Use of term Indigenous Australians

To reflect the national scale of this research, we have chosen to use the term Indigenous to refer to Aboriginal and Torres Strait Islander peoples. We respect and acknowledge the diversity of communities, identities, and clan groups for all Indigenous people of Australia. While we recognise Indigenous peoples have differing preferences regarding the use of terms Indigenous, Aboriginal and Torres Strait Islander, and that many may prefer to be known by their specific group name or Country, as Traditional Owners and Custodians, or First Nations, the terminology used in this project reflects a considered and deliberate approach. We have developed a research process that values Indigenous ways of knowing and being and is built on self-determination. We hope that you are comfortable with our approach to inclusive terminology.

Advice to Indigenous readers

Indigenous readers are advised that the report may include harmful content. This content may have the potential to retrigger Indigenous people due to vicarious trauma or experiences of cultural load throughout the findings.

Disclaimer

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Shark Bay coastline, Western Australia. Photo credit: Abstract Aerial Art via Getty Images.

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PROJECT REACH

Of Australia’s total workforce represented

Represented employees or 5% of Australia’s workforce

Employers participated across Australia

Individually interviewed, of whom 71% are Indigenous

Indigenous voices

About the artwork by Julianne Wade:
Country is represented in the ochre red and yellow. Green represents new growth. The white dots inside represent campsites and different countries. The white lines represent journeys pathways travelled.

Figure 1: Cultural identities of Indigenous contributors to the research.

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About the cover art

“The cover artwork depicts many people journeying together in many different places, which represents a roadmap of Indigenous employment across many workplaces. The ochre red and yellow represent places on Country, while the warm yellow dots represent the pathways into reconciliation, like the sun which provides light. The green represents personal growth, like our earth that turns green with good growth. The cool and warm blues represent new beginnings and opportunities, like the water in the rain that provides our earth with new beginnings and opportunities. The earth needs these elements of sunlight, earth, and water in order to thrive. Our people and workplaces require new beginnings, opportunities and pathways to grow towards parity and reconciliation.”

Julianne Wade, Artist.

About the map of Australia’s Indigenous Nations

“The artwork represents the cultural identities of the Indigenous contributors to the research. The blue and white represent oceans, waterholes, currents and direction. The ochre red and yellow lines represent the land that is forming, blue and green lines represent the waterways of old rivers and swamps. The land is ever evolving on our journeys and pathways. The white lines represent pathways journeys travelled.”

About the artist - Julianne Wade

Julianne Wade is a Whadjuk Perth born artist on her mother’s side, who grew up in New Zealand in Ngaruawahia Tainui with her father’s side. She is a visual artist and remains connected to her culture through painting and family, and to community through the West Australian Aboriginal Leadership Institute. She has a passion for making a change through art for Indigenous and non-Indigenous people. Her purpose is to highlight that all land is a traditional Country on which ancestors have practiced culture and shared knowledge for thousands of years.

About the title - Woort Koorliny

Woort Koorliny is from the Noongar language, and is interpreted in English as ‘moving forward.’

The sentiment of Woort Koorliny acknowledges that Indigenous employment is a journey. While there is momentum and progress underway, there is still a long road ahead to achieve true parity in all workplaces, and we must move forward along this journey together.

We thank Noongar Elders and linguists, Len Collard, Director of Moodjar Consultancy and Fiona Simpson, for providing a Noongar title for this report, and acknowledge theirs and many others’ ongoing efforts to protect and promote Indigenous languages across Australia.
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As Indigenous Australians, we belong to the longest continuing culture on Earth. We also have one of the longest histories of economic participation in the world. But despite our credentials, we are also disproportionately locked out of today's economic opportunities and workforces.

For years, significant effort has been directed towards closing the Indigenous employment gap, yet it remains stubbornly persistent. In fact, it's barely closing at all; over the decade 2008-2018, the gap is estimated to have closed only one per cent. This is not a reflection of the potential of Indigenous Australians, or our capability to contribute to today's workforces.

In the past, employment programs and policies have focused almost exclusively on jobseekers, by increasing their training, qualifications and employment-readiness. However, it is self evident that employment disparity cannot be overcome through the efforts of jobseekers alone.

Over recent years, the readiness of employers to take on Indigenous employees has become increasingly examined. Are they ready to employ Indigenous Australians, and are they safe places to work? These are critical questions to answer positively on the journey to true Indigenous employment parity.

For 14 years, Generation One has advocated for, and worked towards Indigenous employment parity. From our very first campaign as the Australian Employment Covenant, amassing 350 Australian employers to pledge more than 60,000 jobs for Indigenous Australians, we have known that goodwill from industry is abundant. However, employers have remained consistent in their calls for help on 'how to.' A lack of data and evidence in Indigenous employment has only exacerbated industry's uncertainty, until now.

Forty-two Australian employers stepped up to participate in this inaugural Index, and they did so with trust, courage and humility. To these employers, I thank you for sharing with us your successes, challenges, and progress towards Indigenous employment parity.

While this inaugural Index serves as a critical baseline, its biggest impact will be seen in years to come. As more employers participate in the Indigenous Employment Index over time, the evidence base from which to drive true employment parity will only be strengthened, and our collective progress towards parity will only accelerate.

With this, I warmly welcome other large employers committed to Indigenous employment parity, to participate in the next Indigenous Employment Index planned for 2024.

I deeply thank our research partners Bankwest Curtin Economics Centre and Murawin, our Expert Advisory Panel, our Indigenous advisors, the Generation One and Minderoo Foundation team, and the many employees who contributed their stories to this research. I hope this Index is an accurate reflection of the aspirations and challenges you have set, for employers to meet and rise to. We now put the challenge of true employment parity, supported by the guidance of this Index, to the business leaders of Australia.

To achieve Indigenous employment parity in our generation, we need 300,000 more Indigenous Australians in work by 2040. This inaugural Index provides an evidence base, and tangible steps to help employers get there. What contribution will your organisation make?

Shelley Cable
Director, Generation One.
Seismic, not incremental, change is required to create parity in our generation. The key is equal education opportunities for all Australian children – and equal employment outcomes. Employment is more than just a job or a pay cheque. It is a core part of our identity. It is critical to our financial independence and our health. And it’s also strongly associated with improved responsibility during the first few years of life by a carer.

Time and time again, it has been proven that culture erodes most savagely when individuals lack independence – and is maintained most proudly when Indigenous peoples are supported to walk in both worlds, as has been so successfully achieved by so much Indigeneity around the world.

For example, the Chinese and Japanese peoples, and the journeys they are on, or have been on – there is no question of the deep love and respect they have for their cultures, but also no sacrifice of standard of living, education or employment. Employment must not come at the expense of culture. Hundreds of thousands of Indigenous Australians, and indeed millions of Indigenous peoples globally prove this is possible every day, proudly leading meaningful careers while retaining the love of their culture and cultural identity.

This is the journey we want to create, where our First Australians return to the independence they always enjoyed, before the tall ships came in.

Yet Australia’s progress towards Indigenous employment parity remains glacial.

Today, less than half of working age Indigenous Australians are employed – compared to three quarters of non-Indigenous Australians.

At the current rate, it will take 200 years to close the gap.

This Index is a courageous first step by 42 of Australia’s largest employers to understand where we are now, and to collaboratively develop a set of solutions, underpinned by evidence, that accelerate Indigenous employment parity.

We focus on Australia’s largest employers because only industry has the power to create the jobs and working environments necessary to drive change. But we also focus on Indigenous employees and small-scale Indigenous businesses, to understand their views on the key barriers to parity, and solutions.

We asked businesses: what fraction of your workforce is Indigenous? Do you have employment targets in place? Are Indigenous individuals represented at the highest levels of your company?

The results show that just two of the 42 companies succeed in reaching the highest performing category, with almost a third of businesses in the lowest category. Mean Indigenous employment was 2.2 per cent – but ranged from almost zero to over 10 per cent.

The Index also finds that simply having a Reconciliation Action Plan (RAP) is no guarantee of high Indigenous employment rates. Instead, stringent targets and regular reporting on progress is key.

Fortescue is proud to be one of the 42 companies that took part in the Index.

We may not have a RAP – but we have strong targets and ten per cent of our workforce are Indigenous Australians.

We have awarded over AUD3.6 billion in contracts to Indigenous businesses since 2011 – and in 2006, we created the first demand-led Indigenous employment program, the Vocational Training and Employment Centre program.

But we will always be the first to say that we must do more and do better – and we look forward to reporting on our progress in the next iteration of the Index.

With a philosophy of “a hand up, not a hand-out,” Minderoo Foundation’s Generation One initiative also supports Indigenous Australians to achieve success in employment and business.

In particular, Minderoo Foundation is committed to ensuring, through our initiative, Thrive by Five, that all Australian kids in their early years (0-5) have the best start in life, as this is critical to setting them on a path to lifelong well-being and financial independence, through strong employment outcomes.

We would like to thank every employer who was willing to step forward, scrutinise their own practices – and be part of this Index. By being part of this Index, you have committed to removing the glaring impediments that currently stand in the way of parity.

We must raise our expectations. We must not rest until equal employment and education outcomes are enjoyed by all Australians.

We look forward to working together with you, shoulder-to-shoulder, to create a better world for our children, that sets every single one of them on a course for self-determination and prosperity.

Dr Andrew Forrest, AO
Chair
Minderoo Foundation

Nicola Forrest, AO
Co-Chair
Minderoo Foundation

CHAIR AND CO-CHAIR’S MESSAGE
Expert Advisory Panel
We warmly and wholeheartedly thank the members of the Expert Advisory Panel who have been integral to guiding the Indigenous Employment Index. We thank you for your commitment and passion for realising true employment parity, and for your extensive and invaluable contributions throughout the project.

- **Boyd Hunter**
  Emeritus Professor, The Australian National University

- **Dr Deen Sanders OAM**
  Professor, Partner Deloitte: Integrity

- **Dennis Batty**
  Executive Director, Indigenous Employment Partners

- **Jahna Cedar OAM**
  Executive Director at IPS Management Consultants

- **Lisa Cunningham**
  OEO, Waalitj Foundation

- **Louise Davidson AM**
  OEO, Australian Council of Superannuation Investors

- **Melinda Cilento**
  OEO, Committee for Economic Development in Australia; Co-Chair Reconciliation Australia; Non-Executive Director Australian Unity

- **Shelley Cable**
  Director, Generation One, Minderoo Foundation

Other external advisors
We recognise the contribution of other external advisors for their support in developing the Indigenous Employment Index. We have valued their deep expertise and vast practical experience in Indigenous employment, working with a range of organisations.

- **15TimesBetter**
- **Indigenous Employment Partners**

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Participating organisations
This research was possible only through the involvement of the following 42 organisations and their employees. These employers expressed a genuine commitment to achieving meaningful Indigenous employment.

- Advanced Personnel Management
- Ampol
- ANZ Bank
- Atlassian
- Australia Post
- Australian Red Cross
- Australian Unity Limited
- Clayton Utz
- Commonwealth Bank
- Compass Group (Australia)
- Domino’s Pizza Enterprises
- Downer Group EDI
- EY
- Fortescue Metals Group
- GHD
- Goodstart Early Learning
- Healius
- Jones Lang LaSalle – JLL
- KPMG Australia
- Lendlease
- Linfox Australia
- Minter Ellison
- NBN
- Northcott
- NSW Department of Communities and Justice
- NSW South Eastern Sydney Local Health District
- PwC Australia
- Rio Tinto
- Serco Australia
- Silver Chain Group
- South32
- St John of God Health Care
- The Star Entertainment Group
- Toll Group
- Transport for NSW
- University of Melbourne
- WA Department of Health
- WA Police Force
- Wesfarmers
- Woodside
- Woolworths Group
- Worley

We greatly appreciate the effort and time they have invested to complete the survey and to participate in interviews and focus groups.

Research Partners
The research was commissioned, conceptualised and led by Minderoo Foundation’s Generation One initiative and culminated in a collaborative research study with Bankwest Curtin Economics Centre (BOEC) and Murawin.

Generation One has a mission to create employment parity, with and for Indigenous Australians, within one generation. Minderoo Foundation, established by Dr Andrew and Nicola Forrest, is one of Asia-Pacific’s largest philanthropies.

The BOEC is an independent economic and social research centre located within the Curtin Business School at Curtin University. BOEC has a core mission to undertake high quality, objective research on key economic and social issues of relevance, and was responsible for the quantitative research.

Murawin is an Indigenous owned consulting agency, committed to driving change and creating impact for Indigenous Australians. Murawin led the qualitative component of this research, to bring the voices and experiences of Indigenous and non-Indigenous employees, as well as Indigenous-led businesses, to add deeper insights to the findings.

Research teams

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<thead>
<tr>
<th>Partner</th>
<th>Approver</th>
<th>Team</th>
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<tr>
<td>Generation One, Minderoo Foundation</td>
<td>Shelley Cable, Fiona David</td>
<td>Liz Griffin, Caris Jalla, Caitlin Leslie, Rachael Sage, Ellen Oeklir, Mortaza Rezae</td>
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<td>BOEC</td>
<td>Alan Duncan</td>
<td>Rebecca Cassells, Michael Dockery, Lili Loan Vu, Jaslin Kaur Kalsi, Astghik Mavissakalyan, Silvia Salazar</td>
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<td>Murawin</td>
<td>Carol Vale</td>
<td>Sophia Anagnostaras, Reiko Byrom, Sherie Bruce, Donna Ingram, Sarah Jones, Tony Kiessler, Nakita Kirby, Terri Lethlean</td>
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EXECUTIVE SUMMARY

The Indigenous Employment Index 2022 is the first comprehensive snapshot of Indigenous workplace representation, practices, and employee experiences ever to be carried out in Australia. Together, the participating organisations employ more than 700,000 Australians; about five per cent of the total Australian workforce, and 17,412 Indigenous Australians; around six per cent of the Indigenous workforce.

Today, Indigenous Australians remain vastly under-represented or excluded from the workforce. As of 2018, less than half (49.1 per cent) of working age Indigenous Australians were in some form of employment, compared to 75.9 per cent for non-Indigenous Australians. Worryingly, that gap only closed by 1.3 per cent during the decade to 2018. Indigenous employment parity will only be achieved when Indigenous employees are present in the workforce in the same proportion as they are in the national population, at approximately 3.3 per cent. But, ‘true’ parity extends beyond a single representation measure. This Index therefore assesses employers against a range of other indicators across the following domains:

- **Commitments and Accountability:** do employers have strong commitments to Indigenous employment, do they report on progress towards targets, and who is held accountable for results?
- **Workplace Culture and Inclusion:** how do Indigenous employees feel about their workplaces in terms of safety, racism, cultural awareness, cultural load and identity? What practices are in place to support the workforce on their journey to intercultural responsiveness?
- **Attraction and Recruitment:** how do employers attract and recruit Indigenous employees, and are these practices effective?
- **Engagement and Development:** do employers provide career pathways for development of Indigenous employees? Are Indigenous employees retained and represented at senior levels?
- **Partnerships and Community:** do employers engage with Indigenous communities and organisations, including through employment partnerships and their supply chains?

It is important to stress that the goal of Indigenous employment parity is not to ‘corporatise’ Indigenous Australians to fit the current mould of Australian workforces, at the expense of Indigenous identity, values and cultures. Rather, real progress comes from changing the mould itself.

True success will be achieved when Indigenous economic and social disparity ends, when Indigenous Australians are present and included in Australian workforces at all levels; when employers recognise and value Indigenous ways of doing, being and knowing; and when Indigenous Australians lead organisations and influence major business decisions. Until then, both Indigenous Australians and Australian workplaces are missing out.

We find that just five per cent of participating employers fall into the highest performing category in terms of Indigenous employment practices and outcomes, whereas almost a third (33 per cent) fall into the lowest performing group, and half (50 per cent) fall into the “Growth” category. This means that while employers are making progress towards parity, there is still a long way to go before true parity is achieved and embedded as a standard way of doing business.

This research finds that one-off measures to create Indigenous employment must give way to a more comprehensive and systemic approach. Authentic commitments, tailored strategies with targets, and a broader definition of Indigenous employment success that includes retention, safety, progression, and partnerships are critical to better Indigenous employment outcomes.

One major barrier to closing the Indigenous employment gap is the blind spot that exists in Indigenous employment data, research, and evidence. At present, the only comprehensive measure of Indigenous employment is the Australian Bureau of Statistics Census of Population and Housing (National Census), collected once every five years. Similarly, many employers do not have robust data or visibility of their Indigenous workforce, and are therefore ill-equipped to drive Indigenous employment parity with confidence.

This Index is the first research of its kind to measure and identify practices within large organisations that increase and improve Indigenous employment outcomes, and that elevates and centres Indigenous voices on the journey towards true employment parity. It provides a critical review of what employers are doing well, the concrete steps organisations can take to drive parity, and how to improve the experiences of Indigenous employees.

The report serves as a baseline assessment of Indigenous employment parity amongst 42 large employers. Nonetheless, this report does not profess to have all the answers. The findings shared in this report are only part of the story, and help to inform employer, government and investor approaches needed to meet the needs of diverse Indigenous stakeholders. Subsequent indices will be dedicated to expanding the breadth of this research and continuing to promote Indigenous employment outcomes and Indigenous ways of being.
The research finds there is genuine commitment from participating organisations to Indigenous employment, and that progress is being made, as recognised by many interview participants. There is still much work to be done, however, to improve the attraction, retention, and progression of Indigenous employees, while creating culturally safe and inclusive environments where all employees can thrive.

KEY FINDINGS

The research finds there is genuine commitment from participating organisations to Indigenous employment, and that progress is being made, as recognised by many interview participants. There is still much work to be done, however, to improve the attraction, retention, and progression of Indigenous employees, while creating culturally safe and inclusive environments where all employees can thrive.

1. The mean Indigenous employment rate across surveyed employers is 2.2 per cent, ranging from 0.17 per cent to 10.9 per cent.

2. Employers are failing to retain Indigenous employees at the same rate as non-Indigenous employees, and often prioritise recruitment over employee retention and development.

3. Three quarters (76 per cent) of employers have Indigenous employment targets, of which only two-thirds (67 per cent) report regularly on progress. Organisations that reported regularly on progress had more than double the share of Indigenous employees than those that did not.

4. Indigenous employees are almost entirely absent from senior management and executive leadership levels.

5. Racism against Indigenous employees is common in the workplace, with over 50 per cent of Indigenous interviewees reporting direct or indirect racism currently and throughout their careers.

6. Eighty-one per cent of participating employers are involved in education-related programs or partnerships to attract and retain Indigenous employees.

Considering a parity target of 3.3 per cent, this is promising progress. However, this Indigenous Employment Index reveals almost all employers have substantial room to improve on their Indigenous employment practices and outcomes. Only two of the 42 employers fell into the highest performing category in this Index, with almost a third in the lowest performing category.

Only half of participating employers collect Indigenous retention data, of which the majority (62 per cent) reported lower retention of Indigenous employees compared to the rest of their workforce. In addition, over a third of the 42 participating employers do not provide any Indigenous-specific development opportunities.

Indigenous employment targets are critical in driving employment outcomes, and must be complemented by a comprehensive strategy that addresses the full employee lifecycle. Reporting progress towards targets is associated with statistically significant better outcomes, demonstrating that simply having a plan or a target is not enough.

Racism against Indigenous employees is common in the workplace, with many Indigenous employees feeling culturally unsafe at work, meaning they cannot practice their cultural identity without discrimination, ridicule or denunciation. Employers have low levels of understanding of racism, and how to appropriately respond to it.

Pathway programs such as these can help Indigenous Australians transition from education or training into employment, and also help tailor employee skills and experience to meet organisational needs. Many Indigenous employees believe the best way to build an Indigenous workforce is by starting engagement in schools.

Being in large organisations, it is very tough being an Aboriginal person. And you just want that support from Aboriginal people. You need to, you know, have that yarn.

Eighty-one per cent of participating employers are involved in education-related programs or partnerships to attract and retain Indigenous employees.
CALL TO ACTION

We are calling for immediate action from employers, governments, and investors to bring about the end of Indigenous employment disparity.

EMPLOYERS

We are calling on executive leaders in all Australia based organisations to:

1. Set robust Indigenous employment targets and report regularly and transparently on progress towards them, to measure the effectiveness of your Indigenous employment strategy.

   Indigenous employment targets are critical to driving employment outcomes, but targets must be complemented by a comprehensive Indigenous employment strategy. Targets and plans, such as Reconciliation Action Plans, provide accountability, but are the beginning of the journey, not an outcome in their own right. Reporting progress towards targets, whether internally and/or externally, is associated with statistically significant better outcomes. See Domain 1 for further information.

2. Work to retain current Indigenous employees, rather than focusing only on Indigenous recruitment.

   Amid labour shortages and fierce competition for talent, employers must work hard to retain their Indigenous employees at the same rate as other employees. This Index provides a range of measures that employers can take to support better Indigenous employment outcomes, including retention. Report on retention - especially during organisational restructures, provide Indigenous-specific development opportunities, and prioritise workplace culture and safety. See Domains 1 to 5 for further information.

3. Treat racism as a safety issue and acknowledge that work is still required to ensure that your workplace is culturally safe for Indigenous employees.

   Employers are required by law to provide a safe workplace for all employees. This is unattainable if racism is present in your workplace, which disproportionately compromises the safety of Indigenous employees. Ensure discrimination policies and procedures include considerations for Indigenous employees, upskill leaders and line managers in preventing and responding to racism at work, and increase the cultural capability and responsiveness of employees. See Domain 2 for further information.

4. Follow this Index’s Employer Roadmap to take the next steps towards employment parity, tailored to your organisation.

   The Employer Roadmap (see Chapter Three) is based on the Index’s results, and provides a practical, evidence-based way for your organisation to progress towards true Indigenous employment parity. Employers should self-assess the current state of their workplace against the Roadmap, and identify next steps towards parity, based on your unique industry, organisation, and context. Progress can be assessed through the next iteration of the Index in 2024.

GOVERNMENT

We are calling on the Federal Government to:

1. Regularly compile and publish data to comprehensively report on the state of Indigenous employment nationally.

   Indigenous employment data is only collected and reported comprehensively every five years, through the National Census. In between these years, it is difficult to track Indigenous employment over time, let alone the impacts of policy decisions on the Indigenous workforce. This Index goes some way, but not far enough to filling this glaring data gap.

2. Activate industry to help close the Indigenous employment gap through legislation.

   The Federal Government can support employers by including them as partners on Indigenous employment policies and system design, and by setting clear guidelines and expectations for Indigenous employment outcomes.

3. Prioritise building an Indigenous Community-Controlled employment sector.

   The Federal Government and the Coalition of Peaks have agreed that building the Indigenous Community-Controlled sectors is a priority area for reform; we call on the Government to prioritise the Indigenous employment sector in this reform.

INVESTORS

We are calling on all institutional investors to:

1. Understand the investment risk caused by poor company culture and racism and the fact that more diverse companies are likely to outperform less diverse companies.

   Racism and culturally unsafe work environments impact employee health, wellbeing and job satisfaction. The diversity, wellbeing and engagement of a company’s workforce can strongly influence the success of a company.

2. Evaluate current investee companies and consider Indigenous employment performance when making investments.

   Using this Index and the Employer Roadmap as a guide, investors should assess whether investee companies have policies and practices in place to ensure a safe work culture and support Indigenous employment.

3. Engage with investee companies and set expectations.

   Investors should actively engage with investee companies on how they are ensuring a safe, diverse, and inclusive workplace culture. Investors should set clear expectations that investee companies identify risks and take action to ensure that their operations promote and enhance respect, inclusion and equality for Indigenous employees and disclose accordingly.
Employer Performance

Employers were assessed on five domains of Indigenous employment:

1. **Commitment and Accountability**
   - Policies, strategies, targets and accountability.

2. **Workplace Culture and Inclusion**
   - Indigenous cultural awareness, capability and cultural safety.

3. **Attraction and Recruitment**
   - Indigenous recruitment processes and support, role availability, pipeline development and pre-employment support.

4. **Engagement and Development**
   - Participation, retention and employee engagement, career pathways, and promotion.

5. **Partnerships and Community**
   - Strategy, partners and Indigenous voices.

They were then assessed at one of four maturity levels, reflecting the extent and outcomes of their Indigenous employment practices:

- **Level 1 - Foundational**
  - Have some commitment to Indigenous employment and implementing basic Indigenous employment practices. Initial outcomes are yet to be seen, or in progress.

- **Level 2 - Growth**
  - Implementing many Indigenous employment practices, and Indigenous employment outcomes are visible.

- **Level 3 - Integration**
  - Embedding a wide range of Indigenous employment practices with strong outcomes across several domains. Indigenous employment is becoming an integral way that the organisation does business.

- **Level 4 - Advocacy**
  - Displays the highest commitment to Indigenous employment, by achieving strong Indigenous employment outcomes in all domains, implementing leading practice, and publicly influencing and supporting other employers with their journey.

The Indigenous employment outcomes of each employer were examined, including:

- **Share of Indigenous employees in the workplace.**

- **Whether employers report an increase in the share of Indigenous employees in the last 12 months.**

Only five per cent of participating employers attained the highest performing category in terms of Indigenous employment practices and outcomes, whereas almost a third (28 per cent) fall into the lowest performing group, and half (55 per cent) fall into the “Growth” category (see Figure 2).

This means that while there are efforts being made to achieve parity, there is still a long way to go before true parity is achieved and embedded as a standard way of doing business. It is envisioned that future editions of this Index will track employer performance and encourage improvement over time.

Individual employer performance is being kept confidential. The purpose of this Index is to provide a clear snapshot and evidence-backed solutions to get more Indigenous Australians into work, keep them in work, grow their careers, and as a result, provide better workplaces for all.

**Figure 2: Proportion of participating employers by maturity level.**

- **Foundational** 23%
- **Growth** 55%
- **Integration** 12%
- **Advocacy** 5%

A small proportion were at the highest Advocacy level (5%).

Most surveyed Australian employers were at the Growth level (55%).

If we develop our own from the ground up, they’re more likely to stay.

If we develop our own from the ground up, they’re more likely to stay.

Indigenous employee
Indigenous employment parity is achievable in our generation, but requires approximately 300,000 more Indigenous Australians to enter paid work by 2040. This inaugural Index empowers employers, investors and governments to take the next steps to make a real difference. This is our responsibility, and our opportunity to take.

At the core of the Index is an Employer Roadmap which details evidence-based key practices that translate the research findings into a step-by-step, comprehensive guide for employers. It supports organisations to set their aspiration, assess their current performance, and identify priorities to drive real Indigenous employment outcomes.

To support employers in identifying the key evidenced based practices in the Employer Roadmap, we have used the following symbols which reflect the different maturity levels, to highlight where these are located across the report. Please refer to pages 124 – 125 for the detailed Employer Roadmap.

<table>
<thead>
<tr>
<th>Level 1 - Foundational</th>
<th>Level 2 - Growth</th>
<th>Level 3 - Integration</th>
<th>Level 4 - Advocacy</th>
</tr>
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</tr>
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Table 1: Employer Roadmap to Indigenous Employment.
The Indigenous Employment Index was commissioned as an Australian first to identify and measure practices within large organisations that increase and improve Indigenous employment. Our aim is to amplify and privilege Indigenous voices to accelerate the journey to employment parity.

Research objectives

The objectives of the Indigenous Employment Index are to:

- Provide insights on the intent, implementation, and impact of practices to support Indigenous employment across large Australian employers.
- Identify if and how these practices lead to the positive experience of Indigenous employees and contribute to Indigenous employment outcomes.
- Showcase success stories relating to Indigenous employment.
- Embed Indigenous voices in evidence informed decision-making.

Project Reach

The research integrates quantitative and qualitative data derived from 42 employers, which collectively represent:

- 79,981 Australian based employees, or approximately five per cent of the total employed workforce in Australia.1
- 17,412 Indigenous Australian employees, or approximately six per cent of the Indigenous workforce.2
- 105 individuals who participated in interviews and focus groups (with 71 per cent of these individuals identified as Indigenous Australians).

The research was commissioned, conceptualised and led by Minderoo Foundation’s Generation One initiative and culminated in a collaborative research study with BOEC and Murawin. Generation One developed the research conceptual framework. BOEC led the quantitative research and Murawin led the qualitative research. The research was overseen by an external Expert Advisory Panel with 50 per cent Indigenous representation.

Although this Index is not representative of all employers across Australia, the insights provide a critical first look at what works well among some of the largest employers of Indigenous Australians in our country. Our Index also provides guidance on how organisations can improve Indigenous employment outcomes, and contribute to closing the gap once and for all.

Participating Employers

Forty-two employers participated in the Index, including seven public sector employers, six not-for-profit employers, and 29 private sector employers (including ASX-listed and private companies). A wide range of industries are represented, including professional, scientific and technical services, health care and social assistance, arts and recreation services, retail trade, information media and telecommunications, construction, accommodation and food services, education and training, transport, mining, finance, and public administration and safety.

Context

In 2018, less than half of working age Indigenous Australians were in work (49.1 per cent), compared to three quarters for non-Indigenous Australians (75.9 per cent). In the decade to 2018, this employment gap closed only 1.3 per cent, putting Australia on track to close the Indigenous employment gap in roughly 200 years.

There have been significant efforts by many employers over time to help achieve employment parity, but one major barrier to progress has been the blind spot that exists in Indigenous employment data, research, and evidence. At present, the only comprehensive measure of Indigenous employment is the National Census, collected once every five years.

Similarly, many employers do not have robust data or visibility of their Indigenous workforce, and lack an evidence base from which to drive Indigenous employment parity with confidence. This Index seeks to unite large Australian employers to develop this evidence base, based on practices, outcomes and insights that create parity.

Introduction

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Indigenous Employment Conceptual Framework

Early research informed the development of an Indigenous Employment conceptual framework, which was used to develop the index employer survey, and discussion guides for interviews and focus groups. The framework comprised five domains:

- **Domain 1: Commitment and Accountability:** policies, strategies, targets and accountability
- **Domain 2: Workplace Culture and Inclusion:** Indigenous cultural awareness, capability and cultural safety
- **Domain 3: Attraction and Recruitment:** Indigenous recruitment processes and support, role availability, pipeline development and pre-employment support.
- **Domain 4: Engagement and Development:** participation, retention and employee engagement, career pathways, and promotion.
- **Domain 5:** Partnerships and Community: strategy, partners and Indigenous voices

**Interviews and focus groups**

A total of one hundred and five people participated in interviews and focus groups. Seventy-eight individuals participated in interviews, and comprised senior leaders, line managers of Indigenous employees, and Indigenous employees. Seventy-one per cent of these individuals were Indigenous Australians, and some of these were also senior leaders or line managers. A further twenty-seven Indigenous employees participated in focus groups. Interviews and focus groups provided insights on the implementation and impact of practices and were used to challenge and validate survey findings, and authentically represent and centre Indigenous voices.

**Analysis**

Quantitative data derived from the employer surveys was used to construct the Index and qualitative information from the interviews and focus groups was used to provide more depth and insights. The quantitative and qualitative data were combined to inform the findings. Statistical methods were used to explore the quantitative data and to ultimately construct the Index, including:

- Cross tabulations and correlations to investigate the relationships between variables including those related to the domains and outcome measures.
- Principal component analysis to identify patterns among employers.

Statistical significance, which helps quantify whether a result is likely due to chance or to some factor of interest, was assessed at the one per cent, five per cent and 10 per cent levels. Qualitative analysis involved coding across multiple stages, using both deductive and inductive methodologies to capture themes and sentiment. Quantitative and qualitative data was integrated to examine the impact of policies and practices on employee experience. The final analysis was reviewed and contextualised by Indigenous researchers. A team of statisticians from the Centre for Optimisation and Decision Science division at Curtin University conducted a review – separate from those involved in the Index’s construction at BCGO - to quality assure the quantitative component of this research.

**Defining success and performance**

For the purpose of the Index, the following five outcomes were identified as systemic measures of employer performance:

- Share of Indigenous employees in the workplace.
- Whether employers report an increase in the percentage share of Indigenous employees in the last 12 months.
- Share of Indigenous employees reporting a positive and culturally safe employment experience.
- Share of non-Indigenous employees reporting confidence and proficiency in intercultural responsiveness.
- Share of Indigenous representation on leadership teams and boards.

A higher score on the Index is associated with higher outcomes values, such as a higher share of Indigenous employees in the workplace. Where ‘share of Indigenous employees in the workplace’ and ‘share of employers self-reporting an increase in the share of Indigenous employees in the last 12 months’ are used as outcome variables in the analysis, the results are based on 38 and 34 participating employers respectively.

Retention is also an indicator of employer performance, however only 21 organisations shared data for this section. Therefore this indicator is unable to be applied to the full sample as an employment outcome. Due to limitations with the sample size, performance could only be examined based on the first two outcomes. It is recommended that participating employers evaluate their own progress against the other three outcomes.

**Employer Roadmap to Indigenous Employment**

During the analysis phase, key practices were identified through a data-driven process that determined what practices were considered critical to increase Indigenous employment, enhance the Indigenous employee journey and improve employment outcomes. The Employer Roadmap was developed to translate these findings into a comprehensive framework for employers to set their aspiration, assess their current state, identify priorities and measure impact. This Roadmap identifies evidence-based key practices and supports employers to progress as their maturity increases and Indigenous employment outcomes are enhanced.

**Case studies**

Seven case studies were prepared to illustrate leading practices and opportunities for enhancement, to showcase examples of practical steps employers can take to increase and improve Indigenous employment. These were based on emerging themes from the qualitative data, including both leading practices and lessons learnt. The Index also included a case study from Indigenous-led businesses to share features that led to strong Indigenous employment outcomes. The seven case studies depicted the following themes:

1. Effectiveness of Reconciliation Action Plans.
2. An employer with challenges and room for improvement.
3. An employer where commitment and intent aligns with impact.
5. Employer significantly improved in recent years.
6. Pathways to employment.
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The methodology is described in more detail in Appendix B – Method in Detail.

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**QUANTITATIVE DATA Employer survey**

Forty-two participating employers responded to a detailed quantitative survey on their Indigenous employment strategies, policies and practices. Survey responses identified current commitments and the impact of those practices on Indigenous employee outcomes. Outcomes include overall Indigenous employee numbers, retention rates, and board and leadership representation (see Appendix B for an overview of the survey).

**QUALITATIVE DATA Indigenous-founded or -led businesses**

In addition to the 42 employers, two Indigenous-founded or -led businesses with expertise in Indigenous employment were engaged to deepen, challenge and validate findings, and to showcase leading practice in Indigenous employment.

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The methodology is described in more detail in Appendix B – Method in Detail.
This section explores the findings of the research, with Indigenous perspectives included and prioritised throughout.

Overall research findings are listed below, followed by key findings specifically from Indigenous participants. Further research findings are then explored by Index domain:

- Domain 1: Commitments and Accountability
- Domain 2: Workplace Culture and Inclusion
- Domain 3: Attracting and Recruitment
- Domain 4: Engagement and Development
- Domain 5: Partnerships and Community

The research finds there is genuine commitment from participating organisations to Indigenous employment, and that progress is being recognised by many of the interview participants. There is still much work to be done to improve the attraction, retention and progression of Indigenous employees, while creating culturally safe and inclusive environments where all employees can thrive.

This research finds that:

1. The mean Indigenous employment rate across surveyed employers is 2.2 per cent, ranging from 0.17 per cent to 10.9 per cent. Considering a parity target of 3.3 per cent, this is promising progress. However, this Indigenous Employment Index reveals almost all employers have substantial room to improve on their Indigenous employment practices and outcomes. Only two of the 42 employers fell into the highest performing category in this Index, with almost a third in the lowest performing category.

2. Employers are failing to retain Indigenous employees at the same rate as non-Indigenous employees, and often prioritise recruitment over employee retention and development. Only half of participating employers collect Indigenous retention data, of which the majority (62 per cent) reported lower retention of Indigenous employees compared to the rest of their workforce. In addition, over a third of the 42 participating employers do not provide any Indigenous-specific development opportunities.

3. Three quarters (76 per cent) of employers have Indigenous employment targets, of which only two-thirds (67 per cent) report regularly on progress. Organisations that reported regularly on progress had more than double the share of Indigenous employees than those that did not. Indigenous employment targets are critical in driving employment outcomes, and must be complemented by a comprehensive strategy that addresses the full employee lifecycle. Reporting progress towards targets is associated with statistically significant better outcomes, demonstrating that simply having a plan or a target is not enough.

4. Indigenous employees are almost entirely absent from senior management and executive leadership levels. Indigenous representation at senior leadership levels was just 0.7 per cent among the 31 employers that reported the relevant data. Indigenous senior leadership is critical to elevating Indigenous voices and perspectives and supporting Indigenous employees. Organisations with reconciliation strategies or plans led by Indigenous leaders had more than double the share of Indigenous employees.

5. Racism against Indigenous employees is common in the workplace, with over 50 per cent of Indigenous interviewees reporting direct or indirect racism currently and throughout their careers. Consistent with findings from other research, many Indigenous employees feel culturally unsafe at work, meaning they cannot practice their cultural identity without discrimination, ridicule or denunciation. Employers have low levels of understanding of racism, and how to appropriately respond to it.

6. Eighty-one per cent of participating employers are involved in education-related programs or partnerships to attract and retain Indigenous employees. Pathway programs such as these can help Indigenous Australians transition from education or training into employment, and also help tailor employee skills and experience to meet organisational needs. Many Indigenous employees believe the best way to build an Indigenous workforce is by starting engagement in schools.
**INDIGENOUS PERSPECTIVES: STANDOUT PRACTICES**

Indigenous employees were asked to identify standout practices they felt should be replicated across employers, with Indigenous employee guidance. Responses have been collated thematically to represent Indigenous perspectives on leading practice.

1 **Indigenous decision makers and self determination**

Indigenous leadership was consistently raised as an imperative to building Indigenous employment and cultural safety in workplaces. Indigenous leaders can act as role models, support other Indigenous employees, and, importantly, centre and elevate Indigenous voices and perspectives.

2 **Indigenous employee networks**

It was identified that Indigenous employee networks are fundamental to a positive workplace experience, providing an opportunity for connecting, sharing and supporting one another. One Indigenous employee noted the support circle is a “stand out, that is really important” (Indigenous employee), while another felt their employers’ network informs employees of initiatives they “might not be exposed to, like how much money we’re spending in Aboriginal and Torres Strait Islander businesses, that blows their mind” (Indigenous employee).

3 **Pathway and work readiness programs**

Pathway programs were consistently highlighted as effective practices to support Indigenous employees through study and into the workforce. Eighty-one per cent of the participating employers are involved in at least one education program or partnership to attract and retain Indigenous employees. These include funding for scholarships, partnering with schools or universities, or work experience for Indigenous students. While some Indigenous employees said they felt the programs weren’t doing enough, those who had taken part in a program felt overall positively about the impact it had on their life.

4 **Culturally responsive People/HR practices**

Indigenous employees highlighted the importance of People/HR policies, particularly cultural leave policies, that enable Indigenous employees to respond to family and cultural obligations. One employee noted they “get one day a year to attend cultural activities and [they] think that’s a really good initiative” (Indigenous employee).

5 **Dedicated resourcing for Indigenous initiatives**

Like the Gari Yala research, the workplace experiences of Indigenous Australians found that Indigenous related work should be Indigenous led and informed. Dedicated roles for Indigenous employees are highly valued by other Indigenous employees as this can reduce cultural load and provide support to employees. Where there are no dedicated resources responsible for Indigenous related work, there tends to be resentment felt by Indigenous employees.

6 **Mandatory, tailored and comprehensive cultural learning**

Where cultural learning is comprehensive, bespoke, and offered to all employees, it is highly regarded by Indigenous employees. Many participants called out a need for bespoke training particularly for senior leaders and line managers, while also expressing that such training for all Australian employees should be mandatory.

7 **Genuine partnerships and community impact**

Where employers were seen to build genuine relationships with communities or with Indigenous businesses, this was highlighted as a standout practice by Indigenous employees. One employee noted that since employing a local person as part of a pilot program, more than 40 children received therapy through the program and outcomes were “really exceptional” (Indigenous employee).

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**Cultural loading** is the practice of expecting, implicating, and using Indigenous people in the education of others about Indigeneity and culture, or to undertake tasks that are Indigenous related.
Indigenous participants across all levels and roles consistently identified barriers across the five Index domains. However, barriers were most strongly observed in the domains of Workplace Culture and Inclusion and Engagement and Development.

Cultural load, racism, and safety
Employees observed that low levels of cultural awareness, sensitivity and education were major contributors to cultural load, racism and a lack of cultural safety in workplaces. It was raised that investing in dedicated Indigenous advisory services or employees could alleviate cultural load rather than “expecting random Indigenous staff, taking them away from their business as usual to provide advice on everything Indigenous” (Indigenous employee). Cultural load may also be heavier for some Indigenous employees who work in smaller workforces, or where representation is low across their workplace. Racism was also experienced broadly amongst participants and was often attributed to low levels of cultural education.

Low cultural competence or understanding amongst middle management
Employees often felt that the greatest breakdowns in strategy implementation occurs among middle management and hiring managers. Achievements such as gaining senior executive commitment, board buy-in to Indigenous employment, or implementing culturally safe talent acquisition practices are inconsequential when those making the hiring decisions are not culturally competent, or fail to understand the need for culturally specific employment practices. For example, the hiring managers interviewed were often unaware of their organisation’s Reconciliation Action Plan (RAP) or Indigenous employment strategy. Whereas another example highlighted that one employer created an Indigenous-identified role, but “put the same white person back in the same acting [role], in [the] team leadership position” (Indigenous employee).

Lack of leadership opportunities
Participants observed a strong employer focus on recruitment of Indigenous employees (especially in entry-level positions) rather than on the development of existing Indigenous employees or Indigenous leadership. Some participants described feeling they had to fight for career development opportunities. One employee noted the biggest improvement would be development programs that “elevate those within the organisation to a higher level” (Indigenous employee). Many senior leaders felt that there was a limited pool of Indigenous candidates particularly for leadership and other specific roles.

Challenges where employer has a historical link to trauma
There is entrenched institutional racism that still exists in industries that have contributed directly to trauma and employees may face challenges speaking openly about their workplace. One interview participant noted the service they are selling “hasn’t been supportive for [the community] for the last 30 years” (non-Indigenous line manager), while another acknowledged the organisation has “really contributed to the trauma of a lot of Aboriginal people” (non-Indigenous senior leader). While there has been improvement, their workplace culture can still be unsafe. Employers need to be responsive to the impact of those practices on the psychological wellbeing of Indigenous employees, and commit to unearthing and acting on workplace truths, however uncomfortable this may be.
OVERALL EMPLOYER PERFORMANCE

Perspectives on success and performance

The overall headcount or representation of Indigenous employees in a workplace is not the only indicator of Indigenous employment outcomes. While increasing the representation of Indigenous employees in a workforce is critical, regard should also be given to practices and policies that create a positive and safe employment experience, career progression and increased safety for all employees.

In assessing performance, we also challenged employers to consider an Indigenous cultural lens, that looks at the system as a whole, places great value on relationships and the human experience, and seeks to learn from the past to look to the future.

One Indigenous perspective is that there is no ‘gold standard’ or ‘success’ in Indigenous employment, and what might be considered best practice today may become standard practice tomorrow. Progress is not considered linear, or measured by a set of policies implemented, but rather by the lived experiences of Indigenous employees in the workplace over time.

Progress “can be undone very quickly” [non-Indigenous senior leader], due to changes in leadership, organisational re-structures, or strong cost focuses, for example.

Some of the participating employers are regarded as industry leading when it comes to Indigenous employment. Many interview participants recognised and appreciated both their efforts made and associated changes in broader organisational culture in recent years. Overwhelmingly, employees across all levels and roles feel both their employer and the Australian organisational landscape have already come a long way, but there is a long road ahead and a need for significant improvement when it comes to Indigenous employment.

“I think it was easier at the start than it is now… The complexity of the issues and the fact that there aren’t that many senior Aboriginal or Torres Strait Islander people who could work in an organisation like [employer] at a senior level… is one of the big challenges that we have; what do the next few years look like and how can we really affect change?” [non-Indigenous senior leader].

Of 76 employees interviewed, employees felt that their organisation was either performing well (19) or poorly (6). Much more common was the perception that the organisation had room for improvement (51) (see Figure 3). One senior leader noted that “we’ve been on that journey, and we’ll continue to go on that journey for a long time” [non-Indigenous senior leader].

In general, participants found it quite easy to identify gaps in their organisation, often identifying a particular business area that needs to improve its approach to Indigenous employment or cultural safety.

Their responses also indicated that one of the greatest challenges is to maintain consistency across a large organisation, particularly where the organisation has a large geographical footprint or varied operations, for example, from trades and services through to corporate roles.

Those who felt overall positively about their employer’s approach were more likely to work in the private sector, with one employee noting: “They don’t just say, they do, and they have a plan of how they’re going to do it” [Indigenous employee].

Only one third of Indigenous employees and 10 per cent of non-Indigenous employees felt overall positively about their employer’s performance.

The difference between the attitudes of Indigenous and non-Indigenous employees could be due to a lack of cultural competency and insight in understanding the needs of Indigenous employees in the workplace.

It should be noted that the small number of participants who felt overall negatively toward their employer’s approach often highlighted that there is “a lack of effort made, nothing in place” [Indigenous employee] or otherwise that the effort made was seen to be tokenistic.
How to read employer performance ratings

The Index captures the most important employment practices based on the range of policies and practices our sample of employers have initiated to promote Indigenous employment outcomes. The Index research spans five focus areas, or domains. These domains are Commitments and Accountability; Workplace Culture and Inclusion; Attraction and Recruitment; Engagement and Development; and Partnerships and Community.

Within each domain, employers are assessed as operating at one of four maturity levels; from Foundational, to Growth, to Integration, to Advocacy (see Figure 4).

Foundational level employers have some commitment to Indigenous employment and implementing basic Indigenous employment practices. Initial outcomes are yet to be seen, or in progress.

Growth level employers are implementing many Indigenous employment practices, and Indigenous employment outcomes are visible.

Integration level employers are embedding a wide range of Indigenous employment practices with strong outcomes across several domains. Indigenous employment is becoming an integral way that the organisation does business.

Advocacy level employers display the highest commitment to Indigenous employment, by achieving strong Indigenous employment outcomes in all domains, implementing leading practice, and publicly influencing and supporting other employers with their journey.

The performance of an employer within each domain is weighted to form one overall Index score. For this baseline year, 2022, the average Index score has been set at 1.0. Across the 42 employers who participated in the inaugural Index, scores ranged from 0.05 to 1.97. Higher Index scores are associated with better employment outcomes, and employers that achieve higher values are typically those implementing a greater number of Indigenous employment practices.

Aggregated employer performance

Most employers (55 per cent) had an overall Index performance value assessed at the Growth maturity level. Only a small proportion (five per cent) were at the Advocacy level (see Figure 5). The highest Index scores are reserved for those employers that have committed to the most comprehensive and systemic suite of practices, including those that are inclusive of Indigenous voices and perspectives, with clear channels of leadership and accountability.

Employers were also benchmarked by individual domain, with results varying across these domains. Seventeen per cent of the participating employers were rated at the highest (Embed and Advocacy) levels for the domains of Commitments and Accountability, and Engagement and Development. Nineteen per cent of employers achieved these ratings for Partnerships and Community, 12 per cent for Attraction and Recruitment, and just four per cent for Workplace Culture and Inclusion (see Figure 6).

Performance in Partnerships and Community varied more than the other domains, indicating greater inconsistency in partnerships with Indigenous communities, Indigenous community engagement activities, and in the range and number of partnerships with peak bodies and Indigenous businesses (see Table 2).
Employers at the Growth, Integration and Advocacy levels typically have significantly stronger Indigenous employment outcomes compared to those at the Foundational level (see Figure 6 and 7). Their stronger commitments and practices result in significantly higher shares of Indigenous employees and a higher share in Indigenous employees in the last 12 months. Employers at the Growth, Integration and Advocacy levels with stronger commitment to Engagement and Development also tended to have higher shares of Indigenous employees in senior leadership roles.

### Table 2: Ratings for organisational practice among domains for participating employers.

<table>
<thead>
<tr>
<th>Employer ranking</th>
<th>Commitments and Accountability</th>
<th>Workforce culture and Inclusion</th>
<th>Attraction and Recruitment</th>
<th>Engagement and Development</th>
<th>Partnerships and Community</th>
<th>Composite Index rating</th>
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**Notes to figures:** t-tests are used to test whether differences between Advocate/Integration/Growth organisational practice and Foundational practice are significant, with labels *, ** and *** denoting significance at 10%, 5% and 1% levels respectively.
Index ratings for Commitments and Accountability varied across participating employers. Only two employers achieved an Advocacy level of practice, while five were ranked at an Integration level, 21 were at Growth and 14 were at Foundational (see Figure 8).

This section explores:
- DIVERSITY AND INCLUSION
- RECONCILIATION ACTION PLANS
- INDIGENOUS LEADERS AND GOVERNANCE
- INDIGENOUS EMPLOYMENT TARGETS
- DATA AND REPORTING

A genuine commitment to Diversity and Inclusion (D&I) and Indigenous employment is the first step towards better Indigenous employment outcomes. This involves a well communicated commitment to D&I with Indigenous employment included as a key priority. However, only 69 per cent of participating employers have adopted a D&I strategy. Of those with a strategy, 90 per cent include Indigenous employment as a key priority. Indigenous employees place a high value on D&I and have pride in their workplace when and where this is seen as a genuine commitment. D&I encompasses respect, belonging, contributions and equity. Employers with Indigenous employment as a key priority have more than double the share of Indigenous employees (statistical significance of p<0.10) compared to those who do not. Moreover, employers with an Indigenous employment strategy or plan have on average 1.5 per cent higher shares of Indigenous employees, this difference is also weakly significant (p<0.10).

Many of the non-Indigenous senior leaders and line managers had a tendency to speak to other aspects of D&I - such as gender, disability or LGBTIQ+ inclusion – before addressing Indigenous affairs. The employers whose line managers prioritised other aspects of D&I were less likely to see an increase in Indigenous employees in the last 12 months (although this difference was not statistically significant). These employers also had no Indigenous representation on boards or in senior and executive leadership teams and had lower shares of Indigenous trainees, apprentices and interns.

Indigenous employees also often felt that their employer tends to focus on these other aspects of D&I. This has resulted in some Indigenous employees feeling that their employer has poor cultural awareness, limited knowledge of the impact of colonisation and the negative effects that their D&I policy has on the retention of Indigenous employees.

We do have talent development programs and now diversity and inclusion. It is focused on gender at the moment. We don’t have any specifically around Indigenous Australians.

Non-Indigenous line manager
Employers with RAPs do not necessarily have a higher share of Indigenous employees, however those with Stretch and Elevate RAPs tend to have better employment outcomes overall (although not statistically significant - refer to case study 1 for more information on RAP levels). Sixty-nine per cent of participating employers (29) have a RAP and a further 14 per cent (six) had a RAP under development. Of those with RAPs, there were three at the Reflect level, 11 at Innovate, seven at Stretch, and eight at Elevate. Employers with a RAP report on average a 1.8 per cent share of Indigenous employees, while those without a RAP reported a significantly higher (p<0.10) share of Indigenous employees at 3.2 per cent. However, employers with Stretch and Elevate level RAPs generally have better Indigenous employment outcomes, (see Figure 9).

- A higher retention rate of Indigenous employees.
- Greater share of Indigenous new hires, and overall Indigenous employee share, in the last 12 months higher shares of Indigenous employees.
- Higher Indigenous representation in board, senior and executive leadership teams.

Participants noted the following challenges with the design and implementation of the RAP (see Figure 10).

Indigenous employees are more likely to perceive RAPs as tokenistic or negative if they come from employers with one of the two lower levels of RAP (Reflect or Innovate).

Approximately a quarter of Indigenous participants were also unaware if their employer had a RAP or were unable to speak to it in any detail.

A small number of line managers and senior leaders were also unable to speak to the RAP, often stating “it is not in their area”. Some of these employers actually had a RAP in place, and six of those had a Stretch or Elevate RAP. This indicates poor communication or limited involvement of employees in the design and implementation (see Figure 11).

**Notes to figures:** t-tests are used to test whether differences between having a Reflect or Innovate RAP and Stretch or Elevate RAP are significant, with labels *, ** and *** denoting significance at 10%, 5% and 1% respectively.

**Figure 9:** Indigenous employment outcomes by employers’ level of RAP (%).

**Figure 10:** Challenges with the design and implementation of the RAP.

**Figure 11:** RAP perception and Indigenous employment outcomes by employers levels of RAP (share of employers %).
Since 2006, Reconciliation Australia’s RAP Framework has provided organisations with a structured approach to advancing reconciliation in the workplace. The RAP network comprises over 1,100 organisations representing nearly three million Australians who work or study within these organisations. Nearly 70,000 are Indigenous employees.

Each RAP level is tailored for a different reconciliation stage:
- Reflect: scoping capacity for reconciliation.
- Innovate: implementing reconciliation initiatives.
- Stretch: embedding reconciliation.
- Elevate: leadership in reconciliation.

Indigenous employment is one aspect of the RAP framework.

The high number of Index participating employers with Reconciliation Action Plans (RAPs) demonstrates that, overwhelmingly, the employers have a commitment to advancing reconciliation. To provide a long-term comprehensive response to improving outcomes for Indigenous Australians, it is recognised that having a RAP is only a part of the solution. The below factors are considered to influence RAP effectiveness:

1. The extent of progress achieved by employers in their RAP journey, including their RAP level.
2. The levels of engagement by employees, both Indigenous and non-Indigenous, with their organisation’s RAP.
3. The extent of commitment demonstrated by senior leadership and middle management to delivering on the specific actions of their organisation’s RAP.

There is a clear correlation between RAP level and how they are perceived by Indigenous employees. Lower level RAPs (Reflect or Innovate) are often seen as the organisation needing to demonstrate more proactive efforts in relation to Indigenous engagement, to avoid the RAP being perceived as negative or tokenistic. Despite this, Indigenous employees generally see the value in having a RAP and the societal benefit of the RAP approach, even if their employer is not achieving genuine outcomes, or they believe their approach is tokenistic (see Figure 12).

Many Indigenous participants spoke about the impact of Reconciliation Australia’s work and believe it has underpinned an organisational shift relating to Indigenous employment. Along with employment targets, the RAP is seen as a foundation to greater change, with one employee stating they would not join an organisation without a RAP. “Just because I feel like I want to work for an organisation that’s passionate about helping Aboriginal people and the outcomes of employment” (Indigenous employee).

At the same time, many Indigenous employees questioned outcomes, which was mostly attributed to either genuine measurement or how they are communicated across the employer. There was also a clear misalignment between how Indigenous and non-Indigenous employees perceive their employer’s commitment to the RAP, with Reconciliation Australia attributing this to low cultural awareness and sensitivity among non-Indigenous employees. It is suggested that RAPs are only effective when they are well communicated and engaged with by both Indigenous and non-Indigenous employees, and there is a genuine commitment from leadership on specific actions.

Reconciliation Australia’s research stressed the important role that leadership plays in increasing employment parity.

However, they also note that nearly one in five (18 per cent) of senior executives in RAP organisations are not aware they have a RAP, and five per cent are unaware of the impact the RAP has had on their organisation’s leadership towards reconciliation. This clearly indicates the need for increased communication around RAP priorities and actions.

Regardless of the disappointment felt by some Indigenous employees, or the lack of awareness, many also provided the following examples of outcomes that had been achieved in their workplace (see Figure 13).

Reconciliation Australia emphasises that reconciliation is an ongoing journey founded on five interrelated dimensions: historical acceptance, race relations, equality and equity, institutional integrity, and unity. Reconciliation Australia’s priorities largely align with RAP outcomes perceived by participants in our research. This demonstrates that, on the whole, employers are fulfilling the goals of their RAPs. However, it is important to note that both participants and Reconciliation Australia stress that reconciliation is a continuous process for which we are all responsible.

**Figure 12:** Perception of the RAP by Indigenous and Non Indigenous employees (number of interviewees).

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**Figure 13:** RAP outcomes as expressed by Indigenous participants (number of interviewees).

**IMPROVING THE CULTURAL COMPETENCY OF THE ORGANISATION**

**INCREASING PARTNERSHIPS WITH INDIGENOUS BUSINESSES**

**INCREASING INDIGENOUS EMPLOYMENT**

**ENABLE TRUTH TELLING**

**HOLDING THE EMPLOYER TO ACCOUNT**

**HIGHLIGHTING THE NEED FOR IMPROVEMENT**

**Outcomes are not mutually exclusive.**
INDIGENOUS LEADERS AND GOVERNANCE

Indigenous leaders and genuine leadership drives accountability and positive outcomes.

Indigenous leaders allow others to see people in roles they can aspire to, with one employee noting that "when you don’t see yourself in your leaders, it’s hard, it’s a battle" [Indigenous employee]. Another employee felt that the commercial and consulting environment has never been particularly welcoming and is without any Indigenous leadership “it can feel a bit challenging going into a space like that” [Indigenous employee].

Indigenous employees expressed motivation and comfort knowing there was an Indigenous leader responsible for them, or to look up to. They can act as “translators” in corporate culture to help workplaces understand Indigenous ways and values, including aspects of collective culture and Indigenous governance. Where Indigenous leaders are responsible for the reconciliation strategy or plan, participating employers report a significantly (p<0.05) higher share of Indigenous employees.

While there is a strong preference for Indigenous leaders, non-Indigenous leaders who are perceived as genuinely committed to Indigenous employment are also highly regarded by employees. Proactive leadership is a key driver of change, and it is important that “leaders make the time to sit down and build relationships with people that don’t resemble them… as we lose people that we allow to disengage through poor leadership” [Indigenous line manager].

Our research shows that 69 per cent of employers with a strategy or plan led by the CEO report an increase in Indigenous employment in the last 12 months, while only 32 per cent of organisations who do not have a strategy or plan led by the CEO reported the same. This difference is significant (p<0.05) and indicates better outcomes when accountability is at the highest level of the employer (see Table 3).

However, Indigenous senior leadership within participating employers is rare, with Indigenous Australians being underrepresented in leadership roles across all sectors. Indigenous Australians represented just 0.7 per cent of senior management amongst participating employers.

Indigenous people are underrepresented in leadership roles across all sectors. There is a very low share of Indigenous representation on boards, as well as senior and executive leadership teams. It is suggested that employers increase the visibility of current Indigenous leaders in the workplace, as well as invest in professional development and leadership opportunities for those in entry level and middle management positions. Further, building Indigenous leadership requires education that leads to greater understanding by the board and the leadership team that Indigenous perspectives (for example, Indigenous governance) is value enhancing. Cultural learning should include specific awareness raising for employees at leadership levels.

Why are we sitting down listening to non-Indigenous people teach us how to engage with Aboriginal people? Why are you talking about us without us?

Indigenous employee

Notes: The results for ‘share of Indigenous employees per cent’ and ‘share of employees reporting an increase in share of Indigenous employees in the last 12 months per cent’ are based on 36 and 34 participating employers respectively, which provided the relevant data. We use t-tests to test the differences between employers with and without the relevant reconciliation strategy/plan lead. *p<0.01, **p<0.05, ***p<0.01.
INDIGENOUS EMPLOYMENT TARGETS

Indigenous employment targets, with a tailored strategy, are key to building the Indigenous workforce.

Seventy-six per cent of participating employers have Indigenous employment targets. Those without targets have not, on average, increased their share of Indigenous employees in the last 12 months and have a very low average share of Indigenous employees (0.18 per cent). However, targets are seen as the beginning of the journey, not an outcome in their own right. Most Indigenous employees see the value in targets and feel pride and motivation where they are being met, while participants generally felt that such targets help to underpin internal accountability, reporting measures and outward facing communications.

However, the actual number of Indigenous employees in the organisation or the employer’s progress towards meeting their target is not necessarily the best indicator of success. It is often seen by both Indigenous and non-Indigenous employees as a ‘means to an end’. The research also indicates there is often a focus on recruiting at lower-level positions and difficulties recruiting high-level Indigenous employees. Therefore, the development and seniority of Indigenous employees in an organisation should also be measured. It is generally understood that targets should be applied across the organisation.

Reporting progress towards targets either internally or externally is associated with statistically significant better outcomes.

For example, employers who report Indigenous employment targets have more than double the share of Indigenous employees compared to those who do not, with this difference being statistically significant (p<0.05) (see Figure 14). Sixty-seven per cent of participating employers routinely report on progress towards Indigenous employment targets (externally and/or internally). Those that report Indigenous employment data to their executive leadership and board also report on average a higher share of Indigenous employees compared to employers which do not.

Many employers face challenges meeting targets due to a lack of data, inconsistent reporting, varied targets in different business areas or role types, and hesitancy of employees to identify. Some felt targets were difficult to meet in cases where the employers may not be appealing places to work among Indigenous people. Further, it was noted there is a tendency "if the numbers are ok, of making people stay in the wrong job or the wrong place or for the wrong reasons, and it’s not doing anybody any favours" [Indigenous senior leader].

Around a quarter of Indigenous participants perceive employment targets as tokenistic, negative, or a box-ticking exercise. The employees who felt positively about employment targets tended to come from larger employers, and generally had better employment outcomes, for example (see Figure 15):

- Higher Indigenous representation on the board, and on the executive and senior leadership teams (although still low).
- More frequent reporting of Indigenous employment data to the board and executive leadership team.
- More likely to have a higher retention rate of Indigenous employees compared to total employees.
- Increased share of Indigenous employees in the last 12 months.
- Fifty per cent more likely to have externally and internally published reports on progress towards Indigenous employment targets.

This suggests transparency and accountability in reporting progress towards targets is a potential driver of improved Indigenous employment outcomes.

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Figure 14: Reporting (share of Indigenous employees %).

| REPORT ON PROGRESS TOWARDS INDIGENOUS EMPLOYMENT | 2.6%** |
| REPORT ON INDIGENOUS EMPLOYMENT DATA TO BOARD | 2.6% |
| REPORT ON INDIGENOUS EMPLOYMENT DATA TO EXECUTIVE LEADERSHIP | 2.4%

** Notes: The results for share of Indigenous employees per cent are based on 36 participating which provided the relevant data. We use t-tests to test the differences between employers who report and those that do not. * p<0.1, ** p<0.05, *** p<0.01.

Figure 15: Differences between employers with & without interviewees’ positive perception of Indigenous employment targets (share of employers %).

| REPORT INDIGENOUS EMPLOYMENT DATA TO BOARD AT LEAST QUARTERLY | 0% |
| REPORT INDIGENOUS EMPLOYMENT DATA TO BOARD AT LEAST MONTHLY | 9% |
| REPORT INDIGENOUS EMPLOYMENT DATA TO EXECUTIVE LEADERSHIP TEAM AT LEAST QUARTERLY | 27% |
| REPORT INDIGENOUS EMPLOYMENT DATA TO EXECUTIVE LEADERSHIP TEAM AT LEAST MONTHLY | 46% |
| HAVE EXTERNALLY AND INTERNALLY PUBLISHED REPORT PROGRESS TOWARDS INDIGENOUS EMPLOYMENT TARGETS | 36% |
| HAVE AN INCREASE IN SHARE OF INDIGENOUS EMPLOYEES IN THE LAST 12 MONTHS | 44% |
| HAVE A HIGHER RETENTION RATE OF INDIGENOUS EMPLOYEES COMPARED TO OVERALL WORKFORCE | 38% |

** Notes: We use t-tests to test the significance of these differences * p<0.1, ** p<0.05, *** p<0.01.
The current collection, measurement, evaluation and reporting of Indigenous employment data is inadequate, however it is key to driving genuine accountability.

Half of the participating employers collect information on Indigenous trainees, apprentices and university interns. Many Indigenous and non-Indigenous senior leaders and managers expressed the need to measure outcomes and not just numbers. There is also a recognition that measuring outcomes, which are often intangible, is challenging.

There is a need for improved monitoring and evaluation practices by using outcome indicators and the Employer Roadmap. It is recommended that employers consider complexities with identity and identifying when developing their reporting practices.
This research identified some employers where there was a difference in perceptions of their Indigenous employment performance, between senior leaders, non-Indigenous employees, and Indigenous employees. This case study describes an employer, who has had a commitment to Indigenous employment for many years.

One Indigenous employee spoke about having to fight for every opportunity in their role over the last decade of their career. While noting that the employer had made efforts to improve their Indigenous employment approach, this employee felt there was still significant work to be done. Other Indigenous employees asserted ongoing experiences of racism and discrimination, a distinct lack of Indigenous leaders, and over-representation of Indigenous employees in entry-level roles.

In contrast, one non-Indigenous employee believed their organisation’s impact is generally positive, and suggested there had been no issues of racism against Indigenous employees. Another non-Indigenous employee, who was a line-manager of Indigenous employees was not familiar with the details of the organisation’s RAP, commenting their lack of knowledge was because their team had “no issues” concerning racism. They also had limited understanding of cultural needs of Indigenous employees. This employee made many inappropriate and insensitive statements during the interview, dismissing the gap in equitable employment opportunities, and the need to reduce structural barriers to Indigenous employment. This non-Indigenous employee is unlikely to see that their framing and perspective is harmful and shows the need for comprehensive and contemporary cultural training for line managers.

While the employer has mandatory online cultural training, Indigenous employees suggest that “it’s not as good as what [they’d] like it to be.” One Indigenous employee commented that they understand it is extremely difficult to provide face-to-face training for a large workforce, but regardless there needs to be improvements. It was also noted that cultural awareness programs should not be “training for the sake of training.” The research generally showed that cultural training across employers does not go far enough or is not tailored to specific employee groups.

Interestingly, this employer has a higher share of Indigenous employees than some others participating in the research. This employer also reports an increase in the share of Indigenous employees in the last 12 months and has a higher retention rate of Indigenous employees than all employees. However, there is no Indigenous representation on the board or executive leadership team. Complexity of Indigenous employment, and that measuring success purely by representation data will not always tell the full story.

It appears that while their employer has invested in a large range of initiatives, and senior leaders are genuinely committed to Indigenous employment, they face barriers in the quality of programs and in the implementation of effective practices. This results in some Indigenous employees having a negative employment experience despite the commitment and good will of the employer. This indicates that while the intent of an employer can be strong, there is a need for continual evaluation of practices, engagement with Indigenous employees, and improved cultural competency across employers to ensure the intent has tangible results.
An exemplar employer stood out as having a genuine, considered, and long-term approach to reconciliation and Indigenous employment. A review of their publicly available information shows a deep commitment to contemporary thinking and ideals such as self-determination, truth telling and challenging historical biases and oppressions. This employer recognises that Indigenous employment and outcomes are a journey and see their role as an industry leader in contributing to social and institutional change for Indigenous peoples, asserting that their approach is not just a tick-box exercise. These claims are substantiated by insights shared by employees we interviewed, all of whom had exceptionally positive experiences and saw the employer’s actions as genuine and achieving far-reaching outcomes.

Interestingly, the employer scored an overall Growth rating through the Index, indicating that it might not be committing to many initiatives. However, the qualitative research demonstrates that those initiatives it committed to were of high quality, with a level of depth, authenticity, and comprehensiveness of approach.

All interview participants were aware of the various ways their employer engages with and supports Indigenous employees and external Indigenous partners. They were also able to speak in depth about the employer’s intent, the specific initiatives or practices that underpin their approach, and the outcomes that have been achieved. One employee noted the RAP is considered to be at the forefront of their thinking, and they are “asked to consider Indigenous people and suppliers in everything that we do” [non-Indigenous line manager]. Their approach includes robust measurement and reporting processes to continuously reflect and identify both outcomes and areas for improvement.

They see the obligation of businesses to speak on issues important to Indigenous people and have publicly supported and meaningfully advocated for constitutional recognition of Indigenous peoples and the Uluru Statement from the Heart. They see the value of partners such as CareerTrackers, Reconciliation Australia, Supply Nation, Aboriginal Employment Strategy, and the Australian Indigenous Leadership Centre, and recognise the importance of community-controlled employers and the delivery of services to Indigenous people by Indigenous people. The employer recognises their ability to create employment and measure social value not only through direct employment but through partnerships with Indigenous businesses. They use contractual obligations as a tool to drive outcomes.

The employer has recognised that to create real long lasting change, decisions need to be made by Indigenous people for Indigenous people. For instance, a senior Indigenous leader identified the value of Indigenous leaders with the ability to make decisions over budgets and contracts, allowing Indigenous perspectives to influence projects to the advantage of other Indigenous Australians. This has been identified as a key mechanism to increase flexibility in the workplace and rather than focus on a recruitment pipeline, the investment is in local communities where they operate.

In all, this employer is an indication of the positive impact that can be achieved through a long-term, systemic, and Indigenous led approach, with clear alignment from intent through to impact. While they may not have high shares of Indigenous employees, they have created a culturally safe workplace where Indigenous employees can thrive and has identified innovative opportunities to create Indigenous employment outside the organisation using their sphere of influence.

Employers are encouraged to consider how their employees, customers, and communities they operate in might evaluate their approach to reconciliation and Indigenous employment based on intent, implementation and impact.

I think if employers like ours can be more flexible in the way they think and their approaches and sometimes take that leap of faith to do something differently and see where it lands. That’s a big learning that we’ve now applied. I think that’s how you break the cycle by doing things differently, not by doing the same thing over and over.

Indigenous senior leader
DOMAIN 2: WORKPLACE CULTURE AND INCLUSION

Most employers (32 out of 42 employers) were deemed to be at a Growth level for Workplace Culture and Inclusion. Eight employers attained a Foundational level with one employer at both Integration and Advocacy levels, suggesting that the overall commitment to Workplace Culture and Inclusion practices requires further development when compared to the other domains (see Figure 16).

Overall, this domain, Workplace Culture and Inclusion, had the lowest representation at the highest levels. This highlights the need for all employers to rethink and invest in their approaches to improve workplace culture and the inclusion of all employees, particularly with Indigenous employees. Initiating and embedding proactive strategies that have a direct accountability linked to senior levels of the organisation in relation to performance can assist with maintaining efforts and ultimately improving outcomes for Indigenous employees.

This section explores:

CONCEPTS AND CHALLENGES:
- Intercultural responsiveness
- Racism and safety
- Cultural safety
- Cultural awareness
- Cultural load
- Identity and identifying
- Connection to kin, Country and community

SOLUTIONS AND PRACTICES:
- Cultural Learning
- Events And Acknowledgement Of Country
- Indigenous Employee Networks
- Employee Assistance Programs And Other Services

Figure 16: Number of participating employers by Foundational, Growth, Integration and Advocacy level for Workplace Culture and Inclusion practices.
ADVANCEMENT TO INTERCULTURAL RESPONSIVENESS

It was broadly felt most employers are lagging in their ability to build and maintain high levels of cultural awareness and safety across business areas. Cultural learning is widely considered a fundamental aspect to building a positive work environment for Indigenous employees, however, it is rarely perceived as going far enough and driving real impact on workplace culture. Non-Indigenous employees often recognise their lack of cultural awareness and the need to increase and improve their knowledge. This can enable culturally appropriate responses to support their Indigenous colleagues at work.

Unfortunately, racism, cultural load, tokenism, and feeling culturally unsafe or excluded at work is frequent amongst Indigenous employees. While many non-Indigenous employees are aware of their own biases or a lack of cultural competence, many others appear both oblivious and complacent. To tackle ongoing barriers around retention and development, there is a need for significant improvement in cultural competence and safety.

Figure 17 represents the stages both individuals and employers progress through in their cultural journey. It is ongoing, acknowledging a degree of retrospection and reflection is essential.

Cultural disregard and destructiveness
Both at an individual and organisational level, the journey to intercultural responsiveness often begins with disregard, ambivalence, or destructiveness. This is generally a failure to understand the need to learn about Indigenous cultures and to proactively make provisions for Indigenous people. Until recently, many employers may have existed in this realm, unaware of the impacts of their operations on the communities where they operate. Often it takes a crisis to transcend this stage.

Cultural awareness and safety
There is some awareness about Indigenous history, culture and issues, with good intentions. Organisational policies and systems support Indigenous employees to thrive and practice their cultural identity without discrimination, ridicule, or denunciation.

Cultural sensitivity and competence
This is one step beyond cultural awareness and safety. It is the ability to work with Indigenous people and cultures in a meaningful and respectful way that values Indigenous knowledge systems and worldviews.

Intercultural responsiveness
Individuals and organisations proceed to intercultural responsiveness when there is a deep understanding of Indigenous culture and how it contributes to an organisation’s advantage. Continuous learning is embedded within Indigenous knowledge systems and reconciliation initiatives are paired with action plans leading to ongoing development. Utilising one’s sphere of influence then drives reconciliation, as there is an understanding of the process for establishing and maintaining positive relationships. As a result, Indigenous employees feel safe, respected, and empowered. At this stage, professionals are culturally capable across values, attitudes, knowledge, and skills.
CONCEPTS AND CHALLENGES
RACISM AND SAFETY

Experiences of racism in the workplace are significant, and there are low levels of understanding racism and how to appropriately respond to it by non-Indigenous employees. There were significant reports of both casual and overt racism, across all industries, however this was more prevalent in not-for-profit and public sectors. This highlights a critical need for cultural training that encompasses both culture and safety. Racism can range from microaggressions to blatant and direct racist comments.

We experience racism every single day. Unfortunately for my workplace, I think because of the lack of Indigenous people that work in the workplace, it’s very hard. And I work with a lot of older people as well. It’s very hard for them to understand what they’re saying is racism. It’s more just, “oh, it’s just a comment.”

Indigenous employee

Employers and non-Indigenous employees are unlikely to know what Indigenous people understand as racism today. Employers need to genuinely reflect and advance their understanding of and approach to racism, as there are significant differences in perception of the prevalence of racism, and what constitutes racism. Many Indigenous employees expressed that often those who made racist or discriminatory comments were unaware that their comments were offensive. Racism is a broad and complex term which should be unpacked and explored by employers within their working environments. Unconscious bias is strongly linked to racism, which those interviewed felt was not well understood by non-Indigenous employees.

Several younger Indigenous employees raised experiences with casual racism and microaggressions, expressing a lack of confidence in their employer to identify it. They also hesitated raising the issue for fear it will affect their career progression and how they are perceived in the workplace.

Of the 40 Indigenous interview participants involved in the research (see Figure 1B):
- Fifteen shared they had direct experience with racism, currently and throughout their careers; being asked culturally insensitive questions in interviews, blatant racism “straight to your face”, racial profiling, and repeating inappropriate comments or jokes.
- Ten had no experience with racism, currently and throughout their careers; however, two described feeling culturally unsafe.
- Eight did not share any experience with racism, currently and throughout their careers; however, three described feeling culturally safe.
- Seven shared they had indirect experience with racism, currently and throughout their careers; four witnessed racism to another employee, two experienced racism from a client or customer, one described racism in a previous workplace.

Indigenous participants expressed varied levels of confidence in reporting experiences of racism, relating to a fear of repercussions, a potential lack of acknowledgement of their experience, or a lack of confidence in their voice. Those who felt comfortable to report in their workplace state this is due to a high level of trust and comfort with their line manager, or to having access to an Indigenous liaison or support officer. However, line managers vary in their confidence to support Indigenous employees, highlighting a need for specific training.

Fear of well, if you say something, am I going to put my career within the company in jeopardy kind of sort of thing? So, a lot like a lot of the times I won’t say anything.

Indigenous employee

Indigenous employees also expressed varied confidence that the employer would take adequate action if racism was reported. Some said their employers need to improve their support systems and grievance processes, while some indicated that the People/HR process and the tangible evidence required to make and substantiate a claim of racism is often a barrier. People/HR teams also need to be upskilled to work with both Indigenous and non-Indigenous colleagues to prevent and respond to racism at work.

The Gari Yala report highlighted that Indigenous men and women experience similar levels of racism in the workplace, including experiencing or hearing unfair treatment based on race, ethnic slurs or jokes and assumptions. Although levels of racism were similar, it was found that Indigenous women were less supported in terms of reporting processes regarding racism in the workplace compared to men.

Racism

Racism takes many forms and can happen in many places. It includes prejudice, discrimination or hatred directed at someone because of their colour, ethnicity or national origin.

Racism is prejudice, plus power. That is, racism is a “powerful system of advantage and disadvantage based on race, in which some people in Australia are unfairly advantaged (racially privileged) while others are unfairly disadvantaged (racially marginalised)”¹². Racism can be difficult to identify as it can be overt, covert, interpersonal or systematic (see racism definition). For people who do not experience racism it may be hard to understand as a concept and recognise racism experienced by others. Findings from the Index echoed the recent 2022 ‘Racism at Work’ Diversity Council Australia research, which surveyed 1,547 workers from various sectors across Australia. This report stated that 88 per cent of respondents believe racism to be an issue at work, with 93 per cent reporting they believed Australian organisations need to take greater action to address it. However, only 27 per cent of participants said that they believe their organisations are proactive in preventing workplace racism. Anti-racism requires deliberate and conscious actions to eliminate racism and goes beyond the passive rejection of racist behaviours and ideologies.
I was referring to black business one day in an office… and there was an executive walking past and ... called our HR Business Partner (HRBP) into an office and said [redacted] is making inappropriate comments about our Indigenous staff... [redacted asked] What did he say? [I replied] He's referring to our Indigenous programs as black business. And she stopped laughing and the HRBP said, you know, he's Indigenous. And she said, no, he's not. He's European. Look at him... it was a shame that she wanted to do the right thing and call out what she thought was wrong, but also highlighted her own biases, that blackfellas were all dark skinned.

** Indigenous employee

Where discrimination and harassment policies and procedures include Indigenous considerations, employers report increased Indigenous employment in the last 12 months. Specifically, 71 per cent of participating employers with those policies had an increase, compared to 24 per cent of those without policies and procedures. This difference is highly significant (p<0.01) (see Figure 19).

The power imbalance in the workplace is often experienced between junior Indigenous employees feeling unsafe to report to a non-Indigenous manager. These participants felt that People/HR would see the claim as one person’s word against another’s. There is also a belief that the accuser (as an Indigenous person) would not be believed or it will be seen as a disingenuous “witch hunt.” There is a high level of confidence needed for those prepared to speak up.

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Many Indigenous employees who were interviewed feel culturally unsafe or excluded at work, with many participants expressing there were areas of the business (geographic or business areas) which were felt to be less culturally safe than others (see Figure 20). It was suggested that cultural safety can be built into broader work health and safety requirements of the employer. However, it is also important to highlight that responding to cultural safety alone is not equivalent to success.

True intercultural responsiveness is undertaken comprehensively and systemically with multiple considerations utilised to enable employees to thrive.

This research did not find differences of experience of cultural safety across gender to be significant, which may be attributed to the types of employers engaged, role types interviewed, or perhaps that those employers are progressed in gender inclusion.

** Notes: The results for share of employers which report an increase in share of Indigenous employment in the last 12 months are based on 34 participating employers which provided the relevant data. We use t-tests to test the differences between employers with and without Indigenous considerations. *p<0.1, **p<0.05, ***p<0.01.

** Notes: Indigenous perspective in the graph above is of their own safety, or the general safety of Indigenous employees in the employer. Non-Indigenous perspectives is their opinion on how culturally safe they perceive the employer to be for Indigenous employees.
While most non-Indigenous interview participants were genuinely engaged and interested in Indigenous employment and cultures, some had very limited cultural awareness and competency, while others expressed racist, discriminatory, or insensitive perspectives. This is consistent with recent research conducted by the Australian National University through an Implicit Association Test that found three in four Australians hold a biased view of Indigenous people, with a third of Australians holding what might be considered a strong implicit bias. The study stated that in the workplace, a general predisposition of negativity towards Indigenous peoples from non-Indigenous co-workers could impact on overall career outcomes.

Researchers felt that participants making insensitive remarks were often completely unaware of the impact of their words and what they could mean for Indigenous employees’ experience in the workplace. One employee stated “they can be full on when they want to be and when they don’t want to be they can just choose not to be working for three days or whatever” [non-Indigenous senior leader]. They also felt that line managers lacking cultural awareness impacts employee wellbeing and, where managers are disengaged or unaware, they can be a barrier to Indigenous career progression.

It was raised by both Indigenous and non-Indigenous participants that many non-Indigenous employees experience fear of saying or doing the wrong thing. Some non-Indigenous line managers are hesitant about singling out Indigenous people because “they don’t want to treat them differently,” leading to the concern that line managers do not understand the need for developing strategies and management practices to support diversity. Some participants raised concerns around “special treatment perceptions” and a lack of confidence in managing this with employees. Low levels of cultural competence were felt to lead to culturally unsafe and intimidating practices, which were attributed to leading to high turnover and low retention.

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Wheat field and the lake in Western Australia Wheatbelt. Photo credit: Posnov via Getty Images.
There are varied levels of awareness and understanding of the impact of colonisation on work-readiness for Indigenous Australians.

Several non-Indigenous senior leaders had an excellent understanding of the impacts of colonisation and the efforts needed to create an equitable, inclusive, and safe environment. One senior leader demonstrated awareness of “what colonisation did to communities, to education, to families [impacts] employment and intergenerational trauma” [non-Indigenous senior leader] and how this impacts Indigenous people in the workplace. Other leaders noted that it is a work in progress to build awareness and understanding of the “devastating impact of colonisation and how that manifests today and how that’s kind of played out over time” [non-Indigenous senior leader]. It was felt that some practices in recruitment were exclusionary, such as the requirement for extensive paperwork, use of jargon, requirements for licenses and other bureaucratic processes. “For some people, especially for those with English as a third, fourth or fifth language, this can be an inhibitor” [non-Indigenous line manager].

Some interview participants acknowledged that a minor criminal history unrelated to their role and responsibilities should not exclude Indigenous people from securing gainful employment. There is a need for greater investment in and understanding of the impacts of colonisation on work-readiness across employers. This should be both an aspect of cultural awareness training, but also be embedded within recruitment and other employment practices.

Several non-Indigenous employees seemed to use the interview itself as a learning opportunity, with one line manager noting the reason they signed up to the interview was because they struggled with hearing back from Indigenous apprentice applicants and “they don’t know what [they] need to be doing better” [non-Indigenous line manager]. They were enthusiastic to participate, humble, and aware of their need to increase their cultural awareness.

Some participants had a nuanced understanding of the impacts of colonisation, unconscious bias, and the Western lens of recruitment, stating “we can’t just expect local people to put on our uniform then act and be like us” [non-Indigenous line manager]. Some expressed a genuine intent on building a culturally safe environment and supporting improved outcomes, but some reported experiencing challenges such as resistance by senior management, budgetary issues or broader workplace culture.

I think to be inclusive... is about us getting out of our non-Indigenous way of thinking all the time and expectations of eight till six in the office chained to a desk. The thing is that actually doesn’t work for our people and for our people to get to work. It’s probably been 20 times harder for them than it has been for me to get to work. So, I think we need to be able to provide more flexible working hours, flexible employment options.

Non-Indigenous line manager

We have days of Sorry Business, but we would have someone that would say, well, that person’s already told me that their mum’s passed and now they’re coming back and telling me that their mum’s passed. So, no understanding of kin or extended family or terminology... I don’t think things like intergenerational trauma and concepts such as that would be understood...

Non-Indigenous line manager

The impact of colonisation on Indigenous people and their job-readiness

This refers to the impact of history, intergenerational impacts and trauma on Indigenous Australians and their employment readiness today. This can present as different levels of education or experience compared to non-Indigenous counterparts, or a higher number of barriers to employment, which may require capacity building to support job readiness (such as working with children checks, licences, internships, and scholarships).
CONCEPTS AND CHALLENGES

CULTURAL LOAD

Cultural load is an overwhelmingly common experience and most Indigenous employees feel the weight of the burden.

Cultural load adversely affects Indigenous employees across all ages, genders, roles, sectors, geographic locations, employers and tenure. While Gari Yala found that Indigenous women experience greater load than men (37.5 per cent to 26.6 per cent respectively), the load was felt broadly across all participants in this research. Cultural load in professional environments is intensified as there are a limited number of Indigenous people in leadership roles, or with the capacity and knowledge to take on that role. Whilst 3.3 per cent of Australia’s population is Indigenous, only 0.4 per cent of people in senior leadership roles in the workforce are Indigenous.

Cultural load is not a one-off experience and can often not feel like much at the time, however, cumulative effects can be significant and lead to burnout. The responsibility can lead employees to feel responsible for the entire progress of the employer.

If there’s one reason I change careers, it’s because of this cultural load. It’s something people don’t realise because it’s a cumulative impact that gets you in the end...

However, a few Indigenous participants feel proud of their ability to educate others on culture and actively seek opportunities to do so. These employees view it more as a privilege or a positive obligation, rather than a burden, particularly those in Indigenous champion roles, and they proactively seek opportunities to be a cultural spokesperson. This can also result in backlash from community, if they speak (or are encouraged to speak by their workplace) out of turn. Indigenous participants also highlighted that while some employees may be highly vocal and seek out opportunities to educate other employees, there are many who don’t, and everyone’s willingness or unwillingness to do so should be respected without fear of reprisal.

Some people’s carrying capacity is limited, other people can take a lot, they love it. They actually seek out jobs where they can do it. Cultural load is a dangerous thing to apply as a blanket. In our [employer] Indigenous network, they say if you want to work on an Indigenous job, they flag it in the system. As long as their skill set matches, you’ll get your opportunity to participate on and do the job. So, I think we’ve moved past this cultural load outsourcing, like its NAIDOC week can you do an Acknowledgement of Country?

Indigenous line manager

Of the 40 Indigenous interview participants (see Figure 21):

- Sixteen had negative experiences with cultural load: feeling exploited, pressured, uncompensated, unsupported, tired, exhausted, taken advantage of, like a commodity, isolated, and hurt.
- Fourteen did not disclose any experience of cultural load.
- Six had positive experiences with cultural load: do not mind doing it, feeling respected, the appropriate person is asked and compensated, feedback is taken on board, made to feel comfortable, encouraged and not expected or forced.
- Four had no experience of cultural load.

The non-Indigenous workforce needs to be trained to reduce levels of cultural load being placed on their Indigenous colleagues. Also, having Indigenous employment networks and identified roles can reduce the load for those who feel the weight of the burden and are not compensated for their efforts. Generally, non-Indigenous employees have a genuine appreciation for the impact of cultural load in organisations where cultural learning is achieving genuine and wide-reaching outcomes, as there is less need to go directly to Indigenous employees to access information.

Figure 21: Indigenous Interview participants experience of cultural load (% of Indigenous interviewees).

<table>
<thead>
<tr>
<th>Experience</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negative</td>
<td>15%</td>
</tr>
<tr>
<td>Did not disclose</td>
<td>40%</td>
</tr>
<tr>
<td>Positive</td>
<td>35%</td>
</tr>
<tr>
<td>No experience</td>
<td>10%</td>
</tr>
</tbody>
</table>

A challenge for employers is to understand and respond to cultural load while balancing the need for Indigenous employees to lead Indigenous employment and decision making.
Indigenous identity and willingness to identify as an Indigenous employee is not well understood by employers.

Identifying as an Indigenous Australian at work is a personal choice that is bound up in an individual’s experiences, and their family and community histories, all of which impact and influence the decision to identify or not in the workplace. Indigenous participants highlighted the different experiences they have around identifying and cultural identity in general. There were some reports of not feeling comfortable identifying as Indigenous at work as participants had only recently discovered their Indigeneity. Some Indigenous employees have conflicting views around the issue of identity, particularly in relation to other Indigenous employees who are early on their identity journey and are accessing Indigenous specific roles and opportunities or speaking as a cultural authority.

One senior Indigenous leader highlighted their discomfort with their employer’s use of an approach to collect data on Indigenous identification aligned to the Australian Bureau of Statistics.

Sentiments around identity and identifying generally relate to:

- Confidence to identify.
- People being at different stages in their cultural identity journey with connection and culture.
- How it is perceived by other employees (Indigenous and non-Indigenous).
- How employers support and recognise people’s individual cultural identity and the diversity of identity and connection.
- Cultural safety.
- Cultural load.

Intersectionality is fundamental to people’s experience at work and particularly with personal choice of identifying. However, this is not well documented or understood by employers.

I know the work I do is important, and I know that it needs to be done. But I’m starting to come to a point where I’m thinking, am I the person to do it? Because I feel like we constantly come up against roadblocks. And every time there’s a slight leadership change, I have to step back at the beginning... This is going to sound awful, but sometimes it makes me question, is it worth it? Like, is every single day pushing through actually making a difference? Because sometimes it genuinely doesn’t feel like it. And so sometimes I just feel like, you know what? I think it’s time to maybe look at doing something else, rather than being a First Nations professional, just be a professional who happens to be First Nations. But then also part of me feels like, does that mean I’m turning my back on community? Am I not doing the right thing? So, I don’t know. I just I think that there’s additional pressures that we face in our day to day in the workplace that our [non-Indigenous] colleagues don’t.

Non-Indigenous line manager
CASE STUDY 4

Indigenous identity.

My grandma was part of the Stolen Generation. She went to Perth when she was probably nine or 10. And she always said to me, don’t tell anyone you’re Aboriginal, because they’ll think of you differently and you won’t make it. As a result, she hid a lot of those stories from us.

Indigenous employee

Indigenous identity is multifaceted and deeply grounded in one’s connection to Country, culture and communities. It is a complex concept that is influenced by the impacts of colonisation and the intergenerational experiences of resilience, trauma and ongoing healing. Workplace environments, particularly those where culture is not widely understood or celebrated, should be managed and developed with these complexities in mind. Specifically, there is a need to consider the broader systems, processes, and structures that can support the effective participation and engagement of Indigenous Australians in the workplace.

Cultural identity is both unique and diverse, and each person has their own experiences as to how they navigate their own journey and connection to culture. The most common experiences of identity as expressed by Indigenous participants relate to the following (see Figure 22).

Several non-Indigenous employees expressed ill-informed assessments relating to identity. This includes judgements around skin colour or speaking as the authority on what constitutes Indigeneity. While their perspectives don’t always come from a place of malice, nonetheless they are inappropriate, offensive, or can be hurtful to those who are working through their own identity. Interestingly, this sentiment is far more common with non-Indigenous line managers than it was with senior leaders. The provision of Reverse Mentoring, a practice used to support the two-way learning of Indigenous employees and their line managers, as well as better culture awareness training at this level could assist with addressing the issue.

Indigenous employees shared experiences of continued stereotyping, unequal opportunities, and social exclusion aimed at themselves or others due to either their willingness or reticence to identify their Indigeneity in a workplace. For many, identity is deeply personal and identifying can mean being connected to Country and culture and maintaining relationships and obligations to kin and community. However, skin colour is often inappropriately perceived by some non-Indigenous people as an indicator of Indigeneity which then leads to internal conflicts around identifying for those who don’t ‘look’ Indigenous.

...two Indigenous people ... who are very proud of their Aboriginal heritage and they’re both now in conversation with their grandparents to understand more. And they really want to go on that journey sort of quite privately at this point before they feel ready to share their insights and experiences and perspectives as young Aboriginal people in a large workplace situation.

Non-Indigenous line manager

For employers, it is integral to understand the complexities around identifying as an Indigenous person, with the recognition that it is not their responsibility to coax people into identifying. For some, a disconnect from culture (due to the Stolen Generations, for instance) can cause challenges in the workplace, especially when they are asked to showcase culture (for example, NAIDOC or National Reconciliation week). Employers should understand their understanding of individual’s own journeys, the impacts of cultural load, and, where appropriate, acknowledge whether individuals have faced particular hardships or barriers to overcome. As such, recognising and respecting individual choice regarding identity and willingness to identify requires employers to:

1. Build an understanding of the diversity of identity through activities such as cultural learning, with content on identifying in the workplace.
2. Allow people to engage with, celebrate and communicate about culture as they choose.
3. Understand the importance of not making assumptions and respectfully listening to Indigenous employee needs and aspirations where they feel comfortable to share this.
4. Provide an opportunity for Indigenous employees to identify at their workplace, and be clear on the privacy and expectations surrounding this.
5. Acknowledge that data collection and Indigenous employee numbers may not be accurate and KPIs are not necessarily the only indicator of success.
6. Offer an opportunity for employees to identify in employee engagement surveys to raise the awareness of the employers understanding of employment outcomes including the willingness to identify and cultural safety.
Indigenous employees balance a tension between living in multiple worlds, describing a tension between being a professional that is Indigenous versus an Indigenous professional.

This relates to how they navigate their employment, their own personal ambitions and their continued connection with culture and community, and how they are perceived by others, particularly non-Indigenous people. The tension was highlighted by many participants in the context of cultural load, identity and identifying as Indigenous at work.

There is also no consistency around when and how employees identify at work. Some line managers and senior leaders flagged that they are unaware how many Indigenous employees their organisation employs and that this is due to a lack of data and reporting, or because a high number of employees prefer not to disclose. There is also a lack of consistency in reporting, as employers may or may not count interns and contractors as part of their workforce for instance. Data is not collected consistently, as it can be on People/HR systems, at onboarding, during the exit process, or during employee engagement surveys.

Of the participating employers:

- Ninety-three per cent identify Indigenous employees during the application process.
- Eighty-six per cent identify Indigenous employees when updating existing employee records.
- Around two-thirds identify Indigenous employees during onboarding or through employee surveys.
- Only one-third of employers collect this data at exit surveys and interviews.

While Indigenous employees may face challenges at work, they often feel proud of their workplace or employment and of their efforts to support other Indigenous employees through their journey in the workforce. Many had a passion to advocate and support mob through their role, often seen as "the most rewarding thing" [Indigenous employee].

Many employees felt proud of their workplace in general, despite feeling that the employer was culturally unsafe or had a long way to go on the journey. One employee felt that their contribution to their employers’ journey over three decades to now “makes me feel proud that I’ve done that… to see leaders embracing our culture… and wanting to really help and support and progress talent… that’s really cool” [Indigenous employee]. Some employees identified that their strong personality led them to push, drive, or fight for opportunities.

The cultural differences make it a lot more work. And the education system around amalgamating the two cultures together... It’s the openness and the mindset of people that needs to be enhanced to better understand and work together.

I love my job. I love everything I do even that gives me grey hair and keeps me up at night. I wouldn’t change what I do. It gives me tears. It gives me frustration. It fills me with joy. It fills me with anger, fills me with pride, fills me with passion. Everything that I could ever want in a job.

It will be important for employers to have an understanding of the impact of transgenerational and vicarious trauma on their Indigenous employees and how best to create a workplace that is mindful of these issues through the implementation of strength-based strategies. Transgenerational trauma is the transference of emotional, physical, or social pain from one person to their descendants. In the context of Indigenous Australians, it is related to the ongoing healing from traumatic acts inflicted on Indigenous Australians. Vicarious trauma can be experienced by Indigenous Australians who are constantly having to deal with issues relating to Indigenous disadvantage or unhealed trauma, as well as the emotional and physical impact this has on their own wellbeing. In contrast, the reverse may be true where employment can positively affect mental health when in a supportive workplace environment.
CONNECTION TO KIN, COUNTRY AND COMMUNITY

Connection to kin, Country and community influences the choices Indigenous people make about work.

Some Indigenous employees highlighted the importance of being close to community and kin or working on Country. Obligations to family and community were raised in several interviews across all cohorts as important to employees, including non-Indigenous employees. Other Indigenous employees indicated the longevity of employment is related to the flexibility of their workplace, which sometimes is required to go beyond standard practices. Some Indigenous employees shared they would stay in their role, regardless of progression, if they are able to be with family when needed, can be located close to family or community, and not necessarily Country.

“I was asked in another similar thing to this was what are the limitations on your career? It’s hard to put it into words and it’s hard to explain to people. I belong around water, and I belong in a community, I don’t belong in concrete and, you know, there’s nothing I can do to change that.”

Indigenous employee

CONCEPTS AND CHALLENGES

A boomerang held by an Indigenous Australian during a dance ceremony. Photo credit: Kamada Kaori via Getty Images
In some workplaces, the requirement to relocate or undertake fly-in-fly-out (FIFO) roles presents challenges and are a barrier to employment. Some employees in regional and remote locations have chosen to remain in their current position to be close to community and Country rather than take a higher position in the city. One employee noted that “to further my career in operations or any form of management, you’ve got to go to a big city … I do not belong in a big city… I’m sure that’s ingrained within our DNA” [Indigenous employee]. Similarly, another Indigenous employee stated they would not take a job in Brisbane as their whole family is in Cairns, and “I couldn’t really see myself spending much more time than my internships in such a big city” [Indigenous employee].

For other workplaces with a large footprint, particularly those with work in regional and remote areas, there are unique opportunities to support Indigenous employment in ways that respects cultural and community needs. Some employers highlighted this as the greatest impact they have on individuals and communities. Employers highlighted the value of being able to support employees to relocate to be with family [non-Indigenous line manager], or the great impact that can be made in remote and regional areas [non-Indigenous senior leaders]. Organisations have also been pushed to consider innovative ways to attract and recruit employees in remote areas, and “to think about how we were going to do things differently” [non-Indigenous senior leader].

Several Indigenous employees spoke about the obligation on them to educate, upskill, and communicate with their family and community on various work-related issues. This highlights a dual burden (e.g. workplace and community load), and was observed more frequently among those with higher levels of (Western) educational attainment. Indigenous employees also told many stories of how their employment allowed them to break cycles of welfare dependency and poverty and to create wealth.

This guy walked off the job and I got a call from the employment consultant saying he said to me that there was a spirit, bad spirit in that workplace that was causing problems there and conflict and bad things were happening, and he was getting the blame and he just had to go. Now, your average employment consultant would be saying, well, OK, that’s probably not a valid reason and I have to put that in the system and the payment would be stopped. But this person knew enough to think, hang on a minute, there’s probably more to this. And she rang me. And talked me through it and I said, well, actually, this is the second case in the last six months like this. So, what you need to do is go back to him and ask him if he’s OK. Ask him what support he might need and what to do in this situation. What can we do to help with that? As it happened, he was able to say, no, look, I’ve got some Elders. They’ve come round to talk to me. And we put that in as a valid reason for him leaving the job because it was. But also, I’ve reached out to him to make sure he was OK. That guy was blown away.

Indigenous employee
Cultural learning is key in building the cultural safety of an employer and creating a comprehensive and systemic approach to Indigenous employment. Online training is the starting point only, as training needs to be deeper, place-based, include contemporary ideas and experiences, and recognise Indigenous diversity.

Many participants emphasised the need for bespoke training particularly for senior leaders and line managers, and that training for all Australian employees should be mandatory. However, only 45 per cent of participating employers mandate cultural learning for all Australian based employees. Some Indigenous employees noted that mandating training without any context can have an adverse effect, as they do not want “people skipping through it just to get it done” [Indigenous employee]. Bespoke approaches to training were regularly called for by participants across interviews and focus groups. Place based training is seen as important where an employer’s operations directly intersect with or impact on local communities (particularly in rural and remote areas). There needs to be comprehensive and nuanced training for senior leaders and managers of Indigenous employees. Meeting on Country, especially by leaders, can help feed connection and understanding in their local communities.

For the almost half of participating employers who have conducted an Indigenous cultural needs analysis, the average share of Indigenous employees is 2.8 per cent, compared to 1.6 per cent average share in employers who do not (these differences are however not statistically significant). Many Indigenous participants felt their current employer’s approach needed to be enhanced, and that a cultural needs analysis is a starting point to achieve this. There was also a general view that much of the cultural training content needs to evolve in line with contemporary ideas and knowledge of culture and experiences, including those of Indigenous people in professional environments.

There’s nothing about how you should act as a manager of [Indigenous] people or how you should be dealing with your people, there’s none of that.

Indigenous line manager
Events and celebrations are considered powerful and impactful where local community is engaged and events are well thought out and driven by Indigenous employees themselves.

Some participants expressed that cultural celebrations were seen to be tokenistic, which was attributed to having the same small group of participants (allies and champions) always attending events without broader reach across the workforce. Further, it was felt that some employers celebrated culture in a tick-box fashion, without genuine interest, knowledge and appreciation for Indigenous history or cultures.

Over 70 per cent of participating employers provide leaders with learning or resources on Indigenous protocols, or to personalise their Acknowledgement of Country (see Table 4). Eighty-eight per cent of leaders consistently Acknowledge Country at significant internal events which is associated with having significantly higher (p<0.05) Indigenous employment in the last 12 months.

Table 4: Cultural protocols and considerations.

<table>
<thead>
<tr>
<th></th>
<th>Share of Indigenous employees (%)</th>
<th>Share of employees reporting an increase in share of Indigenous employees in the last 12 months (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leaders are provided with learning or resources on Indigenous protocols</td>
<td></td>
<td></td>
</tr>
<tr>
<td>YES</td>
<td>2.4%</td>
<td>50%</td>
</tr>
<tr>
<td>NO</td>
<td>1.3%</td>
<td>33%</td>
</tr>
<tr>
<td>Leaders consistently Acknowledge Country at significant internal events</td>
<td></td>
<td></td>
</tr>
<tr>
<td>YES</td>
<td>2.1%</td>
<td>53%**</td>
</tr>
<tr>
<td>NO</td>
<td>2.9%</td>
<td>0%</td>
</tr>
<tr>
<td>Leaders personalise their Acknowledgement of Country</td>
<td></td>
<td></td>
</tr>
<tr>
<td>YES</td>
<td>2.5%</td>
<td>56%*</td>
</tr>
<tr>
<td>NO</td>
<td>1.6%</td>
<td>22%</td>
</tr>
</tbody>
</table>

Notes: The results for ‘share of Indigenous employees per cent’ and ‘share of employers reporting an increase in share of Indigenous employees in the last 12 months per cent’ are based on 36 and 34 participating employers respectively, which provided the relevant data. We use t-tests to test the differences between employers with and without cultural protocols and considerations. *p<0.1, **p<0.05, ***p<0.01.
Two-thirds of the participating employers have Indigenous employee networks, of which 70 per cent are funded. Having an Indigenous employee network (both resourced or informal) is positively associated with higher Indigenous employment outcomes (see Figure 23). Employers with a network report a 2.6 per cent average share of Indigenous employees compared to a one per cent average for employers with no network – this difference is weakly significant (p<0.10).

Indigenous employment networks are highly valued by Indigenous employees. The value for internal Indigenous networks is not simply having mob supporting mob, but being able to report directly to the executive leadership team, and as an opportunity to network and connect with other Indigenous employees both in physical and online safe spaces. One employee felt that peer support was highly important as an opportunity to “just offload a little bit as another Aboriginal person who will understand” [Indigenous employee]. It is felt that Indigenous employee networks can contribute positively to increases in employee retention, and to individual pride and value in their contribution to the workplace. It was also felt that mentors or other formal supports for Indigenous employees would be highly valued however it is rarely practiced.

Notes: The results for ‘share of Indigenous employees per cent’ are based on 36 participating employers respectively, which provided the relevant data. We use t-tests to test the differences. *p<0.1, **p<0.05, ***p<0.01.

Figure 23: Employers with and without Indigenous employee networks (share of Indigenous employees %).

INDIGENOUS EMPLOYEE NETWORK

NO INDIGENOUS EMPLOYEE NETWORK

2.6% 1.0%

Being in large organisations, it is very tough being an Aboriginal person. And you just want that support from Aboriginal people. You need to, you know, have that yarn.

Indigenous employee
One participating employer has seen significant improvements to Indigenous employment outcomes in recent years. Having established their approach to reconciliation and Indigenous employment in 2012, they have shown a genuine commitment to improving outcomes relating to their Indigenous employee and client experience, Indigenous supplier diversity and the economic development of regional and remote communities. In recent years, they have implemented many cultural change practices, including developing an Indigenous employment strategy and Indigenous employee network, which has led its Indigenous employees interviewed for this Index to feel the organisation as a whole is culturally responsive.

With thousands of employees, and a significant footprint in rural areas with large Indigenous populations, the employer has a higher-than-average share of Indigenous employees. Their RAP Working Group is driven from the highest level of leadership and has over 50 per cent Indigenous employees actively contributing to its success.

The internal Indigenous network works alongside the RAP Working Group. They meet four times a year to connect, consult, support and share ideas with others. One of those meetings is face-to-face, each time in a different regional location, on Country. It provides learning opportunities about local culture and history and invites local Elders to contribute. The meetings gather a diversity of Indigenous perspectives that are then provided to senior leaders.

Their place-based approach also includes partnerships with Indigenous employers and communities to develop programs specifically designed for clients and employees. Some of these include local ‘Yarning Circles’, playgroups, and a range of capacity building programs for employees and clients. It has also developed formal protocols for Welcome to Country and Acknowledgment of Country. The employer now recognises that there is not only value in employing Indigenous people but in employing local Indigenous people.

The employer has 30 designated cultural champions in their workforce and has appointed a dedicated Indigenous liaison advisor to lead the implementation of their RAP and provide mediation and conflict resolution for Indigenous employees and partners. This role is highly regarded by the Indigenous employees, line managers and senior management. "...she is brilliant" states one Indigenous employee.

The employer also understands the impacts that colonisation has had on job readiness for Indigenous people, reflecting this in their recruitment and retention strategies. The recruitment strategies involve an "ongoing conversation within the [Indigenous] network" (Indigenous Employee). They acknowledge that a minor criminal history, unrelated to their role and responsibilities should not exclude Indigenous people from securing gainful employment. They also provide feedback for unsuccessful Indigenous interviewees.

The employer has an array of other practices that are considered standout practices, including:

- Mandatory cultural awareness as part of their online induction, complemented by the unique skills and competencies that Indigenous employees bring to the workplace and community.
- Career development and opening of Indigenous leadership pathways.
- Support and encouragement of all employees to participate in cultural celebrations, such as Sorry Day and National Reconciliation Week, and one day paid leave to attend NAIDOC Week celebrations in their community.

The employer is an example of the outcomes that can be achieved through a wide-reaching and considered approach to Indigenous employment. While they are clearly achieving outcomes, they recognise that there are still challenges remaining but are committed to continuously improving and ‘doing better’.

Case Study 5
Employer significantly improved in recent years.

...our program coordinator, she’s you know, she’s huge on getting Aboriginal staff. And she constantly reminds area managers. You just don’t realise what a difference it makes. It it’s not tokenism. It’s about genuine connection with the community.

Non-Indigenous senior leader
**SOLUTIONS AND PRACTICES**

**EMPLOYEE ASSISTANCE PROGRAMS AND OTHER SERVICES**

All participating employers have an Employee Assistance Program (EAP), and two-thirds provide an Indigenous specific EAP; however, many Indigenous employees feel uncomfortable using the service.

The 64 per cent of employers with an EAP with specific services for Indigenous employees have a slightly lower share of Indigenous employees however this difference is not statistically significant (see Figure 24). Several Indigenous employees report that they have experienced times of stress that required support but did not feel comfortable using their employer’s EAP service. These employees sometimes expressed they preferred relational networks (family, colleagues, Indigenous employment networks) over external support, and some expressed they didn’t think they would be ‘understood’ by an EAP service and were concerned for their cultural safety. To alleviate this, employers could better promote the specific, named Indigenous counselling services available to employees.

When discussing other support services, Indigenous employees note a lack of financial literacy, numeracy, and other wellbeing supports provided by employers.

**Figure 24:** Employers with and without Indigenous specific Employee Assistance Programs (share of Indigenous employees %).

<table>
<thead>
<tr>
<th></th>
<th>Has Employee Assistance Program</th>
<th>No Employee Assistance Program</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2.0%</strong></td>
<td></td>
<td><strong>2.6%</strong></td>
</tr>
</tbody>
</table>

**Notes:** The results for ‘share of Indigenous employees per cent’ are based on 36 participating employers respectively, which provided the relevant data. We use t-tests to test the differences. *p<0.05, **p<0.01, ***p<0.001.
Employer performance on this domain was relatively low, with only one employer deemed to be at an Advocacy level of practice. Four employers were ranked at Integration, 21 employers at Growth, and 16 at the Foundational level (see Figure 25). This suggests that the majority of employers have not fully developed Attraction and Recruitment practices that enhance their Indigenous employment outcomes.

This section explores:

RECRUITMENT PLANS AND MANAGEMENT
CULTURALLY SAFE RECRUITMENT
PATHWAY PROGRAMS

Figure 25: Number of participating employers by maturity level for Attraction and Recruitment practices.
RECRUITMENT PLANS AND MANAGEMENT

Attraction and recruitment works best when Indigenous recruitment plans are in place and are managed by Indigenous employees.

The 67 per cent of participating employers with an Indigenous attraction and recruitment strategy or plan have on average a high 2.6 per cent share of Indigenous employees, compared to an average of just one per cent of those without a plan – with this difference being weakly significant (p<0.10). Those with a recruitment plan are also more likely to see a higher increase in Indigenous employees in the last 12 months compared to employers without a plan – with this difference being statistically significant (p<0.05).

While having a targeted Indigenous Employee Value Proposition (EVP) is associated with a higher share of Indigenous employees, only 21 per cent of participating employers have one. Those with a targeted Indigenous EVP have on average a significantly higher (p<0.01) share of Indigenous employees of 3.9 per cent compared to 1.8 per cent for those without (see Table 6).

Many interview participants raised challenges in attraction and recruitment, with the most common concern that most employers focus on attraction and recruitment for entry level roles, and that many employers do not have any strategies for lateral, mid or senior level recruitment in place. One employee felt that “we do need a bit of a strategy to attract more senior Aboriginal people into the company” (Indigenous employee). Senior leaders also indicated that lateral or senior level recruitment of Indigenous employees is incredibly difficult, particularly for specialised roles and industries. Other challenges around recruitment included:

- Perceived small pool of candidates.
- Not being an ‘employer of choice.’
- Lack of identified roles.
- Hiring managers not aware of or well versed in the Indigenous employment strategy.
- The role requires relocation or time away from kin and community.
- Lack of Indigenous people in recruitment process/team.
- Indigenous candidates struggling with confidence.
- Indigenous candidates with low levels of work experience (relative to role requirements).
- Onerous paperwork and red tape (for example, medical screening, licences).
- Lack of trust in the employer.
- Lack of roles targeted to mid-senior level.

Where Indigenous recruitment is managed by a dedicated Indigenous employee or team, there are statistically significantly higher shares of Indigenous employees compared to when Indigenous recruitment is managed by a general recruitment/talent acquisition team or an external third-party provider. This indicates that Indigenous employment takes a specific skillset or a specific network to do well, and standard recruitment approaches are not as effective (see Figure 26).

<table>
<thead>
<tr>
<th>Share of Indigenous employees (%)</th>
<th>Share of employees reporting an increase in share of Indigenous employees in the last 12 months (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer has an Indigenous attraction and recruitment strategy/plan</td>
<td>YES 2.6%</td>
</tr>
<tr>
<td>NO 1.0%</td>
<td>13%</td>
</tr>
<tr>
<td>Employer has a targeted Indigenous Employee Value Proposition (EVP)</td>
<td>YES 3.9% **</td>
</tr>
<tr>
<td>NO 1.6%</td>
<td>44%</td>
</tr>
<tr>
<td>Indigenous candidates who meet job requirements, have a guaranteed interview</td>
<td>YES 3.6% **</td>
</tr>
<tr>
<td>NO 1.4%</td>
<td>37%</td>
</tr>
<tr>
<td>Targeted positions for Indigenous candidates only</td>
<td>YES 2.7% **</td>
</tr>
<tr>
<td>NO 1.3%</td>
<td>36%</td>
</tr>
</tbody>
</table>

**Notes:** The results for ‘share of Indigenous employees per cent’ and ‘share of employers reporting an increase in share of Indigenous employees in the last 12 months per cent’ are based on 36 and 34 participating employers respectively, which provided the relevant data. We use t-tests to test the differences between employers with and without the relevant recruitment strategies. *p<0.10, **p<0.05, ***p<0.01.
CULTURALLY SAFE RECRUITMENT

Culturally safe recruitment leads to positive employment outcomes.

Around a quarter of Indigenous interview participants had a negative recruitment experience, with one employee stating it was a bit intimidating: “as the only black fella in the room, I was interviewed by four non-Indigenous executives, including the CEO.” [Indigenous employee].

Negative recruitment experiences were largely due to:

- Culturally insensitive questions being asked.
- Use of jargon in the job advertisement.
- Feeling intimidated by a formal interview process.
- Lack of Indigenous representation on the interview panel.

It’s not an easy thing for anyone to apply through Seek in the first place and know how to fill forms, let alone with no confidence or no understanding. And then you also got the culture of white fellas and [there is fear around our industry generally] so we’re not a really attractive place in the first place.

[Non-Indigenous line manager]

Most Indigenous participants indicated the recruitment experience with their current employer was positive and their successful application was based on merit, not Indigeneity. A small number of Indigenous employees did not consider their Indigeneity when applying for roles or when thinking about the cultural safety of the recruitment process. Leading practice strategies for Indigenous recruitment are identified in Figure 27.

To bring out the best in people, we use positive, strengths-based application and screening... we have a very conversational approach to the application form... Walking them through a conversation allows a person to self-screen... one of the biggest components that they screen against is our values. So, we put up front. This is what kind of values we value, looking at a person holistically...

[Non-Indigenous senior leader]
PATHWAY PROGRAMS

Pathway programs are well utilised by participating employers. Entry level roles, when adequately supported and planned, provide clear benefits to employers in developing their Indigenous workforce, tailoring skills and experience to meet organisational needs and improving their cultural credentials. For Indigenous employees, these programs provide a way to explore potential workplaces and employers, to be supported in their professional development, and to find the careers that best suit their interests.

Many Indigenous employees believe the best way to build an Indigenous workforce is by starting engagement in schools. It was commonly suggested that young Indigenous people should be introduced to a diversity of career and education opportunities, Indigenous role models, champions, and pathway programs to develop their capacity and confidence far earlier than formal entry into the workforce. This also grows the talent pool of candidates. It was felt that these types of programs and practices expose Indigenous young people to experiences that develop a greater sense of hope and motivation. They are also seen as a driver to self-determination and empowerment of the next generation.

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Case Study 6

Pathways to Employment.

Pathways to employment demonstrate a long-term and sustainable benefit to Indigenous employment. They are seen as critical for employers to adopt early in their Indigenous employment journey, and to sustain throughout their growth and development.

Many Indigenous employees in this study commenced their careers as graduates or school-based interns and they strongly supported pathway programs that guide Indigenous employees’ entry into the workforce. Eighty-one per cent of participating employers are involved in Indigenous education related programs or partnerships to attract and retain Indigenous employees. Half of the employers have partnerships with schools and universities, or funding for further education for current Indigenous employees.

CareerTrackers stood out as an initiative of choice for interview participants, with 48 per cent of participating employers being active partners. Indigenous employees who were CareerTrackers alumni indicated how important the program had been in shaping their careers, with one employee stating the partnership was monumental: “I was just a kid from the scrub and now I’m working for a global company. It blows my mind a bit and it really put me on a good career path” [Indigenous employee].

Senior leaders also championed the organisational benefits that CareerTrackers provide, such as identifying, sourcing, and supporting Indigenous talent and the future pipeline of a highly (Western) educated Indigenous workforce. One senior leader felt the partnership with CareerTrackers was “the biggest impact in terms of building Indigenous employment” [non-Indigenous senior leader].

CareerTrackers is a national non-profit employer, led by an Indigenous CEO and has Indigenous representation on their board. The organisation formed in 2009 with the goal of creating pathways and support systems for young Indigenous people to gain a university qualification and build their industry experience in paid roles. Ninety-five per cent of CareerTrackers alumni transition to full-time employment within three months of graduation. CareerTrackers also prepare the employer by providing cultural awareness training, and providing a structure for the intern’s workplace assignments. Their work aims to develop strong Indigenous business leaders, and create generational change.

Our research shows that Indigenous employees prefer remaining with employers where they feel welcomed, supported and safe. It is also clear that employers that have invested in Indigenous pathway programs tend to have positive employment outcomes. For instance, the participating employers that have partnerships with CareerTrackers are two times more likely to have online cultural awareness learning and cultural immersions for targeted employees. They are also more likely to track completion and evaluate cultural awareness learning, and more likely to include Indigenous employees in People/HR policies such as leave policy, flexibility policy, and parental leave policy.

It is suggested that employers assess the effectiveness of their Indigenous career pathway approach. Effectiveness should be assessed for both short- and long-term benefits for individuals and the employer itself.

[The company I work for] decided to take on CareerTrackers interns, and then in turn they’ve made the RAP [Reconciliation Action Plan]. The organisation [is now] really inclusive and is open to change... One of our [General Managers] is the Diversity and Inclusion Sponsor, and he talks about [Indigenous issues] every chance that he can get, so I think it’s something that is just embedded in the organisation now.

Indigenous employee
Index rankings for Engagement and Development practices were the highest when compared to other domains, however there is still considerable room for improvement. Four employers were ranked at an Advocacy level of practice, three were at Integration, 14 at Growth and 21 at Foundational level (see Figure 28).

This section explores:
- Development and Leadership Retention
- People/HR Policies
**DEVELOPMENT AND LEADERSHIP**

Indigenous professional development and leadership opportunities are rare but highly valued.

While some Indigenous employees generally felt that leadership opportunities and career pathways were accessible to them, Indigenous specific development was rare. Many employees felt negatively about their experiences around development, stating that “every job that I’ve gone for, I’ve had to fight for” [Indigenous employee], or that they hadn’t had “any opportunity to do any sort of training … to fill any gaps that I may have” [Indigenous employee]. Some employees expressed feeling as though there was a ceiling at middle management level for Indigenous employees, and “it’s almost like you have to leave in order to move up” [Indigenous employee].

Indigenous participants who knew of Indigenous-specific development and leadership programs available to them had a hugely positive view of these programs and noted them as a standout initiatives or best practices, with many having experienced a program first-hand. Interestingly, several Indigenous participants also indicated that while the program was successful, their employer still needed to ensure that higher-level positions were made available to the program graduates, otherwise Indigenous employees may perceive the program as tokenistic or feel that their participation wasn’t valuable.

Many line managers stated they do not consider Indigeneity when considering leadership or development, and they were unaware of Indigenous specific development opportunities.

Overall, the majority of employees interviewed were aware of Indigenous development opportunities and their corresponding employers demonstrated better employment practices. For example, 41 per cent have Indigenous participation targets in leadership programs (compared to 26 per cent of remaining employers), although this finding was statistically non significant (p<0.123) (see Figure 29).

Some Indigenous employees felt that their employers were developing Indigenous leaders into Indigenous facing roles only. This sentiment related to concerns of Indigenous professionals being pigeon-holed and a desire to see a diversity of leadership roles and progression opportunities available to Indigenous employees. One employee felt that Indigenous employees are “put in a box and basically just [kept] to the Indigenous pathway and just focus on that. But I’m sure there are a lot of Indigenous employees that want to branch out and might not necessarily be so specialised” [Indigenous employee].

Some Indigenous employees also reported a perceived stigma around Indigenous leadership, a fear of authorities and positions of authority, and lack of a confidence to “put their hand up”. Some Indigenous employees spoke to the potential community backlash of seeking or taking up leadership opportunities, due to Indigenous perspectives on governance. Interestingly, some Indigenous participants felt that their employer focused solely on formal development programs, whereas the capacity building of Indigenous employees often occurs in informal ways. These informal methods include opportunities and experiences that increase an employee's exposure to different roles, and build their confidence and skills, for example, public speaking, delivering presentations and participating in CEO for a Day initiatives.

**Figure 29:** Differences between employers with interviewees mentioning Indigenous specific development opportunities within their employer (share of employers %).

- **Have Support Entering Workforce for Indigenous Employees**: 41% vs 25% (p<0.123)
- **Have Support Indigenous Participation Targets in Leadership Programs**: 41% vs 25% (p<0.123)
- **Have Study Leave for Indigenous Employees**: 38% vs 31% (p<0.123)
- **Have Formal Mentoring for Indigenous Employees**: 36% vs 25% (p<0.123)
- **Have External Study Funding for Indigenous Employees**: 36% vs 28% (p<0.123)
- **Report Share of Indigenous Promotions for Senior Management Roles**: 29% vs 8% (p<0.123)
- **Have Leaders Sponsor Development Opportunities for Indigenous Employees**: 18% vs 0% (p<0.123)

Notes: We use t-tests to test the differences. * p<0.10, ** p<0.05, *** p<0.01.
Employers consistently experience challenges retaining Indigenous employees and very few participants advised that retention was not an issue.

Senior leadership or Indigenous employment strategies failed to prioritise retention, engagement and development, and rather focused on recruitment and targets. Only one-third of employers who reported data had a higher retention rate for Indigenous employees than total employees.

Only half of employers collected and reported Indigenous retention data, of which 62 per cent reported lower retention rates for Indigenous employees than non-Indigenous employees. While this may be positive, for example, due to career progression, or the increased demand for Indigenous talent by employers, this research suggests a myriad of other facts that negatively influence Indigenous retention.

The other sections in this report offer suggestions to improve the Indigenous employee experience, which may lead to increased retention.

Reporting on specific retention rates of Indigenous employees during organisational restructures correlated with more positive Indigenous employment outcomes, however less than a quarter of employers had such processes in place. In particular, employers that report on the retention of Indigenous employees during restructures have a 4.1 per cent average share of Indigenous employees compared to a share of 1.5 per cent for employers who do not. This difference was highly significant (p<0.01) (see Figure 30).

Figure 30: Reporting on retention of Indigenous employees during an organisational restructure (share of Indigenous employees %).

It don’t mean shit if you can’t retain them, it’s about retaining them and having that knowledge yourself about past histories and understanding of our Country, then dwell on it. It’s all about saying, I understand now what it means when they’ve got to go to Country for a funeral… I know what Sorry Business is, I understand what men’s or women’s business is. It’s about having that just that simple understanding, that’s what makes a difference to your worker, you treat them with respect. You really get to know them. Don’t just have them. Get to know them. And that’s what’s really important.

Notes: The results for ‘share of Indigenous employees per cent’ are based on 36 participating employers respectively, which provided the relevant data. We use t-tests to test the differences between employers with and without networks.

* p<0.1, ** p<0.05, *** p<0.01.
There was a distinct lack of reporting, understanding and data collection by employers on why Indigenous people leave. This was compounded by inconsistent practices around exit interviews and surveys, as well as a widespread lack of strategies on retention. Only one-third of employers identify Indigenous employees in exit surveys and interviews. Indigenous employees commonly report the need for culturally safe exit interviews, which are often not undertaken, to better capture an understanding of why people may leave. This is also echoed as an important People/HR practice by Indigenous-founded businesses.

This lack of understanding and focus has meant that while employers might be improving recruitment practices, turnover still can remain high. Turnover can be costly for the employer and it is felt that “if we develop our own from the ground up, they’re more likely to stay” Indigenous employees. High turnover was commonly attributed to a lack of development opportunities or a lack of understanding of cultural obligations amongst employers, or losing employees to competitors (such as those who offer rosters or housing that better supported family and community priorities).
Inclusive People/HR and cultural leave policies that are person-centric increase safety and support increased retention.

Employers with a flexible working policy and other inclusive People/HR policies (e.g., Working on Country, cultural leave) report statistically significant higher shares of Indigenous employees, and increases in Indigenous employment in the last 12 months. Sixty-two per cent of participating employers have People/HR policies that specifically include Indigenous employees. Sixty-one per cent of the employers that have leave policies that are inclusive of Indigenous employees (for example, cultural leave policies that include Sorry Business) reported an increase in Indigenous employment in the last 12 months, compared to 18 per cent of those without. This difference is statistically significant (p<0.05) (see Figure 31).

However, interview participants reported varied People/HR practices across employers and inconsistent communication of what supports are in place for Indigenous employees. This includes the availability of cultural leave, the number of days available, whether it is paid, and what constitutes cultural leave, as well as the availability of other flexible working arrangements and wrap around supports. One employee noted “there is nothing, nothing around financial literacy [or] culturally specific wellbeing programs. I think some workplaces started to incorporate a bit of cultural leave, but it’s usually just one, it’s usually just one day. It’s kind of like trying to find a way that balances getting work done, but also making sure that cultural commitments are met” [Indigenous employee]. Individual leave requirements vary, and often cultural obligations can go beyond the minimal or standard allocations of leave.

As such, bespoke cultural training for line managers of Indigenous employees and better communication needs to occur. These strategies support Indigenous employees to feel comfortable having the conversation to ask for leave and taking the leave appropriate for them and their circumstances.

Figure 31: People/HR policies inclusive of Indigenous employees (share of Indigenous employees %)

| OTHER POLICIES | 1.9% |
| FLEXIBILITY POLICY | 2.8%* |
| PARENTAL LEAVE | 1.8% |
| LEAVE POLICY | 2.0% |
| POLICIES BASED ON INDIVIDUAL REQUESTS | 2.0% |
| YES | 2.3% |
| NO | 1.6% |

Notes: The results for share of Indigenous employees per cent are based on 36 participating employers which provided the relevant data. We use t-tests to test the differences between employers with and without Indigenous considerations is People/HR policies.

*p<0.05, **p<0.01, ***p<0.001

It was common for Indigenous employees to feel unsupported to take cultural leave, or that using the cultural days - “never feels comfortable” [Indigenous employee].

Many also feel the number of days provided is inadequate, or their employer had approved their leave without initiating a positive dialogue. While this could be due to respect for the individual or their confidentiality, these Indigenous employees felt it was more because of the discomfort of their non-Indigenous line manager in discussing the topic and indicated a broader issue within the employer around cultural awareness and safety. There is also a stigma attached to cultural leave that may hinder an Indigenous employee’s confidence in asking for leave. It is felt that cultural leave and flexible working practices shouldn’t be negotiable; rather they should be standard practice to both eradicate stigma and improve workplace practices for all employees.

Positive experiences around cultural leave occur where an individualised, person-centred, and empathetic approach is undertaken, and the employee feels well supported by their line manager. The ability to access cultural leave is therefore highly dependent on line manager relationships.

For example, one Indigenous employee whose uncle passed away had only one day of bereavement leave and no Sorry Leave available. They felt this was inadequate, and thanks to having a great relationship with their line manager, this employee felt safe to initiate a conversation, and was approved additional leave. However, under a new manager, this same employee now feels concerned that if “I ask this new manager, maybe not... I think it’s kind of a case-by-case basis how they handle stuff like that.” [Indigenous employee]. In another instance, an Indigenous employee felt that in their recent experience, with the death of an uncle, their boss had been wonderful, which was “just really important culturally.” [Indigenous employee]. In cases where the Indigenous employee reports to an Indigenous line manager, there was by far a greater use of, and value placed on cultural leave and flexible working conditions.

Line managers expressed that they often lack the cultural knowledge and confidence to support their employees, particularly with cultural leave.

Generally, it was felt that the low levels of cultural competence from line managers was both a challenge for the managers themselves as well as for Indigenous employees. This can lead to increased turnover of Indigenous employees, with managers failing to understand the reasons why. One employer experienced a high turnover of Indigenous employees, and as a result, the employer has since spoken to “all of our managers across the site and [made] them aware that if they’re going to be terminating an Indigenous employee, it needs to come through the Diversity and Inclusion team first so that you have that opportunity to reach out to that staff member and just see exactly what is going on” [Indigenous employee]. It is felt that increasing cultural awareness across organisations will help to mitigate issues with retention.

Some employers note that their approach is about one-on-one connection and understanding individual needs to work with employees in a personalised way. There is a need for diverse responses specifically suited for Indigenous employees, including being cognisant and responsive to health, wellbeing, financial, and community needs. In one instance, an employer puts all Indigenous employees through a healthy lifestyle plan as “some Aboriginal people we employ don’t even know that they’ve had diabetes, heart problems, high cholesterol until they come into the course. And now we’ve got to manage that.” [Indigenous employee]. Similarly, another employer has found that being proactive in responding to humbugging (an Indigenous term for demands on one’s family or connections, usually for financial gain) has increased retention and reduced absenteeism at work. Supervisors at this employer “help some of our staff actually set up alternate bank accounts so that some of their pay can go there and then the other pay will go where it can be accessed by other people” [non-Indigenous line manager].
A total of three employers were at an Advocacy practice level for Partnerships and Community, with five employers at Integration, 22 employers at Growth, and 12 at the Foundational level. This suggests that the majority of employers (81 per cent) who ranked either at Foundational or Growth level have significant room for improvement for partnerships and engagement (see Figure 32).

This section explores:

- Partnerships with Indigenous organisations
- Community engagement
- Procurement and supply chains

Figure 32: Number of participating employers by maturity level for Partnerships and Community practices.
Partnerships with Indigenous organisations are highly valued and can achieve positive outcomes for Indigenous employment.

Partnerships with Indigenous-founded or led organisations can improve the intercultural responsiveness of the employer, as well as achieve broader outcomes for Indigenous employment and communities. Partnerships with Indigenous organisations can contribute to Indigenous employment in a range of ways, including through indirect employment, community engagement, cultural learning, and through delivery of pathways programs and recruitment support.

Nearly all participating employers (88 per cent) actively partner with at least one of the following: Reconciliation Australia (RA), Supply Nation, Aboriginal Employment Strategy and CareerTrackers.

Further detail on the value of Indigenous-founded or led organisations is outlined in the case study highlighting two Indigenous organisations that understand and demonstrate “what works” in building and sustaining Indigenous employment.
Importantly, there was direct alignment between leading practice raised by Indigenous business, and those leading practices identified by Indigenous employees in the 42 participating employers. This suggests a remarkable consistency, and highlights the value of Indigenous businesses and employees.

Now is the time for employers to follow in their footsteps and be more “daring and deadly” [Indigenous senior leader, IEP] when it comes to increasing Indigenous employment.

In comparison, Waalitj considers behavioural competency and technical expertise as highly valuable for an employer to maximise employment outcomes. Their approach includes a buddy system in which every Indigenous employee has a mentor within the employment team. Regarded as a highly supportive and culturally safe place to work, their employees acknowledge the benefits of the unique and considered attraction and recruitment strategies. The standout practices as noted by employees across both employers comprise of:

- Employment pathways for people with a criminal history.
- Accessing community networks for employment pipeline purposes by leveraging internal relationships.
- Holding informal discussions rather than job interviews.
- Using culturally appropriate language including when advertising job vacancies.
- Nuanced and tailored cultural awareness and training programs delivered by Indigenous people.
- Ongoing mentoring (throughout employment journey, not just at the beginning).
- A ‘12-month return’ policy where employees are welcome to return without going through the recruitment process.

Indigenous-led businesses are more likely to employ Indigenous people and play an important role in closing the gap on employment rates between Indigenous and non-Indigenous Australians. They are also more likely to procure from other Indigenous-founded businesses within their supply chains and invest back into Indigenous communities.

Made up of a majority Indigenous workforce, both Waalitj Foundation (80 per cent Indigenous employees) and Indigenous Employment Partners (IEP) specialise in Indigenous employment service provision across Australia and have a wealth of knowledge in all aspects of Indigenous employment. Both employers demonstrate leading practice examples of providing environments that enable positive, sustainable, and well supported Indigenous employment.

Waalitj noted a shift in the calibre of applicants (a higher quality and increased number of Indigenous applications over the past two years) as “a reflection of how culturally safe community is viewing the foundation” [Waalitj non-Indigenous senior leader]. This has allowed them to now employ multiple people through a single recruitment round.

IEP’s attraction and recruitment strategies challenge traditional mainstream recruitment practices. For example, they invite employers to engage directly with Indigenous communities to pitch their workplace to potential employees. They also provide targeted and appropriate supports based on individual aspirations and needs. Their view is that: ‘no matter what the barriers may be, there’s a job out there for everybody’.

Indigenous-led businesses are more likely to employ Indigenous people and play an important role in closing the gap on employment rates between Indigenous and non-Indigenous Australians. They are also more likely to procure from other Indigenous-founded businesses within their supply chains and invest back into Indigenous communities.

Working here amongst our Indigenous staff, you can see it and you hear it. [...] Racism. It happens. Indigenous people are subject to different upbringings, different home environments, different challenges within their families.

Waalitj Non-Indigenous senior leader

Importantly, there was direct alignment between leading practice raised by Indigenous business, and those leading practices identified by Indigenous employees in the 42 participating employers. This suggests a remarkable consistency, and highlights the value of Indigenous businesses and employees.

Now is the time for employers to follow in their footsteps and be more “daring and deadly” [Indigenous senior leader, IEP] when it comes to increasing Indigenous employment.
Genuine community engagement creates community impact.

Most participating employers undertake Indigenous focused community engagement activities. Indigenous employees feel pride towards their employer when this engagement is considered genuine. Yet, only 67 per cent of employers have an Indigenous pillar in their community engagement strategies. Having a specific Indigenous pillar is correlated with better Indigenous employment outcomes, although the results are not statistically significant, as seen in Figure 33.

A small number of participants also felt that their employer’s approach to community engagement was negative or tokenistic (see Figure 34). This is largely where programs or supports cease or have had their funding stopped, or there has been there is a collective exodus of Indigenous employees, a lack of internal consultation prior to external engagement, or a general lack of effort. On the contrary, even if an employer is undertaking considered community engagement activities, their approach can seem tokenistic if not seen as adequate in comparison to the scale of work. This is particularly relevant for businesses with a sizable footprint or where their operations interact heavily with Indigenous communities. For instance, one Indigenous employee felt that while there are many practices being rolled out at their workplace, they do not compare favourably with other companies in the same industry who are at the forefront of community engagement. They felt that their employer needed to highlight the positive practices led by the business, as “sometimes the only time we’re [redacted] in the news is because of crap that’s happened, and it’s like no, what about all the other good things that we need to celebrate what we’ve done in the community” [Indigenous employee].

The challenges to community engagement were typically attributed to an inconsistent approach, which results in ad hoc programs and varied success. One employee felt that the success of community engagement is dependent on where you are in the business, and “some places don’t interact with any of the community, but others do really, really well” [Indigenous employee]. Many employees observed that their employers lack organisation-wide Indigenous community engagement strategies, that also take into account the specific community contexts with localised approaches.

Figure 33: Associations between community engagement and Indigenous employment outcomes.

<table>
<thead>
<tr>
<th>Organisations with an Indigenous pillar in their community engagement strategy</th>
<th>Organisations without an Indigenous pillar in their community engagement strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over half saw an increase in share of Indigenous employees in the last 12 months</td>
<td>17% saw an increase in Indigenous employees in the last 12 months</td>
</tr>
<tr>
<td>2.5% average share of Indigenous employees</td>
<td>1.2% average share of Indigenous employees</td>
</tr>
</tbody>
</table>

Figure 34: Participant perception of employers’ approach to community engagement (number of interviewees).
Procurement from Indigenous businesses can contribute heavily to Indigenous employment parity, and strong results can increase pride for Indigenous employees.

One employee felt pleased that their company “had committed to a procurement spend of, I believe it was five million, and we exceeded that by a long shot” (Indigenous employee).

The Indigenous business sector is rapidly growing. Between 2006 and 2018 there has been a 74 per cent increase in the number of businesses operating in the Indigenous business sector and more than 22,000 jobs created.

One employee highlighted that while using Indigenous contractors and preferred suppliers who are Indigenous businesses is not direct employment, it is helping towards Indigenous employment parity. This is because Indigenous-owned businesses are many times more likely to employ Indigenous Australians than other businesses, sometimes up to 100 times more likely.

While an employer may have a genuine approach to Indigenous employment, it can often be hard to manage transparency in their supply chains. Tracking Indigenous employment and social outcomes through procurement is a challenge experienced by many employers, as well as enforcing compliance with Indigenous participation targets. Where employers are contracted to government and are obliged to comply with Indigenous employment targets, this can sometimes result in more focused effort. Some senior leaders expressed that being a large employer comes with the responsibility and opportunity to enforce or engage with Indigenous employment commitments in supply chains. There are opportunities for some employers to influence their clients and suppliers on how they work in Indigenous communities, and this can be an important lever to drive change and employment parity.

We have realised more and more opportunities are in our supply chain and through the way we procure and support First Nations businesses. So, we’ve learned how to utilise what we call the [redacted] toolkit to create employment ... We’re [also] currently working on measuring social value through a couple of the partnerships.

Indigenous senior leader
The Employer Roadmap has been developed to translate the Index findings into a comprehensive framework for employers. The guide prioritises a long-term, deliberate, comprehensive, and systemic approach to Indigenous employment that drives meaningful change—beyond just the number of Indigenous employees at an organisation. Creating workplaces where Indigenous employees can thrive and lead meaningful careers, is tied deeply to the commercial and organisational success of the employer.

The Employer Roadmap is based on the five Index domains: Commitments and Accountability; Workplace Culture and Inclusion; Attraction and Recruitment; Engagement and Development; and Partnerships and Community. These are each measured against four maturity levels: Foundational, Growth, Integration, and Advocacy. Mapped against each domain and level are evidence-based, key practices for employers. These practices enable employers to set their aspiration, assess their current state, identify tailored priorities and measure their impact as their maturity and Indigenous employment outcomes increases.

This Employer Roadmap reflects a systemic Indigenous worldview that asks employers to apply the different actions in a way that empowers Indigenous voices. This reflective process is based on an iterative and ongoing approach—Listen, Yarn, Act, and Empower (see Figure 35). Importantly, this approach contrasts with the Western approach that often results in actions before sufficient reflection and listening. The approach should be understood and applied as a comprehensive package. Sequencing is important, as “the order in which you do things ensure that you’re setting everyone up for success” [Indigenous employee].

Please note this Employer Roadmap is iterative, and based on findings from this inaugural Index. As leading practice evolves and advances over time, so too will this framework. Employers should expect further actions and increasing standards of practice to be reflected into this framework over time (see Figure 36).
### Employer Roadmap to Indigenous Employment

#### Level 1 - Foundational

- **Planners and governance:** Develop future Indigenous employment strategy and policy with Indigenous employment as a key pillar.
- **People and HR process:** Establish Indigenous recruitment and engagement processes.
- **Cultural learning:** Conduct cultural learning needs analysis.
- **Engagement:** Develop Indigenous Employee Value Proposition.

#### Level 2 - Growth

- **Planners and governance:** Develop an Indigenous employment plan and progress facilitated externally.
- **People and HR process:** Implement Indigenous employment practices, including specific Indigenous considerations.
- **Cultural learning:** Celebrate NAIDOC Week and National Reconciliation Week.
- **Engagement:** Develop both Diversity and Inclusion strategy and policy with Indigenous participation.

#### Level 3 - Integration

- **Planners and governance:** Develop Indigenous employment competencies and support Indigenous employment outcomes through strategic partnerships.
- **People and HR process:** Support Indigenous applicants by achieving Indigenous employment in all domains.
- **Cultural learning:** Embed Indigenous employment commitments in procurement policies.
- **Engagement:** Support Indigenous applicants by embedding Indigenous employment in decision-making processes.

#### Level 4 - Advocacy

- **Planners and governance:** Develop Indigenous employment commitments in procurement policies.
- **People and HR process:** Establish employment targets.
- **Cultural learning:** Develop an Indigenous employment plan and/or reflect RAP.
- **Engagement:** Develop both Diversity and Inclusion strategy and policy with Indigenous perspectives.

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#### Figure 36: The Index evidence-based ‘Employer Roadmap to Indigenous Employment 2022’ depicting the four levels of an employer’s maturity framework across five domains.
Guiding principles
The Employer Roadmap is based on the following guiding principles:

• Employers together with their Indigenous employees, have strong aspirations for Indigenous employment success. This is an innovative and forward-thinking approach that captures opportunities that can align to business strategy and corporate social responsibility. Where do you want to be?

• Employers are grounded in truth and listen intently to their employees. Employers acknowledge and address outcomes of their current practices and workplace culture, both positive and negative, including cultural competence, bias and systemic racism. Where are you now?

• Indigenous employees are empowered and encouraged to thrive and grow. Employers support them when they identify in workplaces. How will you meet the needs and aspirations of your Indigenous employees?

• Collective and individual progress is measured over time. The framework integrates comprehensive and systemic Indigenous ways of thinking into a current Western business model. How do you embed a comprehensive and systemic approach to change?

Key practices
While the Index explored a range of practices across the five domains, specific practices linked to key employment outcomes were identified at different maturity levels through an iterative data-driven process. Both quantitative and qualitative data was used, with additional input from employment practitioners.

Reflective process
The Employer Roadmap employs a four stage reflective process with a systemic Indigenous worldview. It asks employers to apply the different actions carefully, patiently, honestly, and deliberately in a way that empowers Indigenous voices. This process is based on an iterative and ongoing approach. It is important to note that as an ongoing process, what is considered aspirational today will evolve to mainstream outcomes. As a result, the foundations and standard of Indigenous employment will continuously improve over time.

Listen - Listen to Indigenous voices and lived experiences
Employers need to first listen to Indigenous employees during the planning and development of Indigenous employment actions. Indigenous employee engagement allows for deep consideration of the design and impact of practices on individual experience. However, it should not fall only to Indigenous Australians to drive change, and employers should be cognisant of the impacts of cultural load. Strategies should be put in place to avoid contributing to the load; for instance, through offering compensation for advice, utilising identified positions, or approaching the Indigenous employee network to gauge interest in participating in activities or giving advice.

Yarn - Yarn through two-way dialogue
Employers should actively engage with their employees, processes and protocols in a two-way dialogue to consider the context. In some cases, this may involve external stakeholders. Both quantitative and qualitative data are critical to making informed decisions based on a comprehensive and systemic approach. Employees may have suggestions or questions about the practices being undertaken, and it is important to engage with employees to help them understand the ‘why’.

Act - Act authentically through people focused care and genuine relationships
Significant reflection and learning are required before employers should move to action. Employers can begin to hold themselves accountable and build strong relationships with external Indigenous providers. Taking a people-centred approach based on genuine relationships, care and authenticity is key. Employers need to understand and acknowledge unconscious bias and then take action to overcome it and apply their learning in the workplace. To ensure sustainability and establish a positive legacy, employers must view action as an ongoing responsibility rather than a one-off commitment.

Empower - Empower Indigenous leadership and intergenerational change
To empower Indigenous employees and the broader Indigenous community, employers need to focus on Indigenous leadership and drive intergenerational change, such as by supporting future generations. To do this successfully, employers should be embedding and continually improving all practices. Indigenous Australians should be empowered and enabled to make decisions and have their voices heard.
We are calling on executive leaders in all Australia based organisations to:

1. Set robust Indigenous employment targets and report regularly and transparently on progress towards them, to measure the effectiveness of your Indigenous employment strategy.

   Indigenous employment targets are critical to driving employment outcomes, but targets must be complemented by a comprehensive Indigenous employment strategy. Targets and plans, such as Reconciliation Action Plans, provide accountability, but are the beginning of the journey, not an outcome in their own right. Reporting progress towards targets, whether internally and/or externally, is associated with statistically significant better outcomes. See Domain 1 for further information.

2. Work to retain current Indigenous employees, rather than focusing only on Indigenous recruitment.

   Amid labour shortages and fierce competition for talent, employers must work hard to retain their Indigenous employees at the same rate as other employees. This Index provides a range of measures that employers can take to support better Indigenous employment outcomes, including retention. Report on retention - especially during organisational restructures, provide Indigenous-specific development opportunities, and prioritise workplace culture and safety. See Domains 1 to 5 for further information.

3. Treat racism as a safety issue and acknowledge that work is still required to ensure that your workplace is culturally safe for Indigenous employees.

   Employers are required by law to provide a safe workplace for all employees. This is unattainable if racism is present in your workplace, which disproportionally compromises the safety of Indigenous employees. Ensure discrimination policies and procedures include considerations for Indigenous employees, upskill leaders and line managers in preventing and responding to racism at work, and increase the cultural capability and responsiveness of employees. See Domain 2 for further information.

4. Follow this Index’s Employer Roadmap to take the next steps towards employment parity, tailored to your organisation.

   The Employer Roadmap (see Chapter Three) is based on the Index’s results, and provides a practical, evidence-based way for your organisation to progress towards true Indigenous employment parity. Employers should self-assess the current state of their workplace against the Roadmap, and identify next steps towards parity, based on your unique industry, organisation and context. Progress can be assessed through the next iteration of the Index in 2024.
GOVERNMENT

We are calling on the Federal Government to:

1. Regularly compile and publish data to comprehensively report on the state of Indigenous employment nationally.
   
   Indigenous employment data is only collected and reported comprehensively every five years, through the National Census. In between these years, it is difficult to track Indigenous employment over time, let alone the impacts of policy decisions on the Indigenous workforce. This Index goes some way, but not far enough, towards filling this glaring data gap.

2. Activate industry to help close the Indigenous employment gap through legislation.
   
   The Federal Government can support employers by including them as partners on Indigenous employment policies and systems design, and by setting clear guidelines and expectations for Indigenous employment outcomes.

   
   The Federal Government and the Coalition of Peaks have agreed that building the Indigenous Community-Controlled sectors is a priority area for reform; we call on the Government to prioritise the Indigenous employment sector in this reform.

INVESTORS

We are calling on all institutional investors to:

1. Understand the investment risk caused by poor company culture and racism and the fact that more diverse companies are likely to outperform less diverse companies.
   
   Racism and culturally unsafe work environments impact employee health, wellbeing and job satisfaction. The diversity, wellbeing and engagement of a company’s workforce can strongly influence the success of a company.

2. Evaluate current investee companies and consider Indigenous employment performance when making investments.
   
   Using this Index and the Employer Roadmap as a guide, investors should assess whether investee companies have policies and practices in place to ensure a safe work culture and support Indigenous employment.

3. Engage with investee companies and set expectations.
   
   Investors should actively engage with investee companies on how they are ensuring a safe, diverse, and inclusive workplace culture. Investors should set clear expectations that investee companies identify risks and take action to ensure that their operations promote and enhance respect, inclusion and equality for Indigenous employees and disclose accordingly.
Further research is required is to help employers, industry and government close the data gap in Indigenous employment, and improve Indigenous employment outcomes.

Generation One is committed to undertaking future research to help achieve Indigenous employment parity, including through a 2024 Indigenous Employment Index. This will include analysis of Indigenous employment and training models, including demand-led employment and guaranteed jobs; and how incentive schemes need to change to ensure that training providers, employment services, employers and jobseeker interests are aligned for optimal outcomes.

Optimally, ongoing research will include the employers that participated in this Index, while seeking to enlist more employers and thereby create a larger sample to study. In particular, future research should investigate where the policies and practices identified by the research and adopted by employers can be correlated to improvements in key metrics in following years. Future research could also seek to measure the correlation between improved Indigenous employment outcomes and business outcomes, which can be a key driver of an employer’s commitment and approach. In addition, collection of information on workplace practices that are of importance to Indigenous people, has the potential to enhance employment policies that relate to workplace practices and relations.

Other future research may consider using a randomly selected sample of employers by industry, and/or focus on recruiting smaller organisations, which account for most of the Indigenous workforce in Australia. Another future research option may be to conduct a qualitative survey collecting data from a randomly-selected sample of Indigenous employees across all sectors, industries, and employers to examine how Indigenous employees perceive and evaluate their employers’ policies and practices, as well as the challenges and difficulties they face in their workplaces, and measure these experiences over time. Future research should also investigate other actions that can be incorporated into future iterations of the Index and Employer Roadmap.

It is also recommended to undertake a further literature review on Indigenous employment to learn from international examples, such as those taking place in New Zealand and Canada.
This Index would not have been possible without the dozens of Australian employers that responded collectively to provide a snapshot of Indigenous workplace representation, practices, and employee experiences. We are thankful for their humility and willingness to share their journeys for this research. As a result, this Index provides valuable insights and a critical first look at what is working well, the concrete steps organisations can take to increase Indigenous economic participation, and how to improve the experiences of Indigenous employees.

This research empowers employers, governments, and policy makers to develop more robust and meaningful Indigenous employment approaches that lead to intergenerational change. These approaches will have real impact when they are implemented comprehensively and systemically; all aspects of Indigenous employment are interrelated and co-dependent.

Relationships are a key contributor to the positive workplace experiences of Indigenous employees. The result of these efforts are Indigenous employees who feel safe, respected, and empowered and non-Indigenous professionals who are culturally proficient across values, attitudes, knowledge, and skills.

The goal of this research is to ensure today’s workplaces and economy are open and inclusive environments for all employees, do not intentionally or unintentionally exclude Indigenous Australians, and drive employers to learn from Indigenous ways of thinking, being, and doing.

Indigenous economic empowerment delivers reciprocal benefits to Australia’s overall economy and employers benefit for improving their engagement with Indigenous employees, customers, and the local communities. For this to occur, Indigenous perspectives and voices must be genuinely embedded into decision making, employment program design, and development.

Indigenous employment parity is achievable in our generation, but requires approximately 300,000 more Indigenous Australians to enter paid work by 2040. This inaugural Index empowers employers, investors and governments to take the next steps to make a real difference.

This is our responsibility, and our opportunity to take. What impact will your organisation make?
Aboriginal and Torres Strait Islander Champion / advocate

Country

Colonisation

Cultural awareness

TERM

Aboriginal and Torres Strait Islander

Champion / advocate

Country

Colonisation

Cultural awareness

DEFINITION

In Australia, there are two distinct First Nations cultural groups who have their own laws, lore, customs and ceremonies. They are Aboriginal and Torres Strait Islander people, and they identify in numerous ways. Many identify as Aboriginal or Torres Strait Islander and some identify with both. Others prefer to identify as the Nation or Clan group that they are descended from, for example, Wiradjuri, Gumbaynggirr, Bundjalung etc. Some Aboriginal and/or Torres Strait Islander people use the term First Nations or First Peoples.

See ‘Indigenous’.

An employee in the workplace who champions or advocates for Indigenous agency and opportunity.

Country is integral to Indigenous identity through recognition and practice of deep time connections to language and lore of the lands.

Country is inherent to our identity. It sustains our lives in every aspect: physically, spiritually, emotionally, socially and culturally.

Establishment of a colony or colonies in a country or area. Colonisation dispossessed Indigenous people of their traditional lands.

In Australia, colonisation began with the First Fleet’s arrival from Britain in 1788 and progressed over time with settlements in different states. Colonisation continues to impact and remain in Australia.

Awareness of Indigenous ways of working, thinking and being and having respect for and building support systems accordingly. For example, culturally aware employers will consider cultural differences when considering requests for time off due to cultural traditions.
Cultural competency

Cultural competency is the knowledge, behaviours, attitudes, policies and systems that enable service providers and workers to work effectively across Indigenous people and culture and respond to the needs of a cultural diversity. Cultural competency is required at both the organisational and individual levels.

Cultural immersion

Cultural programs designed for employees to engage in an experiential learning opportunity to interact with Indigenous peoples, communities, or employer to seek an understanding of Indigenous ways of being, ideally facilitated by an Indigenous-founded business.

Cultural leave

An organisational People/HR policy that refers to dedicated leave arrangements for Sorry Business, cultural requirements, significant days, etc.

Cultural load

The practice of expecting, implicating, and using Indigenous people in the education of others about Indigeneity and culture or to undertake tasks that are Indigenous related.

Cultural responsive

A culturally responsive employer will proactively recognise Indigenous voices, perspectives and insights and ensure they are embedded throughout workplace policy and practice. It is seen as the next step after competency and safety.

Workplaces who provide culturally safe environments for Indigenous employees to practice their cultural identity without discrimination, ridicule, or denunciation.

Cultural safety

Workplaces who provide culturally safe environments for Indigenous employees to practice their cultural identity without discrimination, ridicule, or denunciation.

Culturally safe employers will have rigorous and robust reporting systems in place where experiences of racism, harassment and/or discrimination are acknowledged and appropriate support provided, and/or consequential action taken.

“Culturally safe practices recognise and respect the cultural identities of other people, their values, beliefs, expectations and rights. In contrast, culturally unsafe practices disempower a person, challenging their identity and wellbeing.”

Cultural sensitivity

Respecting and being sensitive to the fact that people have differing characteristics that are of equal value, no matter the difference.

Community engagement

The formal, informal, mandated and/or ongoing agreements that alert employers to follow cultural protocols when engaging with Indigenous communities; and can involve partnerships, pro bono work, yarning circles and other practices that inform the Indigenous Engagement Strategy.

Dadirri

The word, concept and spiritual practice that is dadirri is from the Ngan’gikurungurr and Ngen’gijjwarrin languages of the Aboriginal peoples of the Daly River region (Northern Territory, Australia). Dadirri is inner, deep listening and quiet, still awareness. Dadirri is aligned to contemplation and is a contemplative way that renews and brings peace. This term is described by Miriam-Rose Ungunmerr, and is further defined via the Miriam Rose Foundation.

Diversity and Inclusion

Diversity refers to the mix of people in an organisation – in relation to their:

Social identity for example, Aboriginal and/or Torres Strait Islander background, age, caring responsibilities, cultural background, disability status, gender, religious affiliation, sexual orientation, gender identity, intersex status, and socio-economic background.

Professional identity for example, profession, education, work experiences, organisational level, functional area, division/department, and location.

Inclusion refers to getting the mix of people in an organisation to work together to improve performance and wellbeing. Inclusion is achieved when a diversity of people feel that they are: Respected for who they are and able to be themselves; Connected to their colleagues and feel they belong; Contributing their perspectives and talents to the workplace; and Progressing in their career at work (such as having equal access to opportunities and resources).

Source: Diversity Council of Australia

Employment Targets

An achievable, time-framed goal that an employer can set to focus its Indigenous employment efforts. Targets are different from quotas in that they are set by an employer to suit their own results and timeframes. Quotas are set by an external body with the authority to impose them.

First Nation

See 'Indigenous'.

Humbugging

An Indigenous term for making unreasonable demands on one's family or connections, usually for financial gain.

Identify

Government agencies and community organisations usually accept three 'working criteria' as confirmation of Aboriginal or Torres Strait Islander heritage. These are:

- Being of Aboriginal or Torres Strait Islander descent.
- Identifying as an Aboriginal or Torres Strait Islander person.
- Being accepted as such by the community in which you live, or formerly lived.

Identity

Indigenous peoples identify in numerous ways and have different preferences regarding the use of terms Indigenous and Aboriginal and Torres Strait Islander. Many may prefer to be known by their specific group name or Country, as Traditional Owners, or First Nations Peoples.
<table>
<thead>
<tr>
<th>TERM</th>
<th>DEFINITION</th>
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<tbody>
<tr>
<td>Indigenous</td>
<td>The term used to refer to Aboriginal and Torres Strait Islander people to reflect the national scale of this research. We respect and acknowledge the diversity of communities, identities, and clan groups for all Indigenous people of Australia. We recognise Indigenous peoples among themselves have different preferences regarding the use of terms Indigenous and Aboriginal and Torres Strait Islander, and that many may prefer to be known by their specific group name or Country, as Traditional Custodians, or Traditional Owners, or First Nations People. The terminology used in this research reflects a considered and deliberate approach.</td>
</tr>
</tbody>
</table>
| Indigenous business       | Certified by a 6-step verification process by Supply Nation, Indigenous owned business:  
- Have 51 per cent or more Aboriginal and/or Torres Strait Islander ownership.  
- Are in Australia.  
- Are either a sole trading business, partnership or an incorporated entity or trading through a trust.  
- Generate revenue from the provision of goods or services.  
- Hold a current, valid ABN.  
Not-for-profit employers are eligible for Supply Nation registration if they can demonstrate 50 per cent of the board of directors are of Indigenous descent.  
It is noted that Waalitj, an Indigenous-led business, with representation at board and senior leadership teams, engaged in this research, is not considered an Indigenous business by Supply Nation's definition. |
| Indigenous Governance     | Aboriginal and Torres Strait Islander peoples have always had their own governance. It is an ancient jurisdiction made up of a system of cultural geographies Country and culture-based laws, traditions, rules, values, processes and structures that has been effective for tens of thousands of years, and which nations, clans and families continue to adapt and use to collectively organise themselves to achieve the things that are important to them. |
| Indigenous participants   | Indigenous participants is the collective term that refers to those that participated in the research but have been individually categorised as (Indigenous) senior leader, line manager or employee. This includes focus group participants. |
| Intercultural responsiveness | A deep understanding of Indigenous Culture and how this contributes to competitive advantage. Embedded Indigenous knowledge systems and reconciliation initiatives, with action plans to allow for continual learning and ongoing development. Utilising their sphere of influence to drive reconciliation, there is an understanding of the process for establishing and maintaining positive relationships inside and outside the employer. Indigenous employees feel safe, respected, and empowered. Professionals are culturally capable across values, attitudes, knowledge, and skills. |

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</table>
| Intergenerational trauma  | In Australia, intergenerational trauma predominantly affects the children, grandchildren and future generations of the Stolen Generations. If Stolen Generations survivors don't have the opportunity to heal from trauma, they're likely to live in a state of distress, which can lead to a range of negative outcomes for themselves and their descendants. Their children may experience difficulties with attachment, disconnection from their extended families and culture and high levels of stress from family and community members who are dealing with the impacts of trauma. This can create developmental issues for children, who are particularly susceptible to distress at a young age. This creates a cycle of trauma, where the impact is passed from one generation to the next.  
It is noted that Waalitj, an Indigenous-led business, with representation at board and senior leadership teams, engaged in this research, is not considered an Indigenous business by Supply Nation's definition. |
| Metropolitan              | The Metropolitan zone is classified as per the Rural, Remote and Metropolitan Area (RRMA) and includes class M1 and M2.  
M1: Capital Cities.  
M2: Other Metropolitan Centres (urban centre population ≤ 100,000).  
Not-for-profit employers are those that provide services to the community and do not operate primarily to make a profit for its members or shareholders, if applicable.  
Pathways                  | Specialised and/or dedicated programs and practices that consider the effects of colonisation on job readiness for Indigenous people and reduce the barriers to employment for example, mentorships, scholarships, internships, partnerships.  
Participating employee    | Employees who participated in an interview or focus group from one of the participating employers across three cohorts: Indigenous employee, line manager of Indigenous employee and senior leader.  
Participating employer    | Australian employers, across public, private, and not-for-profit sectors that participated in qualitative and quantitative research.  
Principal Component Analysis | Principle Component Analysis (POA) is a statistical procedure that can be used to reduce a large set of variables to a small set that still contains most of the information in the large set.  
Policies                  | Policies are the guidelines, rules and procedures developed by an employer to govern its actions (often in recurring situations). They define the limits (do's and don'ts) within which decisions must be made. They are widely communicated and available to all employees. |
<table>
<thead>
<tr>
<th>TERM</th>
<th>DEFINITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private employers</td>
<td>Private employers are enterprises that are not controlled by the Commonwealth, state/territory or local governments.</td>
</tr>
<tr>
<td>Public Sector</td>
<td>The public sector includes financial and non-financial corporations controlled by government, government agencies and departments, national institutional units controlled by government, and public financial and non-financial corporations.</td>
</tr>
<tr>
<td>Racism (interpersonal and systematic)</td>
<td>Racism takes many forms and can happen in many places. It includes prejudice, discrimination or hatred directed at someone because of their colour, ethnicity or national origin. It can be described as every interaction that makes an Indigenous person question their value or their identity. Interpersonal racism refers to racism between individuals (such as when an individual is overtly or covertly racist towards another person). Examples include social exclusion (actively avoiding a person or ignoring requests to help or to participate), stereotypes (about competency or honesty, which can block career opportunities), harassment (name-calling, jokes, or comments) and threats which is individuals’ beliefs, attitudes, and actions that discriminate, exclude, or disadvantage people from racially marginalised groups. Systemic racism refers to unfair (or even seemingly ‘race-neutral’) organisational policies, procedures, and practices that discriminate, exclude, or disadvantage people from racially marginalised groups. It can be described as every interaction that makes an Indigenous person question their value or their identity. Interpersonal racism refers to racism between individuals (such as when an individual is overtly or covertly racist towards another person). Examples include social exclusion (actively avoiding a person or ignoring requests to help or to participate), stereotypes (about competency or honesty, which can block career opportunities), harassment (name-calling, jokes, or comments) and threats which is individuals’ beliefs, attitudes, and actions that discriminate, exclude, or disadvantage people from racially marginalised groups. Systemic racism refers to unfair (or even seemingly ‘race-neutral’) organisational policies, procedures, and practices that discriminate, exclude, or disadvantage people from racially marginalised groups.</td>
</tr>
<tr>
<td>Reconciliation</td>
<td>Reconciliation is about strengthening relationships between Aboriginal and Torres Strait Islander peoples and non-Indigenous peoples, for the benefit of all Australians.</td>
</tr>
<tr>
<td>Reconciliation Action Plan (RAP)</td>
<td>A key strategy of Reconciliation Australia is to progress reconciliation. A formalised document that holds employers to account for strengthening relationships between Indigenous peoples and non-Indigenous peoples, for the benefit of all Australians. The RAP builds capacity for employers to continuously develop their reconciliation commitment to one of the four frameworks: Reflect, Innovate, Stretch, Elevate – each with specific expectations and processes.</td>
</tr>
<tr>
<td>Remote</td>
<td>The Remote zone is defined by the RRMA classification to include Rem1 and Rem2. Rem1: Remote centres (urban centre population ≥ 5000). Rem2: Other remote centres (urban centre population &lt; 5000).</td>
</tr>
<tr>
<td>Rural</td>
<td>The Rural zone is defined by the RRMA classifications to include R1, R2, and R3. R1: Large rural centres (urban centre population ≥ 25,000). R2: Small rural centres (urban centre population 10,000-24,999). R3: Other rural centres (urban centre population &lt; 10,000).</td>
</tr>
<tr>
<td>Sector</td>
<td>Sector may be broken down by public, not-for-profit and private as defined in this Glossary.</td>
</tr>
<tr>
<td>Self-determination</td>
<td>The right of self-determination is that all peoples freely determine their political status and freely pursue their economic, social and cultural development. Without self-determination it is not possible for Indigenous Australians to fully overcome the legacy of colonisation and dispossession.</td>
</tr>
<tr>
<td>Stolen Generations</td>
<td>Since colonisation, numerous government laws, policies and practices resulted in the forced removal of generations of Aboriginal and Torres Strait Islander children from their families and communities across Australia. Thousands of children were forcibly removed by governments, churches and welfare bodies to be raised in institutions, fostered out or adopted by non-Indigenous families, nationally and internationally. They are known as the Stolen Generations.</td>
</tr>
<tr>
<td>Strategy</td>
<td>A strategy is a plan of action designed to achieve one or more organisational objectives. Strategies fill the gap between “where we are” and “where we want to be,” that is, “how are we going to get there?” They relate to how an employer allocates and uses materials and human resources and require an executive decision.</td>
</tr>
<tr>
<td>Truth-telling</td>
<td>Truth-telling is an opportunity for Aboriginal and Torres Strait Islander peoples to record evidence about past actions and share their culture, heritage and history with the broader community. Truth-telling is crucial to the ongoing process of healing and reconciliation in Australia. The history, tradition and culture of Aboriginal and Torres Strait Islander peoples and their experiences of injustices following colonisation has been largely unknown. However, there is a growing momentum among Australians to develop a fuller understanding and awareness of our history.</td>
</tr>
<tr>
<td>Unconscious bias</td>
<td>Unconscious biases are social stereotypes about certain groups of people that individuals form outside their own conscious awareness. Everyone holds unconscious beliefs about various social and identity groups, and these biases stem from one’s tendency to organise social worlds by categorising.</td>
</tr>
<tr>
<td>Urban</td>
<td>Demographic attributes collected by Murawin in the qualitative consent form used the term ‘urban’, whereby ‘urban’ refers to Metropolitan in accordance with RRMA classifications. Caveat - Murawin used ‘urban’ as a definition in the survey whereas for the qualitative consent form no definition was supplied.</td>
</tr>
</tbody>
</table>
Project ideation and establishment

Over the decade to 2018, the Indigenous employment gap closed 1.3 per cent. At this pace, it will take more than 200 years to achieve Indigenous employment parity. An ongoing challenge to achieving employment parity is the lack of data and limited reporting on Indigenous employment. Without data, we cannot make informed decisions to close the gap.

Generation One is advocating for increased data capture on the Indigenous workforce via workplaces, governments, and through national legislative change, to shine a spotlight on the invisible experiences of Indigenous Australians in the labour force. This project seeks to overcome part of this challenge through engaging larger employers to participate in Australia’s first Indigenous Employment Index. The participating employers captured in this research comprise of over 700,000 Australian employees. This represents approximately five per cent of the total employed workforce at the time of the survey. Generation One is committed to repeating the Index in future years, and over time the representativeness of this sample of larger employers will be strengthened.

Research principles

This research was grounded in Indigenous ways of thinking, underpinned with cultural understanding and insights. All research undertaken was delivered with principles of being, informed by Murawin social research (see Figure 37): Respect, reciprocity, and relationships are the key principles embedded in the Research, defined by a set of common principles of a rights-based approach. The team used the common principles outlined by the Australian Human Rights Commission (AHRC), namely, to ensure everyone has the right to participation, accountability, non-discrimination and equality, empowerment, and legality.

![Image of research questions]

Table 6: Research questions

The research questions where divided into sections for each of the five domains:

- **Domain 1: Commitment and Accountability** (see Table 8)
- **Domain 2: Workplace Culture and Inclusion** (see Table 9)
- **Domain 3: Attraction and Recruitment** (see Table 10)
- **Domain 4: Engagement and Development** (see Table 11)
- **Domain 5: Partnerships and Community** (see Table 12)
### Table 7: Research Questions for Domain 1: Commitment and Accountability

#### Sub-domain: Policies and Strategies

1. Does your organisation have a Diversity & Inclusion strategy?
2. Does your organisation have a current Diversity and Inclusion policy?
3. Does your organisation have an Indigenous employment strategy or plan?
   - 3.1. If you select A or B in Question 3, how long has your organisation had an Indigenous employment strategy/plan?
   - 3.2. If you select A or B in Question 3, is your Indigenous employment strategy/plan led by an Indigenous employee?
   - 3.3. If you select A or B in Question 3, does your organisation have an executive leader sponsor for your Indigenous employment strategy or plan?
4. Does your organisation have a Reconciliation Action Plan (RAP)?
5. In tender processes, does your organisation give weight to tendering parties’ diversity strategy?
6. In tender processes, does your organisation give weight to tendering parties’ Indigenous employment programs?
7. In tender processes, does your organisation give weight to Indigenous-owned businesses?
8. Does your organisation receive external funding for Indigenous employment activities?

#### Sub-domain: Targets and Accountability

9. Does your organisation have Indigenous employment targets?
10. Does your organisation routinely report on progress towards Indigenous employment targets?
11. Is Indigenous employment data regularly reported to your Executive Leadership team?
12. Is Indigenous employment data regularly reported to your Board?
13. Do your leaders have key performance indicators (KPIs) for Indigenous employment?
14. How regularly do you review progress against the key performance indicators (KPIs)?

### Table 8: Research Questions for Domain 2: Workplace Culture and Inclusion

#### Sub-domain: Indigenous Cultural Awareness and Capability

1. Has your organisation conducted an Indigenous cultural learning needs analysis or framework for your organisation?
2. Does your organisation provide Indigenous cultural learning for your employees?
3. Where you deliver online cultural learning, is this required or optional for all Australian based employees?
4. Do you track completion of Indigenous cultural learning?
   - 4.1. If you select Yes in Question 4, how often do you report on completion of Indigenous cultural learning?
   - 4.2. If you select Yes in Question 4, what is your current percentage (%) of online learning completion for your total number of Australian based employees?
5. Do you measure and evaluate the cultural awareness learning?
   - 5.1. If you select Yes in Question 5, how do you measure and evaluate the cultural awareness learning?
6. Does your organisation celebrate National Reconciliation Week and NAIDOC Week?
7. Does your organisation celebrate other Indigenous cultural events throughout the year?
8. Do your employees Acknowledge Country at significant internal events?
9. Do you measure and evaluate your organisation’s participation in Indigenous cultural events?
   - 9.1. If you select Yes in Question 9, how do you measure and evaluate these events?

#### Sub-domain: Cultural Safety

10. When your organisation is working with Indigenous communities or on Indigenous topics (internally or externally), do you routinely seek Indigenous input into program design?
11. When you consult Indigenous people (internal or external Indigenous people), do you provide remuneration for this work?
12. Does your organisation have an Employee Assistance Program (EAP)?
   - 12.1. If you select Yes in Question 12, does your organisation have an Employee Assistance Program (EAP) with specific services for your Indigenous employees?
Table 8: Research Questions for Domain 2: Workplace Culture and Inclusion (CONT).

12.2. If you select Yes in Question 12 (you do provide specific EAP services), do you track the uptake from your Indigenous employees?

12.3. If you select Yes in Question 12, do you report the uptake of EAP services which are specifically for your Indigenous employees to Senior Leadership?

13. Does your organisation have an Indigenous employee network?

14. Are Indigenous considerations embedded into any of the following policies and procedures (e.g. Indigenous discrimination and harassment including racism complaints):

15. Does your organisation provide learning for all managers on race-based harassment and discrimination prevention with reference to Indigenous people?

16. Does your organisation have feedback mechanisms for capturing the lived experiences of Indigenous employees?

16.1. If you select A or B in Question 16, how does your organisation collect feedback from Indigenous employees on their lived experiences?

16.2. If you select A or B in Question 16, who do you share the insights of Indigenous employees’ lived experiences with?

Sub-domain: Authentic Organisational Leadership

17. Does your Executive leadership team communicate regularly about your organisation’s commitment to reconciliation?

18. Who leads your reconciliation strategy/plan?

19. Do you have a working group driving Indigenous reconciliation?

20. Are/Do your leaders:
    - provided with learning or resources on Indigenous protocols?
    - consistently Acknowledge Country at significant internal events?
    - personalise their Acknowledgement of Country?

Sub-domain: Indigenous Recruitment Processes and Support

1. Does your organisation have an Indigenous attraction and recruitment strategy/plan?

2. How is your Indigenous recruitment managed?

3. At what point in the recruitment funnel are Indigenous candidates first identified?

3.1. If you selected option A in Question 3 (you identify Indigenous candidates at application), do all Indigenous candidates who meet requirements of the job description, have a guaranteed interview?

4. Is feedback provided for unsuccessful Indigenous interviewees?

Sub-domain: Roles Availability

5. Do you have positions that are targeted for Indigenous candidates only?

Sub-domain: Developing a Pipeline and Pre-Employment Support

6. What ongoing community engagement does your organisation have with potential Indigenous employees?

6.1. If you select A or B in Question 6, at which levels are recruitment agencies used to attract Indigenous candidates?

7. Does your organisation provide any of the following support to applicants?
Table 10: Research Questions for Domain 4 Engagement and Development.

**Sub-domain: Participation**

1. Does your organisation identify Indigenous status in your employee records?
2. Approximately how many Indigenous employees do you currently have, and what is their share of your total workforce?
3. Approximately what is the average tenure of your total workforce and Indigenous employees?
4. Approximately what share of your total workforce and Indigenous employees is aged between: 15 – 17 years; 18 – 24 years; 25 – 34 years; 35 – 44 years; 45 – 54 years; 55 – 64 years; 65+ years; Do not collect?
5. Approximately what is the percent of female employees amongst your total workforce and Indigenous employees?
6. Approximately what share of your total workforce and Indigenous employees hold the following qualifications?
7. Approximately what share of your total workforce and Indigenous employees are employed at the following levels?
8. Approximately what share of your total workforce and Indigenous employees are employed in the following forms of employment?
9. Where are majority of your total workforce and Indigenous employees located?
10. Approximately what is your Indigenous representation?

**Sub-domain: Retention and Employee Engagement**

11. Does your organisation have: An exit survey; An exit interview; None of the above; No, currently exploring?
12. At what points do employees have the opportunity to identify as Aboriginal, Torres Strait Islander, or both Aboriginal and Torres Strait Islander?
12.1. If you select D in Question 12, do you analyse and report the responses of Indigenous employees compared to non-Indigenous employees?
12.2. If you select D in Question 12, do you take action on learnings to continuously improve the experience for Indigenous employees?
13. How is your Indigenous employee engagement managed?
14. In the past 12 months, what is the number of Indigenous new hires and the percentage of Indigenous new hires compared to the total number of employee new hires (not including contractors/labour hire)?
15. In the past 12 months, how many Indigenous trainees/apprentices or interns have been brought on?
16. Has your Indigenous workforce increased or decreased as a proportion of your overall workforce over the last 12 months?
17. Is there a process in place to report on retention of Indigenous employees during an organisational restructure?
18. Has your organisation made changes to HR Policies to ensure they are inclusive of Indigenous employee?

**Sub-domain: Career Pathways and Promotion**

21. For internal leadership development programs, do you have minimum Indigenous participation targets, or do you proactively target Indigenous participation in (non-Indigenous specific) leadership development (or other professional developments) offered at your organisation?
22. Does your organisation encourage and promote focused development opportunities for Indigenous employees?
23. Are Indigenous perspectives, content or speakers incorporated into existing leadership development programs?
24. Do you proactively identify Indigenous representation in your talent review process?
25. Do you proactively identify Indigenous representation in your promotion process?
26. For senior management roles, do you report on % Indigenous promotions compared to non-Indigenous promotions?
Research tools and methodology

<table>
<thead>
<tr>
<th>Table 12: Research methods</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Research instrument</strong></td>
<td><strong>Detail</strong></td>
</tr>
<tr>
<td>Initial quantitative survey (Pilot)</td>
<td>A comprehensive survey pilot consisting of three stages was conducted. First, a pre-pilot was conducted amongst the Research working group, where the survey design was explored to identify any conceptual and structural issues. Questions were reframed to be as user-friendly and unambiguous as possible, while minimising respondent burden. Second, a content-focused pilot consisted of sharing the survey with human resource leaders in selected employers and members of the advisory board. The survey was further refined to avoid any repetition of questions, ensure specificity of wordings and definitions, and to cover the breadth of issues relating to Indigenous employment without being overly onerous to complete. Third, in the data-focused pilot the researchers repeatedly tested and refined the on-line survey programming to ensure the skip patterns on Qualtrics were working as expected, the questions were displayed properly, and all domains were presented consistently. Links to the survey were then sent to three ‘test and learn’ pilot employers.</td>
</tr>
<tr>
<td>Quantitative survey</td>
<td>Using the Qualtrics platform, the instrument was converted into five online survey links, each of which focused on one domain. An email with the survey links, instructions, and consent forms to complete the surveys and a Word version of the survey, were sent to a nominated individual within each of the 42 employers. Each respondent was given a unique account and password to log in to the online survey.</td>
</tr>
<tr>
<td>Interviews</td>
<td>Seventy-eight, 45–60-minute online interviews (up to four interviews from each of the four online 90-minute focus groups were conducted with a total of 27 Indigenous Indigenous employees).</td>
</tr>
<tr>
<td>Focus Groups</td>
<td>Four online 90-minute focus groups were conducted with a total of 27 Indigenous employees. Focus group data was used as a secondary data set to validate findings from interviews.</td>
</tr>
<tr>
<td>Case Studies</td>
<td>Seven in-depth case studies were developed to illustrate leading practice, opportunities for enhancement and showcase examples of practical steps employers can take. Three case studies tell the story of individual employers. The remaining four case studies dive deeper into elements of the research. These were selected through a collaborative process where researchers identified pertinent themes from the qualitative research and were validated by the quantitative data.</td>
</tr>
<tr>
<td>Indigenous-led businesses</td>
<td>Two Indigenous-founded or led businesses with expertise in Indigenous employment were engaged to enrich the research findings for a case study. Five Indigenous employees, three non-Indigenous senior leaders, two Indigenous senior leaders, and one non-Indigenous line manager participated in interviews and focus groups.</td>
</tr>
<tr>
<td>Testing and validation workshops</td>
<td>Murawin facilitated a half day workshop with BCEC, Generation One and the Expert Advisory Panel to test and validate findings, ensure confidence in the research responses, findings, and outcomes, as well as facilitate a co-design process to shape the draft Index. The research team facilitated a second testing and validation workshop one month later to relay back to the Expert Advisory Panel the integration and feedback into the draft report.</td>
</tr>
</tbody>
</table>

**Sub-domain: Strategy and Partnership**

1. Is there an Indigenous pillar in your community engagement strategy?
2. Is your organisation involved in any Indigenous education related programs or partnerships to attract and retain Indigenous employees?
3. Does your organisations actively partner with any of the following stakeholders that actively work in this space: Australian Indigenous Mentoring Experience (AIME), Australian Indigenous Education Foundation (AIEF), Jawun; Reconciliation Australia; Clontarf Foundation; Supply Nation; Aboriginal Employment Strategy (AES); CareerTrackers etc.

**Sub-domain: Indigenous Voices**

4. Does your organisation incorporate Indigenous perspectives into internal events, consultations, and employee communications?
5. Do you use your Indigenous strategy to inform your marketing and communication?

Sample and sampling design

Around 80 employers were identified as potential participants using the following selection criteria, of which 42 agreed to participate.

- Large size e.g. 10,000+ employees (although exceptions were made to growth industries)
- Sector and industry especially with job growth potential
- National footprint e.g. metropolitan, regional, remote
- Industries with large Indigenous workforces
- Current commitments e.g. Reconciliation Action Plan
- Government funding e.g. Employment Parity Initiative

While we were unable to conduct a random sample of employers, we attempted to survey a representative sample of Australian employers that varied according to a number of criteria including but not limited to: the size of the employer, the sector/industry, and geographical location etc.

We expect that as the index is repeated in future years that the representativeness of this sample will be strengthened.

The achieved sample results from a non-probability selection process, with companies’ willingness to participate in the research being the key selection criteria. In addition, several relevant characteristics of the participating and non-participating employers were collected for use in the non-response bias analysis. For example, non-participating employers are more likely to have a RAP (77 per cent), while this number is 69 per cent among participating employers. However, we observed a slightly higher share of participating employers having an Elevate RAP at 19 per cent compared to 13 per cent of non-participating employers having one.

The 42 participating employers currently employ 719,161 people in Australia, including nearly 17,000 Indigenous Australians (around 2.2 per cent). Meanwhile, the non-participating employers have nearly 500,000 employees of which around 2.31 per cent are Indigenous people.

Table 11: Research Questions for Domain 5 Indigenous Community Engagement.

<table>
<thead>
<tr>
<th>Question</th>
<th>Detail</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Is there an Indigenous pillar in your community engagement strategy?</td>
<td></td>
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<tr>
<td>2. Is your organisation involved in any Indigenous education related</td>
<td></td>
</tr>
<tr>
<td>programs or partnerships to attract and retain Indigenous employees?</td>
<td></td>
</tr>
<tr>
<td>3. Does your organisations actively partner with any of the following</td>
<td></td>
</tr>
<tr>
<td>stakeholders that actively work in this space: AIME; AIEF; Jawun;</td>
<td></td>
</tr>
<tr>
<td>Reconciliation Australia; Clontarf Foundation; Supply Nation; AES;</td>
<td></td>
</tr>
<tr>
<td>CareerTrackers etc.</td>
<td></td>
</tr>
<tr>
<td>4. Does your organisation incorporate Indigenous perspectives into</td>
<td></td>
</tr>
<tr>
<td>internal events, consultations, and employee communications?</td>
<td></td>
</tr>
<tr>
<td>5. Do you use your Indigenous strategy to inform your marketing and</td>
<td></td>
</tr>
<tr>
<td>communication?</td>
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</tr>
</tbody>
</table>
INSTRUMENT TESTING

Quantitative

A set of indicators for each domain and subdomain were identified by researchers and Indigenous employment specialists. These indicators were translated into a set of questions with a number of closed responses and reviewed by key stakeholders, then piloted with a number of employers. The pilot included examination and improvement of draft quantitative instruments, and testing of relevant administration processes, including respondent selection, company engagement and communication, administration condition, and identification of facilitators or barriers of effective instrument administration. We designed an online test-and-learn version of the quantitative survey on the platform with the same format as the real surveys for data collection. The pilot questionnaire checked for consistency in question sequencing and respondent interpretation. The length of instruments was also assessed by examining how long employers needed to collect data and submit answers to the online survey. Based on the pilot study results, instruments were modified and updated to their final form for use in the main study.

Qualitative

Qualitative instruments were tested to rationalise and prioritise questions and test for question validity, discussion flow and timing. The first iteration of the three interview discussion guides was developed to correspond directly with one or more indicators in the Conceptual Framework. The discussion guides were then tested with project team members. Testing involved interviewing the test participants who were asked to identify any suggestions to wording, framing, and sequencing of questions. Discussion guides were reviewed by Carol Vale, who, as Murawin’s Chief Executive Officer, ensures the quality and cultural integrity of all Murawin project outcomes. During testing of the discussion guides, additional indicators were identified and the interview guides were updated. Refinements and changes comprised of:

- Language and expression appropriate to each interview cohort and to ensure cultural respect and safety.
- Sequencing of questions to enable natural flow of conversation and employee experience.
- Inclusion of demographic questions to contextualise discussion.
- Rationalisation to highlight priority questions and ensure interviews can be completed within time allocation.

The focus group discussion guide was developed using priority questions identified in the Indigenous employee discussion guide. Focus groups were less structured than interviews and were designed to facilitate an oral storytelling and yarning approach, with framing of Dadirri (deep listening, pronounced dah-did-ee). There was an emphasis on cultural safety to ensure participants are empowered to share their experiences openly and honestly.
Changes to the recruitment process
Despite all efforts to support employers with this process, some participating employers changed the process. Murawin was not able to direct the recruitment process internal to each employer and was not privy to the final communications that were distributed. As a result, changes to the recruitment process included:

- Fifteen employers provided Murawin with selected participants, indicating that employees had either been hand selected or that they were asked to confirm directly with the key contact, which resulted in participant confidentiality not being maintained. In these cases, Murawin advised the employers again that employees should confirm directly with the research team and asked that they redo the recruitment process.
- Nine key contacts nominated themselves for the interview, removing the opportunity for others in the relevant cohort to participate, and resulting in a high number of participants whose scope of work relates to Indigenous employment. In these instances Murawin again advised contacts of the requirements around the recruitment process and requested that others in the relevant cohort be provided an opportunity to participate.
- One employer was unable to distribute communications as they do not collect data on Indigenous employment in their employer. In this case, the research team conducted an interview with a senior leader only.
- Seven employers had no representation in interviews and focus groups, indicating that communications were not distributed within their employer. The research team prompted and followed up with these employers numerous times however it is understood that the impacts of the COVID-19 pandemic may have limited the resources and capacity of employers.

Ethics and consent
Curtin University Human Research Ethics Committee (HREC) has approved this study (HREC number HREC2021-0584). The research project also complied with provisions in the AIATSIS Code of Ethics for Aboriginal and Torres Strait Islander Research for data security, privacy, and access, including specific provisions related to Indigenous Cultural Intellectual Property (ICIP).

Indigenous data sovereignty is embedded through collection, access, analysis, interpretation, management, dissemination, potential future use, and storage. This includes ensuring that Indigenous people’s data genuinely reflects their priorities, values, cultures, worldviews, and diversity. The process of decolonisation ensures Indigenous peoples have the right to have agency of their data.

In recognising sacred stories, traditional knowledge and other cultural information, Indigenous participants should give informed consent about the use of the information. All aspects of the research project reflect the principles of free and informed consent, mutual understanding and respect. All data is stored securely and archived and managed well. The process included measures on how to protect secrecy and/or the confidentiality of data materials. A data management plan outlines how and by whom the data will be stored or archived, who can access the data and for what purpose, permissible uses, and preservation. Considerable care has been taken to maintain the security of personal data, of transcripts and recordings, and to maintain the anonymity of participants in the presentation of findings.

Murawin provides information regarding the ownership and access to recordings of interviews and focus groups. The Information Sheet is a plain language statement about the research project, accompanying the consent form. Murawin ensures participants were aware they can say no and can also withdraw their consent at a later date. Participants were advised their involvement is completely voluntary, they can stop the consultation at any time, and no one from Murawin or their workplace will mind if they don’t take part. Participants were assured that they could let researchers know if they don’t want to answer a question, or if they would like to have some or all of their information removed.

Cultural safety and distress
We acknowledge the possibility that employees may have felt obliged to participate and/or constrained to answer openly for fear of backlash from their employer. Communication with employees around their participation highlighted both the voluntary and confidential nature of their participation. Cultural and emotional safety are central to our research approach, supported by the skills and expertise of Indigenous employees from Murawin, who hold specific expertise in the facilitation of voice and storytelling which is drawn on to ensure participants are comfortable with their level of participation.

The research team recognised that the subject matter, which asks participants to reflect on their experiences with employment, could result in a participant feeling distressed. As such, a Distress Protocol was developed and interviewees guided on its use to both minimise the potential impacts for participants and facilitators and ensure the appropriate support mechanisms were in place, should they be required.
DATA ANALYSIS

Quantitative

A variety of statistical methods have been employed in exploring the data. Cross tabulations and correlations were employed to investigate the relationships between different variables, and principal component analysis used to identify patterns among firms in terms of their practices within the elements of the research framework. This supported testing of the relationships between the resulting constructs and variables in direct tests of hypothesis aligned with the research questions. The report identifies relationships as statistically significant at the one per cent, five per cent and 10 percent levels. A 10 per cent level is sometimes referred to as ‘weakly significant’, meaning we can have only low confidence that such an association truly exists within the wider population of employers. However, given the exploratory nature of this research and that the existing small sample mitigates against achieving results with high levels of significance, we believe there is value in drawing attention to these weakly-significant associations for the purposes of interpretation and as findings to be tested in future research, albeit with an appropriate level of caution.

Principal Component Analysis (POA) was used to estimate a score representing each domain of the research framework. The domain scores should be compared to each other since the weights used to estimate each score are different. A second POA, with the five estimated domain scores as input, was then used to construct the Index, which is a linear weighted combination of the scores. The Index therefore provides a comprehensive measure of all the strategies, policies, and practices relating to Indigenous employment implemented within the participating employers.

A review was also conducted to quality assure the quantitative component of this research by a team of statisticians from the Centre for Optimisation and Decision Science division at Curtin University, separate from those involved in the Index’s construction at BEOC. This included a review of the data preparation/cleaning methods, construction of the Index and tests for association. All tests were replicated and validated.

Qualitative

Coding was undertaken across multiple stages, using both deductive and inductive methodologies. Each interview (single participant) and focus group (multiple participants) were coded and analysed as a unique case file (n=1). This was determined as the most appropriate method as the collective discussion that occurs in focus groups often results in emerging dialogic data. The approach to coding supported a thematic analysis, strengthened by the following methodologies:

- **Discourse analysis** to identify and understand the interactions and experiences of people within a workplace or workplaces. This approach enabled the recognition of context, including the day-to-day environment and associated organisational culture and structures which may inform participants’ responses.
- **Grounded theory** supported an examination of the data set as a whole and the comparison experiences and perspectives across similar and divergent insights and attributes. This allowed the qualitative data to explain the ‘why’ and in turn enabled causal explanations and associations.

The approach to coding and analysis ensured it was undertaken with an ‘open mind’ and allowed themes to emerge, rather than making assumptions as to the potential insights that could arise. It also supported a rich and detailed understanding of participant’s perspectives and experiences. The quality of the research was enhanced in the following ways:

- **Testing Rival Explanations**: Themes and patterns in the data were identified by researchers during coding. Inferences, conclusions and explanations were tested and validated by comparing findings between coders, reviews by Indigenous researchers, and during the testing and validation workshop with Generation One, the Expert Advisory Panel, and practitioners.
- **Triangulation and comparative analysis**: Triangulation with quantitative data involved weekly discussions with quantitative research partners to challenges, compare, query, or validate qualitative findings. Triangulation also included document research and comparison with similar recent studies.
- **Triangulation with qualitative data**: Triangulation also occurred using secondary qualitative research data including focus group and Indigenous-led business interviews. The three qualitative datasets were found to validate and reinforce findings.
- **Triangulation using multiple analyses**: Initial testing of the coding framework included multiple coders testing the framework with the same set of transcripts to mitigate against potential biases in the analysis and to assess the reliability of the framework.89

Interview questions were selected to measure sentiment. The rationale for the questions selected was to measure the effectiveness, buy-in, and awareness across the employer of policies/commitments, which corresponds to research questions. Coding these responses allowed the research team to make tangible statements around the actual or perceived value of those broad strategies and policies, the “so what”. The remaining codes were of a thematic nature to align with the broad intention of the mixed-methods approach to the research, to accurately convey the nuance of participant responses, and to authentically represent Indigenous voices and storytelling.

Qualitative data was coded using descriptive and structure coding style (coupling inductive and deductive methodology). The early stages supported descriptive coding and patterns and themes identified by the research team to refine the coding framework and undertake a structural approach, where the data was separated into the sub-codes (smaller increments).

Indigenous people commonly have a non-linear style of oral storytelling. As such, many people responded to direct questions in a more storytelling way, meaning that the coders had to make subjective inferences on the content. Bias was mitigated by using five people on the coding team and regular reviews of the coding by the interviews and Indigenous researchers, in addition to multiple coding stages.

An internal quality assurance (QA) review by Minderoo Foundation was undertaken of the qualitative data collected and coded by Murawin. Minderoo researchers read and reviewed a sample of deidentified transcript and cross-referenced the coding summary document developed by Murawin. Queries and comments on the coding were discussed and agreed upon, and the review process found no discrepancies or challenges. As per ethics requirement, the five sample transcripts were deleted after documenting the QA process.
The quantitative research generates ‘what’ answers, whereas qualitative generates ‘why’ answers. In cases where indicators are captured across both quantitative and qualitative research, the research design ensured that each quantitative finding was enriched by qualitative insights that contextualised and explained it. For these indicators, quantitative data were used as an entry point to the deeper findings explored in qualitative research. As findings emerged, qualitative and quantitative data sets were integrated using the following approaches:

- **Verifying findings** - Building on quantitative findings using qualitative insights to deepen understanding of pertinent issues.
- **Comparing findings** - Allowing the findings to be validated by comparing qualitative findings and quantitative data sources, through a side-by-side comparison.
- **Quantifying data** - Translating insights from interviews into quantitative data (where possible)
- **Cross-tabulating data** - Identifying correlations, impacts or relationships, by cross-tabulating different indicators.

Correlations, impacts, and relationships were identified across the five domains and multiple indicators. Interview data has been coded according to sentiment (positive or negative experience) or theme. Interview responses that are unclear or ambiguous are not coded. This implies we do not have representation of all participants across all codes.

Qualitative data for each of three groups of interviewees (employees, line managers, and senior leaders) were merged with quantitative data using participating employers’ IDs. We use the integrated data to provide more insights for the quantitative findings through analysing the interviewees’ responses. Moreover, the integrated data are also used to investigate if there are any discrepancies between the quantitative and qualitative findings and provide a better understanding of the discrepancies.

For example, attitudes of interviewees towards Indigenous employment targets were coded into “negative” and “positive” perceptions (or “unaware”) and then linked with quantitative data on targets. The integrated data is used to profile the characteristics and practices of employers whose employees had negative perceptions of the targets, compared to those that did not.

The integrated data included 27 Indigenous employees, 22 line managers (eight Indigenous people) and 23 senior leaders (eight Indigenous people), who were interviewed individually from 33 employers. Data were not able to be integrated for the nine employers who were not represented in the qualitative research, and for employers which did not have representation across all three interview cohorts.
A conceptual framework was developed by Generation One to shape the research design, consisting of five domains:

**Domain 1: Commitment, Governance and Reporting**
- Policies and strategies
- Targets and Accountability

**Domain 2: Workplace Culture and Leadership**
- Indigenous Cultural Awareness and Capability
- Cultural Safety
- Authentic organisational leadership

**Domain 3: Attraction and Recruitment**
- Indigenous Recruitment Processes and Support
- Role Availability
- Developing a Pipeline and Pre-Employment Support

**Domain 4: Engagement, Retention and Development**
- Participation
- Retention and employee engagement
- Career pathways and promotion

**Domain 5: Indigenous Community Engagement**
- Strategy and Partnership
- Indigenous Voices

The framework domains and subdomains include indicators that were translated into questions for the quantitative survey. They were also cross tabulated to support the development of qualitative research tools, including the interview and focus group guides, coding framework, and case studies. The framework also underpinned the approach to data integration.

Development of the framework drew on a variety of published documents including peer-reviewed journal articles, books, university-based discussion papers, government reports, journal articles and websites. All the research referred to is available in the public domain, with the sources reviewed published from 2000 onwards. Sources are predominately within the 2007 to 2020 period; this is attributed to the Australian Governments ‘Closing the Gap’ response and the changes to the Australian labour market which are relevant in informing contemporary Indigenous employment policies and programs. Relevant research was identified through searching the following terms through various databases:
- Indigenous employment
- Indigenous employment Australia
- Indigenous barriers to employment
- Reconciliation Action Plan
- Strategies for Indigenous employment
- Indigenous business policies
- Closing the Gap
- Indigenous procurement
- Employment services to Indigenous Australians
- Indigenous employment after incarceration
- Indigenous employment strategies

Published literature was used to develop criteria of what ‘good practice’ looks like for companies wanting to increase workforce participation of Indigenous Australians. These criteria were ordered into domains and subdomains. The domains and subdomains were developed by Generation One and refined in consultation with Indigenous employment consultants at 15TimesBetter, together with the Expert Advisory Panel. The conceptual framework was also based on real life experience of Indigenous employees that has not previously been captured in research. For instance, the use of an Indigenous lens in talent reviews, targeted EVP, cultural capability approach, Employee Assistance Programs with dedicated support for Indigenous employees and their families, etc.
LIMITATIONS AND CONSIDERATIONS

Research limitations pertain to inconsistencies and shortcomings across employer recruitment, sample size, employee recruitment, industry representation, and variation in reporting across employers.

Qualitative research participation is not an accurate snapshot of the Australian workforce and was not random, which reduced the validity and reliability.

Interview and focus group recruitment varies across employers

One employer does not capture Indigenous employment data so was unable to distribute the communications. Some employers also changed the wording of the email template provided which resulted in a lack of consistency around the recruitment across employers.

Many employers nominated their employees to participate in interviews and focus groups. Murawin provided each employer a draft email template to distribute to Indigenous employees, line managers of Indigenous employees, and senior leaders. The email invited relevant employees to self-nominate for an interview or focus group directly with Murawin. This approach was used to maintain confidentiality and ensure their participation was voluntary. All efforts were made to encourage employers to allow employees to self-nominate, and employers were advised that self-nomination was both preferred and a requirement of the ethics approval. Regardless, 15 employers still nominated their employees.

Broadly, the nomination of employees across all three cohorts limits the randomisation of participation and may bias nominations towards employees with a positive outlook or experience and preference those with detailed knowledge of their employer’s approach to Indigenous employment, which could skew results. Specific biases identified because of employer nomination include:

- Eight nominated line managers were responsible for Indigenous employment, RAP actions, or otherwise had detailed knowledge of Indigenous employment within their employer. This may limit an accurate representation as these participants had specialised knowledge of the topics covered.
- Nine key contacts chose to nominate themselves, which resulted in a high number of participants who had detailed knowledge of Indigenous employment more broadly.
- Indigenous employees may have felt their participation was an added element of cultural load, for example, they were expected to participate, and therefore may not have been comfortable self-nominating.
- Interview participants may have also felt that they needed to represent their employer and be conscious of who they represent rather than as individuals.

Measuring effectiveness of policies and practices through the initial quantitative research is difficult and will require data to be collected longitudinally, with the outcomes measured against changing characteristics over time. Conjectures from the qualitative research will form hypotheses that can be tested through quantitative data collection over time.

Impacts due to COVID-19

COVID-19 may have impacted the research in the following ways:

- Employers may have low capacity particularly during COVID-19 and may perceive involvement in the Index as a burden. Among 39 employers who were contacted but were not interested in or declined to participate in the Research, a majority reported impacts of COVID-19 and a resulting lack of capacity. Therefore, the employers participating in this project may be more likely to have practices and protocols supporting Indigenous employment or have higher share of Indigenous employment. This is a possible bias of the research’s findings.
- COVID-19 restrictions meant that all engagement was undertaken online using Microsoft Teams. Focus groups may have been less well attended or participants less likely to dynamically interact because of engagement mechanism.

Employers may be concerned that the research is a scoring exercise

Employers may perceive the research as a scoring exercise. This may concern employers, or it may lead to employers seeking to publish individual benchmark reports if they feel they have performed well.
From the inception, the Index is guided by an Expert Advisory Panel. This panel, with 50 per cent Indigenous representation, constitutes a range of senior executives, academics, and Indigenous employment specialists who are committed to creating positive change. Their valuable contributions have shaped the Index’s conceptual framework, methodology, and governance.

**Sunset over the outback South Australia.**
*Photo credit: Abstract Aerial Art via Getty Images.*