



the Centre
for Social
Impact



Annual Report 2011



UNSW
THE UNIVERSITY OF NEW SOUTH WALES




THE UNIVERSITY OF
MELBOURNE



SWINBURNE
UNIVERSITY OF
TECHNOLOGY



THE UNIVERSITY OF
WESTERN AUSTRALIA
Achieve International Excellence



The Centre for Social Impact's mission is to create beneficial social impact in Australia through teaching, research, measurement and the promotion of public debate.

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Message from our chair



2011 was an important year for CSI. It was a busy and productive time as we sought to consolidate the significant growth the organisation has experienced since its inception four years ago.

Among the year's many achievements are a number worth highlighting.

Our research team completed a ground-breaking study into social impact bonds and was invited to give evidence in Canberra at the Senate Economics Reference Committee hearing on finance for the social sector.

We generated significant interest in the important but largely overlooked issue of financial exclusion with the launch of the annual NAB Financial Exclusion index.

We continued to develop our Graduate Certificate in Social Impact, incorporating new insights and content into existing curricula.

CSI (UWA) offered the Graduate Certificate for the first time, graduating eight students from the inaugural year's intake. UWA also hosted a landmark conference on Indigenous business and entrepreneurship.

A major milestone for 2011 was the transition of Centre leadership from Peter Shergold to the current CEO, Andrew Young.

Andrew brings enormous energy and experience to the role and the Board and I look forward to working closely with him as he leads the Centre through its next phase of development.

I would like to pay special tribute to Peter Shergold for his outstanding work as the Centre's first CEO, nurturing the Centre through its formative years and creating the thriving, vibrant and influential organisation that CSI has become and the networks through which it operates.

Finally, I am pleased to report that CSI's financial position remains sound. We thank all our funders and supporters for their continued and generous support.

I look forward to new challenges and successes in the years ahead.

A handwritten signature in black ink, which appears to read "F. Hilmer".

Professor Fred Hilmer AO
(Chair)

Vice-Chancellor, The
University of New South
Wales

Message from our CEO



CSI has come a long way since we began in 2008. The Centre has met, and in many areas exceeded the goals set in the first four-year business plan.

There has also been a great deal of change in the field of social impact. Globally we have seen a burgeoning of research and trends in social innovation, social finance and entrepreneurship, outcomes measurement and much more.

It is in this context that we now have the opportunity to reflect on the direction of CSI, and position it for another successful period of development and growth. So in 2012 we are undertaking a major strategic review.

The review has two key features.

Firstly, it is highly consultative. We are seeking the views, ideas and input from our diverse stakeholders including our Advisory Councils, our university partners, our funding and project partners, and of course CSI staff.

Secondly, the review addresses a fundamental question that goes to the heart of everything we are trying to achieve at CSI — what are the keys for improving social impact? By examining this question with our stakeholders and partners we aim to develop a theory of change for improving social impact in Australia.

A theory of change will help to shift focus away from inputs and activities, and towards the kinds of social outcomes we want to achieve as a society. Without outcomes in mind, attention can be focused on developing the most effective means of achieving these targets.

In addition to providing a reference point for the social sector more broadly, a coherent theory of change will help inform CSI's own strategy, our research and teaching agenda, and our relationships with our valued partners. It will also form the basis against which we will measure our effectiveness. We expect the review to be completed by the end of 2012.

We also continue to focus on current priorities. Our research focus is on social outcomes measurement, social finance, and the promotion of an effective, transparent and developing social sector.

We are continuing to develop the Graduate Certificate in Social Impact, while reviewing opportunities for growing our teaching and executive education programs.

The successful and effective engagement strategies such as online and social media will be continued. We are consolidating the breadth of events, and focusing attention on a smaller number of higher-impact activities.

Building organisational capacity is another priority for 2012. We are working to strengthen our culture of teamwork and accountability, while improving the effectiveness of operational processes and systems.

Finally I would like to take a moment to thank our partners and staff for their outstanding contributions to what has been a productive year. With change ahead of us, the future looks positive for CSI, and I am very much looking forward to sharing the journey.



Andrew Young
Chief Executive Officer

“
The review addresses a fundamental question that goes to the heart of everything we are trying to achieve at CSI — *what are the keys for improving social impact?*
”



What we do & who we are

Our mission

CSI's strategy is under review during 2012.
Our mission is:

To create beneficial social impact in Australia through teaching, research, measurement and the promotion of public debate.

By bringing together business, government and social sectors, we aim to build community capacity and facilitate social innovation in a collaborative way. We want to encourage a civil society that is open, inclusive and sustainable, and is renowned for its professionalism and competence in delivering social impact.

We bring a sense of urgency to our task and seek to respond quickly to the evolving needs of the social sector. Our areas of focus are the emerging framework of social entrepreneurship and social investment, the creation of social value and its measurement, and the developing challenges in a new era of corporate responsibility and accountability.

Our goals

- To be recognised as a world-leader in responsible and ethical management education, and as a centre of excellence for the social sector in Australia
- To create positive social impact through graduate teaching and executive development
- To generate practical research that informs public debate, even when this means challenging the status quo
- To communicate effectively with our diverse stakeholders
- To facilitate productive collaboration between government, business and social sectors in the proactive pursuit of positive social impact
- To build a sustainable base of expertise and funding to achieve our mission over the long term

We are a partnership

We are a collaboration of the business schools of our university partners: University of NSW (UNSW), University of Melbourne, Swinburne University of Technology (SUT) and University of Western Australia (UWA).



As a result of their involvement and investment in CSI, our partners are assisting in the delivery of socially responsible management education, enabling students to lift their gaze and widen their vision. We benefit from the distinctive perspectives and contributions of each partner.

“

The University of Western Australia became a CSI partner during 2009 and has quickly moved to develop a full teaching, research and public engagement program consistent with the national CSI agenda, which has resulted in CSI having a national reach in terms of its core mission.

”

Professor Paul Flatau,
Director, CSI (UWA)

Our Board

Our Governing Board comprises CEOs and senior representatives from the social and corporate sectors across Australia. The board sets the overall strategic direction for CSI and approves major decisions on teaching programs, research and financial commitments.



Paula Benson
(from September 2011)
General Manager, Corporate
Responsibility,
National Australia Bank



Robin Crawford
Chairman, Goodstart Early
Learning and Director of
Lifehouse at RPA



Professor Fred Hilmer AO
(Chair)
Vice-Chancellor
The University of New South
Wales



Sarah Davies
Chief Executive Officer
Reach



Professor Glyn Davis AC
Vice-Chancellor and Principal
The University of Melbourne



David Gonski AC
Chairman: Investec Bank (Aust)
Ltd / Coca-Cola Amatil (Aust)
Pty Ltd
Chancellor UNSW



Professor Linda Kristjanson
(from May 2011)
Vice-Chancellor
Swinburne University of
Technology



Professor Paul Johnson
(from Jan 2012)
Vice-Chancellor
University of Western Australia



Fergus Ryan AO
Director
The Commonwealth Bank of
Australia



Nigel Smyth
Executive Director and Chief
Information Officer
Macquarie Group Limited

Board members in 2011



Professor Alan Robson
(until end 2011)
Vice-Chancellor
University of Western Australia



Professor Peter Shergold AC
CEO
(until end 2011)
The Centre for Social Impact



Michael Ullmer
(until September 2011)
Deputy Group CEO
National Australia Bank



Professor Ian Young AO
(until May 2011)
Vice-Chancellor
Swinburne University of
Technology

Our Advisory Councils

CSI has established Advisory Councils in Sydney, Melbourne and Perth. Each Council comprises leaders from the corporate, government and social sectors. Councils provide valuable advice to CSI on teaching and research priorities, stakeholder relationships and relevant public policy issues.

Chaired by one of their membership, each Council meets about twice a year. The CEO, board members and senior staff of CSI attend on an ex-officio basis and provide a Secretariat.

➔ [Read the full list of advisory council members on our website in the governance section](#)

CSI's Sydney Advisory Council is chaired by David Gonski, Chancellor, UNSW

CSI's Melbourne Advisory Council is chaired by Fergus Ryan, Director, Clayton Utz, CBA

CSI's Perth Advisory Council is chaired by Michael Chaney, Chancellor, UWA, Chairman of NAB

Our people

CSI succeeds because of the expertise and dedication of its staff.

➔ [Read individual staff profiles on the about us/our people section on our website.](#)



Our executive team

Andrew Young, Chief Executive Officer

Andrew is the Chief Executive Officer of CSI. He has leadership experience in both the corporate and social sectors.

After completing a PhD in engineering at the University of Adelaide, Andrew became a strategy consultant with Andersen Consulting. Seeking to use his business skills for social outcome, he then took up a role as head of marketing and fundraising for The Smith Family.

In 2004 he was appointed Chief Executive Officer of youth cancer charity CanTeen, winning the Equity Trustees' Not-for-Profit CEO First

Year Achiever Award the following year. During his time at CanTeen, Andrew developed and delivered a five-year strategic plan that greatly enhanced CanTeen's public recognition and influence.

Andrew has had a strong interest in increasing social impact both through and outside of his leadership roles. He was a founding member of Emerging Leaders for Social Change.



Les Hems, Director of Research

Les Hems has been CSI's Director of Research since December 2009. Les has spent the past 20 years undertaking a range of major initiatives to develop the evidence base for third sector research, policy and practice both in Australia and the UK.

Les oversees CSI's portfolio of academic and applied research, social impact measurement and knowledge exchange activities.

Les has been responsible for CSI's recent research on impact investing and social finance including assessing the feasibility of implementing social impact bonds in New South Wales and the actions needed to create a capital market for social investment in Australia.

His research career commenced at Aston Business School. In 1994 he established the research team at the National Council for Voluntary Organisations, in 1998 he became a principal researcher for the Johns Hopkins University Comparative Nonprofit Sector Project, and in 2000 he established a new research centre at University College London which became part of the Institute for Philanthropy.

Prior to joining CSI Les played a pivotal role in a number of UK government initiatives including the first National Survey of Third Sector Organisations.



Cheryl Kernot, Director of Social Business

Cheryl is the Director of Social Business at CSI, and leads the Centre's teaching programs.

Following her distinguished political career, Cheryl spent five years working in the UK as a Programme Director at the Skoll Centre for Social Entrepreneurship, based at the Said Business School at Oxford University, and as the Director of Learning at the School for Social Entrepreneurs in London.

Her specialist role at the Skoll Centre was to assist and mentor start-up social businesses, particularly in the delivery of innovative health services.

She has been elected Chair of the Fair Trade Association of Australia and NZ for the past three years. She served as an honorary board member of Foresters Community Finance for four years until 2011, and is also on the founding committee of a UK charity that works to provide shelter and education for street children in Kampala, Uganda.

Cheryl is one of the National Trust's 100 National Living Treasures. She was Leader of the Australian Democrats from 1993-1997, and the Member for Dickson and a Labor Shadow Minister from 1998-2001.



Paul Flatau, Director of the Centre for Social Impact (UWA)

Professor Paul Flatau is the Chair in Social Investment and Impact, and Director of CSI (UWA). Much of Paul's work in recent years has involved close contact with the not-for-profit sector and social enterprises, working with government partners, industry and philanthropists.

Paul has more than 60 publications to his name in the fields of economics and social policy. He has made significant contributions to the analysis of social and economic outcomes, and the social impact and effectiveness of programs and interventions in Indigenous housing, poverty, unemployment, homelessness and housing.

Paul manages the CSI (UWA) research, teaching and community engagement programs. He is project director of CSI (UWA)'s extensive set of research projects and is the co-ordinator of two of the Graduate Certificate of Social Impact units at the UWA Business School.

Paul holds a PhD in Economics from Murdoch University, a MEC from UWA and a BEc from Sydney University.



Our achievements

Research

CSI delivers evidence-based, user-designed research in collaboration with business, government, and the academic and social sectors. The applied knowledge we create through these strategic partnerships provides a foundation to inform practice and advance public policy for positive social impact.

Our research themes in 2011 included measurement of social impact, social finance, effectiveness and transparency in the social sector; and creation and measurement of shared value, giving and philanthropy, and financial exclusion.

Overview

During the year we worked closely with our partners to co-produce 28 projects spanning our key focus areas (see below). The two highlights were the completion of ground-breaking research into social impact bonds and the creation of an Australian index of financial exclusion.

In August 2011 a team from CSI gave evidence at the Senate Economics Reference Committee hearing in Canberra on financing the not-for-profit sector – an outstanding demonstration of our applied research helping shape public policy.

Research continued to inform all aspects of CSI's mission with project outcomes featuring strongly in our website content, social media discussions and events. In September CSI's Les Hems and Paul Flatau presented on measuring social impact at the Australasian Evaluation Society's annual conference.

CSI also undertook a number of major projects evaluating the impact of social programs as well as economic analyses of social programs. Most of these projects have been funded through the Australian Research Council and other national competitive research grant programs.

While CSI has concentrated very specifically on applied research, we are aiming to broaden our scope to include more academic research. One area of focus will be developing a hypothesis-based theory of change for improving the delivery of social impact in Australia.

2011 research projects

Social finance

- **NSW social impact bonds:** A feasibility study of whether NSW has the appropriate conditions for this new approach to funding. Conducted in collaboration with Corrs Chambers Westgarth, JBWere, Macquarie Group and The Young Foundation.
- **Establishing a capital market for social investment:** An assessment of a range of alternative approaches to establishing a capital market for social investment.
- **WA Social Enterprises:** A policy oriented review of the role of social enterprises.

Effectiveness and transparency in the social sector

- **The Community Index:** Development and regular measurement of confidence in the NFP sector. A joint initiative with PwC.
- **Directors' social impact study:** National survey of the social impact of NFP directors, in collaboration with AICD.
- **NFP regulation:** The role of certification agencies.

- **Australian Housing and Urban Research Institute (AHURI):** Understanding leadership, strategy and organisational dynamics in the NFP housing sector: Three-year longitudinal study of social housing in collaboration with UNSW City Futures Research Centre and UWA.
- **Values and pro-social behaviour:** A study of how individual values affect giving and other forms of social behaviour.

Creation and measurement of shared value

- **Creating shared value and integrated reporting:** A thought leadership and shared learning initiative to support understanding of the emerging concepts of 'shared value' and integrated reporting.
- **Stockland review of community partnerships:** Review of, and future recommendations for, Stockland's Community Partnerships strategy.
- **BHP Billiton – Social investment in the Pilbara:** The evaluation of community investment programs in the Pilbara and the development of measurement and evaluation tools in the social investment area.
- **BHP Billiton – Indigenous business and contracting:** An analysis of the important role of indigenous contracting and business in Indigenous economic and social development.

Giving and philanthropy

- **Grantmakers in Australia:** A database and analysis of the grants made by the 15 largest reporting foundations in Australia.
- **Workplace giving:** A survey of employees about workplace (payroll) giving in over 25 organisations.

Financial exclusion

- **NAB – Australian indicator of financial exclusion:** Development of an indicator of financial exclusion in Australia and report of changes annually. In collaboration with NAB.
- **NAB – Microenterprise loans:** Assessing the inputs, outputs, outcomes and impact of NAB's microenterprise loan program.
- **Community development finance institutions:** Review of Australian CDFIs and consideration of policy options to expand CDFIs.

Homelessness:

- **AHURI – Homelessness and the cost of homelessness:** An economic evaluation of homelessness and of homelessness support programs.
- **AHURI – Homelessness and services and systems integration:** The first study undertaken on the extent and structure of service integration in Australia across the homelessness and health systems and its effect on client outcomes.
- **AHURI – Refugees and housing pathways:** A qualitative and quantitative study of the housing pathways followed by refugees in Australia.
- **Mission Australia – Michael and MISHA projects:** These two studies provide a detailed examination of innovative integrated programs of support for homeless people in Sydney.
- **Woolloomooloo homelessness:** Estimated savings to government of a specially-designed housing program, in collaboration with United Way Sydney, UBS, Nous Group, Freehills and the City of Sydney.
- **ARC Linkage – The cost of youth homelessness in Australia:** An evaluation of the costs of youth homelessness and the impact of programs to support young homeless people.
- **Evaluation of the Inner City Youth at Risk Project & the Inner City Assertive Outreach Service:** The evaluation of programs of support of homeless people in Sydney.

Digital inclusion

- **Telstra – Access for everyone:** Impact measurement of Telstra's social program that provides bill assistance to people in need.

Education

- **ARC Linkage – Community embedded, socially-supported university education of disadvantaged people:** An impact and economic evaluation of an innovative program to support disadvantaged people's access to university education.
- **Social return on education and training:** A survey of scholarship students of CSI and Australian Scholarships Foundation (ASF) to measure social return, in collaboration with ASF.



Research focus: The Michael Project



Professor Paul Flatau led the research on the Michael Project for Mission Australia. This was undertaken in collaboration with researchers from the National Drug and Alcohol Research Centre at the University of New South Wales (UNSW), the Social Policy Research Centre at UNSW and Mission Australia's Research and Social Policy Unit.

Mission Australia's project commenced in 2007 and was a three-year initiative that aimed to help homeless men in Sydney improve their lives. This integrated model, generously funded by a private donor, linked housing with care and support to help the men work on their overall wellbeing to break the cycle of homelessness. The Michael Project provided intensive 'wrap-around' support services tailored to the individual's needs.

The research project was a longitudinal study that explored the socio-economic benefits of successful housing placement, including impact of the project in terms of health and justice costs that would otherwise have been incurred.

The evidence base gathered is some of the most detailed on homeless men ever compiled in Australia. The study will have long-term implications for how homelessness services are delivered nationally. The results, published [*The Michael Project, 2007-2010: New perspectives and possibilities for homeless men*](#), show that with appropriate and timely support, some of the most marginalised people in our community can dramatically improve their lives.

Impact

Reducing homelessness not only changes lives, but also saves money. The cost-benefit analysis for those men tracked over the year showed they were far less likely to access publicly-funded health and justice services.

Mission Australia will use the findings from the research to develop and deliver a better homelessness service system.

In addition to the data gathered, the research also resulted in a capture of the life histories and circumstances of men experiencing homelessness.

Key findings:

Of the thousands of men who were part of The Michael Project, 253 entered the research study and 106 were followed up within 12 months.

The research found that one year after entering the service the following aspects of the men's lives improved:

- **Health and wellbeing** – reducing their hospitalisation rate from four to 1.7 times that of the general population and reporting improvements in their quality of life.
- **Social and economic participation** – reporting they were half as likely to feel isolated and three times more likely to be employed, with nearly 20 per cent in employment.
- **Housing** – with about half in stable accommodation, and only 16 per cent in crisis accommodation as opposed to 97 per cent on entering the service.

Research focus: Social impact bonds



Not-for-profits continue to struggle to address complex social problems despite record levels of government funding.

In 2011 CSI undertook a major research project to explore a non-traditional funding model – social impact bonds. These bonds have been designed to attract private capital that is looking for a social as well as an economic return.

A first of its kind in Australia, the study examined the feasibility of the concept in NSW. It explored whether the State has the necessary ingredients for this new approach to funding. Based on study outcomes the NSW Government has committed to three social impact bond trials.

CSI also drew heavily on this research in its evidence to the Senate Economics Reference Committee hearing in Canberra on finance for the social sector.

Key findings:

- The social impact bond concept is feasible in NSW as the State has the necessary ingredients such as market conditions, not-for-profit capacity, social investment interest and government preparedness
- Policy areas potentially suitable for this kind of funding are juvenile justice, parenting support for vulnerable families, disability, homelessness and mental health
- It is possible to structure bonds so there is a balance of risk sharing between government, not-for-profits and social investors

Research focus: Financial exclusion index



In 2011 NAB and CSI completed the first detailed measurement of the extent of financial exclusion in Australia. Financial exclusion exists where people lack access to basic, mainstream financial services and products. The research found that an alarmingly high number of Australians fall into this category.

As the largest and most detailed study of its kind in the world, the findings generated enormous media interest in this important but largely overlooked issue. It also challenged the banking industry to develop products that meet the special needs of financially excluded individuals.

This project is a great example of collaborative action-research with a committed corporate partner that stimulates genuine public discussion and debate. The financial exclusion index will be repeated each year.

Key findings:

- One in seven Australian adults are either fully or severely excluded from accessing basic financial services such as a transaction account or a small personal loan
- The inability to access these services leaves people susceptible to predatory lending practices
- 2.65 million Australian adults would have difficulty raising \$3000 in an emergency and many lack access to basic banking services

Our achievements

Teaching

CSI is passionate about the quality and relevance of our courses. We make a positive social impact through the leading-edge learning experiences of students drawn from across the social, business and government sectors. Our graduates apply their learning in both current and new places of work and practice, sharing skills and knowledge with others as they go.



Not only did you help me realise it was time to change but also helped with the skills to succeed in this new [CEO] role



Bill Petch, Graduate Certificate in Social Impact (UNSW)



The cohort studying the inaugural graduate certificate at UWA has been a rich blend of professionals from corporate, government and not-for-profit sectors – adding a dynamic energy and knowledge bank to classroom discussions



Sonia Nolan, Graduate Certificate in Social Impact (UWA)

Overview

It was a milestone year for CSI's teaching program. In addition to many important and exciting developments, we celebrated the first graduating class in the Graduate Certificate in Social Impact.

UWA also offered the Graduate Certificate for the first time, with eight students graduating from the inaugural year's intake.

We continued to review and develop our subjects, incorporating new insights and knowledge and bringing leading-edge content into the classroom. We introduced a new unit on social impact bonds and social investment based on ground-breaking research by CSI.

And a greater focus on social innovation throughout the year had CSI's new Social Design Fellow Dr Ingrid Burkett contributing to teaching at both UNSW and UWA. Work was begun on a new subject, Design for Social Innovation, which will be co-taught at UNSW with the College of Fine Arts in 2013.

UWA developed a tailored philanthropy unit within the Social Investment and Philanthropy subject. We also launched a new experiential field study subject, with one student completing a major piece of work on the viability of a social enterprise café for Wesley Mission.

We are pleased that our courses and teachers continued to receive exceptionally high satisfaction ratings from students throughout the year. We will continue to adapt and evolve our teaching programs to ensure we remain at the forefront of education in this rapidly moving field.

"I chose to study this qualification because I wanted to learn about new ways to develop the social sector. I've always thought that business has to be part of the solution to social problems, and that civil society is the glue needed to bring us together"

"The course has enormously benefitted my work in my capacity as a board President of a Community Legal Centre, and in my paid employment as a policy worker and advocate. For example, I now have more of a well-rounded understanding of corporate responsibility frameworks. Most importantly, I have a clear vision of where the social sector is heading"

Antony McMullen, Graduate Certificate in Social Impact (Swinburne)

Enrolments:

Students enrolled in the Graduate Certificate in Social Impact program in 2011:

UNSW	SUT	MBS	UWA
23	5	23 (* 3 intakes)	19

Students also take individual Graduate Certificate in Social Impact courses as part of other degrees.

Student case studies

Luke Branagan



Not long after transitioning from a corporate role to account manager with the Australian Charities Foundation, Luke Branagan decided it was time to bolster his knowledge of the social sector.

“I had a reasonable understanding of not-for-profits, but what I really wanted was a deeper knowledge of corporate responsibility, social enterprise and similar emerging fields,” Luke said.

He believes that the Graduate Certificate in Social Impact was instrumental in helping him secure his current role as Executive Manager for the MLC Foundation.

“The course provided core competencies in social impact and an in-depth understanding of the sector. The wide range of electives allowed me to focus on building specific skills – in my case environmental studies.”

Luke also found the course great for networking. “I met some incredibly talented people from government, corporate and not-for-profits,” he said. “I particularly liked the Harvard-style learning, where you get a variety of views and everyone has to justify their opinions. It made for very robust and productive discussions.”

Andrew Douglas



Andrew Douglas is a social entrepreneur with a long history of developing projects around urban renewal, community development and employment.

In partnership with Mission Australia in 2009 Andrew created ‘Soft Landing’, a program that recycles old mattresses, provides employment for disadvantaged indigenous job seekers and delivers environmental benefits.

Andrew is also a graduate of the Graduate Certificate in Social Impact at CSI, and was the recipient of the Shark Island Foundation Scholarship.

“I felt I needed to ground some of the practical application of what we were doing in theory,” Andrew said.

“The Graduate Certificate has given me the skills to identify, develop, execute and evaluate new opportunities that blend business models to social purposes.

“The course gave me the additional experience of intimate interaction with the principal actors in the sector, provided amazing networking opportunities and access to the latest tools and trends both in Australia and abroad.”

Sarah Farmer



After four and a half years working at the coalface of business, government and community as a consultant with Manidis Roberts, Sarah Farmer felt it was time to extend and deepen the practice she was doing every day.

After some searching, she found the Graduate Certificate in Social Impact suited her best.

“I’ve always had an interest in adding value to the work I do, but felt I needed greater knowledge and structure around trends, theories and the language used in social impact.

“The Graduate Certificate was the only course I found that really talked about how the three sectors could work together, particularly around new and emerging topics such as social entrepreneurship and accounting for impact.

“The teachers were very engaged and they all brought something unique, such as international, political, academic or corporate experience.

“I think CSI is positioned as a leader in this field in Australia. Importantly it is a hub for students, researchers, teachers and practitioners and where we should be connecting.”

Our achievements

Engagement

CSI runs a range of engagement programs designed to promote knowledge, generate public debate, and build a community of people passionate about social change. We see engagement as helping connect the dots between institutions, groups and individuals from varied sectors and backgrounds, who all share a common interest in creating positive social impact in their world.

Overview

2011 was another busy and productive year. We ran 56 events in Sydney, Melbourne, Adelaide, Brisbane and Perth attracting more than 3,700 participants.

We continued to hold our regular special series of Yakety Yaks, Social Innovator Dialogues, quarterly Knowledge Connect reviews and co-produce the Sky Social Business program. Engagement grew across our many digital channels including CSI's website, blog and social media channels on Twitter, YouTube and LinkedIn.

The next phase of our engagement program will see greater consolidation and focus across our diverse portfolio of activities.

We will continue to grow our online community and facilitate meaningful discussion among our many followers and friends. And we will continue to promote effective social impact through targeted and high-impact events and communications.

We will also aim to improve the understanding of social impact among the broader Australian community. The PwC Transparency Awards, our invaluable blog, and continued engagement with mainstream media will be particularly important channels for raising awareness.



PwC Transparency Awards

Mission Australia and Camp Quality were the winners in the fourth PwC Transparency Awards held in Sydney in April 2011. Run jointly by PwC, CSI and the Institute of Chartered Accountants, the Awards aim to recognise and promote the quality and transparency of reporting in the not-for-profit sector.

In 2011 the Award categories were expanded to include organisations with revenue over \$20 million and organisations with revenue between \$5 million and \$20 million – a change designed to encourage smaller organisations to enter and to ensure entrants were judged against others of comparable scale. A most improved award was also introduced, which was won by Plan International.

The judges and jury members who assessed entries were pleased to report an increase in entrant numbers, as well as noticeable improvements in the standard of reporting by participants who have entered in prior years. Average scores of repeat entrants increased from 56% to 62% in 2011, indicating the Awards are playing an important role in encouraging quality reporting in the not-for-profit sector.

[Read the jury report](#)

Indigenous business, corporations and entrepreneurship conference

With a focus on Indigenous business, corporations and entrepreneurship, CSI (UWA)'s inaugural annual conference was a first of its kind in Australia. Held in Perth in December 2011, the conference provided an important platform for renewed discussion about Indigenous Australia, but within a broad and empowering context.

The theme recognised the significant recent growth in Indigenous business, a sector providing new opportunities for employment, income and wealth generation. More than 350 delegates and speakers from a diverse cross-section of backgrounds came to learn, network, collaborate and share best practice research and case studies.

The conference showcased Indigenous business ventures, the work of Aboriginal housing organisations and innovative community and social enterprises. Workshops focussed on opportunities for generating social impact through Native Title Agreements, as well as the role of collaborative partnerships in the resources sector to deliver better social and economic outcomes for Indigenous peoples. Feedback indicated the conference had a strong, positive impact on those who attended.

“

We have to look at how we can get our kids into business. We have to be part of it if we are going to lift our people out of poverty. ”

Warren Mundine speaking at the CSI (UWA)'s annual conference.



SROI Conference

CSI (UNSW), in partnership with Social Ventures Australia and PwC, hosted the first Measuring Social Impact Conference for the SROI Australia Network in Sydney in October 2011.

The conference kicked off with an introduction from Peter Shergold on the context for measuring and demonstrating social impact in Australia and a talk on charting the development of SROI internationally from the Chair of SROI UK, Jeremy Nicholls.

Other highlights included a series of Australian social investment case studies and a review of key learnings from SROI reviews by SVA's Kevin Robbie, and a discussion on social impact measurement at the community level by Raymond Trau from CSI (UWA).

During the year CSI also established a [LinkedIn group](#) for the SROI Network to distribute regular news updates and share knowledge resources.

➔ [See Peter Shergold's presentation](#)





Yakety Yak

Yakety Yak is CSI's regular dinner and conversation series, featuring exceptional individuals in the field of public and social innovation, corporate responsibility, social entrepreneurship or philanthropy. Broadcaster Peter Thompson interviews each guest, who then engages in facilitated discussion with the small, invited audience of leaders from the public, private, community and academic sectors.

Seven inspirational leaders shared their stories, ideas and insights for Yakety Yak in 2011: George Halkias, community leader and creator of the Big Issue's Community Street Socceros program; Phil Herreen, racing car driver and advocate for the Paraplegic and Quadriplegic Association of South Australia; Andrew Forrest, CEO of Fortescue Metals Group and champion of Indigenous employment; Simon McKeon, leading Australian social entrepreneur and 2011 Australian of the Year; Dorjee Sun, CEO of Carbon Conservation and one of TIME Magazine's Environmental Heroes of 2009; Thérèse Rein, entrepreneur and Australian Human Rights Medal awardee; and Ian Darling, AFI award winning documentary filmmaker and Chair of the Caledonia Foundation.

[See the interviews](#)



Social Innovator Dialogues

The Social Innovator Dialogues bring internationally renowned leaders in social innovation together with local change-makers to challenge us to think differently about the big issues affecting our communities. CSI partnered with The Australian Centre for Social Innovation and the Australian Social Innovation eXchange to present two outstanding Dialogues in 2011.

Charles Leadbeater, world expert on collaboration and innovation and author of 'We Think', tackled the idea of disruptive innovation to drive social change in government and the public sector. He discussed the importance of bringing fresh thinking to complex public policy challenges, such as creating better prison systems and improving end-of-life care.

Dan Hill, Strategic Design Lead at Sitra in Finland, shared his experience from the Helsinki Design Lab, an organisation that helps government leaders see the 'architecture of problems'. Their strategic design method, challenges decision-makers to view complex problems from a big-picture perspective, and encourages solutions that consider a problem's multiple dimensions.

Both speakers engaged and inspired their audiences with innovative thinking, stories and ideas.

[Watch the dialogue with Dan Hill](#)

Impact through policy development, partnership and reform

CSI played an active role in the development of public policy, reform and increased partnership working between government and the not-for-profit sector in 2011. This reflects our ambition to help build an Australia renowned for its professionalism and competence in delivering community benefit. Our engagement in this area included:

- Led by Director of Research, Les Hems, CSI (UNSW) conducted research into the feasibility of social impact bonds in New South Wales. This research has directly led to three pilot programs.
- Peter Shergold chaired the NSW Public Service Commission Advisory Board and served on the NSW Economic Audit. His particular interest is in how to improve the relationship between public servants and the not-for-profit organisations contracted to deliver government programs.
- Peter Shergold is the independent chair of the Partnership Forum that reports to the Premier of Western Australia. The aim of the forum is to improve the delivery of human services. Peter Shergold also serves on WA's Social Enterprise Funding Advisory Group, which makes grants to social enterprises.
- Professor Paul Flatau CSI (UWA) is the Chair of the Social Innovation Panel in Western Australia.
- CSI (UWA) delivered a report on policy options for the launch of the Social Enterprise Fund (\$10m), addressing the development and capacity building of WA's social enterprises.
- The Self Directed Services Forum was held at UWA, with 225 representatives from community organisations, government agencies, consumers of services and other representatives.
- Professor Paul Flatau, in partnership with WACOSS, was involved in training and development on funding and contracting government services around outcome-based procurement.

Knowledge Connect

[Knowledge Connect](#) is a quarterly literature review of the latest thinking on social impact, providing summaries of publications noteworthy to social sector leaders and innovators. During the year CSI released reviews on global philanthropy, social impact investing, social entrepreneurship, and volunteering. Luncheon seminars were held to facilitate discussion on the topic covered in each review.



Sky Social Business

Co-hosted by CSI's Peter Shergold and Sky News presenter Brooke Corte, [Sky Social Business](#) is a monthly discussion about the latest news in corporate responsibility, philanthropy, volunteering and not-for-profit activity. In 2011 the show featured prominent and inspiring leaders such as CEO of World Vision Australia Tim Costello, NSW Treasurer Mike Baird, leading fund manager Chris Cuffe and CEO of AICD John Colvin.



CSI social media and blog

Our use of social media and digital tools continued to grow during 2011, with CSI's social profiles receiving many views and tweets. In February we launched the CSI Blog as a forum for discussion and debate on topics related to social impact. Both staff and guest bloggers posted regularly throughout the year, leading to energetic debate on topics as wide ranging as bottled water to the 'war for talent'.



Our investors

CSI was established in 2008 with \$12.5m funding from the Commonwealth Government. In 2011, we reached our target of matching this funding with cash and in-kind contributions from our partners and supporters.

We are grateful for the continued support of investors and supporters that enable us to meet our mission and our goals.

Founding partner support

	Total Commitment	2011 Contribution*
Commonweath Government	12,500,000	834,489
Founding Funders		
Robin Crawford	1,000,000	200,000
Gonski Foundation	1,000,000	200,000
Warwick Negus	1,000,000	-
Daniel Petrie	1,000,000	200,000
Founding Partners		
Macquarie Group Foundation	2,000,000	200,000
AMP	1,000,000	-
National Australia Bank	1,000,000	400,000
PricewaterhouseCoopers	1,000,000	200,000

*Funding generally received over several years

Research project partners

In addition to the Founding Partners above, we thank the following significant funders of research projects during 2011 including:

Woolworths, NSW Government, Telstra, Stockland, BHP Billiton, Mission Australia, United Way, City of Sydney, UBS, Origin Foundation, Australian Scholarships Foundation, Parramatta City Council, Corrs Chambers Westgarth, JBWere, The Young Foundation, City of Ryde Council, Housing NSW, Australian Institute of Company Directors, Department of Prime Minister and Cabinet, Department of Employment Education and Workplace Relations, Australian Housing and Urban Research Institute, Australian Research Council.

Scholarship supporters

We received over \$100,000 in support for CSI Graduate Certificate scholarships in 2011. Both CSI and our students who received scholarships are grateful to the support of:

AMP Foundation, Chief Executive Women, Clayton UTZ, Commonwealth Bank, Mr Ian Darling, Freehills, Foxtel, The Hunt Family Foundation, Macquarie Group Foundation, Microsoft, Nab, Nelson Meers Foundation, PwC, Qantas Foundation, Richard and Julia Fleming, Sidney Myer Foundation, Stockland Development Ltd, Mr Kim Williams and the Yulgilbar Foundation.

In-kind support

Since CSI's inception, we have also relied on in-kind support. We greatly value the \$0.78m of in-kind support we received in 2011 from:

AMP, Arts Queensland, Egon Zehnder International, JBWere, Macquarie Group, NAB, PwC, Stockland, TAFE NSW and our Founding Universities (the University of NSW, Swinburne University of Technology, Melbourne Business School and the University of Western Australia).

Our finances

For the year ended 31 December 2011

Profit & Loss	2011	2010
Income		
Commonwealth Grant ¹	834,489	3,269,647
Donations & Sponsorships	1,515,627	1,409,200
Executive Programs	31,306	83,822
Graduate Certificate	227,580	151,824
Research & Projects	540,745	423,257
Interest	1,398,256	1,230,616
Other Income	4,586	11,500
In Kind Contributions	781,863	1,069,278
Total Income	5,334,453	7,649,144
Expenses		
Salaries & Oncosts	2,115,096	1,985,446
Contract & Consulting Services	229,330	373,216
Consumables & Office Costs	65,693	52,170
Travel & Accommodation	121,537	166,018
Marketing	91,929	61,098
Room Hire & Catering	95,340	114,355
Scholarships, Grants & Donations	155,260	208,896
Partnership Payments	316,774	352,273
Other Expenses	25,567	19,634
In Kind Contributions	781,863	1,069,278
Total Expenses	3,998,388	4,402,384
Surplus / (Deficit)	1,336,065	3,246,761
Less: Commonwealth matching funding preserved	(834,489)	(3,269,647)
Less: Donations & sponsorships preserved	(501,576)	22,886
Unrestricted Surplus / (Deficit)	0	0

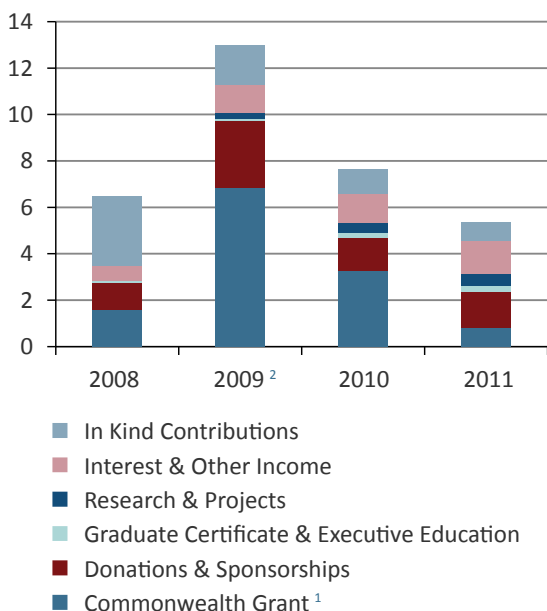
Notes 1. The Commonwealth Grant has been recognised in the year in which it was matched by other funding (cash and in-kind). The last of the \$12.5m was recognised in 2011.

For the year ended 31 December 2011

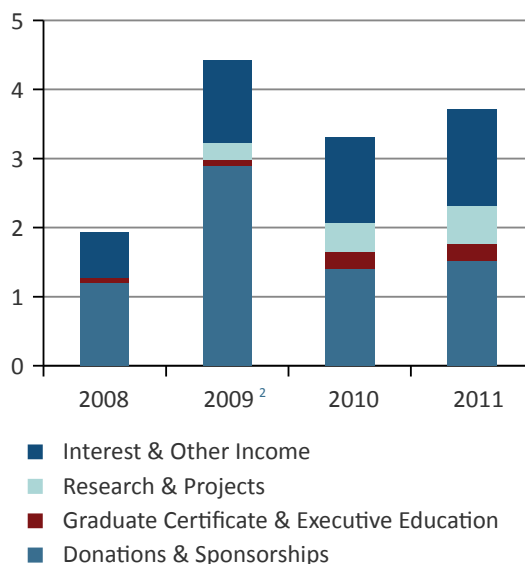
Balance Sheet	2011	2010
Assets		
Petty Cash	400	400
Accounts Receivable	46,898	69,847
UNSW Trading Account	40,088	2,607,620
Investment Current HTM Term Deposit	3,191,937	0
Investment NC Bond	10,220,930	10,220,930
Investment NC Term Deposit	2,155,805	2,155,805
Total assets	15,656,058	15,054,601
Liabilities		
Prepaid Income - Grant	0	(834,489)
Sundry Creditors & Provisions	(99,941)	(60)
Total Liabilities	(99,941)	(834,549)
Net Assets	15,556,117	14,220,052
Equity		
Retained Earnings	0	0
Commonwealth matching funding preserved	12,500,000	11,665,511
Donations & sponsorships preserved	3,056,117	2,554,541
Unrestricted Surplus / Deficit for the year	0	0
Total equity	15,556,117	14,220,052

How we generated our income

Total income (\$m)

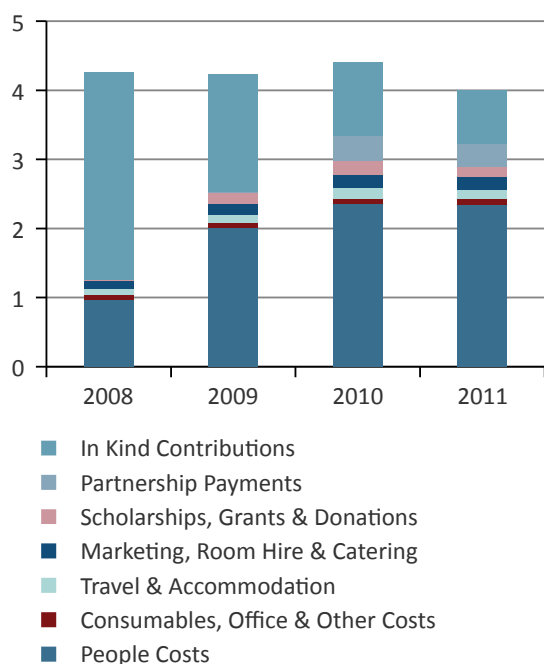


Income excluding Commonwealth funding and in-kind contributions (\$m)

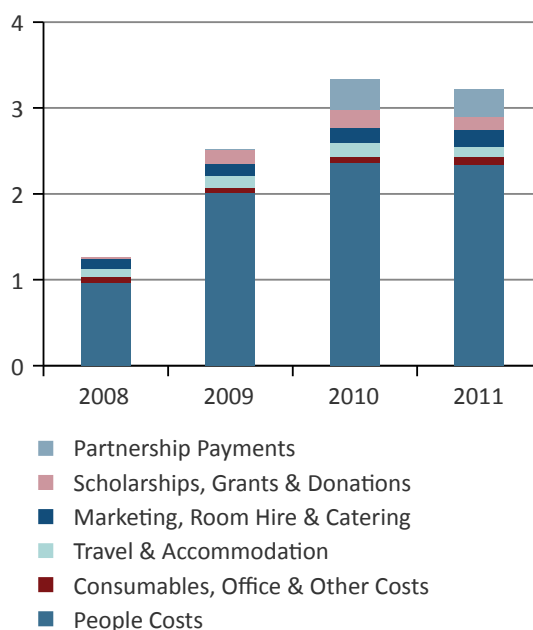


How we applied our resources

Total expenditure (\$m)



Expenditure excluding in-kind contributions (\$m)



Notes

1. The Commonwealth Grant has been recognised in the year in which it was matched by other funding (cash and in-kind). The last of the \$12.5m was recognised in 2011.
2. Donation and Sponsorship Income in 2009 included the entire \$1m contribution from AMP

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