Summarising: Smith (2006), *Evaluating Governance Effectiveness: a Facilitated Process with the Board of Yarnteen Corporation*
Responsibility for the preparation of this research summary rests with the authors of the MCEETYA report *Education, Training and Indigenous Futures: CAEPR Policy Research 1990–2007* and not the original author(s) of the summarised material.

Title of Research:
Evaluating Governance Effectiveness: a Facilitated Process with the Board of Yarnteen Corporation

Research Publication:
ICGP Case Study report No. 2 2006

Name of Researcher(s):
D.E Smith

Time period:
2004–2005

Geographic location:
Newcastle, NSW

Methodology:
As part of the Indigenous Community Governance Project (ICGP), an evaluation of the governance structures and processes at Yarnteen was carried out through interviews, discussions, and a self-evaluation survey undertaken by the Board members.

Aims
The aim of this research, along with other ICGP research, is to identify the factors underpinning the apparent governance effectiveness of Indigenous organisations.

- This research aims, therefore, to determine the extent to which there is a causal connection between the attributes of Yarnteen’s ‘effective governance’ and its economic development success.

Selected findings and insights:
Yarnteen developed a sound, diversified portfolio of social, cultural and commercial ambitions and enterprises which delivered significant training, employment and enterprise opportunities for all Indigenous people in the region.

- Yarnteen’s success was largely attributed to the development of a strong ‘governance culture’, wherein effective and culturally legitimate practices, processes and institutions were seen to filter down through the organisational structures to create not only community, but commercial confidence.

- Yarnteen’s culture of ‘good governance’, importantly, was understood by management and staff to be something they had developed out of a distinctly Indigenous sensibility and values. It was not something that had been imposed by non-Indigenous interests.

The following factors influenced Yarnteen’s governance structure from the beginning:

- recognition that the Indigenous community around Newcastle area was made up of many different family and clan groups who had resettled in the region in search of better employment opportunities
its leaders’ desire to avoid the practical difficulties they had witnessed in other organisations as a result of unwieldy governing and representative structures. As a result the management structure comprised a small core group, representative of four large extended families in the region;

early acknowledgement that Aboriginal culturally-based decision-making processes associated with major extended family structures should form the basis for new governing arrangements. The organisation wanted to ensure it avoided debilitating community factionalism, large unwieldy membership, and complicated representation arrangements that might undermine their ability to make consensus decisions and stick to their core goals.

The organisation did not claim to represent the whole Newcastle Aboriginal community, although many of its core services and support are inclusive and accessible to that wider community.

Overall the Yarnteen model is best described as an umbrella ‘family’ of organisations, with networked governance

Features:

♦ The service and governance region was constituted as a functional one comprising members (extended families) and constituents (clientele and supporters) serviced by a set of service organisations.

♦ The service-delivery organisations were incubated out of an original ‘mother’ organisation which provided an ongoing umbrella for financial, administrative and management support and mentoring.

♦ The ‘mother’ organisation maintained a separate business and enterprise arm in an exclusive legally-based relationship with itself.

♦ The membership of the governing board of the ‘mother’ organisation was based on extended family, culturally-based ties.

♦ Some of those Board members also sat on the board of the service organisations, but there were also different community board members on the service organisations as well.

This discussion paper concludes that:

• Yarnteen’s governance was shaped by its Aboriginal traditions and values, by the Indigenous leadership of the Chair and Executive Director, the quality of the Aboriginal Board members and professional staff, and the extremely positive working relationships and mutual trust between staff, management and Board.

• the importance of a distinctly Aboriginal sense of humour and etiquette ranked very high in its governance culture.

• Yarnteen displayed an extraordinarily resilient and successful form of governance that not only worked in an Aboriginal way, but also met the criteria for effective corporate governance that is required in any big international company; and

• Yarnteen’s internal governance culture contributed enormously to its ongoing success in economic and community development.
Educational implications:

The Yarnteen example of governance is perhaps most relevant if considered along with other CAEPR research which highlighted the ‘Aboriginalisation of Work’ and the ‘Aboriginalisation of Training’, as an example of the ‘Aboriginalisation of Governance’. The strong model of Indigenous governance embodied in the organisational structure appears to be causally bound to Yarnteen’s capacity to deliver economic development outcomes in terms of employment and enterprise. In funding education, training and employment programs, it appears that likewise supporting Indigenous organisations to develop and deliver their own versions of governance is an equally important policy consideration. [capacity building and training]

Relevance:

Introductory Topic: Culture, Community and Family Life

Domain 2: School and community educational partnerships

Complexity and diversity of communities

Related papers


