

Case Study

Kimberley Land Council Cultural Enterprise Hub



Background

The Kimberley Land Council (KLC) represents Traditional Owners in the Kimberley region. Its remit is to protect traditional land and waters, and to enhance and acquire formal status (legal, social and political) for the customs, laws and traditions of Kimberley Traditional Owners. The KLC was established for the benefit of all Kimberley Aboriginal people and works with about 25 native title groups to get native title recognition, facilitate conservation and land management activities, create cultural business enterprises and improve socioeconomic circumstances. It is one of the largest employers in the Kimberley, employing approximately 130 staff across its divisions of native title, legal, land and sea management, corporate services and finance.

The Cultural Enterprise Hub (the 'Hub') is an idea that emerged from discussions at the KLC about economic development and traditional land owners. One of the challenges facing the KLC and the Kimberley region is how to facilitate the creation of a sustainable economy on country, which will allow Indigenous people to live and work on their traditional homelands.

The vision of the Hub is for Kimberley Aboriginal people to live and work on country in enterprises that are founded on traditional knowledge, cultural values and connection to country. The Hub's operations are therefore geared to support commercial business opportunities that harness land, culture and traditional knowledge.

Approach

In shaping the Hub concept over the past 18 months, the KLC's Land and Sea Management Unit (LSMU) has sought strategic expertise from six Jawun secondees from five different organisations: Wesfarmers, the Australian Taxation Office, NAB, Suncorp and the WA Government's Swan River Trust. Each secondee has brought a unique and specialised skillset to the project that has helped develop the Hub's structure, vision, governance, financial projections and customer value proposition. The ability of the secondees to build relationships, create an environment for KLC staff to think strategically about the Hub and, in some cases, challenge the thinking around the direction for the Hub has meant that the project has greatly evolved since its beginning stages.

The KLC's initial thinking for the project was to set up a trust fund similar to the Aboriginal Benefits Account in the Northern Territory. The work completed by the first two secondees in 2014 centred on investigating the establishment of a trust with the most appropriate corporate legal structure, governance constitution and financial investment model. Research was conducted into the attributes of high-performing boards and the criteria for successful trust funds, and proposals were drafted around possible board structure, types of funding, raising capital and potential partners.

At the completion of the second secondment by Deanie Alston from Wesfarmers, a report containing 13 recommendations was presented to the KLC. The report contained some macro-environmental information and was the basis a significant change in thinking around the project. It prompted the KLC to think more commercially and critically about the project – to envisage it as a business entity rather than just a trust with social benefits. The idea of a Business Enterprise Hub was born.

The subsequent secondments over the course of 2015 focused on the consolidation of the Enterprise Hub concept, with a view to commencing operations in June 2016.

First a concept and vision statement were developed for the Hub, followed by comprehensive budget costings, which included analysis of the fee-for-service (FFS) costing models to be used for the rangers groups. This proved to be another significant period in the development of the Hub. Using the FFS model (developed by Aaron Paisley from NAB), the KLC were able to negotiate a new contract on behalf of a ranger group at a rate 75% higher than previously charged. This was due to the creation of a standardised template, which represented the ranger groups to customers as a professional entity with appropriate skills and experience rather than a group merely fulfilling a community service.

It was then the KLC embarked on developing the strategic, business and implementation plan for the Hub. In order to do this they engaged Social Ventures Australia (SVA), but used a Jawun secondee to help facilitate the internal business planning workshops and also review SVA's financial modelling assumptions and costing forecast. These plans were accepted and signed off by the KLC executive committee in September 2015.

With a business plan formulated, another secondee, Pauline Lucas from Suncorp, started work in October 2015 to provide strategic marketing advice for the Hub, including identifying the target audience, outlining the key messages and identifying appropriate communication methods for partners, customers and investors. The impact of Pauline's work was to bring a customer-centric approach to formulating the value proposition and communication tactics for each stakeholder group. Importantly, this has changed the way the KLC think about their messaging to clients.

Outcomes

The KLC aims for the Cultural Enterprise Hub to become operational in June 2016. It has identified three enterprise categories – carbon offsets, land management and tourism services (including permits) – which will provide economic and social benefits to 13 Prescribed Body Corporates (PBCs) and ranger groups currently supported by the KLC. At present, carbon offset projects represent the greatest potential revenue, followed by visitor permits and land management activities.

The anticipated longer-term outcomes for the Hub include an increase in employment for Aboriginal people on country, an increase in revenue (and corresponding reduction in reliance on government funding) for PBCs, and an increase in the establishment of culturally appropriate businesses.

The KLC's LSMU Strategic Business Development Officer, Ari Gorrington, reflected on the value of Jawun secondees to the Hub project: 'Jawun secondees have contributed skills that have helped shape our thinking and refine our model, leading us to where we are today. The early stage research into a trust encouraged us to look at our ideas from a different perspective, and we have had thorough input to help frame our costings. Each secondee who worked on the Enterprise Hub has brought their unique insight and techniques to help KLC drive towards its long-term organisational vision. Along the way, we've learnt new skills and built capabilities within the LSMU.'

Nolan Hunter, CEO of the KLC, has also seen Jawun secondees add value in a variety of ways. 'Each secondee brings us one step closer to our goals. We see great value to our organisation in the skills they bring and their "fresh eyes" perspective.'

Next Steps

The next Jawun secondee will support the Hub team in building a suite of tools for enterprise development in Indigenous communities. Future secondees will assist in delivering workshops, providing technical and business support, capability building and conducting feasibility analysis. This will pave the way for sustainable fee-for-service work, and social and cultural enterprises across Kimberley Indigenous communities.