

# Indigenous Participation in Corporate Australia: From Symbolism to Strategy

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It's NAIDOC Week! A time to celebrate the rich culture, identity, and achievements of Aboriginal and Torres Strait Islander peoples. But let's also remember—NAIDOC Week has its roots in activism and protest. It's a powerful reminder that while we honour the past and present, there's still work to be done.

Unlike National Reconciliation Week, which centres on fostering relationships and mutual understanding between Indigenous and non-Indigenous Australians, NAIDOC Week is driven by First Nations voices. It's a celebration of strength, resilience, and leadership within our communities.

So, as we celebrate, let's also honour the activist spirit that NAIDOC Week was built on. Real change means challenging systems and shifting mindsets. In areas like procurement and employment, **Indigenous participation must be more than a symbolic gesture—it must be recognised as a strategic and moral imperative.** It's about equity, empowerment, and ensuring First Nations voices are not just heard, but embedded in the decisions that shape our future.

## **The State of Play: Good Intentions, Patchy Outcomes**

Let's not pretend there hasn't been progress. Over 3,000 organisations now have RAPs. Indigenous businesses are contributing over \$16 billion to the economy. RAP organisations are often Supply Nation members, and they spent more than \$4.6 billion with Indigenous suppliers last year. That's real money. That's real impact.

But let's also not pretend that this is the norm. Because it's not.

Too many companies are still stuck in the "safe zone"—acknowledging Country at events, hosting NAIDOC morning teas, and calling it a day. Meanwhile, Indigenous employment targets are missed. Procurement policies are ignored. Or not audited.

Two-thirds of Commonwealth contracts that should have included Indigenous participation were exempted. Of the ones that weren't, only 20% were checked for compliance. And over a quarter of those were non-compliant.

So yes, there's progress. But there's also a lot of performative noise.

## **Why We're Still Falling Short**

Many companies are not asking the right questions.

They're not asking how Indigenous procurement is embedded across the supply chain. They're not asking whether their head contractors are delivering. They're not asking whether their RAP is driving outcomes or just optics. And they're not acting on the responses they don't like.

And let's be honest—some of it is racism. Some of it is laziness. Most of it is convenience.

It's easier to say "we tried" than to do the hard work of building relationships, shifting culture, and holding people accountable. But that's what real leadership demands.

### **A Multidimensional Return on Investment Framework**

We need to do this properly. You don't establish a mine site, build an airport, or construct a city tower with a five-year horizon and a vague plan. These projects involve multiple stages, operational systems, and rigorous metrics. International industry learnings are applied, and accurate, timely, and trackable reporting is used by boards and executives. Success is celebrated, accountability is enforced, and continuous improvement is embedded in the process.

The same level of discipline and strategic thinking must be applied to Indigenous participation. If boards and executives genuinely want a return on their investment in Indigenous procurement—or social procurement more broadly—they must move beyond surface-level metrics and embrace a multidimensional ROI framework. This framework captures tangible financial returns, intangible value creation, and social impact, offering a holistic understanding of the true benefits of Indigenous engagement.

**Tangible financial returns** are perhaps the most straightforward to quantify. Companies that actively engage Indigenous suppliers and communities often gain access to government contracts that require Indigenous participation. For example, Commonwealth tenders exceeding \$7.5 million mandate Indigenous content, positioning inclusive companies to win lucrative deals. *(Note: see previous statement that two-thirds of Commonwealth contracts were exempted – this is not the Indigenous supplier at fault).* Moreover, businesses that align with ESG principles, including Indigenous engagement, are increasingly favored by large corporates and investors.

**Risk mitigation** is another critical financial benefit. Companies that neglect Indigenous engagement risk reputational damage and financial penalties. Telstra's \$50 million fine for selling unsuitable products to Indigenous customers and Rio Tinto's global backlash following the destruction of Juukan Gorge are stark reminders of the cost of inaction. On the flip side, proactive engagement fosters trust, reduces conflict, and ensures smoother project execution.

**Intangible value creation** encompasses brand equity, innovation, and employee engagement. In today's socially conscious market, a company's commitment to reconciliation and Indigenous empowerment enhances its public image and stakeholder trust. Karen Mundine of Reconciliation Australia highlights that RAP performance is increasingly influencing investor decisions. Companies known for respectful partnerships with Traditional Owners gain a social license to operate, which can be a decisive factor in industries like mining and infrastructure.

Internally, **Indigenous engagement builds cultural capability and fosters innovation.**

Collaborating with Indigenous businesses introduces diverse perspectives and problem-solving approaches. These partnerships often lead to improved services and products, as Indigenous suppliers bring unique insights rooted in community experience. Furthermore, employees feel more connected to their company's values, boosting morale and retention.

## **Social ROI extends the impact of Indigenous participation to communities and society at large.**

Every dollar spent with Indigenous businesses generates an estimated \$4.41 in social and economic value, according to Supply Nation. This multiplier effect includes job creation, skills development, and increased economic independence. For instance, a \$1 million contract with an Indigenous supplier could yield over \$3 million in community benefits, such as employment opportunities and local investments.

To translate this framework into action, companies must **adopt a structured approach**.

### **Executive ownership**

Indigenous engagement must be championed at the highest levels. Assigning responsibility to senior leaders and integrating Indigenous participation into board agendas ensures accountability and strategic alignment.

### **Operational integration**

RAPs should not be isolated initiatives but embedded into procurement, HR, and project management. For example, procurement policies should mandate consideration of Indigenous suppliers, and HR strategies should include proactive recruitment of Indigenous candidates.

### **Cultural capability**

This is the foundation of a supportive workplace. Comprehensive training programs, mentorship opportunities, and employee resource groups help create environments where Indigenous staff can thrive. Regular audits of retention and promotion rates provide insights into the effectiveness of inclusion efforts.

### **Building strong partnerships**

Trust with Indigenous communities and businesses is essential. Long-term relationships, joint ventures, and co-designed initiatives foster mutual trust and shared success. Companies should engage early in project planning and ensure that Indigenous voices are heard and respected.

### **Measure progress**

Companies should establish KPIs across financial, intangible, and social dimensions. Metrics might include spend with Indigenous suppliers, employment rates, brand perception scores, and community impact indicators. Dashboards and scorecards reviewed by leadership help maintain focus and drive continuous improvement.

### **Transparency and public reporting**

This is about reinforcing accountability. Annual RAP progress reports, sustainability disclosures, and stakeholder communications should highlight achievements, challenges, and future goals. Honest reflection builds credibility and encourages stakeholder support.

### **Continuous learning and adaptation**

This ensures Indigenous engagement remains dynamic and effective. Feedback from Indigenous partners, employees, and communities should inform strategy updates. Companies should aim to scale successful initiatives and raise the bar with each RAP cycle.

The multidimensional ROI framework provides a comprehensive lens through which to view Indigenous participation. It reveals that reconciliation is not just a moral obligation but a strategic opportunity. By embracing this framework, companies can drive financial performance, enhance brand value, and contribute to a more inclusive and prosperous society.

## **The Bigger Picture: Why This Matters**

This year's NAIDOC Week theme, "The Next Generation: Strength, Vision & Legacy," is a powerful reminder that young Indigenous Australians are not just the leaders of tomorrow—they are shaping the future today. Their strength, cultural pride, and innovative spirit are driving change across communities and industries. For corporate leaders, this theme is a call to action: to step up, lead with purpose, and leave a legacy that empowers the next generation. By aligning business strategies with this vision—through Indigenous employment, procurement, and leadership development—executives can ensure their impact endures beyond quarterly results. It's not just about celebrating culture; it's about investing in the future custodians of this country's shared prosperity.

This isn't just about procurement. It's about power. It's about access. It's about rewriting the rules of who gets to participate in the economy—and who gets to shape it. Procurement is not merely a transactional process; it's a lever for systemic change. When Indigenous businesses are included meaningfully in supply chains, it redistributes economic power, opens doors to opportunity, and challenges long-standing structures of exclusion. It signals that First Nations people are not just contributors to the economy—they are architects of it. True reconciliation demands more than symbolic gestures; it requires dismantling barriers and building pathways to equity. Because reconciliation without economic inclusion is just rhetoric. And we've had enough of that.

We need to build a future where Indigenous businesses are thriving, where Indigenous people are leading, and where corporate Australia is a genuine partner in that journey.