strength in the conclusions drawn about IBA's role in causing and/or contributing to the reported impacts.

IMPACT BAROMETER

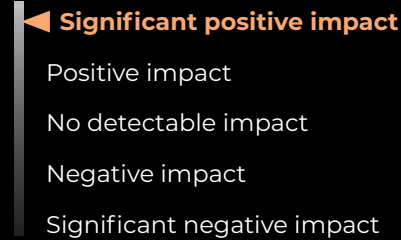


ECONOMIC IMPACT

Respondents indicate that having a home loan provides a strong sense of financial security and stability, coupled with feelings of empowerment and pride that they have broken through the barriers related to the low rates of home ownership by Indigenous Australians.

For some regional and remote customers, buying their home provided an ability to live in areas with improved access to services (education, health care, access to retail etc.) creating other economic benefits.

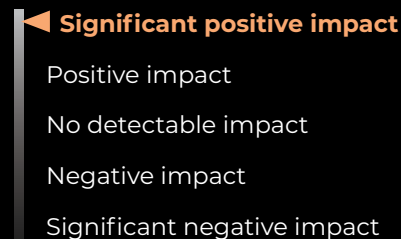
IMPACT BAROMETER



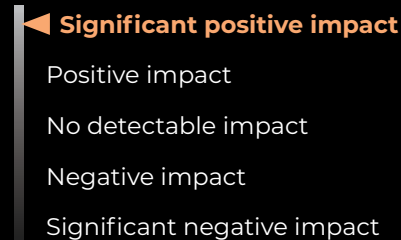
CULTURAL IMPACT

Respondents reveal a strong theme of home ownership enabling and improving family connectedness, including long-term foster caring for children of extended family members, as well as highly valued community-connectedness with the neighbourhood and friends.

IMPACT BAROMETER:



OVERALL IMPACT CREATED BY IBA'S HOME OWNERSHIP PROGRAM



CUSTOMER INSIGHTS

... [They] always made me feel like I was in control. Like it was my home. That I had responsibility to that loan and that I could manage it... IBA has certainly made living and doing what I do for me and my family, a whole lot easier. It's taken that financial, that emotional if you like, stress off of me and offered the ability for me, as a single First Nations Australian woman, to be able to bring up other family members and keep them out of the system.

...It gives them that sense of belonging, sense of security. They have time to establish their own identity within their community, you know. No other members know what's going on. You know, there's just so much for young people when they're growing up. That if they don't have that continuity in their life, to be able to piece things together in life. They, they have gaps you know. And in community, but because they're well-grounded here and you know, we've been able to. You know, I've been able to bring them all up in one place at the same time, they've been well grounded here in the community, yeah.

... I just thank God that IBA is there, that I could access them when I needed to and we've got the home that we've got. And I've been able to bring them up in one place.

INTERPLAY MAPPING RESULTS

The Interplay mapping system is based on the analysis of data obtained in the quantitative survey. This map views the story for home loan customers by delving deeper into the IBA variables. Stronger insights are created by splitting the IBA change variable into the two separate domains – representing finance-related changes at customer (sustainable impact) and community levels (wider impact).

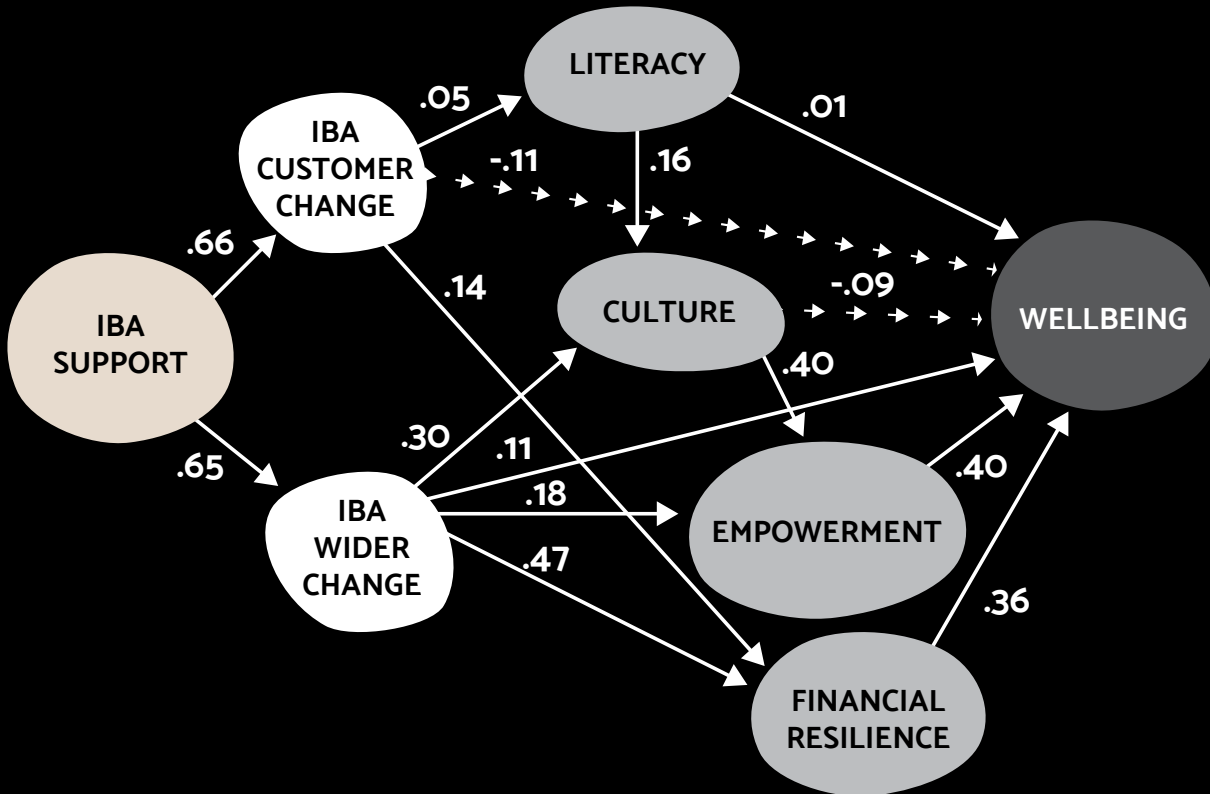
"This map represents the strongest pathways to wellbeing. It's like all the data is shaken up in one big bag and only the strongest pathways are revealed. Starting from left to right, the map shows that IBA support is creating change for both customers and their broader communities with some powerful flow on effects. We can think of this in terms of 'impact pathways' shown by the arrows from left to right.

At the top of the map, the first pathway shows that IBA support and change strengthen literacy which improves culture and wellbeing. Stronger culture goes on to build empowerment and wellbeing.

The other impact pathway at the bottom of the map, shows that changes from being with IBA directly impact culture, empowerment and financial resilience which all create broader wellbeing benefits. Taken together, this map shows that Home Ownership through IBA is improving people's lives with strong impacts on culture, empowerment, financial resilience and wellbeing."

- Professor Sheree Cairney, The Interplay Project Pty Ltd

FIGURE 4: HOME LOAN CUSTOMERS INTERPLAY MAP



EXPLAINING THE INTERPLAY MAP

Looking at the lines between the 'stones' from left to right:

- Only statistically significant pathways are shown.
- The higher the number, the stronger the pathway.
- Positive values are proportional (as one domain increases, the domain it points to also increases or gets stronger).
- Negative values are inversely proportional (as one domain increases, the domain it points to decreases or gets weaker).
- These relationships show correlation and may suggest causation, but this must be confirmed with deeper scientific investigation.

INTERPLAY MAPPING SUMMARY

Support offered by IBA creates an impact at:

- customer levels
- community levels.

Having a home loan with IBA improves:

- culture
- personal empowerment
- financial resilience
- wellbeing.

Critical impact pathways show:

- cultural impacts only occur when combined with a sense of personal empowerment
- importance of providing support at both personal and household levels.

TABLE 4: WHAT THE INTERPLAY WELLBEING MAP TELLS US

INDICATOR	IMPACT
IBA support	Support and care provided by IBA staff generates positive impacts at both customer (individual) and community levels.
IBA change	Having a home loan with IBA improves financial resilience, irrespective of any other changes.
Culture	Having a home loan with IBA strengthens culture through: <ul style="list-style-type: none"> • strengthening households • personal literacy support.
Empowerment	Having a home loan with IBA creates a strong sense of personal empowerment through: <ul style="list-style-type: none"> • providing support • creating personal changes • creating household changes • strengthening literacy • strengthening culture.
Wellbeing	Having a home loan with IBA improves wellbeing through: <ul style="list-style-type: none"> • providing support • creating personal changes • creating household changes • strengthening literacy • strengthening culture • strengthening personal empowerment • strengthening financial resilience.
What does the negative pathway from IBA personal change to wellbeing mean?	This suggests that focusing on personal change without strengthening literacy, culture and empowerment has a detrimental impact on wellbeing.



BUSINESS SOLUTIONS

CONTEXT

The Australian Indigenous business sector is growing rapidly^{1,2}. Every year in recent history, IBA has seen demand for business products and services increase. The number of IBA business customers approved for finance has more than doubled since 2016–17, from 108 customers to 249 customers in 2019–20. The value of the business lending portfolio has also almost doubled over the same period, from \$63 million to \$124 million.

While this increase in Aboriginal and Torres Strait Islander people looking to start and grow their own businesses is a positive step towards economic self management and self-sufficiency, business ownership also comes with a broad range of social and economic stressors that cannot be avoided.

Given the purpose of IBA's Business Solutions program is to help Aboriginal and Torres Strait Islander people start and grow a business, it is important to understand we do not expect the same types of positive impact we would see in the Home Ownership program. The reason for this lies in the complexity of the goal and journey customers will go on, but also the broad range of things that sit outside of IBA's control for business owners. While IBA strives to provide all customers with a supportive experience, the expectations, demands and issues that Business Solutions customers will face in starting and growing their businesses will be difficult, creating more neutral or negative impacts for some. And while IBA is committed to meeting or

exceeding the Australian benchmarks for business survivability, the majority of business customers are in start-up phase and have between zero and four employees. The reality is that, according to Australian Bureau of Statistics (ABS) data, this will still mean that four in 10 businesses with zero to four employees will fold within four years.

Finally, it is important in providing context for this report, to recognise that 2020 provided an unprecedented number of challenges for business owners in Australia.

From devastating bushfires to the ongoing global COVID-19 crisis, the economic impact on the entire business sector has been devastating. These events have seen IBA deliver a COVID-19 Business Relief Package, in partnership with the National Indigenous Australians Agency to Indigenous business owners, as well as assistance to business customers affected by the bushfires. Both the events of 2020 and IBA's response to these events provide context for these results.

This Impact Report aims to:

- understand what impacts are being generated through the Business Solutions program
- explain what is driving these impacts
- make recommendations for IBA to consider how to improve our impact.

1. Shiodkar, S., Hunter, B. and Foley, D. 2018, Ongoing Growth in the Number of Indigenous Australians in Business, Centre for Aboriginal Economic Policy Research Working Paper 125/2018, ANU College of Arts & Social Sciences.

2. Burton, R. & Tomkinson, E. (2015), The Sleeping Giant: A Social Return on Investment Report on Supply Nation Certified Suppliers, Supply Nation, Sydney. As cited by S Hudson, Awakening the 'Sleeping Giant': The Hidden Potential of Indigenous Businesses, Policy, Vol 32, No 1, Autumn 2016, p 3. At: <https://www.cis.org.au/app/uploads/2016/04/32-1-hudson-sara1.pdf>.

KEY FINDINGS

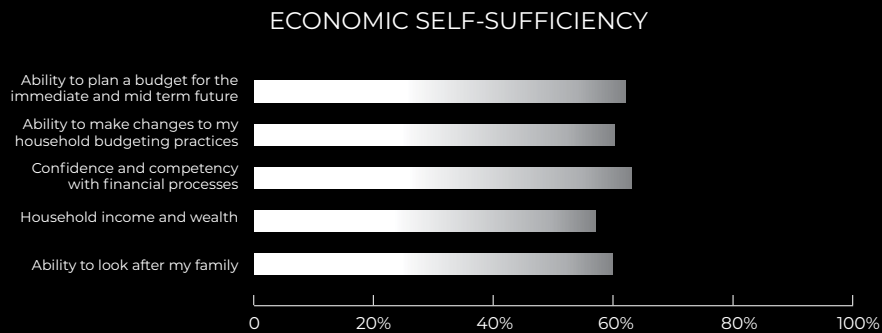
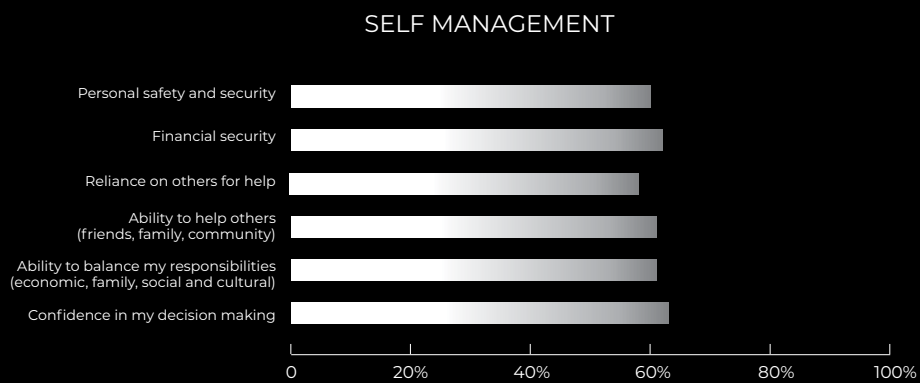
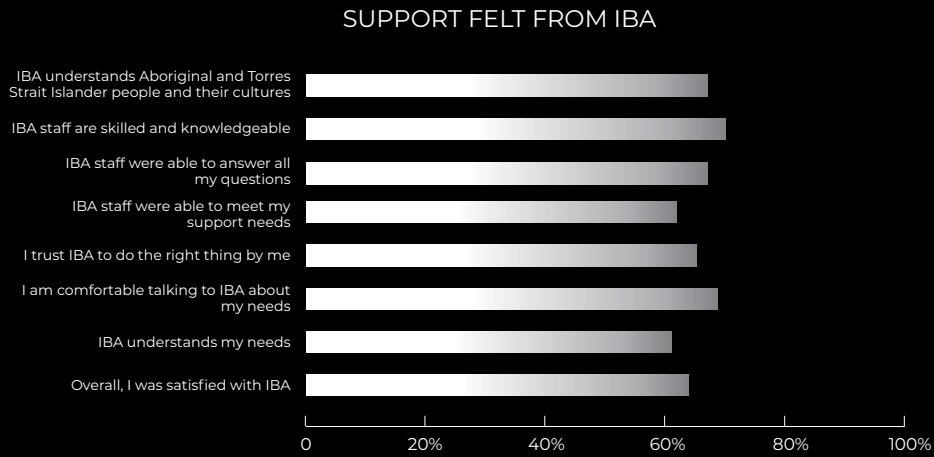
Evaluation Question #1: What economic, social and cultural impacts are being generated by IBA for its customers and the wider community?

Being a business customer of IBA can create significant positive impacts in relation to empowerment, financial resilience and wellbeing. These impacts help to generate substantial personal growth, learn new business skills and increase business success and wealth creation.

Evaluation Question #2: What inputs and/or levers within IBA's work are driving these impacts, and what could be done to ensure maximum impact for the customers and wider community?

The key drivers to create these impacts is the understanding and flexibility in business support offered by IBA, particularly in developing personal relationships between customers and staff, that enable IBA to be responsive to unique needs rather than product focused. Business support that enables customers to be strong in their culture either through cultural enterprise or unrelated wealth creation, is a key driver of empowerment, financial resilience and wellbeing impacts.

FIGURE 5: BUSINESS SOLUTIONS QUANTITATIVE RESULTS



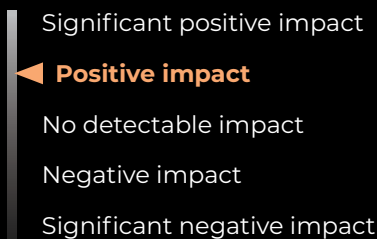
IMPACT GENERATED BY IBA

The following impacts were confirmed through the qualitative research.

SOCIAL IMPACT

Customers reported instances of significant personal growth and pride in their achievements as a consequence of receiving business support from IBA. There was substantial diversity in the demographics, circumstances, life stage and business cycle of business customers. Often customers had been on the business journey for many years before approaching IBA, and many of the more successful business operators are operating multiple businesses. Supportive relationships with IBA were consistently identified as a key driver in the business support pathway, and often emphasised more importantly than a focus on the product. Each participant required unique support that was best achieved through flexible and supportive relationships that enabled the customer to build their economic empowerment despite changing environments.

IMPACT BAROMETER

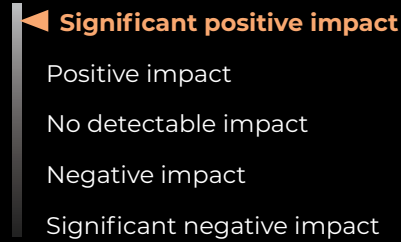


ECONOMIC IMPACT

Business Solutions customers reported strong wealth creation impacts as a direct result of being an IBA customer. Personal growth was built upon through learning business skills, and economic support that led to sufficient income and increased wealth. Respondents reported that supportive relationships with IBA assisted them in overcoming challenges, navigating

bureaucratic processes (e.g. 'red tape'), and reduced confusion around expectations and historical mistrust of government bodies to build a sustained personal pathway of wealth creation.

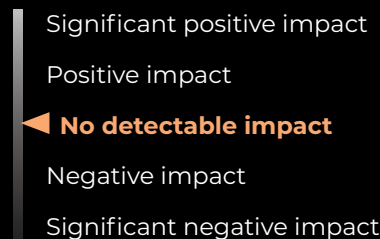
IMPACT BAROMETER



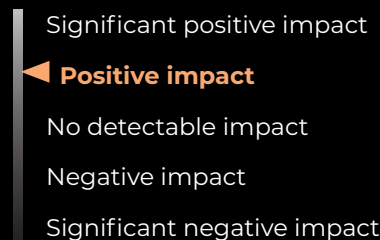
CULTURAL IMPACT

Business solutions customers did not show any clear cultural impact as a result of being an IBA customer, with the exception of those in cultural and creative industries. Stories shared from those in the cultural enterprise sector show that an individual's Indigeneity can be a source of wealth creation. In other areas of business where culture is not a focus, there is no detectable impact on culture.

IMPACT BAROMETER:



OVERALL IMPACT CREATED BY IBA'S BUSINESS SOLUTIONS PROGRAM



CUSTOMER INSIGHTS

“Oh it’s just empowering, it’s not like a regular bank where you’re pretty much just a number. You are dealing with the same people throughout the whole process which was good. And, and also getting encouragement and feedback about you know, the progress we were making. And just like asking us along the way how, or what, what kind of additional support we needed. And just reminding us that we’re not a traditional bank. If you do, if you are experiencing difficulties you know, we, we can sit down with you and work out a way to get through it. It’s not just make your payments and don’t want to know about what you’re going through.”

“...I just felt like there was somebody who believed in me, who was championing me. Because it’s quite a solo journey a lot of the time as a, as a business owner. Sort of having someone who saw worth in what I was doing. You know, enough to invest in that. Even if it was \$1,500. That makes you feel like you’ve got something valuable here. Someone’s backing you in that and psychologically that’s, that you’re not alone in it. That’s, that’s an intangible I guess benefit.”

“I haven’t really enjoyed the culture of IBA to be honest, as a bureaucratic you know, government organisation. It’s still very much a bureaucratic government organisation. And I say the only thing that makes a difference to that is [the good relationship manager]. And obviously an organisation can’t be built off just one person. But it needs to become a, a culture across the organisation ... Because like I, I don’t have any faith that if [the good relationship manager] were to leave that things would continue to be the way that they are. You know, that it’s not, it’s not IBA itself that is necessarily exhibiting those things. It’s the individual who’s brought that to the organisation.”

INTERPLAY MAPPING RESULTS

The Interplay mapping system is based on the analysis of data obtained in the quantitative survey. This map views the story for business solutions customers by delving deeper into the IBA variables. Stronger insights are created by splitting the IBA change variable into the two separate domains - representing finance-related changes at customer (sustainable impact) and community levels (wider impact).

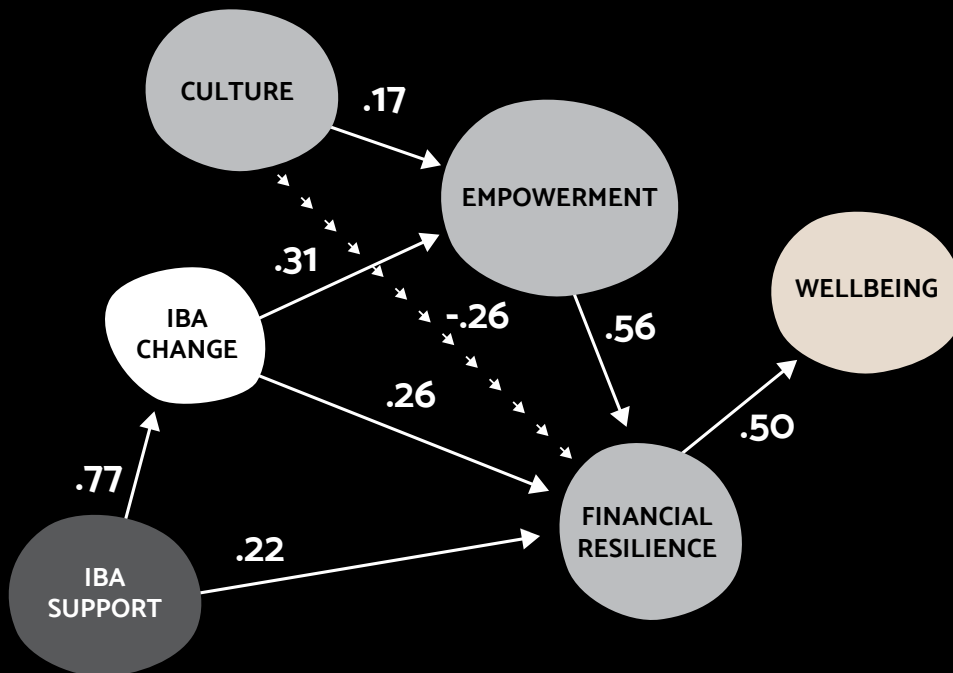
“This map represents the strongest pathways to wellbeing for business customers through several different impact pathways. Starting from the bottom left of the map, you can see that support from IBA (‘IBA support’) has direct positive benefits of changing people’s lives (‘IBA change’) as well as direct positive impacts on financial resilience. From ‘IBA change’ in white, you can see other impact pathways that go through empowerment and financial resilience to wellbeing.

You can see that being strong in culture (top left) when combined with empowerment, also helps build financial resilience and wellbeing. Interestingly, the negative pathway from culture directly to financial resilience tells a story that we often see with Interplay mapping. It shows that culture needs to be strong in a way that is empowering, otherwise it can have a detrimental impact. Empowerment is a key part of the story. Culture and empowerment are essential stepping stones to improving financial resilience.

The most powerful part of this story for business customers, is that empowerment and financial resilience are the strongest impacts but also essential ‘stepping stones’ to wellbeing. And culture is the building block.”

- Professor Sheree Cairney, The Interplay Project Pty Ltd.

FIGURE 5: BUSINESS CUSTOMERS INTERPLAY MAP



EXPLAINING THE INTERPLAY MAP

Looking at the lines between the 'stones' from left to right.

- Only statistically significant pathways are shown.
- The higher the numbers, the stronger the pathway.
- Positive values are proportional (as one domain increases, the domain it points to also increases or gets stronger).
- Negative values are inversely proportional (as one domain increases, the domain it points to decreases or gets weaker).
- These relationships show correlation and may suggest causation, but this must be confirmed with deeper scientific investigation.

INTERPLAY MAPPING SUMMARY

Support offered by IBA creates an impact at:

- customer levels
- community levels.

Being a business customer of IBA improves:

- culture
- personal empowerment
- financial resilience
- wellbeing.

Critical impact pathways show:

- positive cultural impacts only occur when combined with a sense of personal empowerment.

Empowerment and financial resilience are the strongest impacts but are also essential 'stepping stones' to wellbeing.

TABLE 5: WHAT THE INTERPLAY WELLBEING MAP TELLS US

INDICATOR	IMPACT
IBA support	Business support offered by IBA directly impacts financial resilience.
IBA change	Being a business customer of IBA improves empowerment, financial resilience and wellbeing.
Culture	Being strong in culture strengthens empowerment and financial resilience.
Empowerment	Being a business customer of IBA strengthens personal empowerment, financial resilience and wellbeing through: <ul style="list-style-type: none"> • providing support • creating change • strengthening culture.
Financial resilience	Being a business customer of IBA builds financial resilience through: <ul style="list-style-type: none"> • providing support • creating change • strengthening culture • building empowerment.
Wellbeing	Being a business customer of IBA improves wellbeing through: <ul style="list-style-type: none"> • providing support • creating change • strengthening culture • strengthening empowerment • strengthening financial resilience.
What does the negative pathway from culture to financial resilience mean?	This shows that culture needs to be strong in a way that is empowering, otherwise it can have a detrimental impact on financial resilience.



INVESTMENTS AND ASSET MANAGEMENT

CONTEXT

IBA's Investments and Asset Management program (Investments) aims to create economic independence for Aboriginal and Torres Strait Islander organisations and communities by facilitating access to Investment opportunities as a vehicle for financial returns as well as employment, supply chain and capability development outcomes. It does this through partnerships with Indigenous organisations and businesses to help them achieve their goals through commercial enterprises and investment opportunities.

While IBA's Home Ownership and Business Solutions programs differ in many ways, the similarities in their customer profile (individual persons) and large numbers of customers (thousands) enabled a similar process in terms of survey design, impact domains and pathways for the 2020 Impact Report. Due to the nature of the Investments customer profile (organisations), the nature of their relationship with IBA, and the number of customers (65 in FY 2019–20), a different approach has been taken in assessing the impact of this program.

As such, the structure and findings of the Investments section of IBA's 2020 Impact Report differ from earlier sections for Home Ownership and Business Solutions.

The findings are primarily based on a series of meetings with staff, qualitative interviews with key investors, a desktop review of key literature published by co-investors, and previous impact research related to the Investments program. The impacts of the program are also demonstrated by outputs of IBA's Indigenous Economic Impact Reporting (IEIR) tool, which was developed by Social Ventures Australia in partnership with IBA.

Similar to the Homes and Business assessments, the approach to Investments has sought to answer two key evaluation questions in light of the IBA Impact Framework.

The study concluded that the substantial growth of engagement with Indigenous co-investors in recent years has positioned IBA Investments as a central strategic partner to directly and indirectly drive economic, social and cultural impacts. This is occurring through the provision of accessible investment products, trusted co-investment relationships and a good understanding of customers' investment needs and priorities. The study also concluded that there are some powerful indirect impacts contributing to longer-term economic independence for co-investors and their communities, as a result of their partnership with IBA.

It is intended that the findings made in this report will help to inform the design of Investment impact research in ongoing years and for it to become increasingly aligned with IBA's two other programs.

INVESTMENT PRODUCTS

IBA Investments provides two main types of investment products, developed to suit the investment objectives of Indigenous co-investors, taking into consideration their desired level of risk and return. IBA also provides investor capacity-building and other support to ensure investors are making informed choices.

The investment products offer opportunities for asset ownership, the generation of financial returns, and employment, training and supply chain benefits for Aboriginal and Torres Strait Islander people.

1. Direct investments

Joint venture partnerships alongside IBA for business and asset ownership.

Through the direct investments program, IBA invests alongside Indigenous organisations in operating businesses in a range of sectors, including tourism and hospitality, retail, industrial (manufacturing, mining services and primary industries), renewables and emerging industries.

2. Managed fund investments

There are two managed funds:

- Indigenous Real Estate Investment Trust (I-REIT)
- Indigenous Prosperity Funds (IPF).

The I-REIT provides eligible investors³ with the opportunity to invest in an actively managed commercial property fund alongside IBA and other Indigenous organisations. Co-investors share in the income and capital growth generated by a geographically diversified portfolio of commercial properties, enabling them to access returns that would otherwise require a very large capital outlay and incur significant acquisition costs.

The IPF provides eligible investors with the opportunity to invest in a diversified portfolio including Australian and international shares, bonds and debt securities, alongside IBA and other Indigenous organisations. The IPF allows co-investors to tailor their investment according to their desired level of risk and return. Its diversified multi-manager approach provides access to specialist fund managers from across the world.

CUSTOMER PROFILE

Currently, IBA has co-investment partnerships with 65 Aboriginal and Torres Strait Islander owned or controlled institutions. The co-investors are a mix of Aboriginal and Torres Strait Islander corporations, private companies, trusts, not-for-profit associations and a small number of individuals. The vast majority of co-investors have a board of directors comprised of community leaders and collectively represent some of the largest and longest standing Aboriginal and Torres Strait Islander organisations in the country.

The majority (74%) are invested in at least one of the two managed funds. One customer is invested in both a direct investments product and a managed fund. Figure 7 (page 44) shows the number of co-investors in each investment product.

Collectively, IBA's 65 co-investors have stewardship over financial resources amounting to tens of millions of dollars. At 30 June 2020, IBA's investment portfolio was valued at \$430.7 million – of which \$169.0 million (39.2%) is held by Aboriginal and Torres Strait Islander investors.

3. An eligible investor is an entity:

- a. in which at least 50% of the beneficial interests are held by Aboriginal or Torres Strait Islander people; and/or
- b. that furthers the economic, social or cultural development of Aboriginal or Torres Strait Islander people; and
- c. that is a Wholesale Investor (as defined in section 761G of the Corporations Act) making an initial investment of at least \$500,000 (unless a lower amount is approved by the Trustee).

IBA investment impact pathways

Despite the greater complexities in tracing the beneficial impacts, this study has found that IBA Investments is generating direct and indirect impacts for Indigenous co-investors. To enable a deeper dive into the nature of these impacts in future impact studies, we have sought to unpack and illustrate how IBA Investments is directly and indirectly contributing to the generation of economic, social and cultural impacts for co-investors and their communities. We have found that impact pathways for the direct investment and managed funds products are similar but that there are also some important differences.

Direct investments

IBA generates direct impacts from direct investments by working alongside partners to operate and grow businesses and achieve outcomes in line with each partner's objectives. IBA places nominee directors on the board of each investment, as does the co-investor. Those boards provide governance oversight for all aspects of the management of the businesses, including delivery of Indigenous outcomes (employment, training and procurement), in many cases in line with strategies and targets set by the partners. The performance of these outcomes is monitored on a regular basis, and results are reported back to IBA. They also contribute to IBA's Portfolio Budget Statement measures and targets.

For businesses in the community services industries, there are a wide range of direct beneficial social impacts. There are also direct cultural impacts through the direct investments program. For example, many of the tourism businesses are directly supporting cultural impacts through cultural performances, cultural tours, land care and Welcome to Country.

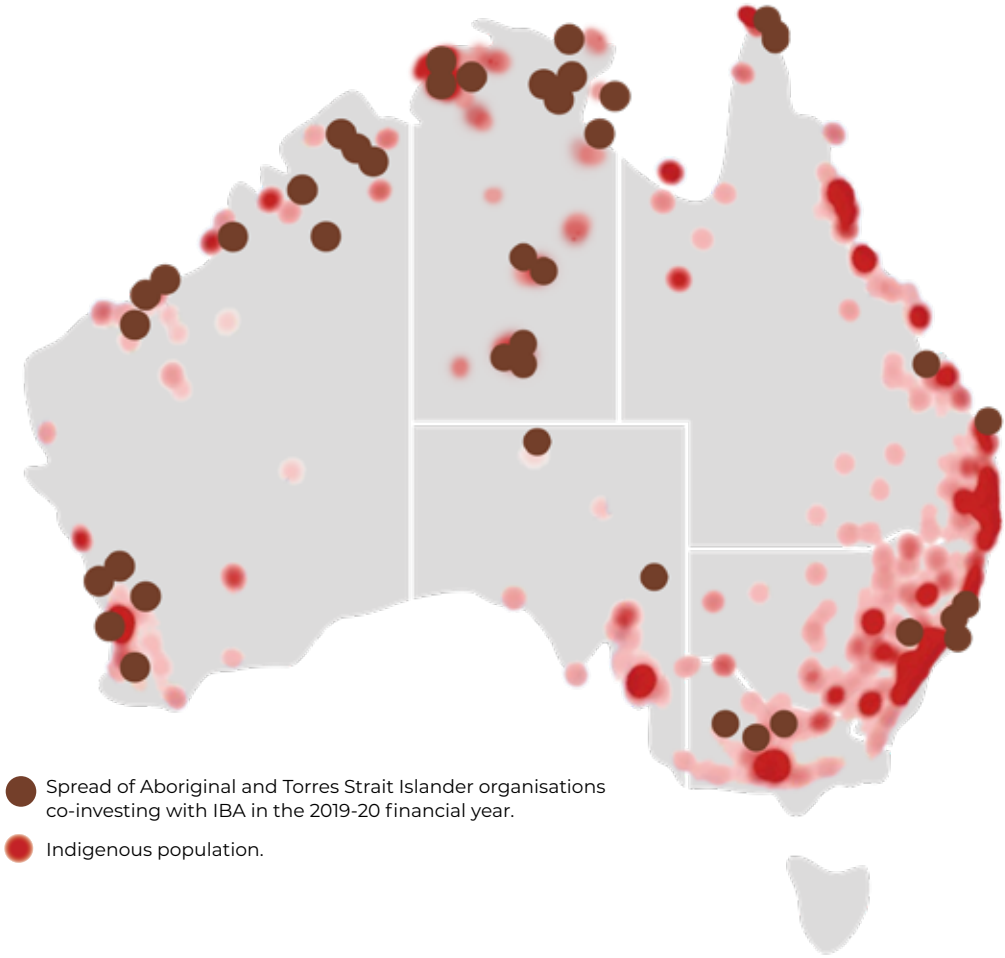
IBA generates indirect impacts through the direct investments program by empowering co-investors, employees and suppliers to realise beneficial socioeconomic and cultural outcomes. This may include improvements to education, health, housing, child protection and justice-related outcomes through increased community development activities.

Managed fund investments

IBA Investments generates direct impacts from managed fund products through trusting relationships and sound investment options, which produce financial returns for Indigenous co-investors. The financial returns grow the wealth held by investors on behalf of their communities. Direct impacts are also generated through transferring investment knowledge to co-investors, and assistance with maturing their investment governance arrangements.

It is evident that a range of beneficial impacts are being indirectly generated as a consequence of an investment partnership with IBA. The increased wealth and experience of partnering with IBA enables co-investors to increase community development activities. It is also evident that increased wealth through good investment decisions builds a strong sense of community empowerment. Co-investors gain a sense of financial security and confidence on the path towards economic self-sufficiency. They are in a better position to pursue other significant economic development aspirations and to provide more community development activities. This is where some of the indirect impacts can arguably become more significant than some direct impacts.

**FIGURE 6: SPREAD OF IBA'S INDIGENOUS CO-INVESTORS
ACROSS INDIGENOUS POPULATION**



CUSTOMER INSIGHTS

“IBA’s strength is about helping organisations and sort of build up their economic capacity, their economic horse. So the social development part is things like housing, all the things that go with social development – housing, education, jobs and so on. But if you don’t have economic capacity, you know, there’s nothing much you can do. So the IBA strength is actually helping groups and organisations build, build their economic horse that’s going to pull their social development cart.”

– Indigenous co-investor, October 2020

As expected, this study has provided new knowledge to refine the impact theory of change for IBA Investments in the IBA Impact Frameworks of future years.

“Our investments with IBA are basically streamlined at showing and teaching our board and our people how to invest. How to look at long term investment, but how to look at investment companies that can help you to develop in other ways. So, if we were just to invest in straight bank bills or share market, that’s sometimes very difficult to control. But with IBA, we know the company, we trust the company. But we also know that we work hand in hand on different projects, or could

as they come up. So, it’s a bit of a learning phase. Very difficult to start from scratch if you know nothing about investment strategies or share markets. If you were to develop a share market portfolio, IBA would certainly be your leader of that.”
– Indigenous co-investor, October 2020

IMPACT GENERATED BY IBA

The reach of many of IBA’s 65 Indigenous co-investors can extend to whole communities over a large region in urban, regional or remote settings. The majority are important organisations in their community, with responsibilities for improving the social and emotional wellbeing of Aboriginal and Torres Strait Islander people in the region, coupled with finding ways for the communities to become more economically empowered. They include medical, legal and housing services, native title and mining trust corporations and privately owned companies. Many provide a wide range of community support services including housing, out-of-home care, foster carer recruitment, school scholarships, youth programs and a diverse range of culture-related programs and services – including ranger programs, funeral funds, Indigenous-specific sporting events, and support for creative and cultural performances.

FIGURE 7: NUMBER OF INDIGENOUS CO-INVESTORS BY IBA INVESTMENT PRODUCT

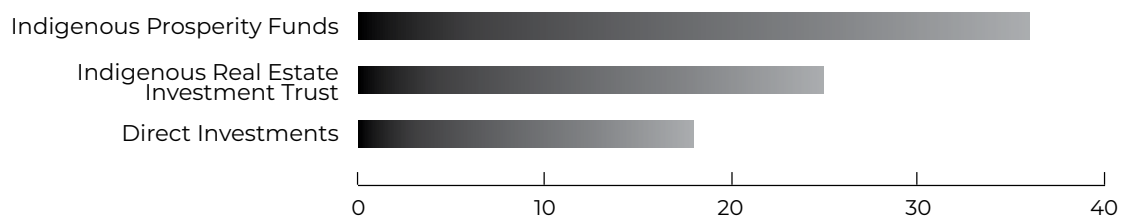


FIGURE 8: IBA INVESTMENTS' IMPACT PATHWAYS

The figure below illustrates IBA Investments' strategically pivotal role in partnering with, and supporting, the 65 Indigenous co-investors to generate beneficial direct and indirect impacts. The vast majority of co-investors are Aboriginal owned or controlled institutions, most of which are not-for-profit Aboriginal Corporations and some are for-profit private companies with a separate corporate arrangement such as a trust or community foundation for the provision of community programs and services.

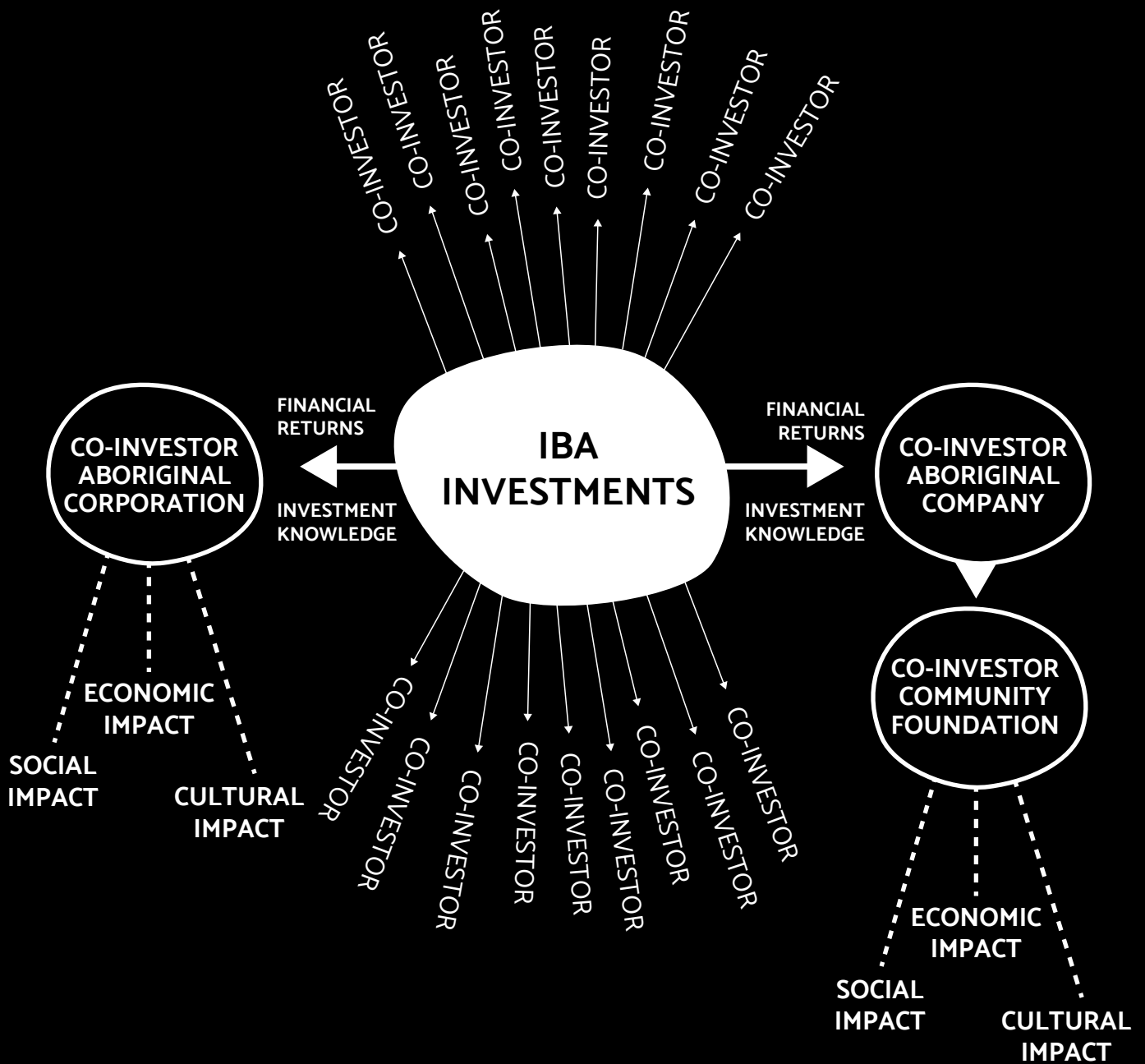




TABLE 6: DIRECT AND INDIRECT IMPACTS

	DIRECT IMPACTS	INDIRECT IMPACTS
Direct investments	<p>Economic self-sufficiency through:</p> <ul style="list-style-type: none"> • business growth and resilience • employment • training • procurement. <p>Social impacts (when the business relates to community services).</p> <p>Cultural impacts (for culture-related businesses).</p>	<p>Economic self-sufficiency through other economic impacts.</p> <p>Increased self management through a range of social impacts.</p> <p>Cultural impacts in the wider community.</p>
Managed funds	<p>Economic self-sufficiency and asset growth through financial returns.</p> <p>Increased self management through increased investment knowledge and capability.</p>	<p>Economic self-sufficiency through a greater sense of empowerment to pursue other significant economic developments as well as increased employment and training opportunities.</p> <p>Increased self management through a greater sense of empowerment for beneficial social impacts through increased community development activities.</p> <p>Cultural impacts for the co-investors, their communities and the wider community.</p>

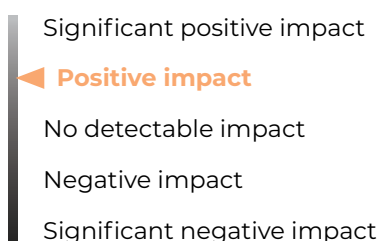
Even from this brief overview of the investors, it is clear that their leadership role and functions amount to a powerful resource for the generation of a significant, perhaps national, scale of widespread beneficial community impacts.

Nurturing Indigenous investors to generate beneficial impacts is in accord with the recently signed National Agreement on Closing the Gap, which emphasises, “that Aboriginal and Torres Strait Islander community-controlled services are better for Aboriginal and Torres Strait Islander people, achieve better results, employ more Aboriginal and Torres Strait Islander people and are often preferred over mainstream services.” (National Agreement on Closing the Gap July 2020, page 8).

SOCIAL IMPACT

Based on the assessment of data and analysis provided by IBA, it is clear that social impacts are being generated by the Investments and Asset Management program. Examples of the social impact can be found in qualitative surveys, with references to funds being used to provide services and relief in isolated communities, construction of youth facilities and day care centres, purchasing medical equipment and health and fitness programs, among other much needed social resources. In 2021, the Impact Report will focus on capturing quantitative data from these social programs to help assess impact and change.

IMPACT BAROMETER



ECONOMIC IMPACT

Based on the assessment of data and analysis provided by IBA, clear economic impacts are being generated by the Investments and Asset Management program. Total financial return for Indigenous investors in the five years from FY 2015–16 to FY 2019–20 was \$39.9 million representing an average return of 5.82%. This impact is magnified by the fact that most customers reported previously holding their funds in cash accounts generating minimal returns.

See Figure 10 (page 49) for a breakdown of where investors held their funds prior to investing with IBA.

Using this information an analysis has been done to better understand the economic impact that IBA has generated for its co-investors.

In the five years from FY 2015–16 to FY 2019–20, returns to IBA co-investors were an average of 5.33% p.a. higher than if the funds had been held in a savings account.⁴ Or put more simply, IBA Investments has generated an additional \$36.5 million in financial returns to co-investors in the last five years, creating more wealth and opportunities to deliver positive social, economic and cultural impacts.

This transfer of impact power is an important part of IBA Investments’ theory of change. By creating economic empowerment, co-investors become self-sufficient and can determine how funds are used within their communities to solve problems and realise opportunities.

Besides financial returns, there are other types of economic impacts reported, including Indigenous employment and greater agency for communities through asset ownership.

4. Per annum co-investor returns are benchmarked against average Reserve Bank of Australia retail deposit and investment rates for savings accounts and cash management accounts at banks assuming a balance greater than \$50,000.

IBA's IEIR tool calculates the procurement, employment and training impacts of IBA's direct investments for Aboriginal and Torres Strait Islander people. For the 13 subsidiaries monitored using the IEIR tool over the 2019–20 period, direct investments employed an average of 185 Indigenous people per month and paid a total of \$11.9 million in gross salaries. A total of \$152,000 was also spent on 349 instances of training for Indigenous employees.

The supply chain impacts for Indigenous businesses are also measured in the tool, with direct investments having spent \$3.9 million on the procurement of services from an average of 46 Indigenous suppliers per month.

IMPACT BAROMETER

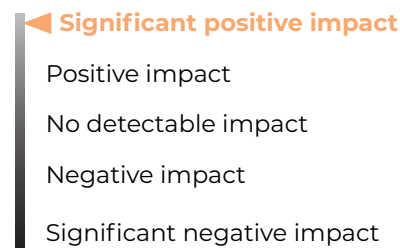


FIGURE 10: HOW INDIGENOUS INVESTORS HELD THEIR WEALTH PRIOR TO INVESTING WITH IBA

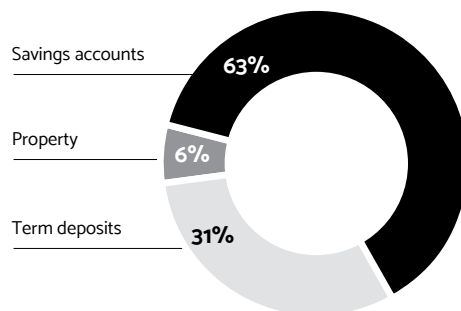
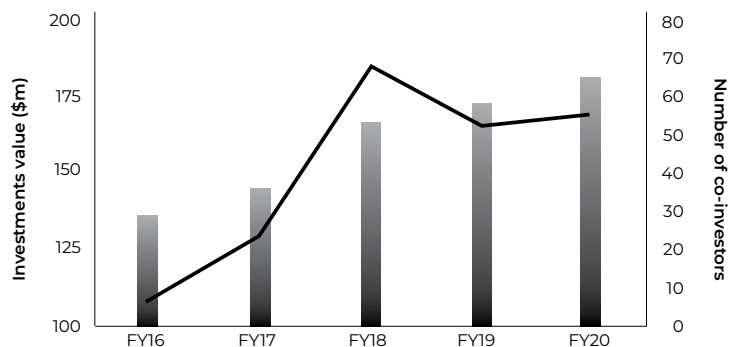


FIGURE 11: NUMBER AND VALUE OF INDIGENOUS CO-INVESTMENT WITH IBA AT 30 JUNE FY 2015–16 TO FY 2019–20

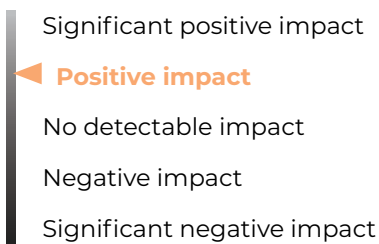


CULTURAL IMPACT

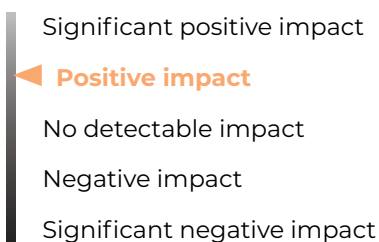
Based on the assessment of data and analysis provided by IBA, clear cultural impacts are being generated with a strong emphasis on tourism-related commercial ventures, particularly for communities who regained control of their traditional lands. While further work needs to be done to calculate attribution methods (noting that some of these positive cultural impacts may exist independent of IBA's involvement), Investments customers have strong levels of involvement with culture-related engagement.

Further examples reported through the qualitative survey include funds gained through Investments activity providing support for funerals, which are often large events with significant costs, cultural site protection and language preservation resources and programs.

IMPACT BAROMETER



OVERALL IMPACT CREATED BY IBA'S INVESTMENT AND ASSET MANAGEMENT PROGRAM:



As highlighted above, there are similarities and differences to the impact pathways for direct investment products and managed funds investments. Therefore, there are some common drivers that IBA employs and some unique to the type of product.

The common drivers align closely with the drivers for the Homes and Business programs. They include trusting, long term relationships, understanding the customers' contexts, operations and priorities, and growing empowerment through increased financial competency and a sense of financial security. This occurs through culturally appropriate policy settings, strategic planning, market research, product design and staff capabilities.

"Everything we do now is for the future, for the people. And we do measure it, yeah. And we can tell that by even our board papers. We look at crime figures for the month or two-months or the quarter. We look at how many people are in housing, how many people are employed, how many people were dismissed, what they were dismissed for. So we delve right into the social aspect going back. And then to the economic one. Culturally, we deal with culture all the time here through funeral support and also cultural impacts of knowing on what land we mine, or what land we do harvesting."
– Indigenous co-investor, October 2020

Managed fund investments:

Over the past five years, IBA Investments has markedly expanded its impact footprint by more than doubling the number of Indigenous co-investors from 29 to 65. The key driver for this marked expansion is the introduction of the I-REIT (in 2013) and the IPF (in 2015). It has enabled IBA Investments to increase its engagement with Indigenous organisations located around the country.

The expansion has also resulted in a significant increase in the total value of Indigenous investment with IBA to \$169 million since 2015-16 (see Figure 11).

The marked expansion has been driven internally by market research, product design and the building of trusting relationships with customers.



FINDINGS

Evaluation question #1: What economic, social and cultural impacts are being generated by IBA for its customers and the wider community?

This study has found that the collective resources of IBA's 65 Indigenous co-investors amount to a national scale of beneficial economic, social and cultural impacts that reaches deep into the opportunities and disadvantage of urban, regional and remote Indigenous communities. IBA's contribution to the creation of these impacts occurs directly and indirectly from co-investments with Indigenous investors.

Direct impacts include increased financial returns, business growth, procurement, employment opportunities and investment capability development. The range of indirect impacts from both types of investment products is broad and includes a wide gamut of social and cultural related benefits.

Evaluation question #2: What inputs and/or levers within IBA's work are driving these impacts, and what could be done to ensure maximum impact for the customers and wider community?

IBA Investments, through market research of prospective Indigenous co-investors, design of its financial investment products and services and the quality of customer relationships, is making a direct and extremely important strategic contribution to supporting the leaders of these co-investors to generate beneficial community impacts. This is enhanced by building investor capacity and investment governance maturity through product delivery processes and tailored workshops.

CUSTOMER INSIGHTS

“I’m a firm believer of this idea of giving people a hand up, not a hand out. And so we’re trying to get them to discover the power they have to change their lives, without us having to do everything for them. Is there some way that we can sort of provide, using our money in partnership with people like IBA. As to how we provide them with this hand up. And things like housing, business support and so on, which is what we’re doing. So I think that what we’re trying to do is you know, improve the social and economic status of Aboriginal people here over the next say 20 years or so. And we’re wanting to be a lot more targeted in terms of how we try and do that. Rather than just a scatter gun approach of trying to you know, just keep providing support willy nilly.”

– Indigenous co-investor, October 2020

SUMMARY OF IMPACT

At this early stage of implementation of the Impact Framework, it is difficult to articulate a comprehensive picture of the extent of the economic, social and cultural impacts being directly and indirectly generated by IBA Investments. However, by seeking to understand these impacts, the current and potential strategic role of IBA Investments to impact Indigenous disadvantage on a national scale through the investors’ organisations has become apparent. This accords with the National Agreement on Closing the Gap, which emphasises the values of Aboriginal and Torres Strait Islander community-controlled services. It has also been valuable at this stage to focus on the mechanisms of change that IBA Investments has applied and could apply in the future to maximise impacts. This is done through a mapping of IBA Investments impact pathways and its points of direct and indirect influence in them.

Our recommendation is for IBA to organise internally to maximise this strategic influence by:

- developing a strategy focused on supporting co-investors to generate beneficial economic, social and cultural impacts for their communities
- establishing a joint IBA and co-investors working group to oversee the development and implementation of this proposed new investor community impacts policy.

Interviews with investors for this study highlighted other current and potential IBA drivers for generating greater impacts. These have been broken into themes.

Key themes:

- IBA is seen as a trusted partner with long term investment partnerships.
- IBA understands the contexts, operations and priorities of Indigenous investors.
- IBA’s expertise contributes to the investment capability development of co-investors, saving them a lot of time and money.



IMPACT INSIGHT: COVID-19

CONTEXT

As part of IBA's annual Impact Report, we intended to capture insights on external themes or issues that might be impacting IBA customers. It should come as no surprise that for our inaugural 2020 survey we have focused on the impact of COVID-19, and specifically, how the response by IBA assisted customers.

In March 2020 as the impacts of the COVID-19 pandemic were just beginning to take shape, IBA worked closely with Minister Wyatt and the National Indigenous Australians Agency to establish a \$50 million Indigenous Business Relief Package, as well as providing significant support to Home Ownership customers through:

- loan interest reductions and waivers
- temporary suspension of loan and lease repayments
- special assistance for customers experiencing hardship, including loan restructuring and reassessment of loan terms
- assistance to access other federal, state and territory government stimulus packages
- development of a support package for business customers
- working capital assistance of up to \$100,000 via a loan/grant package.

IMPACT

The survey design included questions on the impacts of COVID-19 to understand how it affected people's lives and whether IBA's support was helpful.

All customers surveyed

- Close to half (47%) of the 1,238 survey participants stated that they suffered financial impacts from the COVID-19 economic shutdown.
- 28% of these customers accessed their superannuation.
- 14% lost their job.

Homes customers

IBA data on its homes customers shows:

- 4,441 (83% of IBA's home loan customers) received COVID-19 relief in the form of interest rate reductions to a maximum of 2.99%
- 108 formal deferrals of repayments were approved during the period of July through to September 2020, a 35% increase compared to the same period last year
- overall, since the onset of the COVID-19 pandemic, IBA has provided targeted hardship assistance to 819 homes customers.

The impact survey showed that of homes customers surveyed, 59% (n=404) stated that they'd experienced financial impacts from COVID-19.

Of these:

- 16% (n=64) lost their job
- 57% (n=229) suffered reduced hours and salary
- 26% (n=105) accessed their super
- 16% (n=63) accessed long term savings
- 15% (n=61) reported a decline in the value of their home.

Business customers

The results of this survey showed that: The impact survey showed the following:

- Of all business customers surveyed about COVID-19 (n=192), 73% (n=140) suffered financial impacts from COVID-19.
- Of these, 76% (n=109) experienced reduced business income; 29% (n=40) suffered reduced hours and salary; and 9% (n=12) lost their job.
- 24% (n=46) of all business customers surveyed about COVID-19 had accessed IBA's COVID-19 Indigenous Business Relief Package and 9% (n=17) accessed the IBA COVID-19 Business Hardship Loan deferral.
- When asked about the future impacts of COVID, the most common effects business customers predicted were:
 - reduced cash flow (66%)
 - reduced demand for goods or services (58%)
 - government restrictions (e.g. working from home, travel restrictions) (40%).
- Only 12% anticipated improved conditions.

IBA's quick response to these external and dramatic events, coupled with reported customer value of the support they received, indicates IBA's nimbleness in devising a suitable response. These extra support packages are an integral part of IBA's service model. This should not be regarded as a shift in direction for IBA but simply a greater emphasis on the customer support aspects of normal operations.

Responsive customer support is a critical feature of IBA's overall program theory and is a key point of distinction from similar services available from commercial providers.

“In the interviews, Home Ownership and Business Solutions customers who had accessed COVID-19 related assistance from IBA were extremely grateful to have been contacted by IBA asking if they needed it. Some customers stated that they declined the offer to delay home loan payments because they would spend the money unnecessarily, which indicates some wise financial prudence.”

– Dr Kevin Dolman, Indigenous Evaluation Services

CUSTOMER INSIGHTS

“...the biggest impact was more recent when I got in contact with IBA regarding the COVID relief scheme. And instantly oh that process, honestly was like a whirlwind because it just happened so fast. But I had two amazing women who did a Zoom consult with me and basically I just cried through the whole thing. Because it was just the first time, I think I was able to have somebody that was able to identify with me. Not just the struggles, but you know, just giving yourself a pat on the back to say you know, you’re doing a really good job and you know, you may think the business isn’t going really great. But you know, what you’ve provided me is, is fantastic sort of thing.”

IMPACT GENERATED BY IBA

- Significant positive impact
- ◀ **Positive impact**
- No detectable impact
- Negative impact
- Significant negative impact



CONCLUSIONS AND RECOMMENDATIONS

The inaugural IBA Impact Evaluation concludes that all three IBA programs (Home Ownership, Business Solutions and Investments and Asset Management) are generating significant (often life-changing) economic, social and cultural impacts for Aboriginal and Torres Strait Islander people, their families and the wider communities they serve. While the impact pathways for each Division are different, the study's analysis has found that the work of all three Divisions is resulting in strong customer **empowerment, financial resilience and wellbeing.**

IMPACT GROWS OVER TIME

While customers in the early stages of their relationship with IBA report positive impacts, this report concludes **the further you are in your customer journey the stronger the economic empowerment will be.**

HOW CAN IBA EXPAND ON ITS IMPACT?

Overwhelming the study found a strong correlation between IBA support (cultural competence, build relationships, skills, knowledge, trust and understand needs) and positive beneficial changes for customers (personal safety and security, financial security, supportive relationships with others, confidence), which lead to wider beneficial impacts (better budgeting, financial confidence, improved income and wealth, ability to support family).

When customers feel understood and supported by IBA staff, they experience significantly increased levels of empowerment, resilience and wellbeing.

It is evident that IBA's work is directly causing many of the beneficial impacts for new home owners, business owners and co-investors. Further, the study found that some really valuable indirect impacts are being generated as a clear consequence of being an IBA customer. Some indirect impacts such as family role-modelling and increased financial optimism are also making a substantial contribution to the achievement of Aboriginal and Torres Strait Islander self management and economic self-sufficiency. It appears that these types of indirect impacts empower customers and their communities to make good decisions about improving socioeconomic conditions and maintaining cultural values.

By maintaining and increasing a strong focus on goal-directed customer relationships, IBA has enormous potential to generate even greater impacts towards its statutory purpose of self management and self-sufficiency for Aboriginal and Torres Strait Islander people.

The overriding purpose of the Impact Framework is to focus attention on the social, cultural and economic impacts of IBA's work and the levers and drivers that create them. This approach of identifying, measuring and evaluating the social, cultural and economic impacts for the intended beneficiaries of programs and policies has largely been absent from Indigenous affairs over the past 50 years. IBA is proud to be taking a leading role in changing this approach by embarking on this journey.

RECOMMENDATIONS FOR CONSIDERATION

Home Ownership

1. IBA to consider investigating models to increase the number of Home Ownership staff required to process the 2,500+ customers on the waiting list, e.g. request to increase average staffing levels by negotiation with the Department of the Prime Minister and Cabinet, or the Commonwealth more broadly.
2. IBA to consider working in partnership with the Department of Social Services to investigate models for priority placing or fast-tracking home loan and home renovation applications for applicants providing out-of-home care for children in the child protection system.

Business Solutions

3. IBA to consider undertaking a review every two years of its policy and process for appointing and inducting third party providers, to ensure they understand IBA's customer service charter, the goals and objectives of the Business Solutions program and how to work with IBA customers.
4. IBA to consider establishing a clear and consistent policy, process and communications method for delivery of application outcomes to customers who have been declined business finance and/or support.
5. IBA to ensure implementation of the information and communications technologies reform project and 2021 Digital Strategy specifically deliver improved online accessibility for customers, including greater ease of access to product fact sheets, services and key local office contacts.
6. IBA to consider prioritising business customers seeking to establish a for-profit operation that aims to address issues of high community need such as family empowerment and child protection, or aged care services.

Investments and Asset Management

7. IBA to consider developing a Co-Investor Community Impacts Policy that:
 - leverages IBA, as a mechanism of government, to advocate for systemic change in priority areas identified by Indigenous co-investment partners
 - develops a list of high-impact priorities, as defined by the co-investor community to strategically advocate for long term economic, social and cultural impacts.
8. IBA to consider developing and implementing a residential property development product that supports Indigenous organisations who own land to monetise their land by undertaking residential property development.
9. IBA to consider embedding as part of its evaluation framework, a suite of user-friendly tools for IBA customers to track their contribution against key national and global initiatives such as the National Agreement on Closing the Gap or the Sustainable Development Goals.

IBA Human Resources

10. IBA to consider a review of the staff induction program to strengthen staff training on customers service expectations and creating and maintaining successful relationships, with a particular focus on Business Solutions.
11. IBA to consider developing an online training module to deliver annual staff training on managing relationships and customer interactions through a trauma-informed lens, including a clear process on how to review the sensitivity of communicating about applications that are declined.
12. Drawing on the findings of this study, IBA to seek to increase capped staffing levels particularly for Business Solutions, in light of the rapid growth of the Indigenous business sector.

Future Impact work

13. IBA to consider initiating a formative evaluation of the first 12 months of operation of the IBA Impact Framework.
14. IBA to consider undertaking some in-depth case studies across Home Ownership, Business Solutions and Investments and Asset Management customers, to deepen understanding and classification of what direct and indirect impacts are.

Limitations

The purpose of the study is to identify beneficial impacts for customers who have accessed IBA products. This may present a bias because the study does not explore the experience of customers who were unsuccessful or withdrew their application for access to IBA products. This is a potential area for future work.



APPENDIX

DESIGN, METHODOLOGY AND DATA

The evaluation was designed by a collaboration between the evaluation team and the IBA Strategy and Innovation team.

DESIGN

The evaluation has been designed in accordance with the IBA Impact Framework's appreciation that Aboriginal and Torres Strait Islander culture is a significant factor in assisting and enhancing economic independence and wellbeing. The evaluation design applies Interplay mapping; an innovative methodology developed in Aboriginal communities and validated scientifically to measure impact.

PARTICIPANTS

The population sample of participants for this evaluation were IBA customers who currently have a home loan, or accessed business products or finance, or are current investors with IBA from the Housing, Business, and Investments and Asset Management Divisions. In total, this represents approximately 6,000 customers.

METHODOLOGY

The evaluation was conducted in two phases, each initiated by a process of co-design. The first phase involved the conduct of a survey and/or interviews of IBA customers across all three Divisions – namely Home Solutions, Business Solutions and Investment and Asset Management. This was followed by a mixed methods data analysis to systematically organise the data – including data collation, pattern finding, structural equation modelling and realist synthesis – to identify the

key program mechanisms for further investigation. The preliminary findings formed the basis for the co-design of investigations in the second phase. This involved the conduct of more in-depth interviews with a sample of the survey participants, followed by a further process of mixed methods data analysis. The evaluation team administered the survey and conducted the interviews.

The evaluation was conducted in a nine-staged plan from May to November 2020, based on the following steps.

1. Co-design of project, survey and tech tools
2. Ethics approval
3. Conduct survey (phase 1 data collection)
4. Mixed methods data analysis (phase 1)
5. Conduct co-design workshop for interpreting phase 1 results and phase 2 planning
6. Conduct interviews (phase 2 data collection)
7. Mixed methods data analysis (phase 2)
8. Prepare draft final report
9. Receive comments from IBA and write-up final report.

A slightly different approach was employed by this study for IBA investors. The reasons were related to the investors' organisational character; the multiplicity of complexities associated with identifying beneficial community impacts; and the nature of IBA's role in the generation of economic, social and cultural impacts. Our role could be interpreted as one-step removed in parts, compared to home loans and business customers. Also, many investors were approached to participate in an internal IBA Investments survey in February 2020, thus there were some concerns to avoid customer 'survey fatigue'.

ETHICAL CONSIDERATIONS

This evaluation received ethics approval from the Ethics Research Committee, Australian Institute for Aboriginal and Torres Strait Islander Studies in accordance with the requirements of the Indigenous Evaluation Framework, 2018, which is administered by the National Indigenous Australians Agency.

DATA COLLECTION

Data collection involved an online survey, a purposive sample of 50 interviews and analysis of a range of IBA performance monitoring reports and research. For reasons described above, it was agreed with IBA that investment customers would not be invited to participate in the online survey. Instead the study approach involved Dr Dolman working with IBA Investments staff to understand:

- the background and rationale for the design of the financial investment products
- the key institutional characteristics of the investors
- the IBA processes and customer relationships that are necessary to finalise an investment opportunity
- the challenges associated with tracking community impacts.

This was followed by interviews with four large institutional investors.

DATA MANAGEMENT

Data Management is outlined in detail in The Interplay Project's data management plan that addresses data security, policies and procedures, data management training, data storage, data access, use and dissemination, use of data and datasets and sharing the data and management plan with research and evaluation participants.

CULTURAL DATA PROTOCOLS

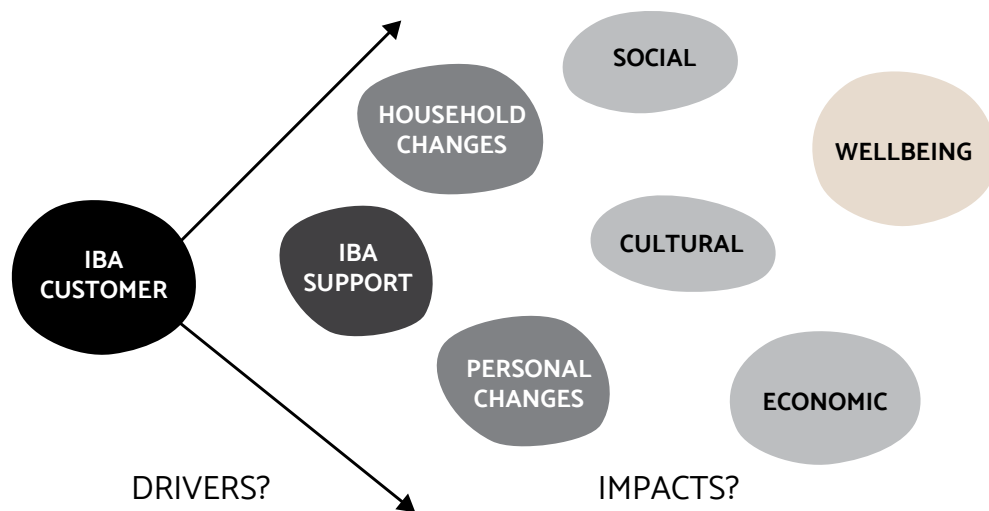
In addition, the Interplay Project's cultural data protocols addresses ethics, data sovereignty, data governance, data management and handling, data access and use, use of data and datasets, knowledge translation and exchange and intellectual property and Indigenous cultural knowledge.

ABOUT INTERPLAY MAPPING

Interplay Mapping is based on the holistic Interplay Wellbeing Framework which unpacks interrelationships between economic participation, health and education, with the Aboriginal priorities of culture, community and empowerment. The Interplay methodology applies a novel 'shared space' model of co-design and collaboration where all stakeholders are involved in all phases of the project. The Interplay Wellbeing Framework and indicators were developed from the ground up over six years in Aboriginal communities in remote Australia, through a collaboration between Ninti One Foundation, the Australian Government Department of the Prime Minister and Cabinet, and Flinders University, as part of the Cooperative Research Centre for Remote Economic Participation. This research has been published in over 30 academic publications and found that community values such as knowledge of the land, strength of family connections, culture, language, empowerment and resilience are key to understanding and measuring wellbeing for Aboriginal and Torres Strait Islander peoples (Cairney & Nguyen 2013; Cairney et al., 2017).

Interplay mapping is a visual and statistical approach to understanding the story that looks at the whole system at once to identify the strongest pathways.

FIGURE 12: INDIGENOUS BUSINESS AUSTRALIA



First, we designed the survey to measure the domains (themes) above so that we could answer the evaluation question.

SURVEY DESIGN (QUANTITATIVE DATA)

The survey was co-designed by Kevin Dolman, The Interplay Project and IBA and involved a process of selecting relevant survey questions for the Interplay Project's indicator database and developing novel questions related to IBA and its products and interaction with customers.

In order to answer the evaluation questions, we needed to include information or measures of the following areas in the survey:

- demographic information (de-identified)
- information about IBA (inputs or drivers within IBA's work)
- wellbeing of customers, their families and communities including:
 - cultural impacts
 - social impacts
 - economic impacts.

The survey design included questions (indicators) on these areas, additional questions on the impacts of bushfires and COVID-19, as well as general life stresses, to understand how these impacted people's lives.

SURVEY DESIGN INCLUDING DOMAIN AND SUB-DOMAINS

DOMAIN	SUB-DOMAIN
Demographic	Age, gender, ethnicity, postcode, study, work, living companions, time with IBA
IBA products	Home loan and housing products, business loan and business products, bushfire support, COVID-19 support
IBA support	Understands people and culture, skilled and knowledgeable, able to answer questions, meet support needs, trust, comfortable talking about needs, understands needs, overall satisfaction
IBA self management	Personal safety and security, financial security, reliance on others for help, ability to help others (friends, family, community), ability to balance my responsibilities (economic, family, social and cultural), confidence in decision making
IBA economic self-sufficiency	Ability to plan a budget for the immediate and mid-term future, ability to make changes to my household budgeting practices, confidence and competency with financial processes, household income and wealth, ability to look after my family
Life stressors	Racism, drugs, smoking, drinking, injuries/hurt, sick, moved home, home overcrowding, new family, lost job, new job, cultural responsibilities
Cultural impacts	Kinship and family, cultural activities, connected-family and community, cultural pride
Social impacts	Education (english literacy, numeracy, digital literacy), work motivation, empowerment (identity, self-efficacy, resilience)
Economic impacts	Financial optimism, financial competency, financial satisfaction (pre and post IBA)
Wellbeing	Health, social and emotional wellbeing (anxiety, depression), life satisfaction (now, five years ago, five years' time (predicted))

INTERVIEW DESIGN (QUALITATIVE DATA)

The interviews were intended to supplement the survey data to provide in-depth richness through qualitative data. At the end of the survey, all respondents were invited to express their willingness to participate in a follow-up interview. More than 500 respondents agreed.

For housing and business customers, purposive sample categories of gender and location were employed and a final list of names was randomly generated from the more than 500 respondents who indicated their willingness to participate in a follow-up interview.

For IBA's Investments and Asset Management customers, a slightly different approach to data collection was employed. First, a survey of all customers was not undertaken because these customers were surveyed by IBA's Investments Division in February 2020. Second, Investments customers are either organisations or companies. The commercial and organisational arrangements add an extra layer of complexity to tracing direct and downstream impacts.

DATA ANALYSIS

There were two phases of data analysis. The first phase followed completion of the online survey. It involved a mixed methods data analysis to systematically organise the data – including data collation, pattern finding, structural equation modelling and realist synthesis to identify key program mechanisms for further investigation. These preliminary findings formed the basis for subsequent telephone interviews, which sought a more detailed understanding of the nature of customer impacts and how they believed IBA worked well and not so well with them.

The second phase of data analysis involved a thematic analysis of the transcribed telephone interviews and a further process of mixed methods data analysis. The evaluation team collaboratively reviewed the transcripts to identify key themes for each group, that were then interpreted in relation to the survey findings.

DATA ANALYSIS: INTERPLAY MAPPING

Interplay mapping is a novel application of structural equation modelling (SEM) - which is a systems or holistic type of statistical analysis, that we apply here to impact assessment or evaluation. This enables us to identify the strongest pathways for change as those that most influence the system. Data analysis is conducted in the following steps.

DATA CLEANING AND SCREENING IS CONDUCTED

- Exploratory factor analysis (EFA) is conducted to identify or confirm key domains or themes for further analysis. The strength of individual survey items is revealed. Weaker items may be removed from the model.
- Confirmatory factor analysis (CFA) is then conducted to test the model validity – to confirm that all domains are related to each other.
- Structural equation modelling (SEM) is then applied to identify the strength and direction of pathways between domains – to understand the ‘story’ told by the data.
- A partial least squares structural equation modelling (PLS SEM) may then be applied if necessary to focus on particular relationships or ‘stories’ in the data.

BRINGING TOGETHER STORIES AND NUMBERS WITH INTERPLAY MAPPING

The Interplay maps are then shared with the community and partners through a co-design process of sense-making to confirm the data reflects the narrative of the community values, priorities and experiences. This is the Interplay process of translating stories to numbers, and numbers back to stories as part of the action evaluation-research cycle.

The initial analysis is driven by the numbers – relationships between variables. The co-design process then helps inform how the numbers reflect the story, and whether any further analysis is required to better align the numbers with the story.

The idea is that the numbers reflect the story – to build evidence, based on what people think, feel and experience. The story comes first, then the numbers. The co-design process creates an action-research cycle with stages including reflect, collaborate, change and implement. The goal is to increasingly bring the numbers closer to representing ‘real world’ metrics.

SURVEY RESULTS

Housing and business customers were invited by email to complete the online survey. It took 10-15 minutes to complete and was open for a period of three weeks.

SURVEY RESPONDENTS

	Housing customers	Business customers	Housing and business customers	Total
Number of email invites sent	~5,400	~530	N/A*	~5,930
Number of respondents	996	191	51	1,238
Response rate	18.4%	36.0%	N/A	20.9%

* Housing and business customers responded to contact via the housing or the business contact list, or both.

CHARACTERISTICS OF SURVEY RESPONDENTS (DESCRIPTIVE DATA)

The median age of participants was 42 years old.

SUMMARY OF SURVEY RESPONDENTS BY ETHNICITY AND GENDER

	Female	Male	Other	All
Aboriginal	660	427	1	1,088
Torres Strait Islander	21	16	0	37
Both	28	23	0	51
Neither	25	24	0	49
Other	4	9	0	13
Total	738	499	1	1,238

**SUMMARY OF SURVEY RESPONDENTS
BY CUSTOMER GROUP AND REMOTENESS**

	Major cities of Australia	Inner regional Australia	Outer regional Australia	Remote Australia	Very remote Australia	Total
Housing	376	333	191	57	17	974
Business	74	32	52	15	17	190
Housing and business	19	14	11	2	2	48
Total	469	379	254	74	36	1,212 ⁸

**SUMMARY OF SURVEY RESPONDENTS
BY CUSTOMER GROUP AND GENDER**

	Female	Male	Other	Total
Housing	643	352	1	996
Business	71	120	0	191
Housing and business	24	27	0	51
Total	738	499	1	1,238

5. Some invalid postcodes that were removed, resulting in a lesser number than the total respondents of 1,238.

**SUMMARY OF SURVEY RESPONDENTS
BY CUSTOMER GROUP AND CULTURAL IDENTITY**

	Aboriginal	Torres Strait Islander	Both	Neither	Other
Housing	891	27	34	37	7
Business	156	7	12	11	5
Housing and business	41	3	5	1	1
Total	1088	37	51	49	13

**SUMMARY OF SURVEY RESPONDENTS
BY CUSTOMER GROUP AND TIME WITH IBA**

	Less than 1 year	1-2 years	3-5 years	6-9 years	10+ years
Housing	29	183	305	221	258
Business	32	53	60	23	23
Housing and business	2	5	17	6	21
Total	469	241	382	250	302

ANALYSING THE IMPACTS – CONFIRMING DOMAINS

The data was first analysed to identify or confirm the key themes (domains). This step involved applying a statistical approach to look at which questions were answered in a similar way, and grouping all questions with similar responses as part of the same domain.

Note: not all domains or questions end up in the model, only the strongest ones. This can help advise on what questions to include or remove from future rounds of surveys.

THE STRONGEST QUESTIONS THAT ENDED UP IN THE INTERPLAY MAPPING STATISTICAL MODELS

DOMAIN	LABELS (SUB-DOMAIN)
IBA support	<p>IBA understands Aboriginal and Torres Strait Islander people and their cultures</p> <p>IBA staff are skilled and knowledgeable</p> <p>IBA staff were able to answer all my questions</p> <p>IBA staff were able to meet my support needs</p> <p>I trust IBA to do the right thing by me</p> <p>I am comfortable talking to IBA about my needs</p> <p>IBA understand my needs</p> <p>Overall, I was satisfied with IBA</p>
Personal change from IBA	<p>Personal safety and security</p> <p>Financial security</p> <p>Reliance on others for help</p> <p>Ability to help others (friends, family, community)</p> <p>Ability to balance my responsibilities (economic, family, social and cultural)</p> <p>Confidence in decision making</p>

Household change from IBA	<p>Ability to plan a budget for the immediate and mid-term future</p> <p>Ability to make changes to my household budgeting practices</p> <p>Confidence and competency with financial processes</p> <p>Household income and wealth</p> <p>Ability to look after my family</p>
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Literacy	<p>English literacy</p> <p>Numeracy</p> <p>Digital literacy</p> <p>Fill out forms</p>
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Culture	<p>Kinship and family</p> <p>Cultural activities</p> <p>Connected to family and community</p> <p>Cultural pride</p>
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Empowerment	<p>Identity</p> <p>Self-efficacy</p> <p>Resilience</p> <p>Work motivation</p>
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Financial resilience	<p>Financial optimism</p> <p>Financial competency</p> <p>Financial satisfaction</p>
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Wellbeing	<p>Life satisfaction</p>
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IMPACT ASSESSMENT CALCULATIONS

The Interplay maps use structural equation modelling to show how domains are interrelated in a causal model. That is, how the domain on the left has an impact on the domain on the right. This impact is measured using a standardised regression weight – a fancy way of saying the numbers are comparable within the map, and across multiple maps. The range for the regression weight is $-1 < x < 1$, where a value of 1 is an absolute correlation – every participant answered every question in exactly the same way – therefore zero variation.

With this in mind, a table was created to help translate the interplay numbers to the IBA impact assessment matrix, represented visually on a five point tick-a-box.

Translation of interplay numbers (regression weights in Interplay maps) to IBA's impact assessment matrix.

IBA impact assessment	Interplay number from naps
Significant negative impact	$x < -0.21$
Negative impact	$-0.07 < x < -0.21$
No detectable impact	$-0.07 < x < 0.07$
Positive impact	$0.07 < x < 0.21$
Significant positive impact	$x > 0.21$

An example of this table in use:

- Impact score of 0 = no detectable impact, would be a tick in the middle of the thick black line next to "HOW MUCH" shown in the following diagram.
- Impact score of 0.28 = significant positive impacts, would be a tick on the far right of the line.








A note about the ranges:

Sample size plays a role in determining what an impact is – for example, a higher interplay number (regression weight) in a large sample is hard to achieve, as there is more variation in the data. This is why we see greater variation in the numbers for business customers.

CALCULATING IMPACT FOR EACH DOMAIN

Domain	Subdomain
Cultural impacts	Kinship and family, cultural activities, connected-family and community, cultural pride.
Social impacts	Education (english literacy, numeracy, digital literacy), work motivation, empowerment (identity, self-efficacy, resilience)
Economic impacts	Financial optimism, financial competency, financial satisfaction (pre and post IBA)

IMPACT ASSESSMENT

WHO	Who are we servicing and impacting?	Potential customers	Serviced customers	Community and society		
HOW	How are we delivering impact?	Housing Solutions <ul style="list-style-type: none"> • Finance • Workshops 	Business Solutions <ul style="list-style-type: none"> • Loans • Workshops • Leasing • Cashflow finance • Mentoring 	Investments and Asset Management <ul style="list-style-type: none"> • Partnerships • Investment options • Capability development 		
WHAT	What is the impact?	Transitional  Economic self sufficiency  Economic	Sustainable  Economic empowerment  Social	Broad  Self management  Cultural		
HOW MUCH	How much of an impact is occurring that is attributed to IBA?	Significant negative impact	Negative impact	No detectable impact	Positive impact	Significant positive impact
						

HOUSING CUSTOMERS IMPACT RATINGS

Domain	Impact average	Impact
Cultural impacts	0.30	Significant positive impact
Social impacts	0.12	Positive impact
Economic impacts	0.31	Significant positive impact
Total	0.24	Significant positive impact

*Total wellbeing impact = 0.12 for housing customers. This is not included in the above table.

BUSINESS CUSTOMER IMPACT RATINGS

Domain	Impact average	Impact
Cultural impacts	0.00	No detectable impact
Social impacts	0.16	Positive impact
Economic impacts	0.31	Significant positive impact
Total	0.16	Positive impact

*Total wellbeing impact = 0.12 for business customers. This is not included in the above table.

A note on business customers and culture:

There was no relationship in the maps between IBA business domains and culture. If culture is removed from the averages, then the total average increases from 0.16 to 0.24. This is a clinical decision and might need to be reviewed in light of whether IBA aims to achieve cultural impact for its business customers, or whether this aspect is more of a housing customer aim.

A note about using % of means to assess impact:

Adding mean scores, or means of mean scores, is not a preferred way of assessing impact. For example, the mean score of homes for economic impact (taken from the financial resilience questions) is 65%. It is likely that some people have high financial resilience, and others have low – with the mean being just over a middle score. We cannot attribute impact to this, as we don't know the relationships within the questions between other questions in different domains. For example, is the same person answering 'high' for each question, or is it a range of people? We cannot determine this from mean scores. Means also don't show the regression between domains – or in this case, the impact that one domain has on the other.

What we can tell from % of mean scores:

Means, and percentages of means are great for showing things like 'customer satisfaction', such as in the IBA 'change' variable. This could be used to say "IBA customers think highly of IBA and XX% are highly satisfied". They should be used as standalone statements that describe a population or how one particular question is answered.

CUSTOMER SELF-REPORTING OF CURRENT STATUS AND CHANGE IMPACTS

Homes Business Question

SOCIAL IMPACT

Empowerment

Resilience	71%	78%	I move on from bad experiences
Self-efficacy	75%	81%	I make changes in my life when I need to
Identity	82%	88%	I feel strong about who I am

IBA change

Personal safety and security	78%	60%	Personal safety and security
Help others (friends, family, community)	73%	61%	Ability to help others (friends, family, community)
Confidence in decision making	74%	63%	Confidence in decision making

ECONOMIC IMPACT

Financial resilience

Financial optimism	70%	67%	I feel good about my financial future
Financial competency	75%	63%	Confidence and competency with financial processes
Financial satisfaction	49%	45%	I was satisfied with my financial position prior to getting support from IBA

IBA change

Household budget	73%	62%	Ability to plan a budget for the immediate and mid-term future
Financial security	80%	62%	Financial security
Income and wealth	72%	57%	Household income and wealth

CULTURAL IMPACT

Cultural impact

Kinship and family	94%	93%	How important is kinship and family to you?
Cultural activities	70%	72%	I participate in cultural activities and events
Connection to family and community	85%	85%	I feel connected to my family and community
Pride in culture	92%	93%	I feel pride in my culture

Cultural change

Looking after family	80%	60%	Ability to look after my family
Balance responsibilities (economic, family, social and cultural)	73%	61%	Ability to balance my responsibilities (economic, family, social and cultural)

OVERALL ASSESSMENTS OF SOCIAL, ECONOMIC AND CULTURAL IMPACT BASED ON CUSTOMERS' SELF-REPORTED CHANGE FROM BEING WITH IBA

Impact rating method for customer responses

Customers surveyed were given five choices for answers to questions (known as the Likert scale) and the rating was based on the average % score for each question.

Customer rating	% score	Rating assessment
Much worse	0–24%	Significant negative impact
Little worse	25–44%	Negative impact
Same	45–55%	No impact
Little bit	56–74%	Positive impact
Lots	75%+	Significant positive impact

HOMES

ECONOMIC IMPACT

	Average rating	Much worse	Little worse	Same	Little bit	Lots
How has being with IBA changed your ability to make changes to the household budget?	74%	11	33	323	249	380
How has being with IBA changed your financial security?	80%	22	36	186	215	537
How has being with IBA changed household income and wealth?	72%	22	73	280	266	355
AVERAGE TOTAL %	75%	2%	8%	26%	24%	43%

Impact barometer	Significant positive impact	Significant negative impact	Negative impact	No impact	Positive impact	Significant positive impact
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SOCIAL IMPACT

	Average rating	Much worse	Little worse	Same	Little bit	Lots
How has being with IBA changed personal safety and security?	78%	13	10	316	164	493
How has being with IBA changed your ability to help others (friends, family, community)?	73%	18	32	330	250	366
How has being with IBA changed your confidence in decision making?	74%	8	16	350	243	379
AVERAGE TOTAL %	75%	1%	2%	33%	22%	41%

Impact barometer	Significant positive impact	Significant negative impact	Negative impact	No impact	Positive impact	Significant positive impact
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CULTURAL IMPACT

	Average rating	Much worse	Little worse	Same	Little bit	Lots
How has being with IBA changed your ability to look after your family?	80%	17	33	228	171	547
How has being with IBA changed your ability to balance responsibilities (economic, family, social and cultural)?	73%	13	32	343	249	359
AVERAGE TOTAL %	77%	2%	3%	29%	21%	45%

Impact barometer	Significant positive impact	Significant negative impact	Negative impact	No impact	Positive impact	Significant positive impact
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BUSINESS

ECONOMIC IMPACT

	Average rating	Much worse	Little worse	Same	Little bit	Lots
How has being with IBA changed your confidence and competency with financial processes?	63%	11	16	74	43	47
How has being with IBA changed your understanding of financial risks?	65%	5	8	84	53	41
How has being with IBA changed household income and wealth?	57%	14	18	82	51	26
AVERAGE %	62%	5%	7%	42%	26%	20%
Impact barometer	Positive impact	Significant negative impact	Negative impact	No impact	Positive impact	Significant positive impact

SOCIAL IMPACT

	Average rating	Much worse	Little worse	Same	Little bit	Lots
How has being with IBA changed your confidence in decision making?	63%	8	12	77	57	37
How has being with IBA changed personal safety and security?	60%	7	12	103	36	33
How has being with IBA changed your ability to help others (friends, family, community)?	61%	15	13	78	45	40
AVERAGE %	61%	5%	6%	45%	24%	19%
Impact barometer	Positive impact	Significant negative impact	Negative impact	No impact	Positive impact	Significant positive impact

CULTURAL IMPACT

	Average rating	Much worse	Little worse	Same	Little bit	Lots
How has being with IBA changed your ability to look after your family?	60%	15	12	88	31	45
How has being with IBA changed your ability to balance responsibilities (economic, family, social and cultural)?	61	9	9	95	44	34
AVERAGE %	61%	9%	6%	48%	20%	21%
Impact barometer	Positive impact	Significant positive impact	Negative impact	No impact	Positive impact	Significant positive impact

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