



Western Chances

Social Return on Investment Report

2019 – 2021



Summary

About Western Chances

Western Chances gives young people in Melbourne's west the chance to fulfil their potential and overcome barriers to success by providing scholarships, opportunity programs and ongoing support. Their scholarships assist talented and motivated young people who are experiencing social or financial barriers to pursuing their education.

SROI analysis

Western Chances commissioned Social Ventures Australia (SVA) Consulting to determine the Social Return on Investment (SROI) of its activities over the three-year period 2019-2021. SROI is an internationally recognised methodology used to understand, measure and value the impact of a program or organisation. The outcome of an SROI analysis is a story about the total value of change created, relative to the investment.

Impact of Western Chances over 2019-2021

Activities



1,206 young people received scholarships to assist with educational expenses

\$2.3m of scholarships awarded

- Average scholarship \$975 per year, and most young people received a scholarship in 2 of the 3 years

\$2.0m of education and career opportunities were facilitated

45 schools and tertiary institutions nominated young people for scholarships

Key outcomes



- Young people and their families felt reduced stress about paying for education
- Young people gained self-confidence, felt more motivated and empowered, and strengthened pathways into further education and careers
- Some young people were more likely to complete VCE and transition to tertiary education
- Schools were better able to support young people with financial barriers and strengthened their relationships with young people

SROI



\$4.3m was invested into Western Chances, creating an estimated **\$17.5m** of social value.

- **88%** of the value created was for young people
- **6%** of the value was for families
- **6%** of the value was for schools

Insights

Western Chances provides much more than scholarships and links to broader education and career opportunities. While the value of scholarships and other opportunities provided was worth \$4.3m, its overall activities generated an additional \$13.2m of social impact (creating \$17.5m of value in total).

The key drivers of impact include:

- 1** Western Chances takes a holistic approach to understanding the needs and aspirations of young people and supporting them to overcome barriers to education
- 2** Western Chances encourages and motivates young people to strive for their best
- 3** Western Chances instils confidence and self-belief in young people
- 4** Western Chances opens doors for young people beyond their existing networks

About Western Chances

Western Chances' vision is to enable young people in Melbourne's west to achieve their potential

What issues are Western Chances addressing?

Melbourne's west is a growing region rich with talent and cultural diversity and young people living in the area are inspiring. However, the region also has lower rates of educational attainment, higher unemployment, and higher levels of socio-economic disadvantage compared with the rest of Melbourne¹.

This means that many young people in Melbourne's west experience:

- Financial barriers affecting their ability to fully participate in education
- Reduced exposure to networks and role models in a diverse range of careers
- Less confidence and self-belief to strive for and achieve their educational and career goals.

What does Western Chances do?

Western Chances supports young people aged 12-25 living in Melbourne's western suburbs who are enrolled or engaged in education. They work closely with schools to identify young people that are motivated to succeed in education but face financial barriers. Schools nominate these young people for a Western Chances Scholarship.

Through the Scholarship Program, young people are provided with financial support for educational expenses, e.g. textbooks, stationery, home internet and laptops, myki passes and specialist lessons. They are also connected with the Western Chances community and recognised for their talent and success.

Scholarship recipients are also offered access to a wide range of educational and career opportunities through the Links Program. This includes external scholarships, cadetships, career coaching, tutoring, residential college scholarships, leadership and other camps that young people can access for free. The Links Program provides learning and development opportunities that young people might not otherwise access, be aware of, or be able to afford.

A young person's involvement with Western Chances

Young people are **nominated** by their school or tertiary institution and supported to apply for a Western Chances Scholarship

Young people are awarded a **scholarship** and join the **Western Chances network**

Young people access educational and career opportunities through the **Links Program**

Young people are invited to apply for **renewal scholarships** in following years

Young people stay involved through the Western Chances **alumni community**

Western Chances in 2019-2021

2,377 scholarships were awarded, worth **\$2.3 million**

Scholarships went to **1,206** unique recipients

70% of scholarships awarded were to previous recipients (renewal scholarships)

45 nominating schools participated (28 secondary, 17 tertiary)

834 Links opportunities were facilitated, worth **\$2.0 million**

1. ABS Census 2021; Department of Economic Development, Jobs, Transport and Resources: Jobs And Skills Report For The Western Metropolitan Region 2018.

Key findings

Social Return on Investment

\$4.3m was invested into Western Chances between 2019-2021, creating an estimated **\$17.5m** of total social and economic value.

- **\$15.4m (88%)** of the value created was for young people
- **\$1.0m (6%)** of the value was for families
- **\$1.1m (6%)** of the value was for nominating schools



Insights

The SROI analysis revealed key insights about Western Chances that drive its impact on young people in Melbourne's west.

Western Chances takes a holistic approach to supporting young people to overcome barriers to education

Western Chances provides crucial financial support for young people and their education. Furthermore, it understands the needs and aspirations of young people and seeks to support them to overcome barriers to education through a holistic approach. Western Chances recognises and celebrates young people's achievements, and links them with a community of inspiring peers and broader opportunities.



Western Chances encourages and motivates young people to strive for their best

The potential of young people in Melbourne's west is recognised and championed by Western Chances. Through the Scholarship Program and Links opportunities, young people are encouraged and supported to identify their goals, aim high and work towards achieving their aspirations.

Western Chances instils confidence and self-belief in young people

Young people, parents and schools highlight the value of Western Chances believing in young people and recognising their abilities. Confidence and self-belief grow over time as young people have increasing involvement with Western Chances over multiple years through scholarship renewals and the Links Program.

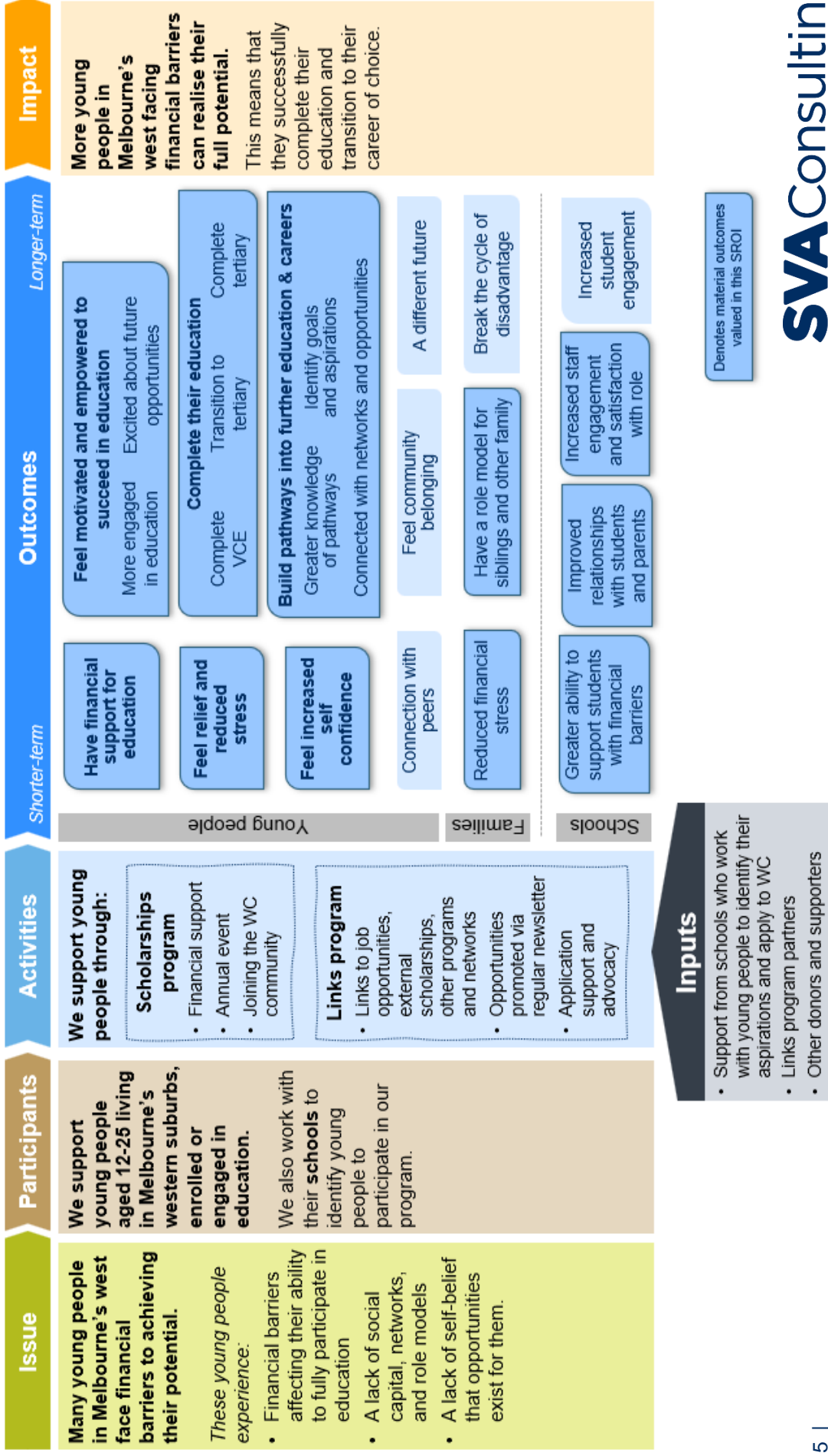


Western Chances opens doors for young people

Through Western Chances, young people in Melbourne's west are exposed to a broad range of opportunities and career pathways they might not otherwise experience. Western Chances provides the crucial link to enable young people to confidently engage in these opportunities and grow their networks.

Theory of Change

The Theory of Change represents how Western Chances seeks to address the issue it has identified and achieve the positive impact it desires.



Outcomes for young people

Western Chances provides practical support for young people through financial scholarships, as well as supporting young people to experience holistic outcomes such as increased confidence and reduced stress. The majority (88%) of the social value created by Western Chances is for young people receiving Western Chances support.

Increased financial support to pay for educational resources

Support from Western Chances through scholarships alleviates financial barriers, enabling young people in Melbourne's west to focus on their studies and fully participate in their education.

\$2.3m
(13%)

'Without the tremendous assistance and support from Western Chances, I genuinely wouldn't be where I am today. I feel incredibly grateful and fortunate to be a part of something so wonderful.'

- Scholarship recipient

Increased confidence and self-belief

Young people experience an increase in confidence and belief in themselves through the recognition and support of Western Chances. Confidence and self-belief grows over time with increasing involvement with the Western Chances community.

\$3.7m
(21%)

'Previously, it was a very stressful process each year and there were many items I missed out on. After getting Western Chances support I could afford the things I needed.'

- Scholarship recipient

Sense of relief and reduced stress

Challenges in paying for educational expenses can result in significant stress for young people. Young people value the sense of relief and reduced stress they experience, and they know that their family experiences, from the scholarship assistance. They are also reassured by knowing that they can apply for the scholarships annually.

\$1.0m
(6%)

'I realised the potential I have had all along to truly influence the world. The Western Chances Scholarship was a vote of confidence in me and my abilities, and a recognition that the hardships in my life can be a point of strength if I am given the right resources.'

- Scholarship recipient



Outcomes for young people (cont.)

Western Chances' support results in educational and career outcomes such as increased engagement in education, increased exposure to opportunities and support to complete education.

Increased motivation and empowerment to succeed in education

Young people are more engaged in their education through Western Chances' support. Recognition of academic achievements and increased exposure to opportunities means young people are more excited about their educational and career opportunities. This supports and drives young people to strive for their best.

\$3.7m
(21%)

'It's because someone believed in her...she had people on her side that said, you can do this.'

-Parent

Support to complete VCE and transition to tertiary education

Parents, young people and schools identified Western Chances as an important support towards their completion of VCE and transition to tertiary education. For a small percentage of young people, Western Chances changed their futures significantly – 2% of those who have finished school reported that they would probably not have completed VCE if not for Western Chances, and 6% said that they probably would not have transitioned to tertiary education if not for the support provided by Western Chances.

\$0.9m
(5%)

'Western Chances have unequivocally changed the course of my life through the opportunities they have provided.'

- Scholarship recipient

Opportunities to build pathways into further education and careers

Young people are connected with networks, role models and opportunities, inspiring them to identify their goals and aspirations and build future pathways. Young people are exposed to opportunities they wouldn't normally have access to, opening their eyes to future possibilities to aim high in their education and careers.

\$3.8m
(22%)

'I was able to meet other Western Chances recipients, which was amazing because it was very inspiring to hear about their journeys and what they're studying and working towards.'

- Scholarship recipient



Outcomes for families and schools

The support provided by Western Chances also results in benefits for parents and families, as well as the schools and educational institutions that nominate young people.

Parents and families have reduced financial stress

\$0.5m
(3%)

Parents and families are relieved of the financial burden of covering educational expenses such as textbooks, stationery and laptops. Parents identify Western Chances support as a source of relief, with the financial support enabling their children to afford and access the same educational opportunities as their peers.

'I don't have to worry about buying his books, because it was exhausting for me to get everything. And as a mum, I have to get everything because I don't want him to feel under pressure.'

- Parent

Young people become role models for their siblings and families

\$0.5m
(3%)

Young people, parents and school nominators view Western Chances as a positive influence on families, through demonstrating that pathways to succeed in VCE and tertiary education are possible. Young people who receive scholarships become role models for siblings, demonstrating the value of education and in many cases becoming the first family member to undertake tertiary education.

'My siblings look up to me and they know that if they put in the work, they can yield the result they desire.'

- Scholarship recipient

'Western Chances opens the door to hope and provides young people with the ability and a promise to look positively at completing their education, not only at high school but beyond.'

- School nominator

'Scholarships have been impactful in nurturing positive and ongoing collaboration between the school and families. This targeted collaboration has allowed the Careers team to guide both recipient and family on specific pathways to realise the aspirations outlined by applicants.'

- School nominator

Schools are better able to support young people facing barriers to their education

Schools value the financial support and educational opportunities that Western Chances provides. They recognise they lack the resources to provide these opportunities and view Western Chances as key supporters of their young people.

\$1.1m
(6%)

Schools develop a stronger relationship with young people and parents

Schools work closely with young people to identify their goals and needs as part of the scholarship application, providing an opportunity to get to know their young people and their aspirations on a deeper level. Many school nominators view the Scholarship and Links Programs as an avenue to proactively engage parents in conversations about young people's goals.

School staff are more engaged and satisfied in their role

Through their involvement, school nominators have the opportunity to see young people fulfil their potential. School staff highlight the impact that Western Chances has on the personal enjoyment they have in their role, being able to watch young people grow in confidence and achieve great things.

Participant stories



Eangano is a third year Bachelor of Biomedicine and Exercise Science student at Victoria University. He founded ARK, an organisation that helps new migrants and refugees to integrate into the community.

'When we came to Australia after many years in African refugee camps we struggled to integrate. I started ARK because I wanted to help others bridge that gap. Financially my family had a tough time, raising 8 children with minimal English and very low incomes. As we got older we worked part time as much as we could to contribute. Western Chances made a huge difference. Through the scholarships, I was offered things I'd never had before – textbooks, a laptop and access to the internet. And it wasn't just money. Western Chances connected me to a program where I was chosen to walk the Kokoda Trail, which was a life-changing experience. Western Chances opened a door to a lot of opportunities for me. Without them, none of my achievements would have happened. It's impossible to repay that.'

Sammie is in her final year of a Bachelor of Engineering (Civil and Infrastructure) (Hons) / Bachelor of Business (Management) degree at RMIT University. She is undertaking an internship with a major commercial construction company.

'A career in building and construction is totally right for me. It's long hours, but I love the mix of office work and being on site in my hard hat! I wouldn't be where I am without my Western Chances Scholarship. It gave me the opportunity to prepare for VCE exams. Without that stepping stone I wouldn't have had the marks to get into my course. Coming to university from a less privileged background is harder. Reducing the burden on my parents was a great feeling. It's fantastic to be backed by an organisation where people believe in me. I'll always be grateful to Western Chances and I'll do whatever I can to help them now and in the future.'



Melanie is a school nominator at a secondary school in Melbourne's western suburbs:

'Western Chances gives students a huge sense of pride and accomplishment. It rewards them outside of the school for their effort which encourages them to believe in themselves and believe that they can achieve their goals. It also drives them to continue to excel so that they receive invaluable financial support that they otherwise could not get. It makes them proud, their families very proud and shows them that there are ways to get through the many barriers they are presented with.'

Methodology

The SROI methodology was used to identify, measure, and value the impact of Western Chances' activities for different stakeholder groups, including young people and schools. SROI is an internationally recognised approach that provides a framework to understand, measure and value the impact of a program or organisation. It is a form of cost-benefit analysis that examines the social, economic and environmental outcomes created by the activities of the program and the costs of creating them.

Social value is the value that people place on the changes that they experience in their lives. The Principles of Social Value provide the basic building blocks for anyone who wants to make decisions that take this wider definition into account.

The outcome of the SROI analysis is a story about the value of change created, relative to the investment. The SROI ratio is a shorthand for all of the value for all of the stakeholders.

Social value principles

1	 Involve stakeholders	Stakeholders should inform what gets measured and how this is measured and valued.
2	 Understand what changes	Articulate how change is created and evaluate this through evidence gathered, recognising positive and negative changes as well as those that are intended and unintended.
3	 Value things that matter	Use financial proxies so the value of the outcomes can be recognised.
4	 Only include what is material	Determine what information and evidence must be included in the accounts to give a true and fair picture, such that stakeholders can draw reasonable conclusions about impact.
5	 Do not overclaim	Organisations should only claim the value that they are responsible for creating.
6	 Be transparent	Demonstrate the basis on which the analysis may be considered accurate and honest and show that it will be reported to and discussed with stakeholders.
7	 Verify the results	Ensure appropriate independent verification of the analysis.
8	 Be responsive	Pursue optimum Social Value based on decision making that is timely and supported by appropriate accounting and reporting.

Data collection

The SROI analysis draws on program information from Western Chances, surveys and interviews conducted by the SVA team, and external research to determine suitable financial proxies.

- Surveys were completed by 247 young people who are past or current recipients of Western Chances and 42 school staff who nominate young people for Western Chances Scholarships
- Interviews were conducted with 2 parents of young people who received Western Chances Scholarships and 3 school staff who nominate young people for Western Chances Scholarships

Applying the social value principles

The first five social value principles were applied to each outcome identified in the SROI analysis. The following illustrates a worked example of one outcome and how the social value is calculated.

1 Involve stakeholders

Stakeholders for this example are young people in Melbourne's western suburbs facing financial barriers to achieving their potential.

2 Understand what changes

Example outcome: young people have reduced stress

3 Value the things that matter

Quantity

How many people experienced a change?

Based on the consultations completed during the SROI process, 55% of young people reported that reduced stress and a feeling of relief was one of the most important changes as a result of Western Chances support.

4 Include what is material

Deadweight

How much of that change would have happened anyway?

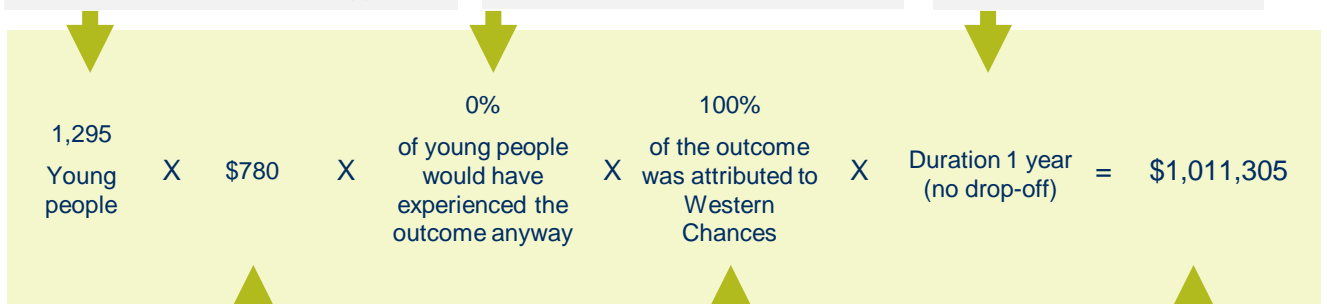
Based on the consultations completed during the SROI process, stakeholders felt this outcome would not have happened without Western Chances.

5 Do not overclaim

Duration and drop-off

How long did the impact of the change last?

It is likely this change would last for the year the scholarship is received.



Financial Proxy

What is the value of this outcome to the stakeholder?

The financial proxy used is the cost of psychology sessions that would be incurred by a young person, after the Medicare rebate has been applied. Psychology sessions are used as a financial proxy as this activity can result in a similar reduction in stress, compared with Western Chances program participation. This uses the revealed preferences valuation approach.

Attribution

How much of this change was a result of Western Chances?

This outcome is linked to the financial support provided by Western Chances, therefore all of the change is attributed to Western Chances.

Adjusted Value

What's the value of the outcome?

The net value of the outcome after adjusting for quantity, financial proxy, deadweight, attribution, duration and drop-off.

Note: Values have been rounded to the nearest whole number. The adjusted value in this worked example is calculated using original values.

Calculating the SROI ratio

Western Chances delivered an SROI ratio of 4.1:1 based on the investment for the period of the analysis. For every \$1 invested by Western Chances, \$4.1 of social and economic value is created.

The following table summarises the value created for each stakeholder group.

Stakeholder	Outcome	Value in 2022 (current) dollars	% of total value by outcome	% of total value by stakeholder
Young people	Having financial support for education (valued by scholarship amount awarded)	\$2,304,000	13%	88%
	Feel a sense of relief and reduced stress	\$1,011,000	6%	
	Increased self-confidence	\$3,766,000 [^]	21%	
	Are more motivated and empowered to succeed in education	\$3,654,000	21%	
	Increased likelihood to complete the VCE	\$297,000	2%	
	Increased likelihood to transition to tertiary education	\$587,000	3%	
	Stronger pathways into further education and careers (increased knowledge of career paths, better able to identify goals and aspirations)	\$717,000	4%	
	Have increased connection with other educational and career opportunities (includes value of Links opportunities)	\$3,060,000	18%	
Families	Feel relief and reduced financial stress	\$519,000	3%	6%
	Gain role models for siblings and family	\$514,000	3%	
Schools and nominators	Are better able to support young people facing barriers to their education	\$1,023,000	6%	6%
	Have improved relationships with the students they nominate to Western Chances and their parents			
	Nominators have improved staff engagement and satisfaction in their roles	\$68,000	0.4%	
Total present value of outcomes		\$17,522,000	100%	100%
Total investment 2019-2021				\$4,306,000
SROI \$ per \$				\$4.1 per \$1

Investment

- The investment included in an SROI analysis is a valuation of all of the material inputs required to achieve the outcomes that will be described, measured and valued.
- The total investment in Western Chances during 2019-2021 was \$4,306,000, reflecting the operating costs of the organisation including the value of the scholarships awarded.
- In-kind investment such as the contribution of educational and career opportunities by Links Program partners was considered and not included in the inputs as they were not identified as a material cost to the supporting partners.

Notes:

- All values have been rounded to the nearest \$1,000 and the nearest 1%.
- [^]This figure is represented on page 6 as \$3.7m to balance rounded values.
- Given the nature of the analysis and use of informed assumptions, any changes in the assumptions will result in changes to the SROI ratio. A sensitivity analysis has been conducted to identify assumptions with the most significant impact on the ratio. Low to high scenarios were then tested against those variables. In all scenarios tested, the SROI ratio remains significantly above 1:1, indicating that the social value created is greater than the investment.
- For further details on assumptions and calculations refer to the accompanying impact map, which can be obtained by contacting Western Chances.

The next 3 years



Where to next – from the Western Chances Team

Education Improves Lives – EMPOWER 1000

Western Chances supports talented young people facing financial hardship with educational scholarships and life changing opportunities so they can achieve their potential. We are immensely proud to contribute to such significant social and economic value for our young people, their families, and our supporting schools, as evidenced in this report.

In the past three years, we awarded scholarships to around 800 young people per year. We want to do more.

Western Chances are launching the **EMPOWER 1000** campaign to grow our program to support **1000 young people every year by 2025**, to meet the rising need in our community.



'I just want to say thank you. I wouldn't have got through Year 11 and 12 without Western Chances' help...'

Scholarship recipient

How you can help

Help 1000 young people thrive every year.

Personal Donation: Pledge a multi-year donation to contribute to our goal to Empower 1000.

Corporate Partnership: Facilitate a multi-year Corporate Partnership to contribute to our goal to Empower 1000.

Connect us: Connect us to anyone in your network who can support us to Empower 1000.

www.westernchances.org.au

Acknowledgement

SVA would like to acknowledge the participation of Western Chances Scholarship recipients, parents, school nominators and staff who took time to provide thoughtful and thorough input, contributing to the strong evidence base that is critical to this analysis.

Professional Disclosure Statement

Social Ventures Australia (SVA) have prepared this report in good faith on the basis of our research and information available to us at the date of publication, without any independent verification. Information has been obtained from sources that we believe to be reliable and up to date, but SVA do not guarantee the accuracy, completeness or currency of the information. The information in the report is general in nature and is not intended to and should not be used or relied upon by readers as the basis for any strategic, business, financial, tax, accounting, legal or regulatory decisions.

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Social Ventures Australia (SVA) is a not-for-profit organisation that works with innovative partners to invest in social change. We help to create better education and employment outcomes for disadvantaged Australians by bringing the best of business to the social-purpose sector and by working with partners to strategically invest capital and expertise.

SVA Consulting is Australia's leading not-for-profit consultancy. We focus solely on social impact and work with partners to increase their capacity to create positive change. Thanks to more than 10 years of working with not-for-profits, government and funders, we have developed a deep understanding of the sector and 'what works'. Our team is passionate about what they do and use their diverse experience to work together to solve Australia's most pressing challenges.

This report has been authored by SVA Consulting by Simon Faivel (a level 3 Social Value and SROI Advanced Practitioner and Accredited Trainer), Katherine David and Nancy Tran. Based on the scope and budget for this report, it has not been submitted to Social Value International for external assurance.

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