Evaluating Many Rivers’ Microenterprise Development Program

Summary report

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Purpose of the study

• Many Rivers had four objectives when commissioning the project:

  – understand if they were making a difference

  – demonstrate value to current partners

  – demonstrate value to future partners

  – contribute to raising standards for evaluations of similar programs elsewhere in Australia
What we did

• Key tasks included:
  – working closely with Many Rivers to understand its mission, operations and activities
  – reviewing literature relating to similar programs focused on Indigenous Australians and other international microfinance evaluations
  – visits to a number of communities in which Many Rivers operates to meet a sample of its clients in Blacktown, Kurri Kurri, Port Hedland and Karratha
  – consultations with Many Rivers’ field officers and partner organisations
What we identified

• Best practice evaluations are structured around four key questions:
  − What is the need for the program?
  − What are the outcomes/effectiveness of the program?
  − What is the efficiency of the program?
  − What enhancements could be made to the program?

• Evaluations of similar programs in Australia are generally limited by:
  − a lack of quantitative indicators covering outcomes and effectiveness
  − a reliance on qualitative measures
  − a focus on outputs, not outcomes
What we identified

Stage 1  Stage 2  Stage 3  Stage 4a  Stage 4b  Stage 5

Contact with Many Rivers
Meeting occurs
Business planning

'Before'
'BClient'

Business commences or expands - with loan if required (First year of operation)

'BProgram participant'

Business continues - with loan if required (Second to fifth year of operation)

'BProgram participant'

Business ends

'Soft landing'
- Transition from business to employment
- Loan repaid
- Loan written off

'Stage 2'

'Stage 3'

'Stage 4a'

'Stage 4b'

'Stage 5'

'Sustainable business' (Operational more than five years)

'Hard landing'
- Business fails
- Relationship becomes poor, e.g. client breaks relationship
- Legal action required to recover loan

'Program participant'

'Program participant'

'Program participant'

'Client'

'After'
Framework indicators and data collection

• Indicators were developed to address four evaluation questions
  − most indicators relate to effectiveness
  − 67 indicators overall, with varying levels of priority
  − 19 could be assessed now, based on existing information
  − identification of ‘disadvantaged’ clients

• Future data collection
  − data collected before and after support, via surveys or field officers
  − **inputs** tracked and categorised for efficiency indicators
  − further qualitative information through consultations
  − can be presented as **report card** once sufficient before/after data exist
### Examples of framework indicators

#### Examples of indicators by type

<table>
<thead>
<tr>
<th>Category</th>
<th>Example of indicator to be measured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inputs</td>
<td>Field officer time</td>
</tr>
<tr>
<td>Outputs</td>
<td>Number of businesses assisted at various stages of client journey</td>
</tr>
<tr>
<td>Outcomes</td>
<td></td>
</tr>
<tr>
<td>Business</td>
<td>Number of businesses that continue to operate over time</td>
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<tr>
<td>Individual – economic</td>
<td>Change in income for program participants</td>
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<tr>
<td>Community – economic</td>
<td>Employment of people in community by supported businesses, clustering of small businesses</td>
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<tr>
<td>Individual – social</td>
<td>Subjective change in wellbeing for program participants</td>
</tr>
<tr>
<td>Community – social</td>
<td>Change in educational attainment at community level</td>
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<tr>
<td>Individual – capacity building</td>
<td>Change in skill level for program participants</td>
</tr>
<tr>
<td>Community – capacity building</td>
<td>Participation in Many Rivers’ community programs</td>
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<tr>
<td>External leverage</td>
<td>Level of link-in with partner and referral organisations</td>
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Where to from here?

• this approach is a significant advance on previous analysis of similar programs in Australia

• the framework is established but this is just the start ...

• over time a more complete story will emerge
  – in one year: information on change in program participant income
  – in three years: information on proportion of ‘sustainable’ businesses (from those first assisted)
  – in five years: information on change in homeownership for program participants

Please stay involved and watch the progress of Many Rivers!