



# Rethinking the Indigenous Corporate Governance Model

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National Native Title Conference

18<sup>th</sup> June 2015



# Overview

- What is governance and corporate governance?
- Principles of good governance
- The traditional governance model
- Indigenous First Nations governance principles
- Fundamental challenges
- Building an Indigenous model & reconciling the governance differences
- Some practical suggestions
- Concluding comments



# What is governance?

- **Governance** involves the more strategic aspects of steering and comprehends the *processes, rules, institutions and traditions* that guide decision making Jodi Bruhn, "In Search Of Common Ground", Policy Brief No.33: Institute On Governance, Ottawa, Canada , May 2009
- **Corporate governance** broadly refers to the *mechanisms, processes and relations* by which corporations (and organisations) are controlled and directed Wikipedia
- Governance is also about responding to the Community's needs & aspirations as well as respect and relationships, as well as
- Thinking about the whole mob and doing the right thing



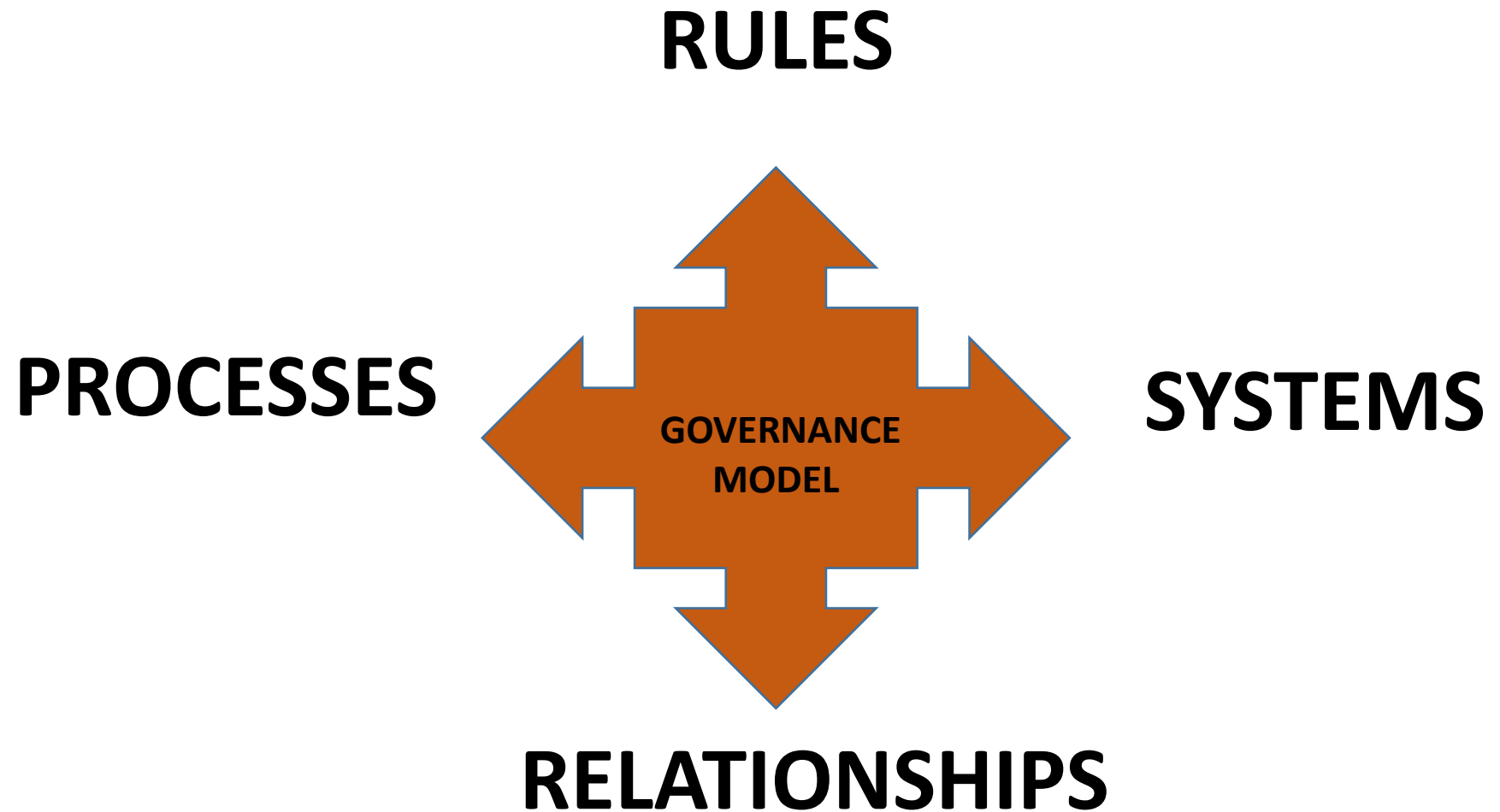
# Principles of Sound Governance\*

- Legitimacy and voice
- Direction
- Performance
- Accountability
- Fairness

\*The Institute On Governance (IOG), Ottawa Canada

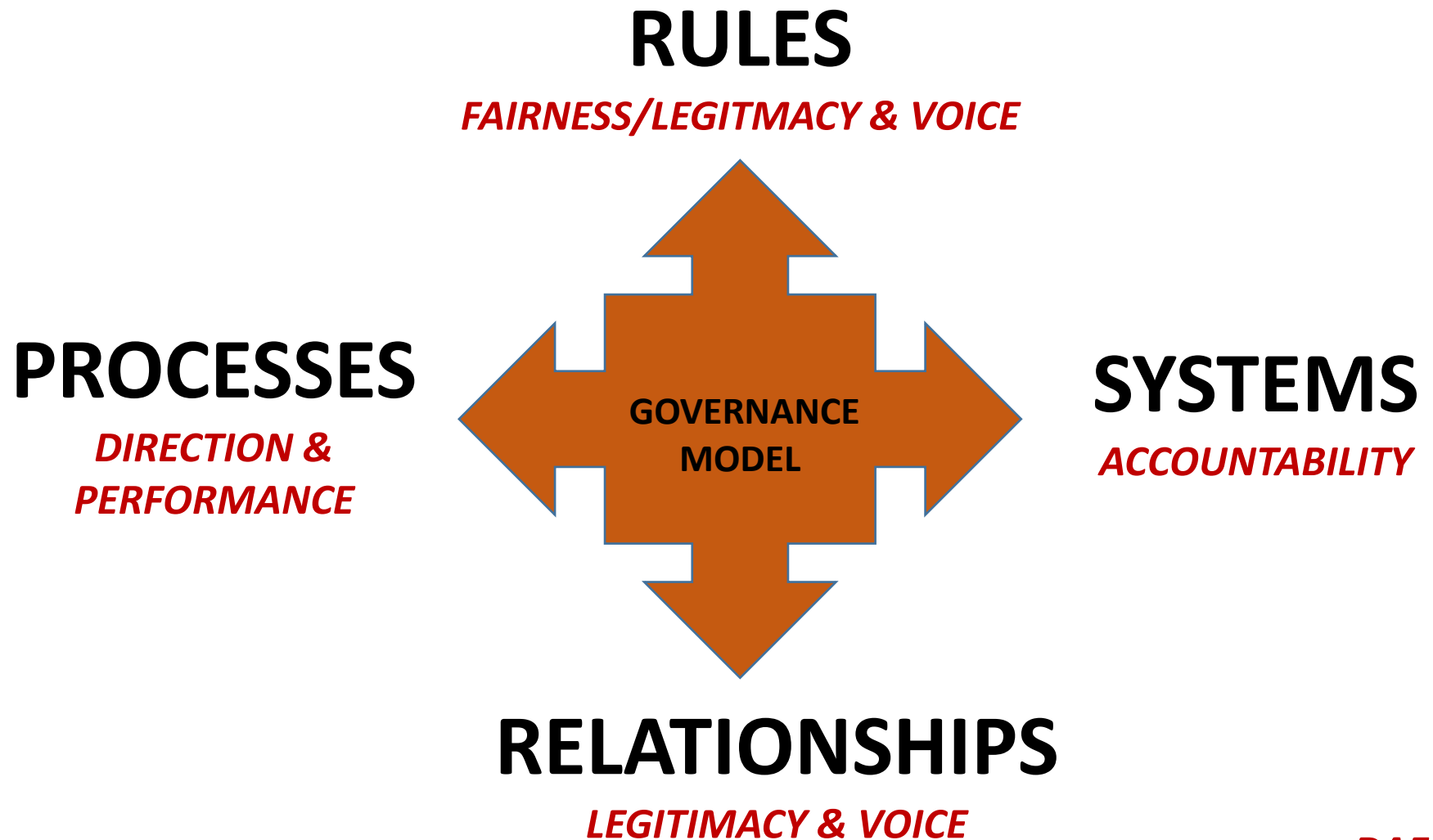


# The Traditional Governance Model





# The Traditional Governance Model





# Indigenous First Nations Principles\*

- Attunement – community maintains a sense of fitting within the Whole, informal rules
- Responsive, responsible leadership – obligations to community & environment
- Harmony - consensus in decision making & reciprocal obligations
- “We Help Ourselves” – care of yourself & the land you live on
- Respect – for all leaders in & around communities and for the culture

\*Jodi Bruhn, “In Search Of Common Ground”, Policy Brief No.33: Institute On Governance, Ottawa, Canada , May 2009



# Fundamental challenges

## **Pre colonisation:**

*“There are many people sitting in the shade of a large tree with all eyes at once focused on the food at hand. The pertinent questions would relate to how the food could be shared, how it could sustain everyone, ensuring that all could survive. It was a collective gathering whose motivation was centred on the common good. There were stories told, lessons learned and knowledge shared”.*

## **Post colonisation:**

*“People sit around a table and the Chairperson of the organisation looks to see who contributes and who is unable to contribute. Only those who can offer something can stay to share the profits. Others are then more or less discarded, displaced and left to become destitute. The powerful take control of all that is on the table. The most powerful ensure that their stomachs are full, their credit cards available and that they are secure in their positions of power”.*

Ngarluma man: *Roebourne & Its People: A Grass Roots Social Inquiry* May 2015. A collaborative project between the Ngarluma Yindjibarndi Foundation Ltd, Australian Research Council, Centre for Aboriginal Studies Curtin University and Murdoch University.





# Fundamental challenges

- Two different laws – Indigenous laws and Western laws
- Indigenous societies are based on less formal institutions & oral traditions with the important relationship between human and spirits, plants, rocks & animals
- IOG principles & traditional governance model assumes formal structures in place , i.e. records, political systems and judicial institutions
- Alignment of expectations and cultural respect
- Understanding of a more complex decision making process, need to time & flexibility
- Group and community focus vs individual focus

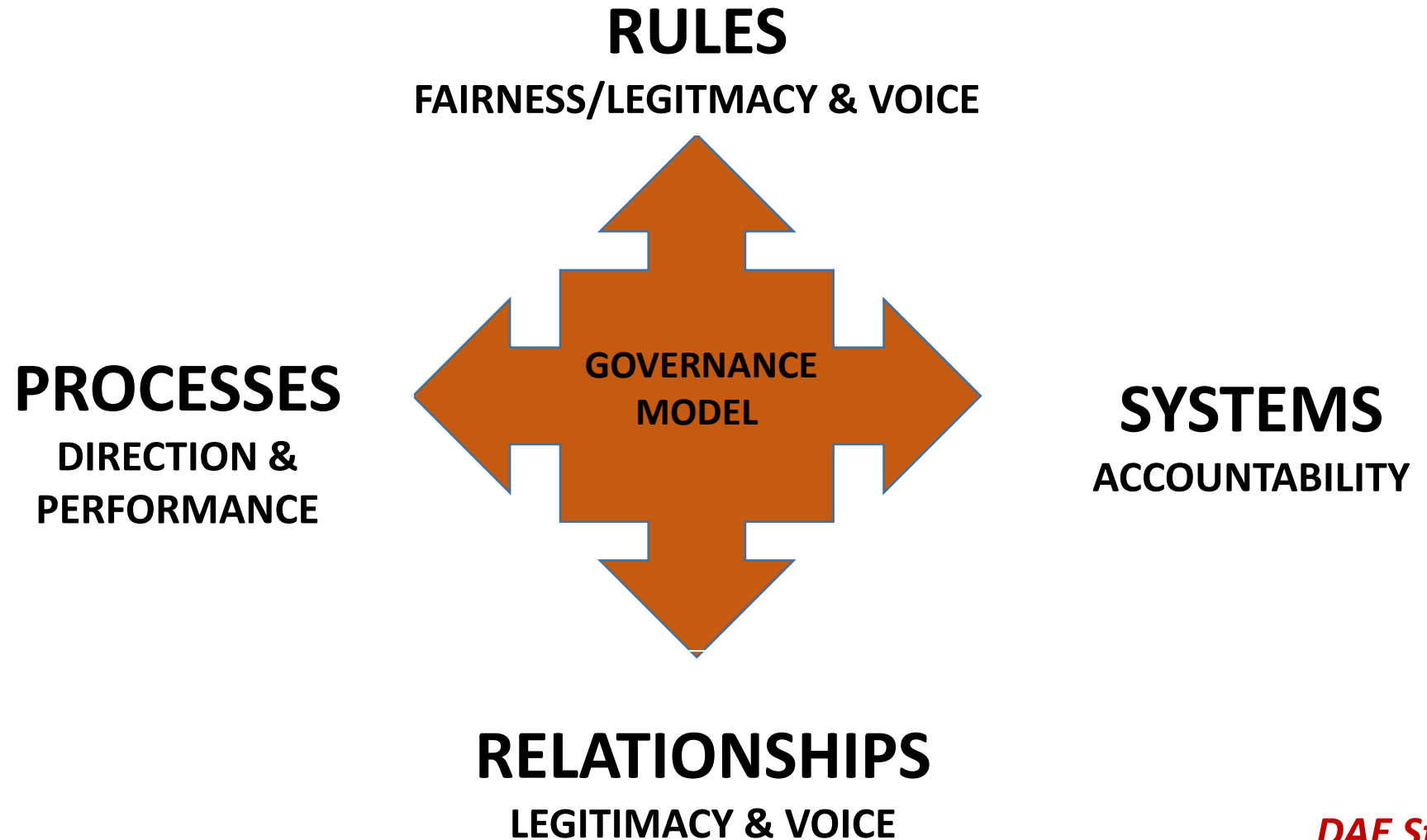


# Building an Indigenous Governance Model

*How do we reconcile the traditional governance model to the Indigenous governance environment?*



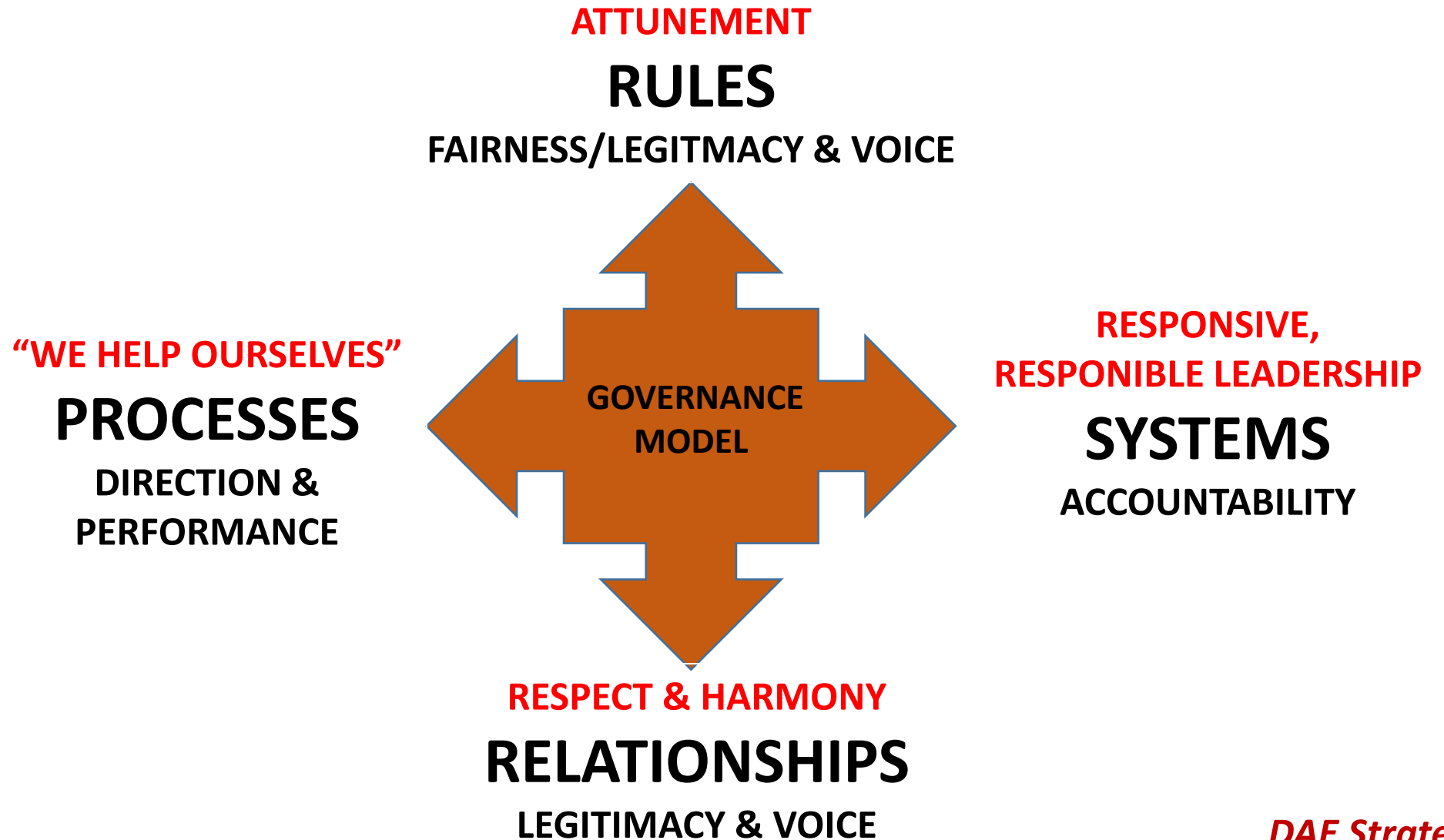
# Building an Indigenous Governance Model



*Meaning of corporate governance: Justice Owen (2003) The HIH Royal Commission*



# Building an Indigenous Governance Model



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**DAE Strategic**



# Building a Indigenous Governance Model



Meaning of corporate governance: Justice Owen (2003) The HIH Royal Commission



# Reconciling the differences through.....

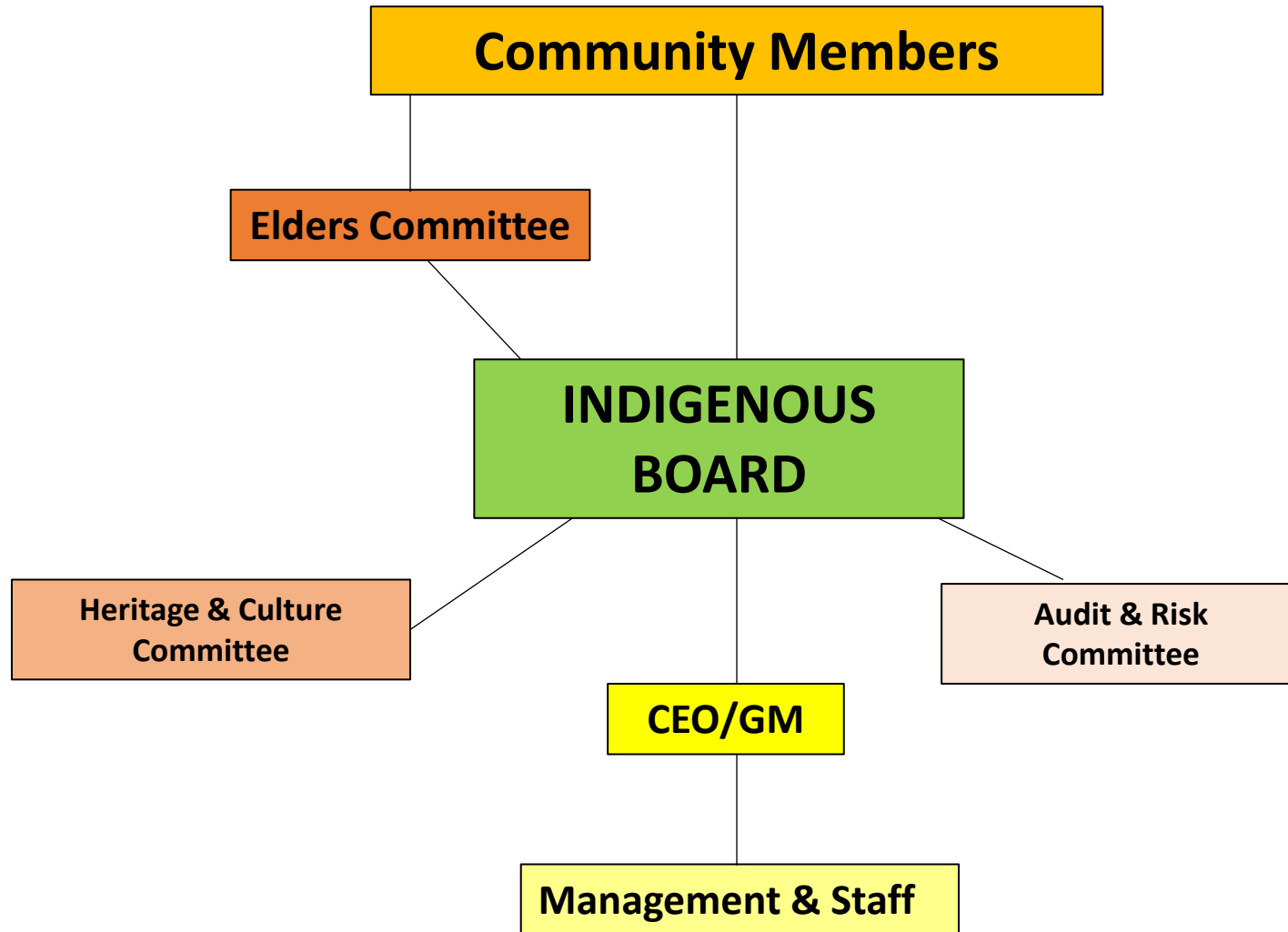
- Having a sound foundation of cultural awareness and sensitivity
- Understanding the differences in governance principles
- Being flexible & adaptable in decision making processes
- Developing governance systems that incorporate the different principles
- Engaging in broad community consultation
- Provide time & flexibility
- Develop strong Indigenous leadership with understanding the principles of good governance



# Some practical suggestions

- Elders committees or Elders boards, similar to the European two-tier board system
- Sub committees of the board for cultural matters
- Socialise big decisions broadly with communities, allow time
- Increase board transparency (within the confines of board confidentiality)
- Increase community consultation and engagement
- Anchor decisions to cultural aspects where possible
- Leadership training & development and succession planning
- Governance training, including decision making and dispute management

# The Indigenous Board/Council







# Concluding comments

- Governance principles are different
- There are common or shared attributes of each
- “One size” (governance model) doesn’t fit all
- The differences can be reconciled through flexible and adaptable processes and systems
- Broad consultation and engagement is critical
- On going governance and leadership training is essential



***Thank  
you***