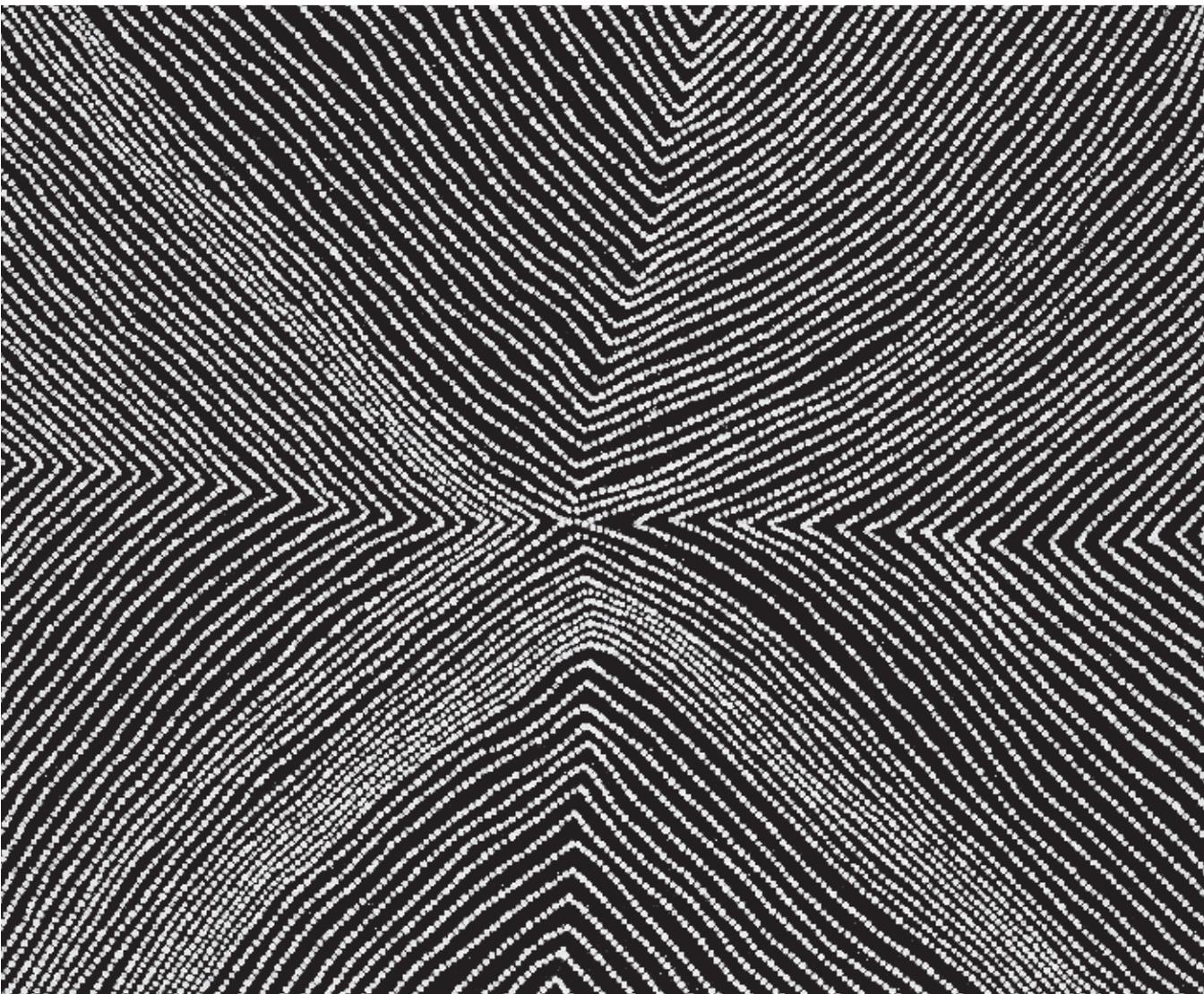


Many Connections, One Goal Closing the Gap



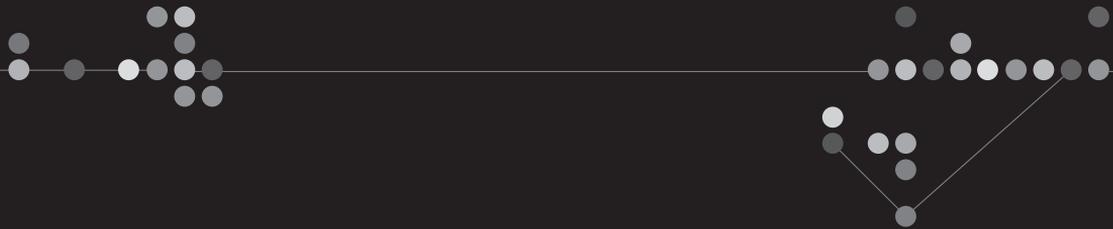
BUSINESS COUNCIL OF AUSTRALIA



Cover:
Leonie Napaltjarri. *Tingari Dreaming*, 2006

Leonie Napaltjarri (born 1948) is an emerging Pintubi artist who began painting with the Papunya Tjupi Arts Centre. Leonie's paintings depict events associated with the sacred Tingari Cycle, a mythological story of exploration.

© Leonie Napaltjarri. Licensed by Viscopy, 2009.
Courtesy Japingka Gallery



A report on the Indigenous engagement strategies of the BCA and its members

Part 1 of this report summarises the results of a survey prepared and conducted by KPMG in conjunction with the Business Council of Australia (BCA). Part 2 updates progress against the BCA's Indigenous engagement initiatives and includes a 'Statement of Intent' issued by the BCA Indigenous Engagement Task Force.

The Business Council of Australia (bca.com.au) is an association of CEOs of 100 of Australia's leading corporations. These companies represent a combined national workforce of around one million people. The BCA develops and advocates public policy reforms that position Australia as a strong and vibrant economy and society.

The BCA aspires for Australia to be the best place in the world in which to live, learn, work and do business. This is an ambitious vision, all the more so because we believe it must apply to Indigenous and non-Indigenous Australians alike.



CONTENTS

INTRODUCTION: MAKING A START **02**

PART 1: BCA INDIGENOUS ENGAGEMENT SURVEY:
SUMMARY OF FINDINGS **04**

METHODOLOGY **04**

KEY FINDINGS **04**

LOOKING BEHIND THE NUMBERS **05**

MOTIVES FOR ENGAGEMENT **05**

IMPLEMENTATION: DEDICATED RESOURCES
AND COLLABORATION **14**

SUCCESSES **15**

CHALLENGES **16**

LESSONS **18**

CONCLUSIONS AND FUTURE PRIORITIES **21**

PART 2: UPDATE ON BCA ACTIVITIES, AND BCA INDIGENOUS
ENGAGEMENT TASK FORCE STATEMENT OF INTENT **22**

Introduction

Making a Start



At a dinner in 2008 marking the 25th anniversary of the Business Council of Australia, BCA President Greig Gailey announced a number of BCA initiatives aimed at delivering better opportunities and outcomes for Indigenous Australians, in turn benefiting all Australians.

One commitment was to annually report on the Indigenous engagement strategies, outcomes and experiences of BCA member companies from 2009. Part 1 of this report marks the BCA's first effort to fulfil that obligation. Part 2 updates progress against the BCA's additional commitments.

Some BCA member companies have significant, well-established and successful Indigenous initiatives in place. And engagement among the broader membership is gaining momentum. While there are many reasons for this, BCA members identify the Apology in February 2008, and the federal government's 'closing the gap' commitments, as important catalysts.

Explicit government expectations about the role of business in improving Indigenous disadvantage, particularly through employment, have also influenced business action.

The aim of this report is to raise awareness of the actions of BCA members to enable Indigenous Australians to better participate in and benefit from our national prosperity. A priority is to draw out lessons and experiences to improve the effectiveness of strategies and to promote collaboration.

By highlighting these strategies and actions, it is hoped that more businesses will be encouraged to contribute to resolving one of Australia's most entrenched economic and social failures. While this report focuses on actions being undertaken by some BCA members, more businesses will need to become engaged individually and in collaboration with others if we are to close the gap on Indigenous disadvantage.



‘Like many of the challenges we face as a nation, government cannot close the gap alone. Everyone – the corporate world, the non-government sector, Indigenous communities – has a part to play. That’s why the BCA’s announcement tonight is a positive development. It tells the country, and Indigenous Australians in particular, that the corporate sector is collectively buying into this national challenge.’



– Prime Minister Kevin Rudd in a speech to the BCA 25th Anniversary Dinner, 30 October 2008

This report marks our first reporting effort. As experience grows, the BCA will endeavour to capture more detailed information and data on outcomes, and promote effective strategies and ‘best practice’.

Throughout this report, the term ‘Indigenous’ is used to describe Aboriginal and Torres Strait Islander peoples.

Part 1

BCA Indigenous Engagement Survey: Summary of Findings



Methodology

This report contains an analysis of information collected through an online survey prepared and conducted by KPMG in conjunction with the Business Council of Australia.

The survey sought to determine what types of Indigenous initiatives companies have implemented, the motives for adopting those initiatives, lessons learned, and member views on the role of the BCA in supporting Indigenous engagement. The survey was made available to all BCA members for completion between June and August 2009.

Survey results have been augmented by information drawn from publicly available material and from member company feedback, including through the BCA Business–Indigenous Network (discussed below). Additional information and feedback have been incorporated to illuminate survey findings.

Key findings

The survey was made available to all BCA members, and 35 responses were received. This means that around one in three BCA member companies participated.

All respondents are large employers. Only one has fewer than 1,000 employees, while 11 respondents have more than 20,000 employees.

The majority of respondents (80 per cent, or 28 companies) have implemented one or more Indigenous initiatives. From this it is reasonable to conclude that companies participating in the survey are among the most active within the BCA membership in adopting Indigenous strategies.



While there is a wide diversity of initiatives being implemented, education and employment initiatives are the most common (accounting for 42 per cent of reported initiatives). Larger companies were more likely to have employment-related initiatives in place, although 80 per cent of survey respondents (28 companies) reported that they had identified Indigenous employees.

Many respondents have adopted formal frameworks and strategies to guide their efforts and/or have made clear public commitments relating to their initiatives.

The results showed that:

- 60 per cent of respondents (21 companies) have a formal Indigenous employment strategy or program in place.
- 26 per cent of respondents (9 companies) have a Reconciliation Action Plan and a further 14 companies plan to develop one within the next one to three years.
- 26 per cent of respondents (9 companies) are signatories of the Australian Employment Covenant.

The majority of companies implementing initiatives collaborate with one or more external organisations in doing so (71 per cent of respondents).

The vast majority of respondents are prepared to share their experiences (88 per cent) and partner with other businesses on Indigenous initiatives (86 per cent).

Looking behind the numbers

In addition to collecting quantitative information, the survey sought qualitative feedback from member companies implementing Indigenous initiatives. The following section focuses on the qualitative aspect of BCA member engagement. The analysis reflects the responses and feedback from the 28 BCA member companies with initiatives in place.

Motives for engagement

Survey respondents were asked about the main motives underpinning implementation of Indigenous initiatives. The two most commonly cited factors can be summarised as improving engagement and business reputation in the community, and strengthening workforce capacity and capabilities.

Improving community engagement and business reputation

For companies operating in remote locations, Indigenous communities are significant stakeholders – as potential customers and employees, and in terms of the right to operate – and there is a clearly identifiable ‘business case’ for engagement. Not surprisingly, many companies operating in remote locations are at the forefront of Indigenous engagement from a business perspective.



Even where relationships to Indigenous communities are not as obvious, businesses are increasingly adopting Indigenous initiatives. This reflects recognition among businesses of their role in the wider community and the growing importance the broader community is placing on addressing Indigenous disadvantage.

‘Not only have we been able to take concrete steps towards improving the lives of Indigenous people; we’ve also started to experience real business benefits as a result of our improved engagement with Indigenous Australians.’

– ANZ Reconciliation Action Plan progress report, 2008



This ‘corporate social responsibility’ or ‘corporate community investment’ motive for Indigenous engagement is an important one for many respondents. A growing number of BCA members are themselves personally committed to supporting meaningful reconciliation and the development of strong, vibrant and healthy Indigenous communities and people. More than one respondent indicated that addressing Indigenous disadvantage was simply ‘the right thing to do’. But companies also derive direct benefits from their initiatives.

Strengthening workforce capabilities

Attracting and retaining staff, and building skills, workforce capabilities and productivity are important priorities for business. They are also important motivators for companies implementing Indigenous initiatives.

Corporate community investment programs, including Indigenous engagement initiatives, provide a strong and visible demonstration of corporate values and culture and can enhance the ability to attract and retain staff and skills. BCA members consistently refer to this benefit flowing from their Indigenous programs. In fact, BCA members have remarked that new recruits are often more interested in these programs than anything else. Companies also report improved morale and motivation among employees engaged in Indigenous initiatives.

Survey responses indicate that Indigenous initiatives and greater workforce diversity broaden the skills and perspectives of employees. This is particularly valuable for emerging managers and corporate leaders, but also sparks innovation and new approaches throughout the workplace.

‘I was challenged and enjoyed overcoming my own limitations.’

‘The most challenging and rewarding experience of my working life.’



- Feedback from employees seconded to work with Indigenous communities as part of programs facilitated by Indigenous Enterprise Partnerships (iep.net.au).

More broadly, enabling diversity increases the size of the labour pool companies can draw on, particularly in areas of acute labour and skills demand.

Other drivers

A range of additional drivers were cited by survey respondents. Most frequent among these is the desire to grow the customer base and increase customer diversity.

Diversity of approach

As noted above, the most common Indigenous initiatives adopted by survey respondents target employment and education. This reflects the fundamental role that employment and education play in enabling social and economic inclusion.

Lifting cultural awareness is another common strategy. Other initiatives focus on creating new products and services, developing Indigenous businesses, and building capacity and leadership skills in Indigenous organisations and communities.

Employment

BCA members are large employers and, not surprisingly, job creation and improved employment outcomes for Indigenous Australians are high priorities for survey respondents.

The announcement of the Australian Employment Covenant (see Exhibit 1) has provided further impetus to these commitments and initiatives.



Exhibit 1

The Australian Employment Covenant (AEC)

The AEC (fiftythousandjobs.com.au) is an initiative aimed at securing 50,000 sustainable jobs for Indigenous Australians. Backed by a three-way commitment between employers, the Australian Government and Indigenous

people, this initiative seeks to break the vicious cycle of unemployment and poverty amongst Indigenous Australians by adopting a 'learn or earn' policy for all those who have the capacity to work.

Some companies have Indigenous employment strategies that broadly aim to reduce barriers to Indigenous employment, target Indigenous recruits, and better support job retention. The survey results showed that:

- 60 per cent of respondents (21 companies) have Indigenous employment strategies.
- 14 companies have specific employment targets. Targets range from 'under 20' (two companies) to 'more than 500' (three companies), with the most frequent commitment being in the range of '200 to 500' (five companies).

Another way companies seek to improve employment opportunities is by strengthening the transition of Indigenous people from school and/or training into sustainable employment. Because the Indigenous population is so much younger than the broader population, ensuring young Indigenous people develop skills and opportunities is a key priority for 'closing the gap'.

Survey respondents have a range of programs that aim to provide young Indigenous people with the opportunity to continue their education and training while building skills and experience at work. Some programs focus on job pathways from school, while others encourage participation in higher education and target the transition to university and from there to work.

It is common for employment and traineeship initiatives to be supported by cultural awareness training, mentoring programs (or 'buddy' systems), and engagement with wider family members to boost the likelihood of success and to increase retention rates and duration.

Feedback highlights that in some instances quite intensive support is also provided in the early stages of employment, particularly at the entry level, for example by organising transportation to and from work.

A key feature of BCA member companies involved is the preparedness to discuss employment initiatives and experiences and to share lessons learned. Rio Tinto deserves special mention in this regard (see Exhibit 2).



Exhibit 2

Rio Tinto: Promoting Effective Employment Strategies

Rio Tinto employs more Indigenous Australians than any other private business in Australia, with 8 per cent of its workforce made up of Indigenous people. Recognising that many other organisations are trying to achieve similar outcomes, Rio Tinto has offered a team to consult to Australian

businesses and governments, comprising its most experienced staff in Indigenous employment and retention. This team consults to businesses without fees.

More information is available by contacting Rio Tinto Communities or via bca.com.au.

The clear priority for BCA members is the creation of additional job opportunities – members are not interested in simply competing amongst each other for Indigenous people already employed. Similarly, entry-level programs are often accompanied by strategies that seek to develop career prospects with a view to increasing the representation of Indigenous people in corporate leadership positions.

‘With 60% of Indigenous Australians being under 25 years old, there is great opportunity for the Group to identify and provide opportunities which will create a larger labour market of educated and skilled Indigenous Australians.’

– Commonwealth Bank of Australia Reconciliation Action Plan 2007



Education

Better Indigenous education and training outcomes are the foundation on which social inclusion, stronger communities and sustained employment must be built. Survey respondents are strongly engaged in Indigenous education programs.

There is a wide variety of initiatives being implemented that target higher participation and completion rates in education and training, and improved skill development, often including a focus on broader life skills relating to health and wellbeing. And there is a wide range of partners working with survey respondents on these initiatives.

In general, respondents cited three main approaches to delivering improved educational opportunities and outcomes:

- Direct sponsorships or scholarships for attendance at school, TAFE or university.
- Sponsorship of specific education programs (for example summer school programs).
- Support for educational foundations and organisations.

The overriding objectives are to raise participation rates, improve the quality of outcomes and encourage Indigenous students to continue with further education and training.

Other initiatives focus on specific skill development, for example through the provision of IT equipment and training, and programs targeting financial literacy. These skills enable people to better capture opportunities through employment or business creation, and to plan for the future through individual or family saving and investment decisions.

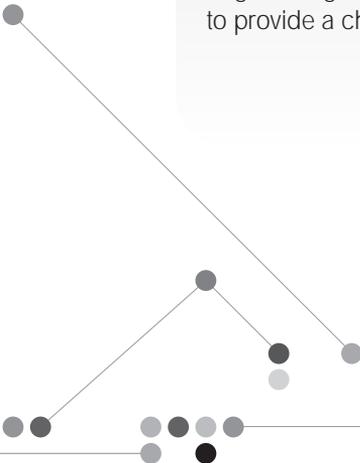
Exhibit 3

Indigenous Australian Engineering Summer School (IAESS)

The IAESS is an annual event supported by Sinclair Knight Merz. It was established in 1998 by Engineering Aid and brings together 20 Indigenous students to experience life as an engineering student. The school aims to provide a challenging environment

for Indigenous students to discover the benefits of the engineering profession, to meet role models and to gain insight into the opportunities engineering can provide to the community.

See the Sinclair Knight Merz Reconciliation Action Plan 2009.



Cultural awareness

Lifting cultural awareness is a high priority for companies, both in its own right and to enhance the effectiveness of other initiatives.

Most respondents have cultural awareness programs for their staff, often accompanied by specific completion targets and/or requirements. Typically, these programs are run by external consultants, although a number of companies have dedicated in-house resources and/or expertise.

The promotion and display of Indigenous artwork is a common initiative under the cultural awareness banner. And a growing number of companies have developed and are applying protocols relating to Welcome to Country and acknowledgement of Traditional Owners.

Some companies provide information to staff about local Indigenous cultural events and create opportunities for clients and staff to celebrate Indigenous culture and participate in reconciliation-related events. This includes through the celebration of events like the anniversary of the Apology, or National Aboriginal and Torres Strait Islander Day Observance Committee (NAIDOC) week.

Development of Indigenous businesses

BCA members see the development of Indigenous businesses as an important means of enabling Indigenous people to better participate in wealth and job creation.

Survey respondents highlighted a number of ways in which Indigenous business development is being supported, including through procurement policies, the provision of (not-for-profit) micro-finance, financial literacy training and business mentoring.

BCA members are strong supporters of the recently established Australian Indigenous Minority Supplier Council (AIMSC), which provides a direct business-to-business purchasing link between corporate Australia, government agencies and Indigenous-owned businesses. The organisation is funded by the Department of Education, Employment and Workplace Relations as a three-year pilot and is supported by 35 founding corporate members, of which 16 are BCA members.

‘By sharing our experience with Indigenous partners and clients with the broader business community, we hope to expand the operation and prosperity of Indigenous businesses.’

– KPMG Reconciliation Action Plan 2009/10



New products and services

A number of survey respondents have implemented initiatives focused on developing new or better products and services for Indigenous customers, particularly those in remote locations. Typical approaches include:

- The establishment of Indigenous enquiry or information lines.
- Specialised Indigenous customer service teams.
- The modification of existing products and services to better meet the needs of Indigenous customers.
- The creation of new products for Indigenous customers.

Targeted cultural training and community engagement enhance the effectiveness of these initiatives.

One unique example is the development of Opal fuel by BP (see Exhibit 4).

Exhibit 4 BP Opal Fuel

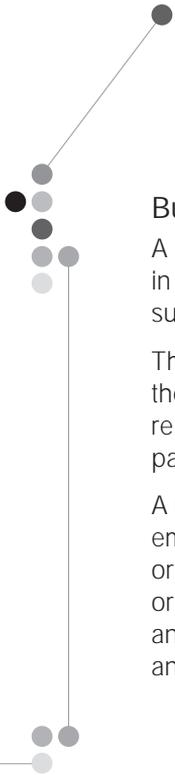
Staff from BP's Kwinana Refinery developed a new unleaded fuel that is suitable for use in motor vehicles and two-stroke engines but low in aromatics to discourage sniffing. The first of its kind in the marketplace, Opal fuel has been available in some communities since January 2005.

Opal fuel is available to remote communities who participate in the Petrol Sniffing Prevention Program

managed by the Department of Health and Ageing. Opal fuel does not give a 'high' when sniffed, and anecdotal reports suggest its introduction has lessened or significantly reduced petrol sniffing.

BP is now working with the federal government to independently evaluate the impact of Opal fuel on communities over time.

See the 'Products and services' section for BP Australia at bp.com.



Building capacity in Indigenous organisations and communities

A range of survey respondents engage in initiatives that seek to build capacity in Indigenous organisations and communities to better enable them to grow and sustain Indigenous development.

This is achieved through the provision of pro bono advice or services, such as the provision of financial advice and planning, drafting legal documents, or representing Indigenous organisations in legal proceedings. Companies also partner directly with Indigenous organisations to deliver mentoring and advice.

A number of survey respondents participate in programs that place skilled employees from their organisations to work on a secondment basis with Indigenous organisations or communities. The aim is to build the capabilities of individuals, organisations and communities, enable more access to education and training, and to help build the capacity of communities to grow and develop their own social and policy reforms.

Exhibit 5 Indigenous Governance Awards

The Indigenous Governance Awards were created by Reconciliation Australia (reconciliation.org.au) in partnership with BHP Billiton to identify, celebrate and promote effective Indigenous

governance. The national awards highlight success in Indigenous Australia – strong leadership, good management, effective partnerships and brave, creative thinking.

Through secondment and pro bono work, companies contribute the time and energy of their skilled employees and invest significant intellectual property that delivers ongoing benefits to Indigenous organisations and communities. In return, companies benefit from the substantial two-way learning opportunities that are created.



Financial assistance and support

While member companies are becoming more directly involved in Indigenous programs and placing increased emphasis on partnerships and engagement with Indigenous people and organisations, considerable support continues to be provided through direct financial contributions and sponsorships. Educational, sporting and artistic groups and foundations are common recipients of this financial assistance and support.

Implementation: dedicated resources and collaboration

The survey results provide insights into how companies are implementing their Indigenous initiatives. Two key themes emerge.

Firstly, most companies have a dedicated employee or team of employees to oversee their Indigenous initiatives (74 per cent of survey respondents). This approach enables resources to be targeted to deliver positive outcomes across a range of initiatives or programs. These roles most commonly report to the head of human resources, head of community affairs, or the chief executive.

Secondly, most companies implementing Indigenous initiatives do so in collaboration with one or more external organisations or partners (71 per cent of respondents). The most common partners include:

- Indigenous foundations or organisations.
- Government agencies.
- Educational organisations or providers.
- Recruitment agencies or employment services providers.
- Other companies or businesses.

Partners and programs cited by survey respondents are listed at the end of this report.

Feedback from member companies points to a range of reasons for collaborating with external partners and organisations.

Many companies lack expertise in Indigenous engagement, at least initially, and partner with individuals or organisations to help them deliver effective and worthwhile initiatives. The focus of these partnerships can be on the development of appropriate strategies and programs, and/or successful program implementation.

Similarly, companies partner to develop cultural competence and to help avoid making 'cultural mistakes' that could undermine the effectiveness of initiatives, damage individual/organisational reputation, or limit the company's ability to engage in future initiatives.



Implicit in these actions is a strong preparedness among engaged BCA member companies and their employees to listen and learn from Indigenous people, communities and stakeholders.

Some companies work with government to access resources and funding that, among other things, enables programs to be 'scaled up' in a way that would not otherwise be possible. An example is the AIMSC initiative discussed earlier.

While many survey respondents have constructive partnerships with government, it is also true that companies seek partners who can help them manage their interactions with government. A frequent observation is that government bureaucracies are opaque and difficult to navigate and that dealing with them is time consuming and costly. Accordingly, it can be beneficial for business to find partners who know their way around government.

Successes

Survey respondents were asked to identify their successful Indigenous initiatives, as well as important challenges encountered in implementation. On a positive note, respondents indicated that the majority of their initiatives are considered to be successful. The most frequently cited successful initiatives were those targeting employment and education (accounting for 34 per cent of responses), although successes were reported in all categories of initiatives implemented.

Positive outcomes frequently cited include increased Indigenous employment, better school retention and results in education and training, strengthened community capabilities, improved health and wellbeing, the creation of new Indigenous business opportunities, enhanced cultural awareness and respect for diversity, improved staff morale, benefits to organisational culture, and the ability to attract and/or retain employees.

'If our Reconciliation Action Plan is to have real, practical and lasting impact, it must create opportunities for Indigenous Australians to expand their skills and experience.'

– Allens Arthur Robinson Reconciliation Action Plan





Challenges

As encouraging as these high-level findings are, it is equally clear that implementation of Indigenous initiatives frequently does not go to plan. While it is common to hear that the benefits of programs have been broader and deeper than expected, progress is often harder to achieve, and slower and more resource intensive than expected. Early outcomes often fall short of original commitments or targets.

Employment

Reflecting the prevalence of employment initiatives among respondents, significant feedback was provided through the survey about the challenges of delivering sustainable employment outcomes.

The most common observations relate to difficulties in finding job-ready Indigenous candidates. Some companies have limited capacity to offer entry-level jobs and are struggling to find appropriately qualified Indigenous candidates. But many others are finding it hard to locate significant numbers of job-ready applicants even for entry-level jobs. The lack of quality pre-employment, or entry-level, training is a very important issue. Lack of flexibility and responsiveness among training providers is also a problem.

Companies initiating traineeships indicate that identifying candidates most likely to stay and succeed is not easy. Reluctance among some Indigenous students to self-identify for Indigenous traineeships or cadetships has also been raised as a challenge. For cadetship/traineeship initiatives that seek to encourage students to continue on to higher education, the lack of support structures in universities can hinder successful completion.

Some companies are struggling with the fragmentation of employment service providers. Employment initiatives are often managed out of head office, while the most successful employment service providers are frequently small and localised. The resources required to identify local partners and manage relationships across regions can be a significant impediment to achieving Indigenous employment goals. One respondent noted the difficulty of finding nationally scalable employment models as a considerable obstacle.

Fitness for work is cited as an issue for employers in remote locations. Managing higher rates of absenteeism among Indigenous workers was another.

Retaining Indigenous employees is a well-recognised challenge. Often this is seen to reflect difficulties managing cultural differences in the workplace and unhelpful entrenched attitudes among existing staff.

Successful mentoring improves retention, but often requires a lot more time and energy than initially envisaged. Limited positive role models, including because of lack of self-identification among existing employees, is also seen to contribute to poor retention.

Internal culture and commitment

Because progress can be slow and hard to achieve, some respondents noted that keeping Indigenous engagement priorities on the agenda for senior management as new issues emerge can require significant effort. No doubt the exceptional events of the past year have elevated this challenge, although the sustained commitment of senior business leaders has been remarked on by key stakeholders.

Achieving company-wide buy-in also requires considerable time and energy. For example, maintaining attendance rates for cultural awareness training as a wider audience is targeted (beyond staff who self-select to participate) can prove challenging.

Internal budgets can be difficult to determine and manage, particularly early on when it is easy to underestimate resource requirements. Flexibility in resourcing and the ability to secure additional support at crucial stages can be important to successful program implementation.

Secondment programs present unique challenges in terms of managing staff absences, particularly as those programs deliberately engage very high-calibre and/or high-potential employees.

Managing collaboration

Most companies collaborate on their Indigenous programs and find doing so highly beneficial. But collaboration can be demanding for all parties. From the perspective of companies, identifying potential partners, managing competing influences and priorities among stakeholders and within Indigenous communities, the complexity of 'Indigenous politics', and the time to develop meaningful partnerships are frequently cited challenges.

Despite the degree of collaboration observed, some companies would welcome greater collaboration and coordination of effort across business. And while welcoming the ability to partner with governments, companies continue to report that the rigidity of government programs and funding inhibits engagement and effective implementation of new initiatives.



Exhibit 6

Desert Knowledge Australia Outback Business Networks Project

The Desert Knowledge Australia Outback Business Networks Project (see desertknowledge.com.au) connects small and medium sized businesses across desert Australia. The project will strengthen the economy in regional areas by:

- Building critical mass
- Increasing business
- Expanding markets

- Generating cost savings
- Accessing information and services

The Australian Government through Enterprise Connect and the Aboriginals Benefit Account, BHP Billiton, the Northern Territory Government, Telstra and Qantas have combined with a wide range of regional partners to support the project.

Rules and regulations

Implementing successful Indigenous programs requires time, flexibility and innovation. Companies report that often their own internal processes need to be adapted to deliver results.

The need to redesign HR processes and functions to improve Indigenous employment rates is a well-recognised challenge for larger companies. Existing recruitment processes, including online job advertisements and applications, do not prove effective.

Similarly, a number of companies seeking to introduce new products that better target the needs and circumstances of Indigenous customers note that regulatory and compliance obligations can make this hard to achieve.

Lessons

Notwithstanding the diversity of approaches and partners in Indigenous initiatives, some important lessons emerge from the responses and experiences of BCA member companies to date.

Get involved

There is a clear sense from BCA member companies that their Indigenous engagement initiatives and programs are producing positive outcomes for Indigenous people and communities, and benefits for their organisations and staff. They conclude that business can and should play an important role in enabling better opportunities and outcomes for Indigenous Australians.



Establish the business case

Building a strong business case for engagement is essential to sustained commitments and positive outcomes. There are many projects and initiatives that companies can embark on, but unless there is a clear focus and rationale for engagement, these projects and initiatives are difficult to sustain. Companies are more likely to add real value through initiatives that relate well to their core business, priorities and key stakeholders.

Lead from the top

Indigenous initiatives are more likely to succeed and be sustained if they are led from the top. Chief executives and senior management are well placed to communicate the benefits of engagement to employees, investors and other stakeholders and to secure buy-in through their own messages and actions.

'... seek advice from Indigenous partners, ask as many of your colleagues for help and support as you can, and be open to learning and improving along the way – it's the only way forward. It is also vital that sponsorship of your commitment comes directly from the top.'

– FOXTEL Reconciliation Report 2009/10



Secure broad buy-in

Leadership from the top is important to kick-start engagement, but building broad understanding and support for Indigenous engagement throughout an organisation is fundamental to ongoing involvement. Embedding Indigenous programs beyond HR and community relations functions, and clear company-wide communication, are seen as crucial to long-term success.

BCA members have adopted a range of communication approaches that have proved to be effective. These include regular CEO messages, newsletters, information sessions, staff forums, and dedicated employee intranets. Staff efforts and 'champions' are recognised and rewarded in some organisations.

The process of developing and agreeing frameworks for engagement and commitments, including Reconciliation Action Plans (RAPs), can be useful mechanisms to build broad support. Public launches of RAPs can also provide an effective means of communicating commitments and building camaraderie among employees and stakeholders. However, if staff feel they have not been adequately involved or consulted through these processes this can erode support and buy-in.



Build cultural knowledge and respect

Companies must be prepared to make a strong and visible commitment to cultural awareness, create welcoming workplaces and embed respect for cultural diversity if their Indigenous initiatives are to succeed over the long term.

Foster Indigenous partnerships

Experience shows that successful programs are built on a shared understanding of the challenges facing Indigenous people and communities and Indigenous-led solutions. Relationships and constructive partnerships take time to build and evolve, but feedback is consistent in highlighting the importance of strong relationships and partnerships in supporting long-term engagement.

Be realistic

Getting Indigenous initiatives right takes time. If rushed, results are usually disappointing and/or temporary. Those with a good track record caution against overly optimistic commitments in terms of scale or timelines – otherwise significant resources are directed at achieving the unachievable. This can have the unintended effect of eroding belief in programs and support for ongoing engagement. Genuine progress requires a consistent, long-term commitment and is unlikely to be achieved in a straight line.

Stay focused

Once a company signals its intent to implement or participate in Indigenous initiatives, it is common for them to be approached by a wide range of organisations seeking support or partners. With so many worthwhile programs in existence, it can be difficult to say no. Having a formal, publicly available framework or strategy for Indigenous engagement such as a Reconciliation Action Plan helps companies maintain focus on their priorities and the initiatives through which they will most likely add value.

Review and revise

Even the most well thought out and planned programs are unlikely to progress entirely as anticipated. Reviewing and revising programs helps to ensure that outcomes sought are ultimately achieved – even if in a different manner than expected. Companies should be prepared to revise commitments and to change their internal processes and policies, if needed, to support long-term outcomes.



Conclusions and future priorities

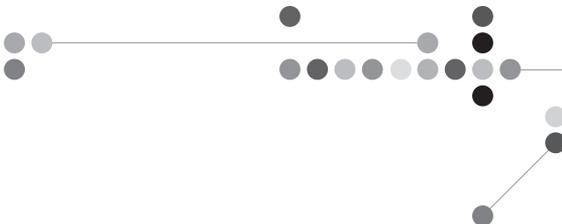
BCA members are becoming more involved in Indigenous initiatives and programs. Many significant efforts are being made, albeit by a still relatively small group, and positive results are being achieved through active corporate engagement.

It is clear, however, that a considerable and sustained effort will be required to close the gap on Indigenous disadvantage. Experiences, challenges and key lessons outlined in this report are presented with the aim of encouraging others to engage from a perspective of better understanding the effort required and how the effectiveness of programs might be enhanced.

Some priorities for further attention stand out, including the need to:

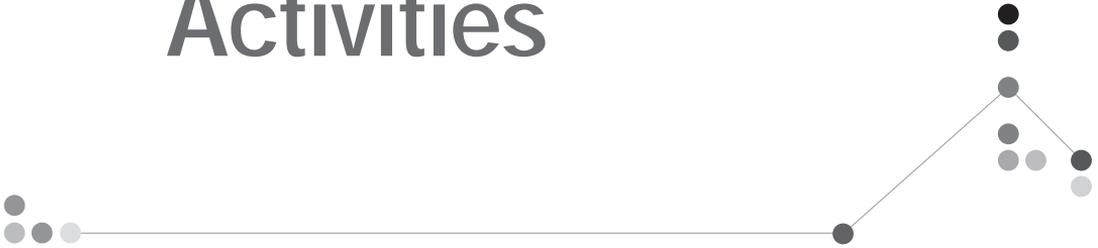
- Increase the pool of work-ready Indigenous job candidates.
- Improve the responsiveness and flexibility of training providers and programs.
- Better facilitate job matching.
- Explore the scope to develop employment models that are able to be scaled up.
- Better promote emerging 'best practice' models and initiatives so they can be replicated.
- Increase information sharing and collaboration, particularly among companies.
- Continue to work with government to enhance the effectiveness and flexibility of government funding and programs and to improve the ease of collaboration with business.

In terms of this report, future efforts will seek to provide more information on the evolution of program outcomes, the characteristics of successful initiatives and the promotion of best practice. The next report will be released in October 2010.



Part 2

Update on BCA Activities



In October 2008, in addition to reporting on members' Indigenous engagement strategies, the BCA announced a number of additional initiatives. These initiatives are listed below, followed by an update on progress.

To oversee its work in this area, the BCA established an Indigenous Engagement Task Force. Information about the task force is available at bca.com.au. The task force has also developed a 'Statement of Intent' outlining its priorities and commitments. This statement is included below.

Establishment of a BCA Business–Indigenous Network

The BCA has established a Business–Indigenous Network across member companies to share information and facilitate new partnerships and initiatives. Participants in the network are nominated by their chief executives and are directly involved in the day-to-day management and oversight of their companies' Indigenous initiatives. The network meets quarterly and regularly receives presentations from Indigenous organisations and potential partners.

Development of a BCA Reconciliation Action Plan

The BCA Secretariat is developing a Reconciliation Action Plan to reflect the activities and commitments of BCA staff. This is expected to be completed by the first quarter of 2010.

Because the BCA does not impose commitments on individual member companies, the BCA Indigenous Engagement Task Force has opted to develop a 'Statement of Intent' to guide its activities in lieu of a RAP. The task force will report progress against its commitments annually.



Partnership with the Koori Resource and Information Centre

The BCA has developed a partnership with the Koori Resource and Information Centre in Shepparton. The BCA Secretariat has participated in policy discussions and provided feedback on possible strategies and advocacy. In addition, the BCA is funding a research project on the economic and community-wide benefits of closing the gap in the Goulburn Valley region.

The BCA has begun work with Indigenous Enterprise Partnerships to develop a regional employment strategy in Shepparton. This strategy will aim to develop capabilities within local Indigenous organisations and to increase regional employment opportunities and outcomes on a sustained basis.

Future priorities

The BCA will continue to build on these initiatives and to deliver against the commitments outlined by its Indigenous Engagement Task Force. These actions are highly consistent with the views of member companies regarding the role they see the BCA playing in closing the gap (as summarised in Exhibit 7).

Exhibit 7

The Role for the BCA: The Survey Results

Survey respondents were asked to comment on ways in which the BCA could add value to the efforts of member companies in addressing Indigenous disadvantage. There was a strong consensus regarding the main ways in which the BCA could contribute. The key initiatives and approaches highlighted include:

- Facilitating the sharing of information and experience.
- Promoting best practice case studies.
- Providing networking opportunities for companies and potential partners to meet and share knowledge.
- Reporting on business efforts and impact.
- Building capacity in Indigenous organisations.
- Lobbying government on effective Indigenous development strategies.
- Facilitating and assisting with the development of Reconciliation Action Plans.
- Playing a public leadership role to lift awareness and encourage greater business response.
- Facilitating business collaboration.

BCA Indigenous Engagement Task Force Statement of Intent

Who we are

The Business Council of Australia (BCA) is an association of CEOs of 100 of Australia's leading corporations. These companies represent a combined national workforce of around one million people. The BCA develops and advocates public policy reforms that position Australia as a strong and vibrant economy and society.

The BCA aspires for Australia to be the best place in the world in which to live, learn, work and do business. This is an ambitious vision, all the more so because we believe it must apply to Indigenous and non-Indigenous Australians alike.

Why we are engaged

Australia's past economic prosperity has not translated into better outcomes for many Indigenous Australians. Disadvantage remains entrenched and widespread, despite significant spending and effort on the part of many individuals and organisations. There is still a long way to go before we can be confident that all Indigenous Australians:

- Live in a society that respects and acknowledges their culture and heritage.
- Receive a high standard of education.
- Share equally in the opportunities that stem from a vibrant and prosperous economy and strong communities.
- Enjoy lives as long and fulfilling as those of their non-Indigenous counterparts.

New approaches and partnerships are needed if we are to 'close the gap'. The BCA and its members have an important role to play in addressing Indigenous disadvantage. And we are committed to doing so.

Individual companies are making significant contributions through a diverse range of programs and strategies. The BCA does not seek to cut across these efforts or to impose particular approaches or actions on member companies.

The challenge for the BCA is to use its collective voice and impact to add value to member company efforts, to promote successful outcomes and best practice, and to encourage more companies to be involved.

The BCA also has an important role in conveying to government a business perspective on the effectiveness of relevant policy settings and programs.

Driving change through the BCA

The BCA has established a task force comprising member CEOs to oversee and drive its work in addressing Indigenous disadvantage. This statement outlines the intentions and commitments of the task force.

The task force operates on behalf of the broader membership. It aims to promote and contribute to actions that deliver sustained and measurable improvements for Indigenous Australians and communities. In determining how best to contribute, the task force seeks to leverage the collective strengths of the BCA, including:

- High public profile and visibility.
- Deep and wide networks and connections.
- The scope and scale of resources that can be mobilised, including the skilled and motivated people working in BCA member companies.

The task force believes that it can add value by:

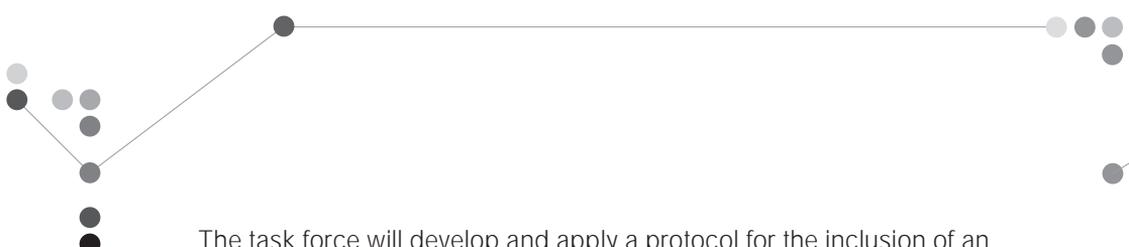
- Using the public profile of the BCA to raise awareness of the importance of respecting and recognising Indigenous heritage and culture.
- Lifting awareness of Indigenous disadvantage and the role that business can play in helping to address disadvantage.
- Connecting people and groups to deliver new ideas and opportunities to 'close the gap'.
- Bringing scale and coordination to deliver better outcomes through projects that are national and/or that bring together a number of BCA members.
- Supporting Indigenous business leadership.
- Promoting successful outcomes and greater accountability for commitments and outcomes through measurement and reporting.

Our commitments and priorities

Raising awareness

Through the BCA, their companies and public communications, the task force commits to raising awareness of:

- Indigenous heritage and culture.
- Indigenous disadvantage and how this is changing.
- The role that business can play in improving opportunities and outcomes for Indigenous Australians.



The task force will develop and apply a protocol for the inclusion of an acknowledgement of the Traditional Owners and Ancestors or Welcome to Country in public forums. This will be made available on the BCA website to assist others in adopting this practice.

The task force will request the BCA to include on its website links to key publications and research as well as relevant public speeches or statements by member companies that highlight efforts to 'close the gap'.

Connecting people and ideas

Through its meetings and other forums the task force will actively engage with government, Indigenous organisations and other stakeholders. These meetings will focus on gaining a better understanding of challenges and opportunities, exploring the potential business contribution/role, and providing feedback on the effectiveness of existing programs and policies.

The task force will, on an ad hoc basis, request that the BCA coordinate events and forums to enable its membership to engage with Indigenous organisations and stakeholders.

The task force will also actively encourage participation in the BCA Business–Indigenous Network.

Bringing scale to new solutions

The task force considers that there is scope to improve the coordination of effort across member companies and to bring scale to successful projects to spread their reach and impact. The BCA can act as a conduit in leveraging its membership to add value and scale to successful initiatives.

At present the task force is focusing its efforts in three areas.

Australian Employment Covenant (AEC)

The Australian Employment Covenant (fiftythousandjobs.com.au) is an initiative aimed at securing 50,000 sustainable jobs for Indigenous Australians. Backed by a three-way commitment between employers, the Australian Government and Indigenous people, this initiative seeks to break the vicious cycle of unemployment and poverty amongst Indigenous Australians by adopting a 'learn or earn' policy for all those who have the capacity to work.

The task force and the BCA will continue to promote the AEC and encourage member companies to explore the benefits of committing to the AEC. The task force will also facilitate the dissemination of information on effective employment and training strategies.

Australian Indigenous Minority Supplier Council (AIMSC)

The Australian Indigenous Minority Supplier Council (aimsc.org.au) is a not-for-profit organisation that seeks to encourage the development of Indigenous business by enabling greater procurement opportunities among large businesses. It provides a direct business-to-business purchasing link between large companies, government agencies and Indigenous-owned businesses. The organisation is funded by the Department of Education, Employment and Workplace Relations as a three-year pilot. It is supported by 35 founding corporate members, of which 16 are BCA members. It is co-chaired by Stephen Roberts, who chairs the BCA Indigenous Engagement Task Force.

The task force believes there is tremendous scope to increase the number of successful Indigenous businesses in Australia. The task force will provide advice and guidance to the AIMSC and seek to ensure it is appropriately supported in its early stages. The task force will aim to support the successful development and growth of the AIMSC over time through the encouragement of member participation in line with AIMSC capacity.

Indigenous Enterprise Partnerships (IEP)

Indigenous Enterprise Partnerships (iep.net.au) is a not-for-profit organisation that channels the capabilities of corporate Australia to support innovative programs for change in Indigenous communities. Its starting point is partnership with Indigenous leaders with a strong agenda for change. This engagement seeks to:

- Build the capacity of Indigenous individuals and organisations.
- Assist Indigenous people to access educational and economic opportunities.
- Assist Indigenous people to bring about health and social reform.

At the heart of this engagement are the diverse capabilities of skilled people from corporate partners and the determination of Indigenous people to rebuild their communities.

IEP's activities to date have focused on the locations of Cape York and the Goulburn Valley. IEP is expanding the geographic reach and scale of its programs. The task force commits to supporting IEP to broaden the reach of its programs, including in particular through the development of a comprehensive employment strategy in the Goulburn Valley region.

The task force will encourage BCA member companies with businesses in Shepparton to work with IEP in establishing sustainable job opportunities supported by appropriate skill development, effective job matching and capacity building in local organisations.

The task force will promote the opportunities provided by IEP programs and the benefits these programs deliver to participating businesses and communities.

