

---

# IMPACT REPORT 2021-22

---

SUMMARY REPORT



RECOVERY,  
REBOUND,  
IMPACT.

#### 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.

Cover design features the 'gathering' design element from Indigenous artist Penny Evans, who's work was the inspiration behind the IBA brand.

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

The study was led, analysed and co-authored by Dr Kevin Dolman, Indigenous Evaluation Services. Quantitative data collection and analysis was conducted in collaboration between Dr Dolman and Marcus Haines and Neng Prokop from fiftyfive5.

243-03-2022



---

# RECOVERY, REBOUND, IMPACT

---

THE THEME OF THIS YEAR'S IMPACT REPORT IS  
**RECOVERY, REBOUND, IMPACT.**

AS WITH MUCH OF AUSTRALIA, THE DEVASTATING IMPACTS OF COVID-19 AND NATURAL DISASTERS IN RECENT YEARS HAVE HAD A PROFOUND EFFECT ON INDIGENOUS COMMUNITIES. THE ABILITY TO RECOVER, REBOUND AND CONTINUE TO HAVE IMPACT THAT SO MANY HAVE SHOWN IS A TESTAMENT TO THE RESILIENCE AND TENACITY OF INDIGENOUS COMMUNITIES TO OVERCOME HARDSHIP AND COME OUT STRONGER. IBA IS PROUD TO BE PART OF THAT JOURNEY FOR SO MANY INDIGENOUS AUSTRALIANS.

FOR OVER 30 YEARS IBA HAS BEEN CENTRAL TO MANY ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLE ACHIEVING THEIR DREAMS OF OWNING A HOME, STARTING OR GROWING THEIR BUSINESS, AND INVESTING FOR THEIR FUTURE. WE ARE INVESTED IN THE LONG-TERM SUCCESS OF OUR CUSTOMERS AND SEEING THEM THROUGH THE CHALLENGES THEY FACE SO THAT POSITIVE CHANGE CAN CONTINUE TO FLOW ON FOR GENERATIONS TO COME.

THIS REPORT AIMS TO UNDERSTAND THE IMPACT OF IBA'S WORK AND HOW WE CAN ELEVATE THIS IMPACT FOR THE SUCCESS OF OUR CUSTOMERS AND ALL ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLE.





---

# CONTENTS

---

EXECUTIVE SUMMARY

**2**

RECOMMENDATIONS

**3**

BACKGROUND

**4**

KEY FINDINGS

**6**

IBA'S IMPACT THROUGH HOME OWNERSHIP

**8**

WHERE IS THE MOST IMPACT FROM HOUSING OCCURRING?

**10**

IBA'S IMPACT THROUGH BUSINESS FINANCE

**12**

WHERE IS THE MOST IMPACT FROM BUSINESS OCCURRING?

**14**

IBA'S IMPACT THROUGH INVESTMENTS AND ASSET MANAGEMENT

**18**

WHAT IS THE MOST IMPACT FOR INVESTORS?

**20**

CONCLUSION

**22**

# EXECUTIVE SUMMARY

## **IBA'S ABORIGINAL AND TORRES STRAIT ISLANDER CUSTOMERS ARE COURAGEOUS, TALENTED AND COMMITTED TO A BETTER LIFE FOR THEMSELVES, THEIR FAMILY AND THEIR COMMUNITY.**

The Impact Report 2021-22 is the second IBA impact assessment. It is an innovative initiative designed to provide a baseline for understanding IBA's external footprint and the ripples of impact from our activities on the lives of Indigenous Australians. This summary report provides the key highlights of the full report, focusing on the core programs of Home loans, Business (lending, leasing and cashflow) and Investments and Asset Management.

The report shows that each of IBA's core programs had overall significant positive economic, social and cultural impacts on the people we serve. But principally, the report highlights the formidable stories of courage, pride and new confidence amongst Aboriginal and Torres Strait Islander Australians who are committed to participating in the Australian economy through the pathways of home ownership, business or investments. It is through their conscious choice to believe in their dreams and in doing so, address historical and systemic financial exclusion that they provide real and new models of success through an Indigenous world view.

The report reveals how IBA provides a doorway to the economy for peoples who have traditionally faced exclusion from such opportunities. But the report recognises that it is Aboriginal and Torres Strait Islander Australians who walk through the door and make the most of their opportunity. Indeed, they are the stars of the report.

The Impact Report 2021-22 reveals that IBA works closely with Aboriginal and Torres Strait Islander Australians to make sure they can access the economy from a safe and stable position, and indeed for entrepreneurs, from a position of strength to contribute back to the community.

The report reveals that IBA is seen as a long-term invested partner in their success. That was clear in terms of the feedback provided by our customers who undertook the impact survey and those who further shared their stories in one-on-one interviews. Customers also illustrated the positive impacts of IBA's unique customer support as we continued to experience the ongoing uncertainties and challenges of the COVID-19 global pandemic. While the full report will express the extent of efforts to help keep people in homes and businesses afloat, it is clear IBA's assistance provided a critical lifeline for customers to remain active participants of the economy.

Homeowners revealed how IBA's home loan offered access not just to a house to call their own, but also greater stability and safety, and the space to dream, aspire and take pride in their culture.

Indigenous entrepreneurs revealed how, because of IBA's products, they were able to impact positively on the lives of their employees, grow their businesses and through their roles as leaders, contribute back to community and culture.

And IBA's co-investment partners, primarily Indigenous organisations, revealed how the returns generated helped them to grow their wealth through reinvestment of their financial returns and/or strengthen their organisations to fulfill their core responsibilities and deliver vital new programs and services for the benefit of their communities.

The ripples of IBA's impact continue to flow into Indigenous communities and the wider economy.

## RECOMMENDATIONS

The Impact Report 2021-22 reveals that IBA is more than a bank. IBA recognises and acknowledges the ongoing and real impacts of systemic discrimination and resulting financial exclusion, which is why we are committed to meeting growing customer demand, and the need for continuous improvement. The report provides five key recommendations that can assist IBA to maximise its positive impact, minimise the negative impacts and help continue to enable and support Indigenous-led economic advancement.

1. The impacts of IBA's products are significant and positive. The overall IBA satisfaction rating is very high and there is little evidence of negative impacts. But **capacity constraints, including caps on staffing and legislative restrictions** on IBA's ability to raise capital, limits the organisation's ability to expand its footprint, despite rapid demand growth. IBA should consider how to address those constraints.
2. **Red tape and time delays** reported by some Business Solutions customers, including from longer term IBA customers seeking subsequent finance, could hamper Indigenous business growth. IBA should consider how to address red tape and time delay challenges.
3. Some home loan clients revealed their **surprise associated with the various costs of home ownership**, including repairs and maintenance, rates and strata, as well as the challenges that may arise from home construction including poor quality builds. Noting the information IBA already provides, IBA should consider ways in which to further boost customers' financial skills, including understanding of home ownership.
4. While IBA provides home loans, there are large segments of Indigenous communities that are facing growing market pressures in relation to **housing affordability** generally. IBA should explore further if it can play a role in tackling Indigenous housing affordability more generally.
5. The impact reports reveal the critical role that IBA's front line staff play to turn opportunities into a reality, with **customers providing significant praise to individual staff** for their efforts. Organisations can learn from their successes, not just challenges. IBA could consider whether it can do more to share best practices across teams and ensure consistency in operational excellence across the organisation.



# BACKGROUND

In February 2020, Indigenous Business Australia (IBA) commenced a process to supplement performance measurement and reporting with the release of its IBA Impact Framework. The Impact Framework was designed to deepen our understanding of the impacts our products and services have on the lives of our customers. In recognition of the Indigenous worldview, IBA sought to better understand how our customers define “success” and ultimately to confirm if IBA was a key enabler and facilitator of achieving those aspects that make up how a full experience of life is assessed, that is, from economic, social and cultural perspectives. The aim of the impact approach is to identify and measure the social, economic and cultural impacts of IBA’s products, services and staff capability to have a net positive impact on the lives of our customers. The hard work, hopes, and aspirations of Aboriginal and Torres Strait Islander people are at the centre of these impact studies.

This is IBA’s second impact study to be conducted within this advancing impact management environment. Both impact studies were undertaken with formal oversight by the Research Ethics Committee at the Australian Institute of Aboriginal and Torres Strait Islander Studies.

This year’s study followed a very similar approach to last year with the same principles and processes but with a different data analysis methodology. This year’s approach also draws on the Impact Management

Project (IMP) framework to guide the direction of impact measurement. A consistent principle of our impact studies is to ask IBA customers to tell us about the economic, social and cultural impacts that they, their families and/or communities have experienced. We ask them to tell us about any negative impacts and we ask them to tell us about the role that they feel IBA played in assisting them to improve their lives.

## DATA COLLECTION

In September 2021, a quantitative online survey was conducted of IBA customers who have had a product with IBA for more than 12 months. These products include IBA home loans, business loans, business leasing, business cashflow and business support services. For investment, the survey was sent to all IBA investment customers. Table 1 below shows the number of survey send outs, survey completes, response rate and approximate survey length for three different IBA customer cohorts.


In-depth follow-up interviews were also conducted with 10 homes customers, 13 business customers and, when a COVID-19 window permitted travel, another 10 stakeholders associated with three different IBA co-investors, including board members, senior staff and external contractors. These interviews sought more detail about customer contexts and the nature of the impacts on their lives and/or the institutions.

**Figure 1: Number of survey send outs, survey completes, response rate and approximate survey length for the different IBA customer cohorts**

	HOME LOANS	BUSINESS (loans, leasing, cashflow)	BUSINESS (support services & programs)	BUSINESS (Business Relief Package)	INVESTMENTS
<b>Survey send outs</b>	~n=5,255	n=298	~n=695	~n=156	~n=44
<b>Survey completes</b>	n=521	n=21*	n=38*	n=16*	n=19
<b>Response rate</b>	~9.9%	~7.0%	~5%	~10%	~43%
<b>Survey length</b>	~13 mins	~14 mins	~8 mins	~8 mins	~9 mins

\* Given low sample size, caution must be applied to the extrapolation of results to all IBA business customers.





“WHAT IBA’S DOING IS IT’S GIVING  
THEM A HAND UP, IT’S NOT  
GIVING THEM A HAND OUT.”

– IMPACT SURVEY PARTICIPANT/  
IBA CUSTOMER

# KEY FINDINGS

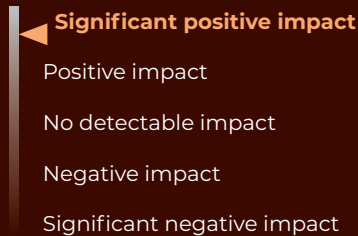
The key findings from the report are summarised below for IBA's main product ranges through a series of impact barometers. These impact barometers provide an indication of the overall impact or external footprint on customer experiences, including direct and indirect effects, with assessments of economic, social and cultural impacts of their lived experiences.

Below are the impact barometer results for IBA's three key product lines, namely Housing, Business and Investments and the overall impact. The results reveal that overall, responding customers described IBA having significant positive impacts (the highest rating), which they can attribute back to each of IBA's key products and services.

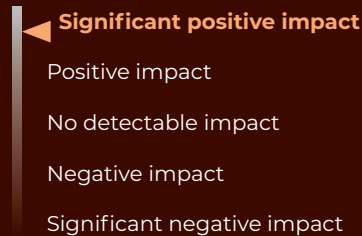
Participants revealed the life changing difference IBA had made by providing them with access to participate and contribute to the economy. One participant describes IBA's contribution best through the following quote, "what IBA's doing is it's giving them a hand up, it's not giving them a hand out."

The next sections will report the key results for each product line.

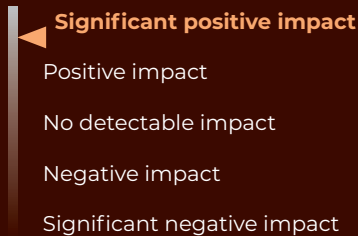
## HOUSING



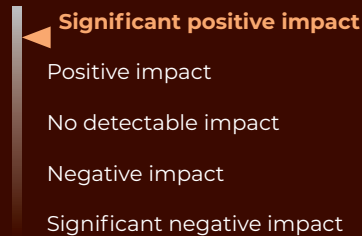
## BUSINESS



## INVESTMENTS



## OVERALL







IN TERMS OF SOCIAL IMPACTS,  
HOME OWNERSHIP HAD  
SIGNIFICANT POSITIVE IMPACTS,  
PARTICULARLY IN RELATION TO  
A SENSE OF STABILITY, SECURITY  
AND HAVING A SAFER PLACE.

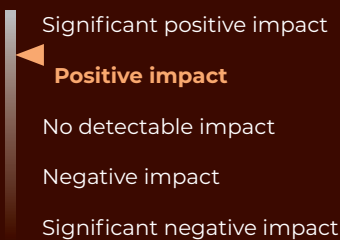


# IBA'S IMPACT THROUGH HOME OWNERSHIP

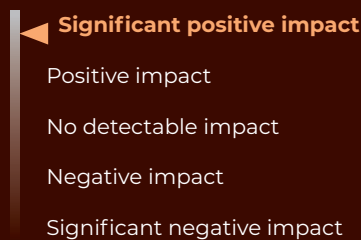
"SINCE BECOMING A HOME OWNER I HAVE SO MUCH STABILITY IN MY LIFE THAT I NEVER HAD BEFORE. I THINK I MOVED ABOUT 12 TIMES IN A FEW YEARS, LEADING UP TO BECOMING A HOME OWNER. I'D NEVER THOUGHT I'D BE IN A SITUATION WHERE I KNOW WHERE I'M GOING TO BE LIVING IN FOUR YEARS."

– IBA HOME OWNERSHIP CUSTOMER

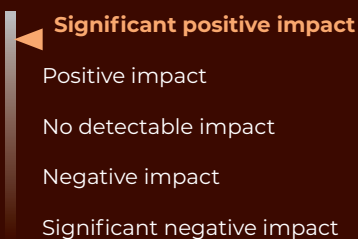
## ECONOMIC



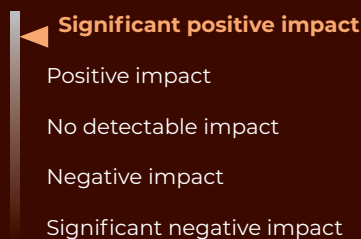
## SOCIAL



## CULTURAL



## OVERALL





Home ownership had a positive economic impact on IBA's surveyed customers. The two key elements that define the economic impact barometer score are impacts on financial skills and impacts on finances. For the former, over half the participants felt having an IBA home loan helped improve their financial skills in terms of dealing with financial organisations, understanding financial documents, and understanding different financial products. For the latter – impact on one's finances – a large share indicated that home ownership had positively impacted confidence in their current financial position and helped their ability to make good financial decisions, as well as save and spend wisely, and write a budget. A majority of IBA homes customers (58%) agreed that home ownership had resulted in more money being left over after paying bills, and had improved their ability to pay bills. It implies positive and tangible financial benefits have emerged for customers and are apparent when compared with their former circumstances. For example, one IBA homeowner noted, "It's really helped us be financially free because paying a mortgage is cheaper than rent." The result is surprising given that for many Australians, usually mortgage servicing costs are more expensive than renting. But another customer shed some light on the reduced cost, mentioning, "[w]ell its been fantastic, because obviously with you know, my repayments are very affordable. I was paying more rent in Sydney just for an absolute two by one shoebox."

In terms of social impacts, home ownership had significant positive impacts – particularly in relation to a sense of stability, security and having a safer place. For instance, one respondent noted, "[s]ince becoming a homeowner I have so much stability in my life that I never had before. I think I moved about 12 times in a few years, leading up to becoming a homeowner. I'd never thought I'd be in a situation where I know where I'm going to be living in four years."

Another customer echoed this sentiment:

"[Home ownership] has given me the flexibility and security here [of] actually owning a home. And it hasn't put any disadvantages on my financial situation whatsoever. Being I think more financially free than I've ever been, even with owning a home."

## AN INCREDIBLE HOUSING JOURNEY

One of IBA's customers who received a loan from IBA twenty years ago spoke about their extraordinary home ownership experience. The home owner identified that when they started out, it was a real struggle finding a place to rent, reflecting the biased stereotypes they faced when seeking private rental accommodation.

"When we first looked for private rental, we found it very hard because it was me and my husband walking around together, and he's got beautiful dark skin, and... we couldn't get a flat. And I wondered why. So I left him home one day, and because I could talk whitefella still, I was able to get a flat. So it was racism we were running up against straight away, which is not uncommon."

The same home owner spoke about how grateful they were to IBA staff from the local office approving their loan, despite not having the full amount needed as a minimum deposit. The home owner spoke of two years of stringent financial discipline to pay down their existing debt prior to approaching IBA for a loan, showing their grit and determination to achieve their dreams.

"I went to a financial adviser, and they looked at my finances [and debt] and said, 'dear I don't know how you are going to do it.' I went home even more determined and I said, 'I'll show you.' I did it in 2 ½ years."

The participant also spoke about how, after they received their loan, home ownership changed their lives. It provided a great stable platform, from which to build a better life for themselves, their children and now their grandchildren.

“It completely transformed our lives. Our kids had stability. When you live in social housing, you don’t have the choice of where you are placed. You just have to take the house that comes up. And that was not a good setting for us. We wanted the better life. I don’t drink, take drugs, don’t gamble. I don’t waste my money, I see it as an asset... I grew up in a children’s home, so I do have trauma. But I was determined to make a better life for my kids... My promise to myself was that my kids would have a better life than I did. Giving them stability. Giving them access to schools.... Three of my boys went to year 12.... And it flows on, if you can give your kids the stability early on. My kids are all grown up and they’ve left home now. We’ve got 13 grand kids. One son’s bought his home. They are all in good employment, one’s a diesel mechanic, one’s a carpenter, one’s a painter... Even my grandkids they say to me, ‘oh gran, don’t sell this house, it has so many memories for us.’ Those sorts of things make you cry.”

Home ownership provided some customers more control over who visits and stays, and on the overall safety of their location.

When it came to social impacts on hopes and aspirations, home ownership has significant positive impact around customers’ sense of pride in themselves, control in life, improved quality of living, ability to have bigger dreams for the future, confidence in their financial future, and resulted in greater motivation at work.

Home ownership had a significant positive impact on customers’ sense of culture. It has helped other Indigenous people have a positive view of home ownership and be inspired to own their own home. Also, it enabled homeowners to be in a position to help family and friends, as well as stoking a greater sense of pride in Indigenous culture. Around half felt positive impacts on their ability to preserve, practice and/or promote Indigenous culture, including around being able to display greater Indigenous art and culturally significant pieces around their home. One participant noted,

“...we can also take that time, because of the financial freedom [from home ownership], to travel and teach our children about our culture - which is really important to me. And it gave us an opportunity to live in an area, which is really important to my culture.”

When asked to identify the negative impacts of home ownership, a large proportion did not list any negative impacts. For those that did, the shock of costs associated with rates and maintenance, higher financial pressure and at times the feeling of being tied down were some of the negatives. For example, one participant remarked, “[I was] forced to move away from community and country. Locked into higher interest rate with IBA compared to banks.” Another participant spoke about having little or no recourse against a powerful builder, when faced with poor quality construction of their newly built home.

Some of these issues likely reflect similar burdens to anyone making the shift into homeownership. The issue of IBA’s rates not being as competitive as commercial banks in part reflects the more relaxed borrowing conditions for IBA customers, as it is primarily an entry point for first home buyers with less than commercial levels of deposit or high leveraging ratios. After building some equity, IBA’s slightly higher interest rates makes refinancing with a commercial institution a more attractive proposition. Such settings have arguably helped encourage around 5% of home loan customers to successfully refinancing with a commercial lender in 2020-21 – a positive outcome for greater Indigenous participation in mainstream financial services. But an inability to refinance may be affecting certain groups disproportionately, such as single carers (see home ownership experiences of single people and single carers, page 14).

Overall, the results suggest home ownership had significantly positive impacts on the lives of IBA customers.

## WHERE IS THE MOST IMPACT FROM HOUSING OCCURRING?

While participants overall rated either positive or significant positive impacts resulting from IBA’s involvement, it is clear that certain elements of the experience stood out. Figure 2 displays the ranking of scores for each statement based on highest perceived impact. It reveals that the most positive impacts from home ownership were in relation to expanded life, hopes and aspirations as well as greater safety and stability. It implies that home ownership through IBA is providing principally a safe and stable platform from which customers can take pride in themselves and begin a better life, planning and aspiring for a more positive future. Relatively fewer beneficial impacts were accrued in culture and community and finances.

**Figure 2: % of home ownership participants that strongly agree/agree with statements**



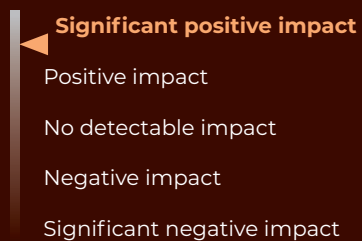
Statements on type of impact	% agreed/strongly agreed
Home ownership has given you a sense of pride in owning your own home	96%
Home ownership has helped you and/or your family to feel a sense of stability	95%
Home ownership has enabled you to have a more secure place to live	92%
Home ownership has helped you and/or your family to feel more secure about the future	91%
Home ownership makes you feel more in control of your life	85%
Home ownership has reduced your concerns about housing instability, eviction or homelessness	85%
Home ownership has enabled you to improve the quality of your living space	85%
Home ownership inspires you and/or your family to have bigger dreams for the future	83%
Home ownership has made home a safer place for you/your children	82%
Home ownership has improved confidence in your financial future	81%
Home ownership has increased your confidence in your current financial position	78%
Owning your own home has given Indigenous people around you a more positive view of home ownership	75%
Home ownership has helped improve your ability to make good financial decisions	74%
Home ownership has improved motivation in your work/career	74%
Home ownership has given you more control over who visits and stays	72%
Home ownership has better enabled you to help family & friends	71%
Owning your own home has inspired other Indigenous people around you to own their own home	71%
Home ownership has given you pride in your Indigenous culture	70%
Home ownership has enabled you to live in a safer location	68%
Home ownership has helped improve your ability to save & spend wisely	66%
Getting an IBA home loan has helped you to deal with financial organisations	62%
Home ownership has improved your ability to write a budget	61%
Home ownership has better enabled you to live in both worlds	61%
Getting an IBA home loan has helped you to understand financial documents	60%
Home ownership has strengthened your connectedness to your family & community	59%
Getting an IBA home loan has helped you to understand different financial products	59%
Home ownership has improved your ability to still have money left over after paying bills	58%
Home ownership has improved your ability to pay bills	58%
Home ownership has improved your ability to make big purchases (e.g. white goods, car)	56%
Home ownership has better enabled you to contribute to the community	55%
Home ownership has helped you preserve, practice or promote your Indigenous culture	55%
Home ownership has reduced your exposure to violence or other behaviour problems	46%
Home ownership has helped you and/or your family to participate more in community activities	42%
Home ownership has helped you to participate in Indigenous cultural activities & events	40%

# IBA'S IMPACT THROUGH BUSINESS FINANCE

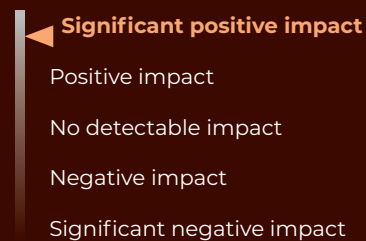
“THE ABORIGINAL BUSINESS OWNERS ARE THE STARS [OF] THIS, YOU KNOW. THEIR FAMILIES AND ALL THAT WHICH [GIVES] SUPPORT, ARE SUPPORTED BECAUSE OF THE WORK THEY PUT IN. ESPECIALLY A LOT OF THESE INCREDIBLE YOUNG ABORIGINAL PEOPLE COMING THROUGH NOW, WITH ALL OF [THE] AMAZING THINGS THAT THEY'RE DOING.”

– IBA BUSINESS CUSTOMER

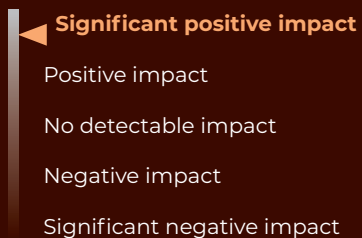
## ECONOMIC



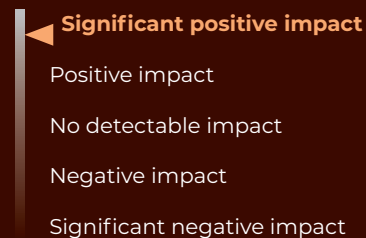
## SOCIAL



## CULTURAL



## OVERALL





While the sample size of responding Business Solutions customers is relatively small, the responses provided were very positive. IBA customers on average agreed that business loans, leasing and cashflow products had a significant positive economic impact on their lives. When it came to business skills and success, the overwhelming majority agreed that IBA's products played an important role in their business, including to help grow their business, improve business success and start a business. One business owner noted, "IBA has catapulted our business 10 years forward." The business owner articulated how IBA's business loan enabled them to not just save money, but also significantly expand their business:

"We got IBA in and there was an office becoming available across the road from where we were. And it was actually cheaper for us to pay the mortgage on it than pay our rent. So we got them in and they went through everything with us and they lent us the money on that. Now we use that, because we're building collateral in that office. We use that office now to borrow money to invest back in our business. Like we've got probably I don't know, 10 or 12 trucks and cars and excavators. We got on plant purchasing with them. You know, if we didn't have them the banks probably wouldn't lend us that."

Around half felt that IBA has helped improve their ability to manage financial risks and make good financial decisions. Further, just under half agreed that IBA had improved their ability to access business networks. When it came to financial skills, the positive impact was less significant, but still benefited many IBA customers.

Most respondents did not agree or disagree that IBA's products necessarily helped improve their ability to deal with financial organisations or understand financial documents. That result is in contrast with over half of IBA's housing customers, who indicated positive impacts against those criteria. But the difference is not surprising either, given that many of IBA's business customers generally have a greater depth of financial experiences than housing customers.

As part of the economic impact, business customers who responded also indicated the significant positive impacts for employees including in relation to learning new skills and knowledge, having a greater sense of purpose, greater self-confidence, better quality of life, and having an enhanced means of supporting their family.

For the business owner themselves, customers agreed that IBA had significant positive social impacts on their lives. Customers described feelings of greater freedom and independence and the ability to support other people, including, "control of destination and decision-making", "autonomy, independence, my own boss", "self-determination", and "growth and opportunities for mob". Customers also indicated high positive impacts for their life, hopes and aspirations – including pride, motivation, leadership, confidence, control and being inspired to have bigger dreams. Business owners overall indicated they were able to take better care of their family and themselves, make long-term plans and build good leadership skills. Some also recognised that:

"[t]he Aboriginal business owners are the stars [of] this, you know. Their families and all that which [gives] support, are supported because of the work they put in. Especially a lot of these incredible young Aboriginal people coming through now, with all of [the] amazing things that they're doing. You know, what IBA's doing is it's giving them a hand up, it's not giving them a hand out."

Business owners indicated that IBA had a significant positive impact on their ability to preserve, practice and promote culture. This included positive impact in terms of practicing culture within community – such as inspiring other Indigenous people to have a more positive view of business ownership, instilling a greater sense of pride in culture, participating in cultural events and contributing to family, friends and communities. The majority of participants agreed strongly with the notion that business ownership helped them to be able to 'live in both worlds', recognising the importance of being proud of one's self in both Indigenous and non-Indigenous society.

A few participants reported negative impacts of business ownership, which centred around stress, cashflow and time pressures. Such pressures are arguably similar to those that non-Indigenous business owners experience. Some also identified significant red tape and resulting delays between commencing an application with IBA through to when approval finally came through.

**IBA'S BUSINESS CUSTOMERS VIEWED THE STRONGEST POSITIVE IMPACTS OF THEIR WORK AS PRINCIPALLY OUTWARDLY FOCUSED, WITH SIGNIFICANT BENEFITS ACCRUING TO THEIR EMPLOYEES AS WELL AS CONTRIBUTING TO THEIR CULTURE AND COMMUNITY.**





While sample sizes are low, IBA's business support customers revealed the highest level of dissatisfaction, with 1 in 4 responding customers revealing that the support IBA provided had not helped progress their business goals. It reflects in part the challenges to their ability to run their business during the COVID-19 pandemic and associated lockdowns. Some customers revealed that IBA could improve its services through better communication, the hosting of more networking events and small grants that could tide them over through difficult times. For instance, one business support customer suggested IBA staff should:

"... make contact to see how our business is going and if we need any assistance with any problems."

Another customer suggested IBA offer more:

"... experts in other areas, you can access to talk to e.g., if I want to set up a make up brand, to facilitate an intro to someone willing to offer some advice from their own experience (not an ongoing mentoring thing necessarily)."

And another business customer mentioned:

"At the moment, the support I get from my business manager is fantastic. I would like though to have access to small business development grants, of sums of \$5 to \$10K to give a business boost once a year or so. One of the businesses I am in is quite seasonal, and during quiet times, it would be great to be able to help the business through that."

In response to the challenges that COVID-19 posed to IBA's business customers, IBA offered the Business Relief Package, which provided increased working capital assistance of up to \$200,000 via either a loan, a grant or a combination of both, expanded eligibility criteria as well as a free Business Impact Assessment.

Recipients of IBA's Business Relief Package identified how the support kept them going despite facing lockdowns and the crippling effects of COVID-19. One participant noted how IBA "... gave me an opportunity before a normal bank would've, they helped me expand my businesses and [had] saved me during the COVID pandemic. I will forever be grateful to IBA and its staff."

These stories are further expanded in the full version of IBA's Impact Report 2021-22.

Overall, participants agreed that business ownership had a significant overall positive impact on their lives thanks to IBA, exemplified by this business owner's life changing experience:

"Without [IBA] I wouldn't be here I don't think. And that's the truth. Like I said, this invoice financing... [W]hen we first started we turned over \$2 million. The next year it was \$7 [million], I think we were \$15 [million] last year and we're looking on track so far this financial year, which is only a couple of months. If we keep tracking the way we're doing it's looking about \$25 million."

## WHERE IS THE MOST IMPACT FROM BUSINESS OCCURRING?


Figure 3 displays the ranking of scores for each statement based on highest perceived impact in relation to business loans, leasing and cashflow. It is clear that the largest positive benefits for responding clients are in relation to employee impacts and towards culture & community. In contrast to home loan customers who benefited from stability and safety; and life, hopes and aspirations, IBA's business customers viewed the strongest positive impacts of their work as principally outwardly focused, with significant benefits accruing to their employees as well as contributing to their culture and community. The smallest relative impacts were in financial skills.

**Figure 3: % of business participants that agree/strongly agree with statements**



Statements on type of impact	% agreed/strongly agreed
Indigenous employees at your business get to learn new skills and knowledge	100%
Indigenous employees at your business have a greater sense of purpose in life by having a job	94%
Indigenous employees at your business have an improved level of self-confidence by having a job	89%
The IBA product you've used have played an important role in your business	86%
Business ownership has given you a sense of pride in owning your own business	86%
Business ownership has given you pride in your Indigenous culture	86%
Business ownership has better enabled you to contribute to the community	86%
Owning your own business given Indigenous people a more positive view of business ownership	86%
Indigenous employees at your business can afford to live a better quality of life by having a job	83%
Indigenous employees at your business are better able to support their family by having a job	83%
IBA has helped improve your ability to grow your business	81%
Business ownership has helped you to participate in Indigenous cultural activities & events	81%
IBA has helped improve your ability to make your business successful	76%
Business ownership has improved motivation in your work/career	76%
Business ownership has helped you make better long-term plans for yourself and/or family	76%
Business ownership has helped you build good leadership skills	76%
Business ownership has better enabled you to live in both worlds	76%
Business ownership has better enabled you to help family & friends	76%
Business ownership has improved your ability to still have money left over after paying bills	71%
Business ownership has improved your ability to write a budget	71%
Business ownership has improved confidence in your financial future	71%
Business ownership makes you feel more in control of your life	71%
Business ownership inspires you to have bigger dreams for the future	71%
Business ownership has helped you take better care of yourself and/or your family	71%
Business ownership has strengthened your connectedness to your family & community	71%
Business ownership has helped you preserve, practice or promote Indigenous culture	71%
IBA has been important in you being able to start a business	67%
Business ownership has improved your ability to pay your general household & living bills	67%
Business ownership has helped improve your ability to save & spend wisely	67%
Business ownership has strengthened your current financial position	67%
Business ownership has enabled you to improve the quality of your living space	67%
Owning your own business has inspired other Indigenous people to own their own business	62%
IBA has helped improve your ability to manage your business	57%
IBA has helped improve your ability to manage business risks	57%
Business ownership has improved your ability to make big personal purchases	57%
IBA has helped improve your ability to manage financial risks	52%
IBA has helped improve your ability to access business networks	48%
IBA has helped improve your ability to make good financial decisions	48%
IBA has helped improve your ability to understand different financial products	43%
IBA has helped improve your ability to deal with financial organisations	38%
IBA has helped improve your ability to understand financial documents	29%



A close-up photograph of a person's hand touching a piece of fabric with a vibrant, colorful pattern. The pattern features large, stylized floral and geometric motifs in shades of orange, pink, blue, and purple. The hand is positioned in the lower-left quadrant, with the index finger pointing towards the fabric. The background is slightly blurred, emphasizing the texture and colors of the fabric.

“[IBA] GAVE ME AN OPPORTUNITY BEFORE  
A NORMAL BANK WOULD’VE, THEY HELPED  
ME EXPAND MY BUSINESSES AND [HAD]  
SAVED ME DURING THE COVID PANDEMIC..”

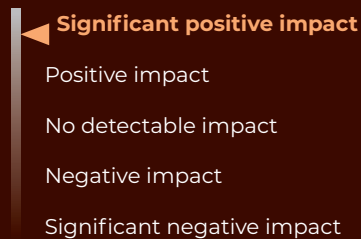
– IBA BUSINESS CUSTOMER

# IBA'S IMPACT THROUGH INVESTMENTS AND ASSET MANAGEMENT

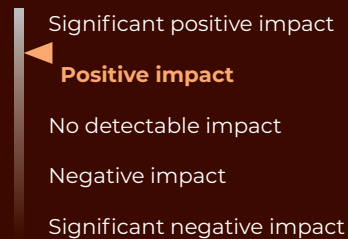
"PART OF THE JUSTIFICATION FOR GOING WITH IBA IS OBVIOUSLY THEY'RE AN ABORIGINAL RUN ORGANISATION. THE OTHER THING WAS THAT WE FELT WE COULD BE USING THAT MONEY MORE WISELY."

– IBA INVESTMENTS AND ASSET MANAGEMENT CUSTOMER

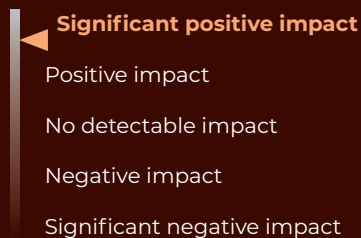
## ECONOMIC



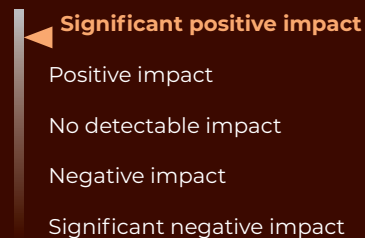
## SOCIAL



## CULTURAL



## OVERALL



19 out of a potential 44 respondents from Investment and Asset Management co-investors responded to the survey, which provides a sizeable sample for analysis. Co-investors described the significant positive economic impact of IBA's products and services on their organisations. As part of the economic impact, clients revealed the heightened level of financial security and empowerment derived from IBA's investment program. Key benefits included enabling better financial returns, and increasing capital reserves. An investor noted:

"[T]he returns that we've received over the journey, which is going back to I think November 2017, have – looking at the long-term picture – it's been very good."

Respondents also noted the higher positive impact on financial investment expertise. In particular, the experience increased their confidence towards investing and increased their ability to understand and manage investments. One respondent noted how, "IBA helps us to understand more, and we are now better off. We are very remote, and we feel included when they visit." For many co-investors, being able to preserve a balance between rate of return, managing risks and liquidity/flexibility was critical.

Investment and Asset Management co-investors rated IBA as having a positive social impact, just below the cusp of being deemed a significant positive social impact. Key social impacts related to inspiring hopes and aspirations within the organisation. Respondents described how community members benefited including supporting their pursuit of economic independence, improvements to social wellbeing and through funded actions that supported or complemented their organisations' existing core services. The vast majority also agreed that their partnership with IBA helped seed new ideas, inspired action or improved community services and helped progress infrastructure development ambitions for the community. One co-investor explains how the investment translated into community benefits:

"We've grown the organisation from under 10 programs when I came here, we now have 29 programs. We've opened clinics out in Katanning and Narrogin. Because we know the need is out there. Previously I've seen a huge neglect in this region to invest and you know, we hear the language and terminology 'invest in your organisation, invest in your workers, invest in every aspect that you can' and so I saw an opportunity there that with you know, some of the funds that we did have. We needed to think smarter about what we were going to do with that. And ensure that we can also attract quality people to the board and be able to maximise in all of that for the community as well. So, at the end of the day it's always about ensuring this organisation has the ability to deliver what it needs to and what it is responsible for doing for its community."

Related in some respects was the strong consequential cultural impacts of IBA's partnership, which co-investors rating IBA as having an overall significant positive impact. Benefits included fulfilling community objectives through activities related to education and skills development, cultural activities and the provision of health services. Respondents indicated significant positive impacts in relation to preserving, practicing, and promoting Indigenous culture. They described how partnering with IBA promoted pride in culture, and enabled cultural empowerment for community members to live in both worlds.

There is negligible evidence of any negative impacts from the 19 co-investors who completed the online survey and the 10 co-investor stakeholders interviewed for this study.

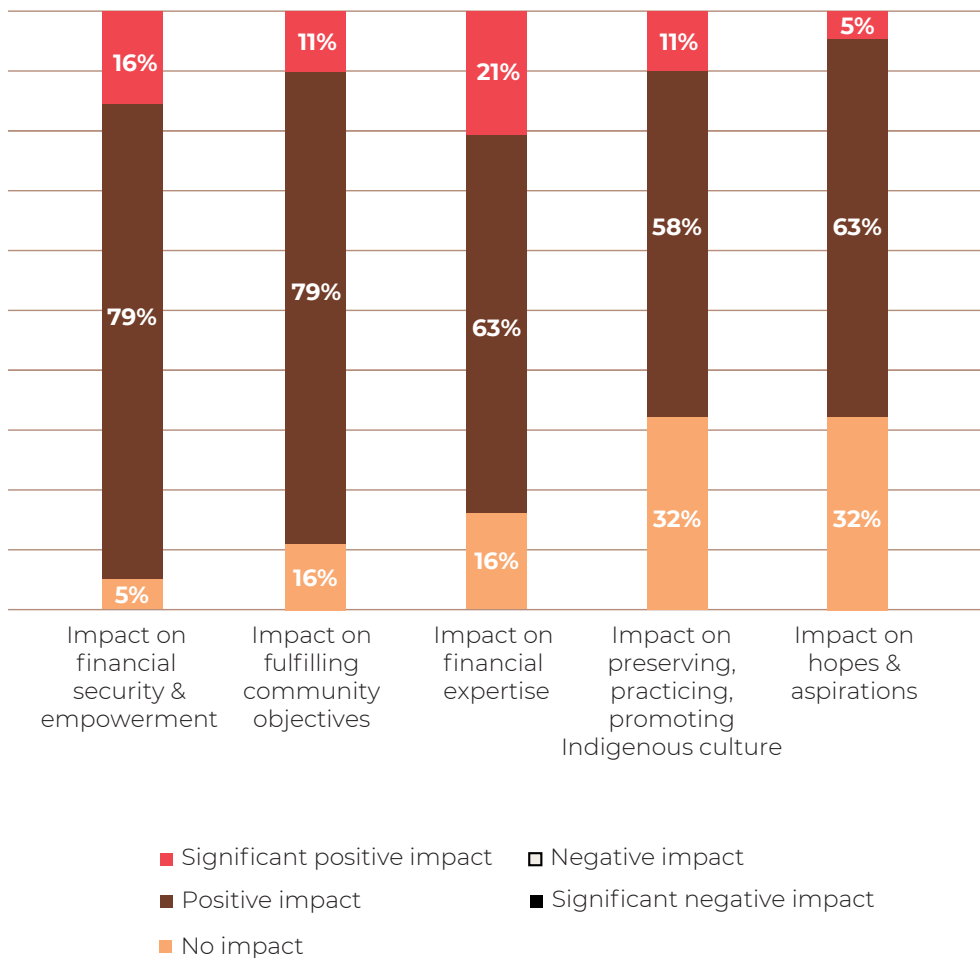
The co-investors' commitment to investing with IBA is not only having direct benefits to their financial bottom line, but it is also enabling IBA investments to deliver a niche product that commercial financial providers do not. Through these partnerships, IBA Investments is completely self-funded.

Overall, co-investors experienced significant positive impacts resulting from partnering with IBA, with 89% reporting the highest satisfaction rating (8-10/10). And all respondents noted that they were happy with what their organisation has achieved through their engagement with IBA Investments and Asset Management.

## WHERE IS THE MOST IMPACT OCCURRING?

Figure 4 displays the relative levels of impact that co-investors ascribed to IBA's products and services. The result reveals that the most positive impact for their organisation was in relation to direct financial security and empowerment, followed by the ability to fulfill community objectives, and the impact on financial expertise. No participants revealed any negative or significant negative impacts.

**Figure 4: How are investors being impacted**





OVERALL, CO-INVESTORS  
EXPERIENCED SIGNIFICANT  
POSITIVE IMPACTS RESULTING  
FROM PARTNERING WITH IBA, WITH  
89% REPORTING THE HIGHEST  
SATISFACTION RATING (8-10/10).



# CONCLUSION

Indigenous Australians are the stars of the Impact Report. IBA's Aboriginal and Torres Strait Islander customers are courageous, talented and committed to a better life for themselves, their family and their community. But they also recognised the importance of having an equally committed partner on their journey. When asking about IBA's role, most say they would not have achieved the positive changes to their quality of life without IBA. Although each IBA customer journey is a unique experience at the centre of this impact story, it is evident that IBA has played a strong partnering role, which – principally – enables access.

This impact study shows how IBA is causing ripples of significant positive community impact across Australia. The report describes customer experiences with IBA's products and services. Most importantly, it explores the life changes that have occurred for individual IBA customers, businesses and institutional co-investors.



