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Improving Indigenous community governance through strengthening Indigenous and government organisational capacity

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Summary

What we know

- Strengthening the organisational capacity of both Indigenous and government organisations is critical to raising the health, wellbeing and prosperity of Indigenous Australian communities.
- Improving the governance processes of Indigenous organisations is likely to require strengthening of Indigenous and government organisational values, goals, structures and arrangements that influence employees' behaviour and wellbeing.
- Involvement of Indigenous people in decision-making about their own development is critical.

What works

- Community ownership of governance improvement with organisational change led by Indigenous people using existing community capacity.
- Long-term partnerships between government and Indigenous people, with a focus on strengthening capacity.
- Collaborative developmental approaches between Indigenous people and government that aim to strengthen existing capacity through long-term partnering.
- Approaches tailored to each situation that take into account the complexities of Indigenous governance.
- Capacity-strengthening programs with clarity of purpose; that is, with a clear notion of what type of capacity is being strengthened and for whom, and how the effectiveness of the program will be measured.
- Building trust and respect between government agencies and Indigenous communities.

What doesn't work

- Programs that do not reflect community priorities.
- Attempts to improve Indigenous governance structures, such as through amalgamation, without attending to the processes by which people govern.
- Fragmented or rapidly changing government processes; overload of reform and change initiatives; ad hoc funding; poorly coordinated and monitored programs; and multiple accountability requirements (red tape).

What we don't know

- How to reach agreed understandings of community governance, taking into consideration the diversity of Indigenous governance levels, sectors and institutions.
- How to strengthen the intercultural processes associated with contemporary Indigenous governance arrangements, both within Indigenous organisations and mainstream governance systems.
- How combinations of capacity strengthening can best be implemented, such as 'hard' capacity strengthening (including technical skills, infrastructure and finance), and 'soft' capacity strengthening (for example, morale, values and motivations).
- How informal processes of Indigenous governance work, what influence they have and how they could be strengthened.
- How to improve leadership succession, including for young people.
- Whether the benefits of organisational change and other community governance strengthening processes outweigh the costs (that is, value for money).

Introduction

The term 'capacity strengthening' rather than 'building' or 'developing' capacity is used in this resource sheet. 'Capacity strengthening is based on a strengths-based perspective that all people have knowledge and skills, all people can improve … at the same time all people need to learn in order to engage in different activities which contribute to their wellbeing and prosperity' (Abdullah & Young 2010:88).

This term goes some way towards meeting the critiques by Aboriginal people such as Richard Ahmat that Indigenous people may even feel that the term 'capacity building' itself reflects a patronising view of them:

> To restore capacity to our people is to let us be responsible for our own future … we have had 40 to 60,000 years of survival and capacity! The problem is our capacity has been eroded and diminished … the concept of capacity building is the idea that Aboriginal people are innately deficient, or incapable, or lacking … there is a danger of fostering a hidden bureaucratic racism and prejudice against our people … our people do have skills, knowledge and experience (cited in Hunt 2005:23).

Our literature review concerning organisational capacity strengthening and governance finds that descriptive studies, providing suggestions for what needs to be done, are prominent in the literature. Well-designed evaluations assessing the effectiveness of capacity-enhancement projects are rare. Therefore, this resource sheet will draw out some of the principles that appear to work, rather than detailing evidence of proven strategies.

Of 127 references that focus on Indigenous Australians reviewed, only 12 (9%) provide accounts of programs designed to improve Indigenous Australian governance through strengthening organisational capacity. Of these, three focus on strengthening the capacity of leaders (Hagan 2009; Loza & Prince 2005; Scougall 2008),

three involve informal governance through groups (Laverack et al. 2009; Milliken & Shea 2007; Tsey et al. 2004), four account for Indigenous organisations (Mawson et al. 2007; McCalman et al. 2010; McEwan et al. 2010; Whiteside et al. 2006) and two relate to Council of Australian Governments (COAG) initiatives (Jarvie 2008; Jeffries & Menham 2008).

None of the 12 assesses the costs versus benefits or value for money of capacity enhancement as a strategy for promoting Indigenous Australian health and prosperity. Implementing and evaluating programs to determine what works is more expensive and logistically difficult to undertake than describing the extent of the problems, but is nevertheless critical to overcome the present 'sorry state' of the evidence base for improving Indigenous wellbeing (Paul et al. 2010; Sanson-Fisher et al. 2006).

This resource sheet draws on the largely descriptive research from Indigenous Australian and global settings to examine capacity-strengthening programs targeting Indigenous community governance and organisational development. The research suggests that organisational capacity strengthening for Indigenous community governance needs to involve intercultural engagement between Indigenous people, their organisations and Australian governments (Hunt et al. 2008; Merlan 1998).

Background

From the 1970s, national policies of Indigenous self-determination and self-management, and associated legislative, bureaucratic and social reforms, encouraged Aboriginal efforts towards autonomy through the empowerment of Indigenous community-level organisations 'as the primary instruments of Aboriginal authority at the local and community level' (Whitlam 1972:697). Aboriginal communities played leading roles in building community-controlled local government, health, housing, alcohol rehabilitation and welfare services, emphasising the development of Aboriginal technical and managerial skills.

In the early 1990s, the term 'community capacity building' emerged strongly in the international development discourse as a result of a new focus on sustainable development (Chabbott 1999). However, there was little clarification of its use and little evidence as to whether it actually worked (Craig 2010). Ife (2010:83) sceptically described the emergence of the term as:

> … an effective way of legitimising a conservative and managerial form of working with communities, which did not ask too many difficult questions, and which more readily fitted the requirements of the managers and funders, rather than the requirements of the communities themselves.

The concept of community capacity building to improve Indigenous governance entered the Australian policy arena in 1996 within the context of concern for reducing Indigenous welfare dependency, fostering local participation in decision-making and trialling new approaches to partnership and coordination across government (ATSISJC 2001; Humpage 2005; Hunt & Smith 2006b).

Strengthening the capacity of Indigenous organisations is an intercultural phenomenon. It requires strategic engagement and transformation between and by Indigenous people and the wider society (Martin 2005). For decades, Indigenous leaders have been concerned about the number of government representatives consulting them about development in a piece-meal way—focusing on internal administrative requirements rather than the effect of their efforts and a lack of coordinated and well-planned development (Moran 2006; Sullivan 2005).

There have been numerous attempts to improve Indigenous community governance in Australia. These include working with managers of Indigenous organisations to facilitate greater Indigenous jurisdiction over matters affecting Indigenous people, applying more flexible funding arrangements, and developing structures and processes in accord with Indigenous values and cultural systems (Hunt 2005). Getting the right balance between operational autonomy, political support, performance and accountability has been crucial.

What is Indigenous community governance?

Governance refers to the evolving processes, relationships, institutions and structures by which a group of people, community or society organise themselves collectively to achieve things that matter to them (Hunt et al. 2008). It encompasses both formal and informal structures and processes (Martin 2003). In Indigenous Australian settings, community governance involves actively strengthening Indigenous decision-making and control over their organisations, and building on people's skills, personal and collective contributions, and shared commitment to an organisation's chosen governance processes, goals and identity (Hunt & Smith 2006a,b). It is important in its own right and for improving service delivery and raising the health and prosperity of Indigenous communities (Dodson & Smith 2003; Hunt et al. 2008; Sanders 2004; SCRGSP 2009).

One of the fundamental challenges in Indigenous community governance is a lack of agreed understandings. Each community is different and local decisions need to be made about:

- group membership and identity (who is the 'self' in their governance)
- who has authority within the group, and over what
- agreed rules to ensure authority is exercised properly and decision makers are held accountable
- how decisions are enforced
- how rights and interests with others are negotiated
- what arrangements will best enable the achievement of goals (Hunt et al. 2008; Hunt & Smith 2006 a,b).

Good governance is a contested issue. It is defined by culturally based values and normative codes about what is 'the right way' to get things done (Hunt et al. 2008). It is generally agreed that good governance comprises legitimacy, leadership, power, resources and accountability (Dodson 2002). In contrast, poor governance is identified by factors such as corruption, favouritism, nepotism, apathy, neglect, red tape and self-serving political leaders and public officials (Knight et al. 2002).

What is organisational capacity strengthening?

Capacity strengthening is accessing opportunities and processes to enhance an organisation's abilities to perform specific functions, solve problems, and set and achieve goals; that is, to get things done (Hunt & Smith 2006b). Capacity strengthening can relate to almost any aspect of an organisation's work—improved governance, leadership, mission, strategy, administration, program or service development and implementation, income generation, partnerships and collaboration, evaluation, advocacy and planning. Underfunded or understaffed activities fail even where capabilities exist and resources alone will not necessarily bring about change unless individuals are able to recognise and use those resources (Horton et al. 2003; Hunt 2005; Sen 1999).

The initial focus of organisational capacity strengthening internationally was to train individuals to improve the efficiency of individual jobs (Cacioppe 2000). Recognition that capacity to actually perform responsibilities depends on the size of the task, allocated resources and the context in which it is to be carried out (Franks 1999) led to a shift in focus over time to strengthening organisations through a focus on organisational culture and developing mission, vision and values statements as well as strategic change, organisational restructuring and effectiveness. The most recent focus has been organisational transformation—assessing the fundamental assumptions of corporate philosophy and values and the structures and arrangements that shape employees' behaviour (Cacioppe 2000). There has also been a shift from working with single organisations to facilitating multi-stakeholder processes (Acquaye-Baddoo et al. 2010).

Organisational development that does not balance and develop the hard capacities and soft capacities often has disappointing outcomes (Horton et al. 2003; Hunt 2005). Hard capacities include such things as technical skills, functions, structures, systems, equipment, infrastructure and financial resources. Soft capacities can be defined as values, morale, confidence, engagement, motivation, incentives and staff wellbeing. The soft capacities are extremely important but are not often given high priority. Organisational development is inhibited when a lack

of attention is paid to both hard and soft capacities through organisational culture, effectiveness, efficiency and the personal wellbeing of employees (Cacioppe 2000; Morgan et al. 2005). Hunt (2005) argues that there is also a need for much greater attention to the cultural and cross-cultural elements of capacity development and the importance of not assuming that Western approaches will work in Indigenous Australian contexts.

Indigenous governance capacity-strengthening programs

Capacity-strengthening programs in government

In 2004, a whole-of-government approach to Indigenous development was established through the Office of Indigenous Policy Coordination (OIPC) and a national network of 30 Indigenous Coordinating Centres. Whole-of-government arrangements aimed to strengthen Indigenous community capacity to negotiate with governments to address local community priorities and government capacity to work in coordinated, innovative and flexible ways with Indigenous communities by addressing fragmentation and lack of coordination of government programs (ATSISJC 2001; Hunt 2005). High-level government representation in the OIPC (rarely given to Indigenous affairs issues) created opportunities for Indigenous groups to tap into the skills and funding base of government departments in more seamless ways (Humpage 2005). The Australian Government implemented two interrelated reforms—Shared Responsibility Agreements (SRAs) and eight COAG trials.

SRAs require an Aboriginal community to make certain commitments towards achieving its nominated goal in return for government committing funding or services. Early attempts to implement capacity building through SRAs resulted in tensions and confusion about what the implementation of efforts to strengthen Indigenous capacity meant for both Indigenous organisations and government, and who should provide the leadership for such initiatives (Humpage 2005). Non-Indigenous systems tend to limit, rather than enable, the capacity of Aboriginal institutions and communities. For capacity building to be successful, substantial changes to these systems are required, involving:

- serious assessment of the real systemic constraints to strengthening Indigenous capacity
- the development of some agreed goals and approaches between governments and legitimate Indigenous representatives at a variety of levels
- a genuine shift in power (Hunt 2005).

A review in 2007 found that the practice of implementing SRAs had evolved in a way that was valued and recognised by most partners (Morgan Disney & Associates 2007). A number of Regional Partnership Agreements (RPAs) have recently been signed. For example, the Many Rivers RPA between the NSW Aboriginal Land Council (representing 35 local land councils) and the Australian, New South Wales and local governments, resulted in the Department of Employment, Education and Workplace Relations funding a customised business development program for up to 20 'Green Teams' businesses in the region (Australian Government 2009).

COAG trials aimed to explore new place-based ways for governments to work together and with communities to address the needs of Indigenous Australians (Humpage 2005). A synopsis review of the COAG trials (Morgan Disney & Associates 2006) found that each focused on different priorities and were very different in how they were implemented. Key lessons included a need for:

- respectful interaction between governments and Indigenous communities
- a focus on shared responsibility, locally responsive solutions
- systemic changes in coordination and decision-making mechanisms for whole-of-government practice
- training across all levels of government and community organisations in how to do whole-of-government work.

The task required a significant paradigm shift and systemic change. However, the review provided evidence of the value of governments and communities working together and sharing responsibility for establishing foundations for longer-term outcomes through locally agreed solutions (Morgan Disney & Associates et al. 2006).

Evidence from two Commonwealth program evaluations showed that in spite of whole-of-government goals, implementation of programs and policy on the ground is beset by the fragmentation of government policy, service delivery and funding processes across agencies and jurisdictions, counter-productive statutory and program frameworks, and poor engagement at the local level (see ICGP 2010 and DFD 2009a). These are similar issues to those raised earlier by Hunt (2005).

Many of these program frameworks constrain the ability of public servants to be locally responsive in their political and financial management. Remote service providers perceive that program devolution has increased red tape and that the current funding arrangements were worse than those of 5 years previously (DFD 2009a).

Illustrating the tension between accountability and independence, remote service providers—who often deliver more than 20 performance and 20 financial reports per year—assert that improving longer-term and flexible funding arrangements would improve their organisational stability and effectiveness in meeting program outcomes (DFD 2009a).

Hunt and Smith (2006b) strongly urged political commitment and leadership to improve collaborative and seamless ways of working together and sharing power, and reform of financial arrangements in Indigenous affairs for better support of community governance.

Greater progress has been made in creating sustained capacity and legitimacy when a facilitated community development approach is taken to governance development on the ground (see Box 1).

Box 1: COAG trial in the Murdi Paaki region of far west New South Wales

Issue addressed: A 5-year COAG trial aimed to explore innovative ways of doing business and delivering services based on community-defined priorities. The communities' consistent message was 'stop talking, start listening, and work with us to deliver' (Jarvie 2008:6).

Method: The trial was led by a partnership of high-level bureaucrats from the Australian Government Department of Education, Science and Training and NSW Department of Education and Training, and 16 Indigenous communities. Community working parties were established to build trust and develop community plans articulating local priorities and expectations of shared action and responsibility. Local government representatives established a cross-jurisdictional action team to coordinate activity and be the 'face of government'. Community facilitators and an Indigenous mentor were engaged to access technical and professional skills, governance and leadership training and support, and provide representation on regional planning and service delivery bodies. Workshops were held every 6 months to share ideas and learn from each other.

Results: Three success factors were identified: building trust, enhancing community capacity and finding a way for government agencies to work together.

Challenges included the slow pace of change as governments 'figured out' how to work responsively and how to start thinking 'outside the box'. Outcomes included strengthened community governance and leadership skills, increased capabilities of government agencies, and improved coordinated responses to community-identified needs through 29 Shared Responsibility Agreements with tangible benefits in education, health, law and justice and economic development. A Regional Partnership Agreement was also signed for a Murdi Paaki Young Leaders program, and Wilcannia and Walgett were designated Remote Service Delivery sites.

Conclusion: Two-way capacity improved but, in retrospect, the process would have been strengthened by earlier investment in enhancing community capacity and greater emphasis on data collection and cross-jurisdictional government relationships.

Policy and program implications: The trial demonstrated the need for research to underpin such initiatives to build the evidence base for governance-enhancing initiatives (Jarvie 2008; Jeffries & Menham 2008).

Private enterprises have formed partnerships with Indigenous organisations as a way of fulfilling their corporate social responsibilities (Suggett 2003). For instance, the Indigenous Governance Awards were established in 2005 by Reconciliation Australia and BHP Billiton to encourage, reward and promote best practice in Indigenous governance. The national awards showcase success in Indigenous organisations, covering qualities such as strong leadership, good management, effective partnerships and creative thinking.

Capacity-strengthening programs targeting Indigenous organisations

Leadership capacity strengthening is a long-term process. Indigenous organisations provide important social, economic and cultural services to their communities. Research through the Indigenous Community Governance Project (ICGP 2010) documented highly competent Indigenous organisations that balance their cultural imperatives and practice within the requirements of government funding programs and incorporation (Hunt et al. 2008). There are also Indigenous organisations that struggle or fail (Dodson & Smith 2003). Issues include low levels of staff literacy and numeracy, and a risk that training programs under the guise of capacity building are used as a substitute for sound education from primary through to tertiary levels (Tsey 1997). Other challenges include lateral violence as in gossip and jealousy, under-resourcing and an inability to meet the needs of clients. Recent studies recognise a link between a need to strengthen leadership capacity and the need to heal past trauma (Phillips 2010; Scougall 2008) as well as attitudinal and behavioural change, rebuilding confidence and self-belief and the transfer of knowledge and skills (Scougall 2008).

Programs have been developed to educate directors and managers of Indigenous organisations on their statutory obligations and strengthen their administrative and other skills (Martin 2003). However, there has been a lack of training programs to teach board members how to deal with difficult issues, such as legal and business issues, and how to deal with external stakeholders. The Office of the Registrar of Indigenous Corporations (ORIC) developed and provides a range of corporate governance training programs for Indigenous corporations and their governing committees/boards (DFD 2009a,b). The Department of Education, Employment and Workplace Relations Indigenous Employment Program and Indigenous Business Australia have also funded many business development projects and programs in recent years. Box 2 describes the evaluation of a recognised governance training package developed for Indigenous people.

Box 2: Evaluation of the Certificate IV in Business (Governance) Training Pilot Program in Queensland

Issue addressed: Assessment of the environmental, cultural, social and economic impacts of ORICs Certificate IV in Business (Governance) Training package.

Methods: Interviews and focus groups with program graduates.

Results: Graduates reported positive experiences and the ability to implement practical changes in their organisations as a result of their newly acquired skills and knowledge.

Conclusions: The certificate had successfully strengthened the capacity of Indigenous directors to develop better governance and management. The report recommended continuous improvement and expansion of the training program, including improved communication with participants' organisations, enrolment of multiple people from one organisation, quality monitoring, post-training support and ongoing monitoring of outcomes.

Policy and program implications: The study suggests the need for both hard and soft capacity strengthening within situation-specific contexts (Loza & Prince 2005). (For the distinction between hard and soft capacities, see page 4).

International studies of Indigenous capacity-strengthening initiatives found that successful leaders have four qualities. They:

- infuse others with positive energy even in disempowering circumstances
- think strategically and creatively about capacity development as an end in itself and as a means to better performance
- use informal networks, contacts and social standing to protect the organisation
- adapt their leadership style as the organisation grows (Morgan et al. 2005).

Power and legitimacy in Indigenous settings often emerge from the informal and traditional, with capacity enhancement evolving from experimentation or in a pragmatic and incremental way. The change strategies most effective in international studies are to both adapt techniques from the outside to the local cultural context and modernise traditional practices and values (Morgan et al. 2005).

An important component of capacity strengthening is leadership development. In Australia, there is evidence that Indigenous leaders are required to negotiate and balance their obligations to mainstream and to Indigenous community networks (Hunt & Smith 2007; Sanders 2008; Sercombe 2008). Phillips (2010:86) describes Indigenous culturally based principles that provide an internal mechanism for monitoring governance building as:

- respect and contribution to the common good in return for autonomy
- the interconnections between humans, land, waterways and all things
- the critical nature of human inter-relationships, reflected in complex kin systems, and the impact these systems have on effective community governance
- belief in spirit beings and ancestors as integral to daily life.

Leaders are connected through extensive informal networks—the more 'visible' leaders are able to exercise authority through these networks (Hunt & Smith 2006a,b, 2007). However, recognition of the role of informal Indigenous governance networks (including family and clan group governance) in Australia is 'barely perceived or understood by those outside it, much less engaged with' (Hunt et al. 2008:18).

Organisational capacity strengthening for good governance can take many forms. Governance capacity is greatly strengthened when Indigenous people create their own rules, policies, guidelines, procedures, codes and so forth, and design the local mechanisms to enforce those rules and hold their own leaders accountable (Hunt & Smith 2007). Key design principles of good governance include:

- networked governance models taking into account the needs of men and women
- governance systems arising from locally dispersed regionalism and 'bottom-up' federalism
- subsidiary and mutual responsibility as the basis for clarification and distribution of roles, powers and decision-making across social groups and networks
- cultural geographies of governance
- emphasis on internal relationships and shared connections as the foundation for determining self-governance, group membership and representation (Hunt et al. 2008; Hunt & Smith 2007).

The case of the Central Land Council (Box 3) demonstrates a process of capacity strengthening of Aboriginal beneficiaries of mining royalties with regards to their aspirations (Campbell & Hunt 2010).

Box 3: Community Development through the Central Land Council in Alice Springs

Issue addressed: The Central Land Council (CLC) facilitates community development planning processes with 15 communities and outstations. This involves the allocation of up to $5 million in rent, royalty and affected areas money from mining agreements for lasting community benefits.

Methods: Through its Community Development Framework, the CLC seeks to support local people to articulate their development aspirations, identify their priority issues and draw on local and external knowledge to develop appropriate solutions, which are then implemented, largely with their own money.

Results: External evaluation found that decision-making by various governing bodies associated with the project was improving. Decision makers were developing capacity to obtain and consider all relevant information and its implications before making decisions. Community ownership and control of benefits meant that people were more likely to engage and build further development opportunities. This has been extended to an ability to advocate with external agencies and there has been some success in leveraging additional government resources.

Conclusions: The capacity of the CLC projects to supplement government funding for Aboriginal development prioritised by Aboriginal people was affected by shifts in government policy, including the Northern Territory Emergency Response. Aboriginal landowners prioritised projects on infrastructure and equipment that supported remote living and cultural and social priorities, such as maintaining language, transmitting cultural knowledge and healing. This conflicted with government policies that were generally moving in the opposite direction.

Policy and program implications: Despite contextual difficulties, the centrality of local participation and decision-making in the CLC community development model means that it creates opportunities for Aboriginal people to be meaningfully involved in determining their futures (Campbell & Hunt 2010).

Other promising approaches also start from an emphasis on what people are already doing to improve Indigenous governance and attempt to add value to existing strengths and capacities. A range of specific models and approaches are being used, including participatory methodologies to generate learning. Box 4 illustrates one such approach by Apunipima Cape York Health Council in Cairns.

Measures to improve governance by imposing a one-size-fits-all approach to addressing Indigenous governance are unlikely to be workable or sustainable. Government efforts to consolidate the dispersed structures of Indigenous governance, such as through regionalisation, have often met Indigenous resistance (Sanders 2004). Governance structures for Indigenous communities and regions often comprise many small-scale, locally autonomous and sometimes fragmented Indigenous organisations, each with unique historical and cultural characteristics and varied responsibilities developed in response to the different compositions of communities and their local and cultural conditions (Maddison 2009; Phillpot 2006; Sanders 2004).

Box 4: Staff empowerment and organisational change management at Apunipima Cape York Health Council in Cairns

Issue addressed: Apunipima Cape York Health Council (lead health advocacy agency for Cape York's Indigenous population) invited university researchers to collaboratively develop a program that aimed to improve employee capacity to perform their roles as well as foster healthier workplace practice.

Methods: Combination of:

- hard capacity strengthening strategies, such as review and staff training in the technical aspects of planning using the standard service delivery reporting format of the Office of Aboriginal and Torres Strait Islander Health
- soft capacity strengthening, including empowerment training
- measuring changes in staff morale and confidence in organisational capacity over time.

Results: Participants identified their planning priorities, developed skills, reflected on outcomes and lessons learnt and drew on those lessons to refine future strategies. The training was supported and attended by the Chief Executive Officer and executive staff.

Conclusions: Apunipima's experience did not follow a linear trajectory towards increased capacity. From a staff perspective, leadership was pivotal to the organisation's capacity for change and an important indicator of organisational wellbeing. Perceived improvements in leadership were linked to improvements in staff attitude and engagement.

Policy and program implications: Providing a tailored capacity-building approach which combined hard and soft capacity strengthening enhanced the engagement of staff and their efforts within the workplace (McEwan et al. 2010).

For instance, a Western Australian inquiry failed to demonstrate any benefit from the recentralisation of Indigenous governance from small to large remote Indigenous communities; in fact, there is some evidence to the contrary (Education and Health Standing Committee 2007). However, dispersed governance has benefits. It divides the tasks to keep them manageable for small communities and offers opportunities for the representation of a diverse range of interests and points of view (Sanders 2004). The lesson that can be drawn from this is that if a one-size-fits-all approach is imposed, the ability to tap into existing capacity is often lost. Therefore, it is important to understand what will work for whom in this environment.

Facilitators to success

Some of the facilitators for organisational capacity strengthening to improve Indigenous community governance are:

- commitment at high levels of government in partnership with the National Congress of Australia's First Peoples and other Indigenous organisations to a long-term approach and flexible funding arrangements (DAC GOVNET 2005; Hunt & Smith 2005; Morgan Disney & Associates 2006; Jarvie 2008)
- achieving real participation and community ownership (Moran 2006)
- understanding the complex multi-layered nature of Indigenous contexts and client service needs, and the use of small steps to build trust and confidence (Tsey et al. 2005; Milliken & Shea 2007)
- tailored approaches that include a focus on the hard and soft capacities.

Conclusion

Global and local evidence shows that getting governance right is hard work, but critical to improving Indigenous health, wellbeing and quality of life. Good governance is relevant for all seven COAG-endorsed building blocks for overcoming Indigenous disadvantage: early childhood, economic participation, governance and leadership, health, healthy homes, safe communities and schooling.

Governance is an issue over which Indigenous communities potentially have significant control, with sound governance structures allowing Indigenous people to effectively make decisions about their long-term goals and objectives for their communities, what kind of development they want and what actions need to be taken to achieve those goals. Good governance is about creating the conditions for legitimate and capable rule and for collective action.

Strengthening Indigenous organisational capacity is a context-dependent process. It needs to be carried out within a developmental approach requiring collaboration, trust and long-term commitment. The process should not become an excuse for the failings of education systems, but must reflect Indigenous cultural values and norms and include both soft and hard capacities. Strengthening the capacity of Indigenous and government managers is beneficial in its own right. It also improves Indigenous community governance which, in a cyclical process of improvement, is the precursor to capacity strengthening for further sustainable development.

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Terminology

'Aboriginal and Torres Strait Islander' and 'Indigenous' are used interchangeably to refer to Australian Aboriginal and/or Torres Strait Islander peoples. The Closing the Gap Clearinghouse uses the term 'Indigenous Australians' to refer to Australia's first people.

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Resources

Resources from the Indigenous Community Governance Project can be found at <http://caepr.anu.edu.au/governance/index.php>.

The Indigenous Community Governance Project annotated bibliography, published by the Australian National University College of Arts and Social Sciences, is a live annotated bibliography for the Indigenous Community Governance Project. It lists about 200 references (ICGP 2010). This can be found at <http://caepr.anu.edu.au/others/governance/ICGPBibliography.php>.

The Sharing Success Governance Workbook was published by Reconciliation Australia. It introduces Indigenous community governance concepts, examples of good practices, signs of problems and diagnostic checklists. The content of the workbook is drawn from the findings of the Indigenous Community Governance Research Project and analysis of all Indigenous Governance Award applications. It is available at <http://caepr.anu.edu.au/others/governance/Other-1248876000.php>.

Maps to success is a handbook of successful strategies in Indigenous organisations. It was published by the Australian Institute of Aboriginal and Torres Strait Islander Studies (2007) and is available at <http://www.aiatsis.gov.au/research/success.html>.

Community capacity building—a review of the literature was published by the South Australian Government. It provides a recent review of the mainstream community capacity-building literature (Verity 2007). It is available at <http://www.health.sa.gov.au/pehs/branches/health-promotion/0711-capacity-building-review-lit.pdf>.

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