

Assessing the impact of Indigenous social procurement policies

To help address the failure to 'Close the Gap' in Indigenous employment the Australian Government designed and introduced the Commonwealth Indigenous Procurement Policy (CIPP). However, the success of such policies are too often assessed from a non-Indigenous perspective.

Why the study:

- This research argues that these policies are unlikely to have their intended social impact if they are removed from Indigenous Australian cultural values, ontologies, epistemologies and lived experiences.
- It argues that the ways in which these policies are developed and their success communicated often fails to respect these differences.
- It therefore questions whether these policies are having their intended effect and introduces the notion of 'cultural counterfactuals' as a way of allowing for Indigenous values in social impact assessments.

What we did:

- We undertook a critical literature review of social procurement in relation to Indigenous peoples to develop a new conceptual framework to stimulate discussion of cultural counterfactuals.
- We employed Indigenous Standpoint Theory, Ngaa-bi-nya, Indigenous Value Theory and Strain Theory as to develop a framework for conceptualising cultural counterfactuals.
- This conceptual framework has formed the basis for ongoing empirical PhD research with Indigenous construction companies and their employees to better understand the impact of Indigenous social procurement policies from the perspectives of the Indigenous people they are meant to help.

- This factsheet is a description of the framework alone.
- The outcomes of the empirical research have not yet been published in peer reviewed journals and will be reported at a later date when they have been peer-reviewed

What we found:

- Evaluations are rarely, if ever, built into the design of Indigenous policies or programs, and they are too often under-taken as an afterthought, with little consultation and with insufficient time or resources set aside for deep insights.
- Existing frameworks used to evaluate various Indigenous programs have been criticized in many ways. These include; being too generalised and ignoring Indigenous cultural diversity; being conducted by outsiders without adequate consultation and involvement of Indigenous communities; and being perceived as coming from outside the community's interest and control.
- Claims about the benefits of Indigenous social procurement policies are often undermined by a lack of agreed measurement frameworks and clear definitions of Indigenous social value.
- Current approaches to impact measurement focus on the reporting of easily measurable "outputs" such as training places and jobs provided rather than more difficult to measure social "outcomes."
- People in a position of power typically undertake this measurement and determine what social value is or is not and how it should be measured, and this can omit things that the Indigenous beneficiaries of social procurement see as being valuable.

- This further disempowers and marginalises groups targeted by social procurement and can result in Indigenous voices and priorities being side-lined or co-opted into government rhetoric around policy success.
- There is currently a lack of empirical evidence about the benefits of Indigenous social procurement compared to traditional government interventions. Despite claims about benefits, some authors warn of potential negative consequences such as market distortions which can disadvantage Indigenous businesses, removal of people from communities to take up employment opportunities, exposure to discrimination and financial costs associated with transport and accommodation etc.
- The construction industry has its own unique characteristics which may be counterproductive to Indigenous social value creation.
- In Australia, success of the CIPP is assessed on two key financial performance indicators which overlook what social value means to Indigenous people and how this differs from Western notions of value.
- These cultural differences (counterfactuals) need to be considered when measuring the impact of Indigenous social procurement policies on Indigenous people.
- Indigenous methodological practices also need to be better respected in undertaking policy evaluations.

What this means:

- The research presents a new framework of cultural counterfactuals which can be used by policymakers and the construction industry to measure the social impact of Indigenous procurement policies from an Indigenous social perspective.
- The framework uses the four Ngaa-bi-nya domains to highlight the areas to be promoted through procurement over the life cycle of a project.
- The Table below gives examples of key questions which stakeholders in each stage of the building procurement life can ask to evaluate Indigenous procurement policies



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More information about this research can be found here: George Denny-Smith, Megan Williams & Martin Loosemore (2020) Assessing the impact of social procurement policies for Indigenous people, Construction Management and Economics, 38:12, 1139-1157, DOI: 10.1080/01446193.2020.1795217