



Deloitte Access Economics

Evaluating Many Rivers' Microenterprise Development Program

3rd Annual
Outcomes
Evaluation –
2015



Many Rivers is making a difference – creating value by supporting sustainable businesses

- > Many Rivers realises economic and social value through reducing frictions in the economy and building client capacity.
- > Disadvantaged people are being supported to start and expand sustainable businesses that survive at least as well as the national average for similar businesses.
- > Key client outcomes – income, wealth, and access to finance – are improving as businesses mature.

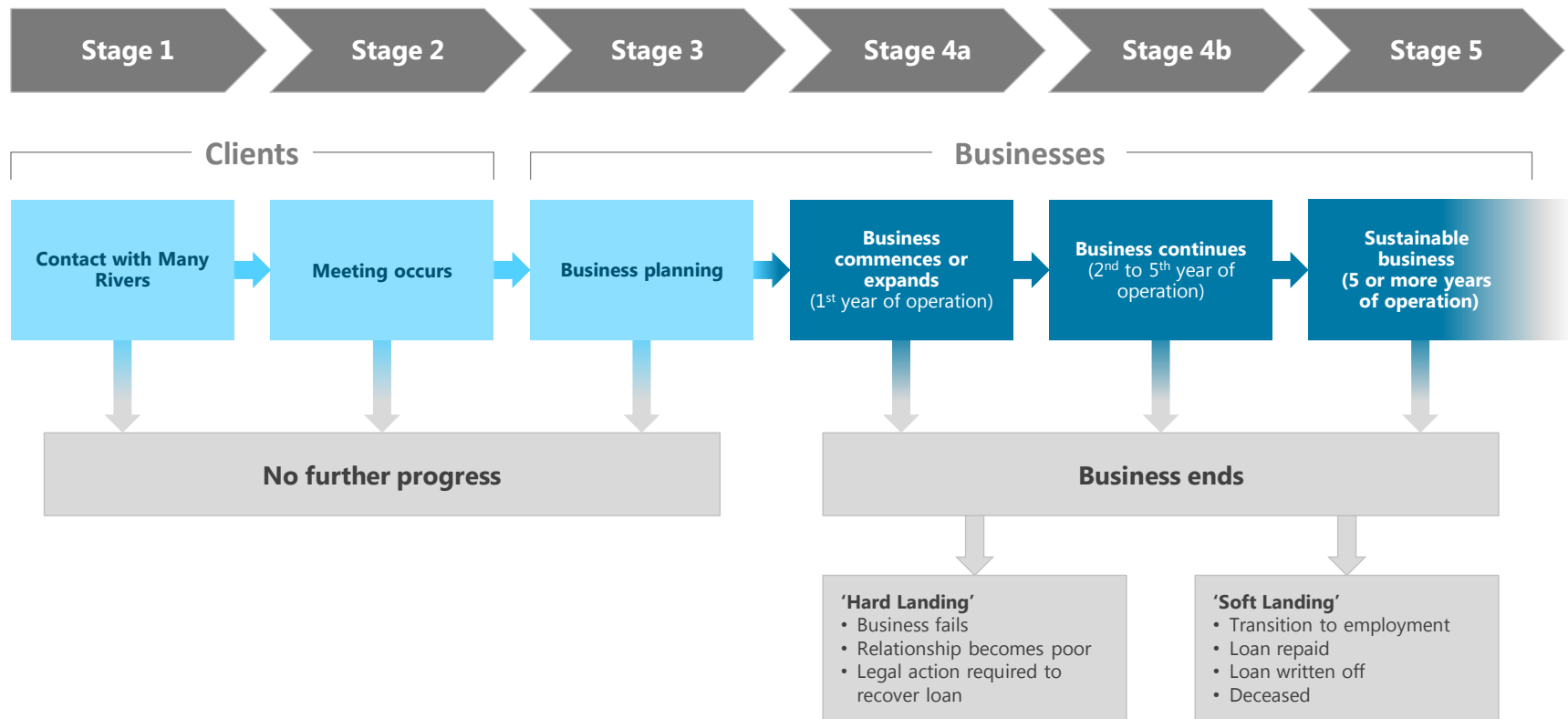
Many Rivers creates economic and social value through its activities

1. **Reducing frictions in the economy** to enable a better allocation of under-utilised individual and community resources (people, capital, land).
 - This is achieved through **facilitating access to finance and other resources** (e.g. legal support).
2. **Building the capacity of Many Rivers' clients** to be more productive in their professional and personal lives.
 - That is, clients **develop new skills and knowledge** which they use to enhance their social and economic circumstances.

Many Rivers is committed to measuring its activities and evaluating its impact over the long term

- > In 2012, Deloitte Access Economics developed an **evaluation framework** to examine the **impact** of Many Rivers' activities on their **clients and communities**
- > In 2013, Many Rivers implemented a **comprehensive data tool** — **'Compass'** — which embeds data collection for evaluation in their customer relationship management system.
- > In 2015, Deloitte Access Economics has undertaken the **3rd annual evaluation** to assess the activities and impacts to date.

Many Rivers takes clients on a journey from initial contact through to a sustainable business



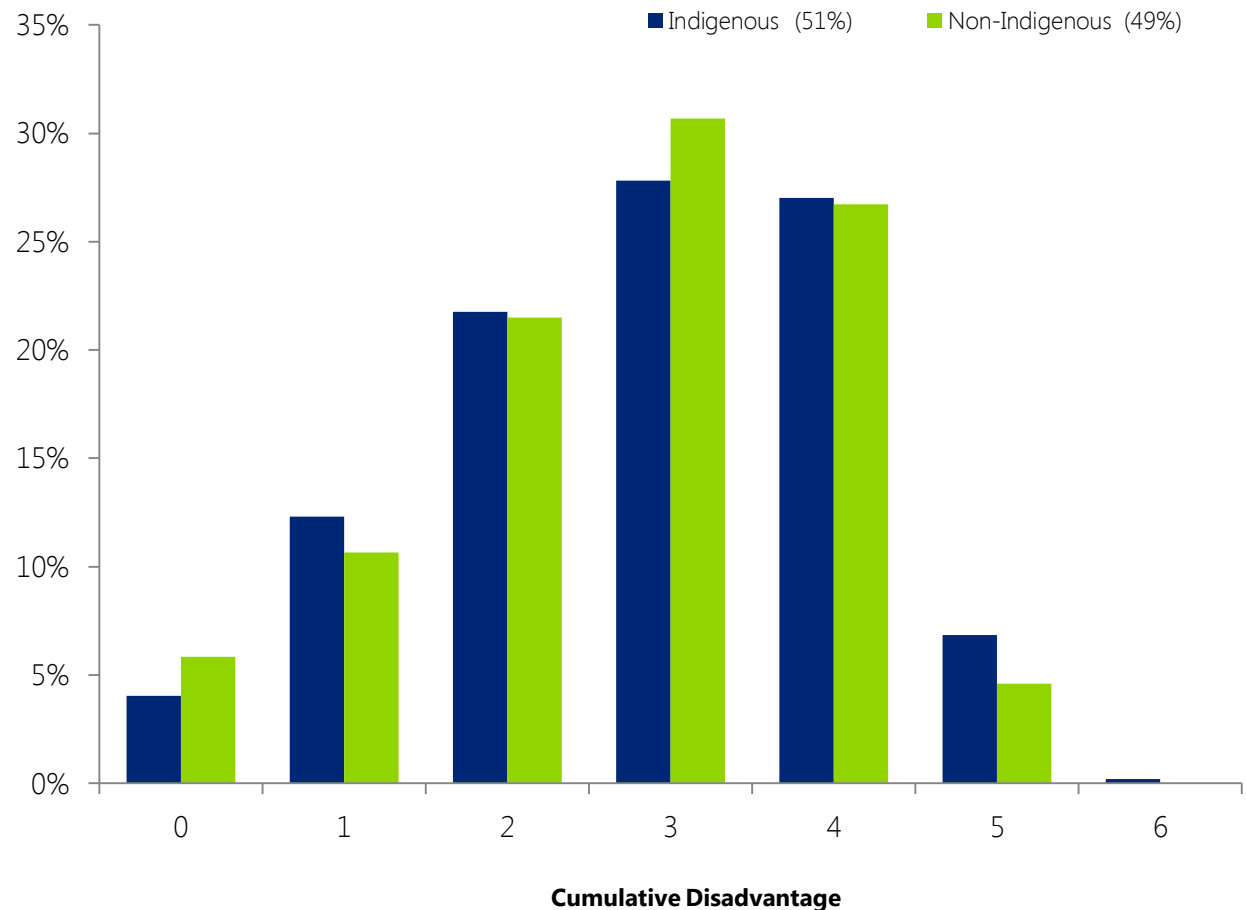
95% of clients initially face some disadvantage, with many clients facing multiple types of disadvantage

> About 62% of both Indigenous and non-Indigenous clients initially face three or more disadvantage indicators.

> Disadvantage indicators include:

- Did not complete high school
- Sole parent
- Difficulty communicating in English
- Complete or substantial welfare dependence
- Assets below \$50k
- Limited access to financial institutions

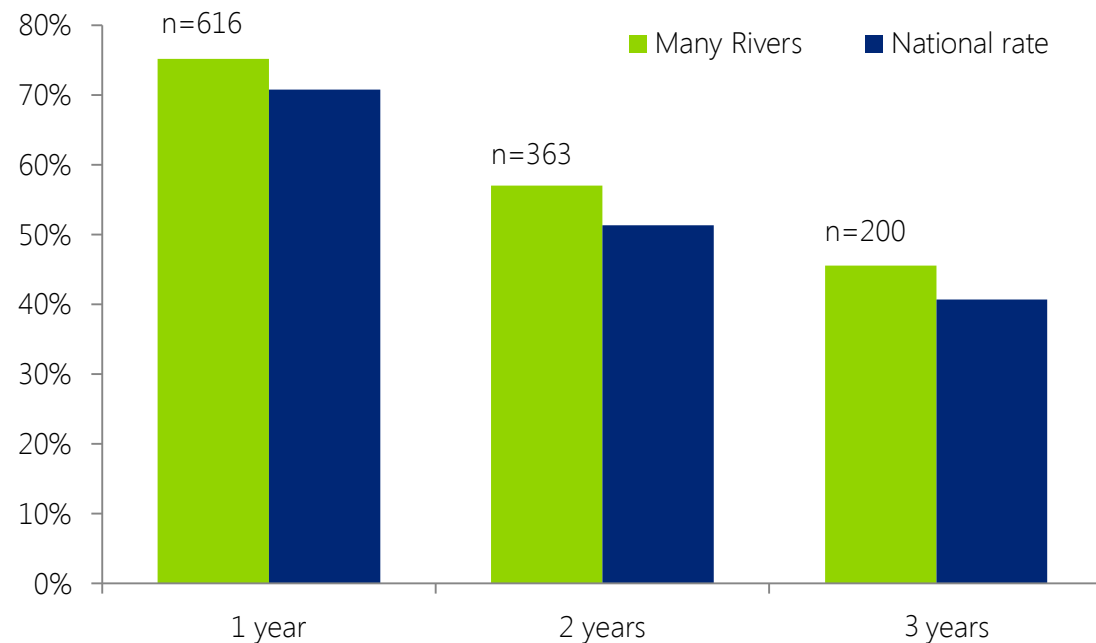
Share of Respective Client Group



Despite their disadvantage, supported businesses survive at least as well as average, with 75% making it through their first year

- > Many Rivers has supported **796** new or expanded businesses to date*, including 205 in 2014-15.
- > Businesses survive at least as well as the national average for similar businesses:
 - After one year: 75% (71% nationally)
 - After two years: 57% (51% nationally)
 - After three years: 46% (41% nationally)

Survival rate

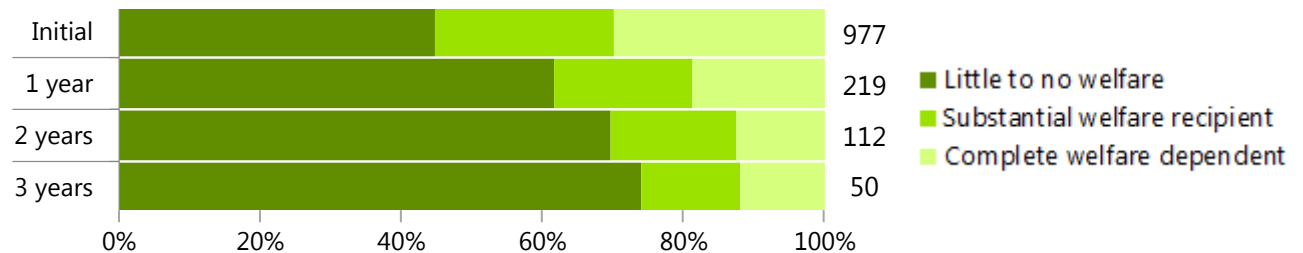


* This includes all businesses created or expanded as at 14 September 2015.

Key client outcomes – income, wealth, and access to finance – are improving as businesses mature

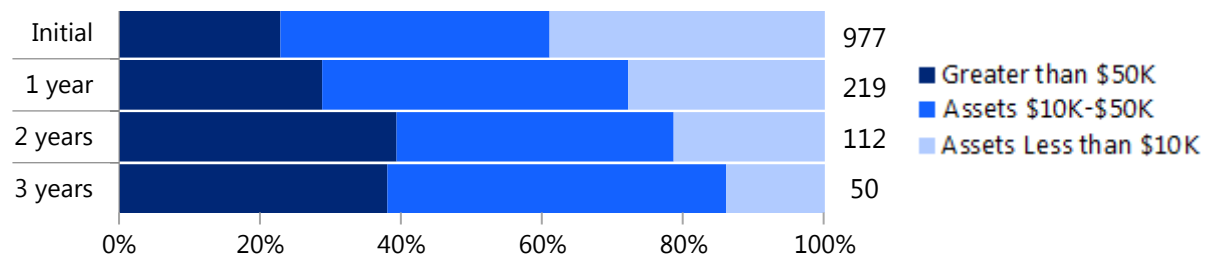
> Clients accessing little to no welfare increased from 45% to 74%.

Welfare Dependency



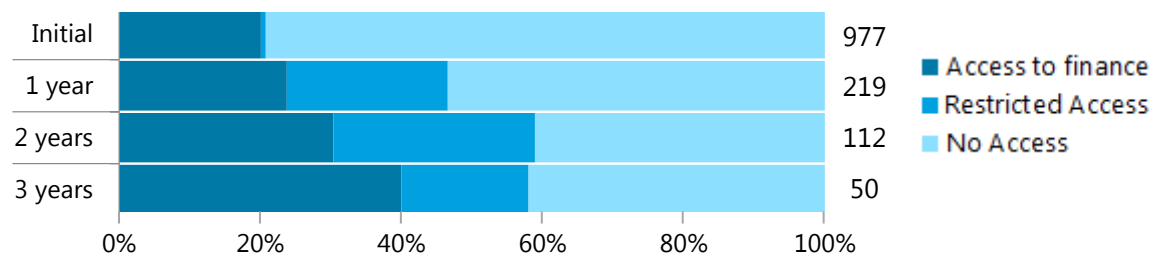
> Clients with personal assets over \$50k increased from 23% to 38%.

Personal Assets



> Clients with good access to financial institutions increased from 20% to 40%.

Access to Finance



Supported businesses are generating economic activity, including 730 jobs and \$14 million in NPBT

- > In 2015 current supported businesses had:
 - 730 people employed.
 - Average monthly business income of \$4,000, \$28 million total per annum.
 - Total annual net profit before tax (NPBT) estimated as \$14 million.
 - Total business assets of \$9 million.

- > In addition to current support businesses:
 - Some businesses 'graduate' from Many Rivers support and continue to operate and generate these economic and social values.
 - Ceased businesses operate for about a year on average, creating value during this time, and about 15% lead onto employment.

As additional data becomes available, more insights can be drawn and there is greater confidence in the findings



- > Data today captures the **measured value** of current supported businesses. This reflects a **lower bound of the benefits**. Over time, additional data will help tell a fuller story of the value being created.



General information only

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