



VOICES OF OUR SUCCESS

EXECUTIVE OVERVIEW

SHARING THE STORIES AND ANALYSIS FROM
THE 2014 INDIGENOUS GOVERNANCE AWARDS



AUSTRALIAN
Indigenous
Governance
INSTITUTE

Foreword



THE INDIGENOUS GOVERNANCE AWARDS (AWARDS) ARE AN EVENT WHICH YIELD SO MANY POSITIVE LESSONS.

They illuminate the untold achievements of Indigenous organisations and bring into the public eye manifold stories of success. The 2014 Awards make it clear that when Aboriginal and Torres Strait Islander people are empowered to take the lead anything is possible.

For me, being a judge of these Awards is an absolute honour. I wish all Australians could see and hear what I have on the site visits to the finalist organisations over the past 10 years. I truly believe that if they did, many would hold a completely different view of Aboriginal and Torres Strait Islander people because the dialogue is starkly different from the public discourse we have for too long had to endure. This dialogue focuses on success and achievement; it speaks of innovation and resilience; and is founded on trust and respect.

In 2014 we received stellar applications from 113 Indigenous led incorporated organisations and non-incorporated organisations and projects. Together they symbolise viable solutions to the numerous social and economic issues affecting Indigenous Australia. Based on principles of self-determination, cultural legitimacy, innovation, practical effectiveness and resilience, these Indigenous led organisations have succeeded in creating change in their local communities where too often outsiders have failed. Their use of effective governance strategies has helped drive real, positive outcomes in the communities in which they operate. They are an inspiration to Aboriginal and Torres Strait Islander First Nations, our organisations, and many other Australians. I commend them.

Professor Mick Dodson AM
Chair, Indigenous Governance Awards

Introduction

At a glance

The Awards celebrate success in Aboriginal and Torres Strait Islander organisations nationwide. The Awards provide a fantastic opportunity to gain insight into current practices, understanding and innovation in Indigenous governance.

An analysis of the top-ranked 2014 Awards applicants' governance solutions are presented in **'Voices of Our Success: Sharing the Stories and Analysis from the 2014 Indigenous Governance Awards'** published by the Australian Indigenous Governance Institute and Reconciliation Australia.

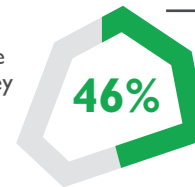
Here we share an overview of key findings. The full report is available at www.aigi.com.au.

Organisations exemplify adaptive, responsive and sustainable governance with the majority in operation for well over a decade



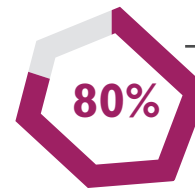
71% of incorporated applicants established before the year 2000.

Organisations are 'for purpose'; prioritising design of governance and operations to suit those they serve



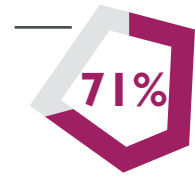
Only 46% of incorporated applicants are registered under the Office of the Registrar of Indigenous Corporations (ORIC). About half describe themselves as not-for-profit.

Organisations are exploring innovative ways to fund culturally informed and effective programs

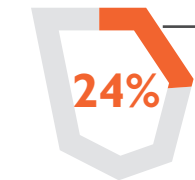


80% of incorporated applicants' financial plans focus on diversification to reduce reliance on grant funding.

71% of incorporated applicants utilise a mixed funding model that combines: corporate philanthropy, NGO partnerships, self-generated income and government grants.

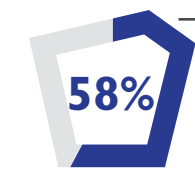


Despite widespread funding uncertainty, organisations are rapidly expanding to meet community demand



24% of incorporated applicants are in a period of organisational growth and governance improvement.

Organisations are diverse and are supporting their future leaders



58% of non-incorporated applicants run youth engagement programs and initiatives as part of their operations.

Half of the directors of the top 500 ORIC corporations are women.



Culture plays a central role in effective operations

76% of incorporated and...



...68% of non-incorporated applicants use culture-smart solutions throughout their governance arrangements and organisational practices.

Indigenous leadership underlies self-determination



Half of the incorporated applicants identify as being 100% Indigenous led.

What counts

INNOVATIONS AND EMERGING TRENDS

“Culture underpins everything we do, and it is at the root of all our planning and decision-making; the way we recruit, select and induct our staff; the content and language of our training materials; the way we approach training and service delivery for our students; and the behaviour of our staff and Management Committee.”

Marr Mooditj Training Incorporated

“We recognise that the journey to recovery and self-determination will only be successful if we incorporate a great, and real appreciation for our cultural traditions and beliefs. We create and structure our working environment and programs around Indigenous knowledge and worldviews.”

Marninwarntikura Fitzroy Women’s Resource Centre

The applicants of the 2014 Awards confirm what we already know: that strong governance is a change enabler. What additionally stands out about the applicants is that they are inherently ‘for purpose’. These organisations strongly prioritise mutual accountability and innovatively craft governance arrangements to ensure that projects, services and programs serve the interests of those they impact.

To ensure that the appropriate interests are served, Indigenous organisations embed multiple opportunities for client, stakeholder and community input in organisational structure, systems and operations makeup. These processes result in the placement of community and culture at the crux of organisational governance and operations, which proves crucial in establishing the legitimacy and ‘social licence’ of an organisation. Importantly, it equips organisations with the capacity to serve and empower their own communities to address local social, cultural and economic needs.

The critical setting of cultural practices and values in Indigenous organisational design is a fundamental discussion point. The Awards reinforce the fact that Indigenous peoples and their organisations deem culture-smart ways of working and interacting as essential to all aspects of their governance. Applicants consistently demonstrate the influence of culture in shaping their organisation’s strategy, operations and functionality.

In fact, culture is an underpinning imperative for self-determination, sustainability and efficacy within Indigenous organisations.

The culture-smart approach places organisations in the best position to create solutions that reflect the aspirations of Indigenous peoples.

These insights into Indigenous governance are significant to current discussions around mainstream corporate culture. According to ASIC’s 2014-15 strategic outlook report, poor corporate culture is a key risk driver of conduct that threatens the integrity of organisations and industries. Culture is defined in this context as the shared set of values and assumptions that reflect the underlying mindset of an organisation. Understood in these terms, ASIC contends that poor organisational culture leads to poor decision-making, often at the expense of consumers and investors, which erodes trust, integrity and an organisation’s social legitimacy. As corporate culture becomes subject to increased watchdog scrutiny, the lessons that the mainstream corporate sector can learn from the fundamental nature of cultural and social legitimacy in guiding Indigenous organisational conduct are evident.

By pursuing the methods described, Indigenous organisations are able to function in a culturally informed and productive manner. This is the often-untold story of Indigenous success in serving community needs: of Indigenous led solutions sustained by strong governance. By supporting this, we can help unlock change and prosperity in Indigenous communities.

Key findings

CULTURE-SMART

'Culture-smart' solutions are governance arrangements that are determined locally, capture members' priorities, resonate with their cultural values and relationships, and enable outcomes to be achieved. These arrangements are developed in a deliberate, considered and performance oriented manner emphasising practical applications that are workable and credible at the local level. This approach to governance innovation builds on existing Indigenous capabilities and expertise and reinforces collective identities and rights.

In both 2012 and 2014, applicants identified culture as being at the heart of their operations and core values: that is, how the organisation conducts business externally, its structure and internal culture. This is a critical component of their mandate from members to govern, not the statutory rule book or constitution. Decision-making is an area where Indigenous cultural values and social processes appear to play a crucial role. This includes making sufficient time for issues to be considered and reconsidered by the governing body, community members and Elders, in order to mobilise a consensus, support informed decision-making and collective buy-ins for follow-up action. Importantly, applicants are backing up these preferred cultural processes with hard-headed mechanisms that enable them to delegate accountability, stay on top of monitoring the implementation of decisions, and to provide the governing body with regular 'action updates'.

56% of incorporated applicants identify reserved positions on the governing body as an important method of creating equal representation for particular Indigenous groups/interests within the operational region.

INNOVATIVE MODELS

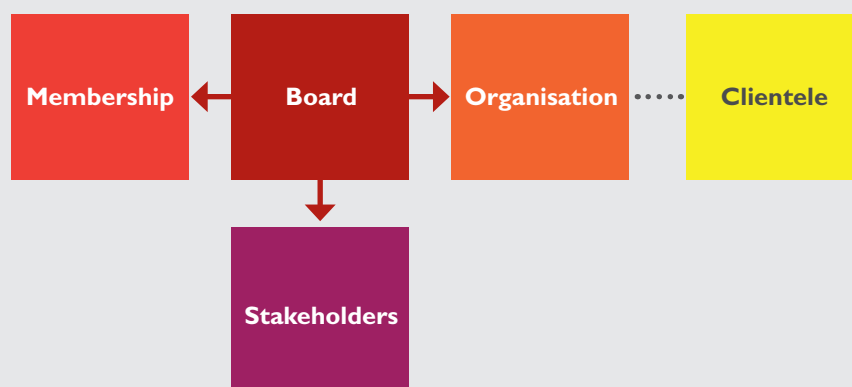
Applicants are devising innovative governing structures and representatives' selection processes in response to local conditions and circumstances addressing the social, cultural and geographic requirements of their communities. Equitable representation is a central priority. Dedicating reserved positions for particular Indigenous groups/interests is an important method for creating fair representation of the different groups within the operational region. These frequently reflect traditional family and social structures, knowledge and rights holders, and geographical distribution. A variety of culture-smart devices remixing traditional relations, reserved positions, nomination and voting are applied. Often this features widespread consultation prior to formal endorsement of the solutions. This ensures structures and selection processes that are fair, not in the standard democratic understanding, but in the resultant sharing of authority across all relevant parties.

The mutual levels of accountability within Indigenous organisations are a stand out feature. In the applicants' governance models we effectively see the governing body involved in a 3-way accountability system: to their membership, the organisation (its staff and clientele) and wider stakeholders.

This is in contrast to standard corporate law principles where the board's primary duty is toward shareholder interests. Applicants frequently note their directors' high level of commitment, participation and connection as key reasons for organisational and project success. In turn, individuals' familiarity and respect for their leaders ensures trust in the capacity of the governing body and generates high levels of engagement with the organisation.

Applicants are incorporating under a variety of organisational types fit for their purpose: corporations, associations, trusts and co-operatives. As existing legal structures may not entirely suit their needs, many are innovatively navigating governance arrangements within current options. Interestingly, less than half (46%) of applicants are registered under the Office of the Registrar of Indigenous Corporations (ORIC). This analysis features a relatively small sample size, however it suggests that half of the Aboriginal and Torres Strait Islander organisations in operation are registered outside of ORIC and, therefore, there potentially exists double the number of organisations identified by ORIC. Further analysis is required to more fully understand the number and characteristics of Indigenous organisations.

Indigenous three-way accountability



SKILL-BASED GOVERNANCE

In order to select a suitable governing body, applicants consider a variety of factors. These include: the extent to which age, gender, background, work history and cultural groups are represented, alongside a mix of professional skills and experience, so that the responsibilities of the governing body are met. Some applicants identify external stakeholder appointments as an effective way to balance community representation and business expertise. These organisations hold a number of positions for independent or non-member directors with specialist skills and knowledge in operational fields. Simultaneously, applicants express the intention and/or presence of policy to ensure maintenance of a majority Indigenous board.

Building governance capacity is a strategic organisational priority.

76% of incorporated applicants are investing in governance and professional skills development activities for their governing body.

Applicants carefully consider their leadership's suitability for governance by identifying a number of qualities, skills and characteristics necessary for effective leadership. Local community and cultural understanding are important for governing. So too are acquiring new skills and areas of expertise for board roles and responsibilities; for example, financial literacy, running meetings, chairing, negotiation and mediation skills, policy making experience, public speaking and strategic planning. Importantly, a number of the applicants invest in governance development to encourage community membership on boards by supporting people with local knowledge and leadership qualities to develop complementary directorial skills.

ADAPTIVE GOVERNANCE

It is clear that the ability to engage in adaptive (flexible and able to change) governance is a critical factor in resilience over the long-term. This is particularly true in the face of challenges. Funding uncertainty, the lack of funds and/or an erratic and unstable funding environment, are common challenges for applicants. This impacts upon many of the determinants of effective Indigenous governance including the ability to plan, build organisational capacity, offer culturally informed services, provide training and retain stable staff and leadership. In response to this environment of funding uncertainty, an increasing number of applicants are pursuing methods of income diversification. This includes: developing a mixed funding model, identifying additional revenue streams, refining fundraising strategies, and exploring new forms of investment including enterprise development opportunities. Applicants also prioritise creation of new external partnerships to better align service delivery, share resources, foster innovation and increase impact.

In the context of changing conditions or the expansion of functions, applicants describe the need to reassess the 'fit' of their governing model. For several organisations, the management of rapid growth to meet community demand presents a key challenge; namely that existing structures cannot support the new size and complexity of offerings. To address this, applicants are re-developing the overall organisational structure to fit new circumstances and/or establishing cross sector collaboration with fellow Indigenous organisations. Many describe the creation of specialist roles to support administrative and governance management, providing training programs, while developing new policies and charters to support staff, services and programs as they evolve. The lesson here is that governance solutions are not final; they need to be reviewed, and at times reshaped, as changes arise.

RESPONSIVE GOVERNANCE

In line with the ethos of mutual accountability, applicants are characterised by being committed to a culture of continuous improvement. They are highly responsive to feedback and prioritise the need to create opportunities to engage with their members, clients, stakeholders and wider community. These opportunities occur in a number of ways. Applicants host local gatherings such as community open days or NAIDOC events to foster positive relationships. Stakeholders are kept up to date via AGMs, open meetings and annual reports. Joint strategic planning days with members, staff and partners open up the decision-making process for direct input. Thorough, fair and clear complaints procedures capture areas in need of change. For many applicants, informal interactions through the staff and directors' local community and family connections, daily work in the community, or membership on various other committees are equally important for gathering information on issues and preferences.

eGOVERNANCE

All the applicants are putting considerable creative thought into how new media and technology can support their governance and operations. These include website content (blog, events calendar, annual and financial reports, policies, photos, interviews, videos), email, electronic newsletters, media releases and social media such as Twitter, Facebook and LinkedIn.

For many organisations, the electronic age helps to enhance their governance strategies. The low cost, convenience and adaptability of electronic communication tools are particularly crucial to the functioning of non-incorporated groups.

eGovernance enhances capacity to communicate with members, clients and stakeholders and facilitates internal relations.

73% of incorporated and 63% of non-incorporated applicants utilise electronic mediums.

These media platforms facilitate effective communication with residentially dispersed members, staff operating across varied service areas and with board members in different communities. More and more organisations also present their cultural vision and governance charters up on their websites, as a way of telling the culture story for their governance.

DATA GOVERNANCE

Applicants frequently describe data as critically important in their approach to developing and re-designing programs and services in line with community needs and priorities. Organisations are proactive in seeking feedback from clients and stakeholders via surveys, service provider evaluations and more informal means such as community meetings or social media.

Client and stakeholder feedback facilitates organisational effectiveness.

68% of incorporated organisations utilise client and stakeholder feedback to measure their impact.

As part of strategic planning, applicants collect information on many facets such as program attendance, participation and outcomes to evaluate impacts and identify areas in need of change. Furthermore, data are presented as evidence to funding bodies in support for program demands and design. Noticeably, less than a quarter of applicants use the financial and performance reports that they prepare for external funding bodies as a tool for their own performance evaluation. This indicates an opportunity for funders to work together with organisations to redesign reporting processes that better align with community, donor and grantee purposes.

INVESTMENT IN PEOPLE

Critically, applicants are highly invested in the governance and professional development of their leaders. Not only do they attend one-off workshops by external providers, they also take steps to establish internal training and professional development. By offering ongoing training and development opportunities throughout the year, the governing body members receive sustained mentoring and support. This also allows governance training to be customised around local ways of exercising authority, decision-making and accountability, as well as meeting the specific skills/knowledge needs of current members.

Applicants are also committed to local investment: a targeted investment in the capacity of local Aboriginal and Torres Strait Islander community or nation members. Many report the intention to employ, train and develop opportunities for local Indigenous people. These initiatives include Indigenous employment strategies, transition to work programs, ongoing training and professional development activities and career pathways support. Applicants utilise professional development strategies to identify the specific training and development needs of their staff. They develop tailored plans that consider skill gaps within the organisation as well as the individual's wishes, skill needs, future career direction and potential areas for growth of the individual.

Local investment is a growing priority.

95% of incorporated applicants provide training and development activities for staff members while 29% describe a focused intention to employ, train and develop opportunities for local Indigenous people.

SETTING THE AGENDA

Aboriginal and Torres Strait Islander people in leadership and decision-making positions are a central component of self-determination. Many applicants stress that the organisation and its services should be representative of the whole communities they serve: encompassing the philosophy of 'community control'.

A strong relationship with community and stakeholders is a central component of self-determination.

They note that community engagement is beneficial in building strong relationships with members, clientele, stakeholders and wider community, and in turn, their capacity to deliver projects and programs in line with community priorities. Engagement occurs through representation in the organisational structure and selection processes, and through hosting cultural events, programs and community gatherings.

Applicants prioritise independence and ability to set their own agenda, program design and solutions as important conditions of effective governance. Often this is described in contrast to government-supported programs, which are frequently directed by a fluctuating policy agenda. Overwhelmingly, applicants describe their underlying purpose as provision of holistic, responsive and (most importantly) culturally informed initiatives. They understand their organisation as 'giving a voice' to local Aboriginal and Torres Strait Islander priorities and ways of working. Many describe deliberate strategies of funding diversification to create independence around selection of offerings and delivery mode. Through diversification of income streams, organisations hope to maintain their focus and standards of service without external factors requiring any compromise.



Australian Indigenous Governance Institute

The Australian Indigenous Governance Institute (AIGI) is an Indigenous led national centre specialising in governance knowledge and excellence. We envision a future Australia where Indigenous nations can pursue and exercise their right to self-determination and economic development through strong self-governance. We know that practical, effective and culturally legitimate governance is the fundamental building block for delivering real change. AIGI supports the economic, social and cultural aspirations of Aboriginal and Torres Strait Islander peoples by connecting them with world-class governance practice, research, thought leadership and educational resources.

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