

## Case Study

### Restoring Rumbalara Aboriginal Cooperative to the heart of the community



### Background

Rumbalara means rainbow, and is the name given to a settlement established in the 1950s by Indigenous people dissatisfied with conditions at nearby Cummeragunja Mission Station. By the 1980s, the settlement had become the Rumbalara Aboriginal Cooperative (RAC), a focus for health, housing, welfare and culture for Indigenous people across Greater Shepparton. It received government funding to deliver community-controlled and culturally appropriate services, particularly in health and wellbeing. Over time, this grew to cover ageing and disability and a broad range of community services.

In 2014, high turnover of key staff and unstable governance at board and senior management levels caused a year of instability for RAC. Increasing costs of services and general lack of cost effectiveness saw several programs operating at a loss. Already vulnerable to dependence on government funding and a shifting policy environment, this made RAC extremely vulnerable both operationally and in terms of stakeholder confidence.

In February 2015, the board appointed a new CEO, Kemal 'Kim' Sedick, who they hoped could oversee a period of restructure to restore financial and staff stability.

Jawun has been a partner of RAC since 2011, with several secondees a year supporting aged care, housing and general organisational functions. Kim realised the opportunity for secondees to strengthen the financial and governance foundations of RAC by transferring key skills to management in the areas of finance, operations and branding. Over a 16 month period, four secondees from Commonwealth Bank (CBA), Westpac and the Australian Public Service were deployed.

### Approach

Peeyush Agarwal was a CBA employee seconded in August 2015 to work with RAC's new and relatively inexperienced Chief Financial Officer (CFO), Jack Chaminda. Together they streamlined RAC's financial systems, brought the organisation's budget into line, and improved accurate financial reporting to the board to enable strategic direction from them. Peeyush took on the role of mentor – demonstrating professionalism to Jack, boosting his confidence, and explicitly transferring skills that made him more competent in his role. Explaining that it had worked out as he had hoped, Kim said simply: *'Peeyush helped me grow Jack into a CFO'*.

Also seconded to RAC at that time was David Couri from Westpac's BT Financial Group, who specialised in 'lean methodologies' that increase the productivity of businesses. He reviewed RAC's finances across all service streams, spoke to staff and board members, and spent time in the 30-bed elders' facility – a key part of RAC's service portfolio, but one which had been operating at a loss since opening in 2012. He saw that efficiency gains needed to be made without detracting from RAC's proudly community-controlled and culturally appropriate approach. Like Peeyush, David prioritised skills transfer: he worked with the Director of Aged Care and Disability Services, the Quality and Risk Manager, and the Finance Officers, to build their

understanding of how efficiency gains could be applied to RAC. By the time he left, David had drafted recommendations for a range of possible savings across all RAC's operations and service agreements.

In the next round of Jawun secondments, Nicholas Thongsrinoon was deployed to RAC from the Department of Finance, to turn David's recommendations into a new procurement strategy. He worked with the Procurement Officer, Finance Officer and Director of Aged Care and Disability Services to develop a clear process. Working with the team he began implementing several major recommendations, including outsourcing the elders' facility kitchen service.

Another aspect that Kim knew would be essential to restoring confidence in RAC was its rebranding as *'Heart of Community'*. A strategy for this had been drafted to articulate the history and purpose of RAC, but it had not been rolled out. So in February 2016 Siobhan Leslie was seconded from the Murray Darling Basin Authority, bringing a strong background in stakeholder engagement. She worked closely with RAC's Public Relations Officer Yasmar Lovett on a vision statement, key messages, and *'Heart of Community'* collateral that could explain RAC's services and identity to community, partners and government. True to the brief, she worked as much on mentoring as on *'just doing a job'*. Yasmar felt empowered, crediting Siobhan with showing her *'tools such as the issues matrix, Spectrum of Allies and Key Messages mapping, that I will continue to use moving forward in my role.'*

## Outcomes

Establishing RAC's financial sustainability was a critical outcome of the secondees' work at RAC. David identified potential savings of \$600,000 for the coming year, which would bring the RACs forecast loss down from \$800,000 to \$200,000. He also identified an additional \$500,000 that could be saved over the next three years through efficiency gains across the operation, for example a leaner process for vehicle procurement. The elders' facility kitchen outsourcing, guided by Nicolas and now in place, is set to make annual savings of \$300,000 and to see the facility break even financially for the first time since opening. And as well as key staff now being able to apply these lean methodologies, the improved reporting established by Peeyush has enabled the board to strategically oversee RAC's financial direction and maintain future sustainability.

Yasmar has rolled out more of the *'Heart of Community'* strategy, informed by her work with Siobhan.

Working as much on skills transfer as on direct project delivery, the RAC secondees supported a vital restoration of an Indigenous-led service provider with a long and proud history, and high expectations placed on it by the Greater Shepparton community. In this, they delivered a key part of Jawun's model: giving Indigenous organisations access to skills from corporate Australia's 'top end of town'. Kim said: *'Without the Jawun partnership and its secondees, it would be impossible to have made these ambitious changes in such a short time. Each secondee brought their unique skillset, enthusiasm and fresh ideas to the organisation – providing stability and also improving the professionalism of RAC.'*

With each secondment, a practical contribution to reconciliation is another outcome. Peeyush, David, Nicholas and Siobhan all spoke of a huge change in their understanding of Indigenous Australia. They spoke of *'re-learning'* after only having distorted media perceptions, and of discovering histories and challenges easily dismissed by mainstream Australia. They made real friendships that will continue after their secondments. Peeyush considered his time *'life changing'* for the following reason: *'True experiential learning of Indigenous communities' challenges, rather than theoretical knowledge, was a very significant impact for me, and the Jawun secondment delivered that.'*

## Next steps

RAC continues to improve its professionalism and efficiency. In early 2016, two Westpac secondees worked on making savings to procurement, streamlining staffing and HR protocols and identifying business opportunities to reduce reliance on government funding.