



Supply Nation



Jumbunna
Institute for Indigenous
Education and Research

Pathways to Partnership

A framework for stronger Indigenous procurement outcomes



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Acknowledgment of Country

Supply Nation and First Nations Economics acknowledge the Traditional Owners of Country throughout Australia and recognise their continuing connection to land, skies, waters and community. We pay our respect to them and their cultures; and to Elders past and present.

Artwork story

The artwork in this report was created by Aboriginal artist De Greer-Yindimincarlie on Kaurna Yerta, Adelaide.

The framework of us tells a story of creation, connection and growth. Piece by piece, business by business, we build a framework – adding to it as we move outward and upward together.

Grounded in our individual journeys and strengths, we share our culture, community and hearts, learning from each other as we advance First Nations self-determination.

About Supply Nation

Supply Nation is Australia's leader in supplier diversity. Since 2009, we have worked with Aboriginal and Torres Strait Islander businesses, along with procurement teams from government and corporate Australia, to shape today's rapidly evolving Indigenous business sector.

Supply Nation is the custodian of Indigenous Business Direct, Australia's largest national directory of verified Aboriginal and Torres Strait Islander businesses. Our five-step verification process ensures all businesses listed on Indigenous Business Direct are Indigenous-owned and regularly audited for changes in company structure and ownership.

Supply Nation partners with government, corporate and not-for-profit members to embed supplier diversity into procurement policies. We support our members to adopt global best practice that enhances Indigenous business participation.

In 2019, Supply Nation established an internal research function to deliver evidence-based programs that strengthen our advocacy for Indigenous business and procurement. Our research explores the trends, impact, and economic contributions of the Indigenous business sector, as well as its role in promoting wellbeing and self-determination.

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About Jumbunna

Jumbunna Research is part of the Institute for Indigenous Education and Research at the University of Technology Sydney (UTS). Their focus is on strengthening First Nations Communities' aims to produce the highest quality research on Indigenous issues and to develop highly skilled Indigenous researchers.

Jumbunna does this by grounding their work in the promotion, support and embodiment of the exercise and recognition of Aboriginal and Torres Strait Islander Sovereignty and Self-Determination.

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Foreword

The growth of the Indigenous businesses sector over the last 20 years has been nothing short of remarkable.

The commitment of our members (corporate, government and not-for-profit entities) to supplier diversity and procurement from verified Indigenous businesses, together with the implementation of the Indigenous Procurement Policy (IPP), has contributed to a growing and vibrant sector with businesses representing every facet of the economy.

Aboriginal and Torres Strait Islander business owners and entrepreneurs are creating lasting economic, social, cultural and community value. Through business ownership, they are strengthening economic independence, self-determination and opportunities for future generations. Yet the full contribution these businesses make to their communities, and to Australia's broader prosperity, is not widely understood.

Supply Nation plays an important role in building that understanding. We verify Indigenous businesses, maintain Australia's national directory of verified Indigenous businesses, facilitate connections and collaboration, and undertake research with our partners. This work helps build the knowledge, skills and capability needed to strengthen Indigenous procurement.

Increasingly, our members are seeking to move beyond transactional procurement and build long-term, sustainable partnerships with Indigenous businesses.

Pathways to Partnership is designed to support that shift. It provides suppliers and members with research-informed guidance on the conditions, practices and behaviours associated with stronger partnerships and sustained outcomes.

The report presents a practical framework comprising three foundational organisational conditions and five interconnected success factors.

For some readers, these areas may not be new. However, the framework and supporting resources provide practical ways for suppliers and members to strengthen partnerships and deliver sustained, values-driven outcomes.

On behalf of the Supply Nation team, I am pleased to present *Pathways to Partnership*. The report commissioned by Supply Nation draws on research undertaken by the Jumbunna Institute for Indigenous Education and the University of Technology Sydney (UTS). We thank them for their efforts and support.



Kate Russell

Chief Executive Officer, Supply Nation

About this report

This report is for Supply Nation verified Aboriginal and Torres Strait Islander businesses (suppliers) and corporate, government and not-for-profit buyers (members). It includes a research-informed framework and guidelines to help suppliers and members build more successful procurement partnerships.

The framework brings together three foundational organisational conditions and five interconnected success factors. For each success factor, the report explains:

- what the factor means in practice
- why it matters
- common challenges
- what good practice looks like

The report can be read in full, or readers can navigate directly to the factor most relevant to them. Each factor also includes tools that support deeper work, available exclusively for Supply Nation suppliers and members.

This report is a practical resource rather than a compliance document. It is designed to be discussed between suppliers and members, revisited over time, and applied alongside the accompanying tools to support stronger partnerships.

Want to access the full Pathways to Partnership toolkit?

The toolkit is a suite of practical resources that complement the ideas outlined in this report and support deeper work on each success factor.

Supply Nation suppliers and members can log in and access the toolkit in their portal [here](#).

Not yet a Supply Nation supplier or member? Learn more and [join Supply Nation here](#).

Executive summary



I am a supplier or buyer. I want to maximise the impact of Indigenous procurement. I need clear, evidence-based guidance on how to do this in practice.



This report presents the outcomes of the *Pathways to Partnership* study. The study has resulted in the development of a research-informed framework and guidelines for Supply Nation suppliers and members to strengthen effective partnerships.

The research found that Indigenous procurement delivers stronger outcomes when it is approached as a strategic organisational priority rather than an isolated procurement initiative or compliance activity. However, policy intent, leadership commitment, organisational systems and day-to-day practice do not always align. Organisations may meet targets or award individual contracts without creating sustained opportunities, stronger businesses or trusted relationships.

The *Pathways to Partnership* framework responds to this gap. It identifies three foundational organisational conditions that enable Indigenous procurement commitments to be translated into practice, and five interconnected success factors that support stronger partnerships and sustained economic, cultural and community outcomes.

Foundational conditions

The organisational enablers that allow Indigenous procurement commitments to be translated into sustained action.

CONDITION	WHAT THIS COULD LOOK LIKE
 LEADERSHIP AND ORGANISATIONAL COMMITMENT	• Make Indigenous procurement a shared organisational responsibility. • Executive sponsorship for a Reconciliation Action Plan (RAP). • Embed Indigenous procurement into organisational policies, objectives and performance measures. • Support procurement teams to adopt relationship-based approaches. • Ensure capable Indigenous businesses are actively considered in procurement decisions.
 UNDERSTANDING THE PROCUREMENT SYSTEMS AND ENABLING SYSTEM CHANGE	• Embed Indigenous participation requirements into tender processes. • Simplify procurement processes and documentation. • Adopt more flexible commercial approaches where appropriate. • Support joint ventures and collaborative delivery models. • Build buyer capability and invest in supplier capability development. • Review procurement policies to remove unnecessary barriers to participation.



GOVERNANCE, ACCOUNTABILITY AND MEASURING SUCCESS

- Establish clear objectives, responsibilities and accountability measures.
- Set expectations for procurement team members to engage new Indigenous suppliers.
- Use meaningful measures and regular reporting to monitor progress and outcomes.
- Require Indigenous supplier participation in tender processes.
- Embed Indigenous procurement requirements into contracts and bids.

Five success factors

Research-informed practices that suppliers and members can apply to strengthen partnerships and create lasting economic, cultural and community value.

1. DEFINING AND MEASURING SUCCESS

What it is	Success is defined and measured beyond contracts awarded and procurement spend, including relationship strength, capability development and longer-term outcomes.
Why it matters	Measures shape organisational priorities and behaviour, while quantitative data alone cannot capture the full value created.
What good practice looks like	Define success together, review it regularly, and use a combination of quantitative and qualitative measures to understand progress and outcomes.

2. BUILDING EARLY, TRUST-BASED RELATIONSHIPS

What it is	Strong partnerships are built through early engagement and relationships that can evolve and create value over time.
Why it matters	Trust enables open communication and supports collaborative problem-solving.
What good practice looks like	Build strong partnerships through early engagement, transparent communication, and a commitment to learning together over time.

3. DESIGNING FAIR AND ACCESSIBLE PROCUREMENT PROCESSES

What it is	Procurement processes are reviewed to identify and remove unnecessary barriers that may unintentionally limit Indigenous business participation.
Why it matters	Smaller or growing Indigenous businesses can face administrative barriers that are unrelated to their ability to deliver the work.
What good practice looks like	Balance governance requirements with accessibility, transparency and supplier support.

4. PROTECTING CULTURAL AND COMMUNITY VALUE	
What it is	Partnerships recognise and support the cultural and community value generated through Indigenous procurement.
Why it matters	Cultural and community value is fundamental to the purpose, identity and long-term sustainability of many Indigenous businesses.
What good practice looks like	Find opportunities to help Indigenous suppliers maintain cultural integrity, strengthen communities and create lasting value.
5. USING SYSTEMS, DATA AND NETWORKS TO IMPROVE VISIBILITY	
What it is	Strong systems, shared knowledge, reliable data and active networks make Indigenous suppliers easier to identify and engage.
Why it matters	Indigenous businesses can lack visibility because members often rely on personal networks, referrals and existing contracts to identify suppliers.
What good practice looks like	Embed Indigenous procurement into systems and processes that support visibility, consistency and continuous improvement.

1. Introduction

Indigenous procurement in Australia is active and growing. Government business programs and policies, such as the Indigenous Procurement Policy (IPP), and corporate initiatives like Reconciliation Action Plans (RAPs), have created genuine momentum. More members are engaging with diverse suppliers. There are clear examples of relationships strengthening, and Indigenous businesses growing and thriving.

This momentum matters. Supply Nation's recent research, *The Sleeping Giant Rises*, found that Indigenous businesses create an estimated \$42.6 billion in social value each year. Every \$1 of revenue generated translates to \$3.66 in economic and social value. The research also found that around 16% of the Indigenous population is directly connected to the Indigenous business sector. This highlights the significant contribution Indigenous businesses make to families, communities and the broader economy.

At the same time, outcomes are not evenly experienced. Strong policy intent and growing procurement activity do not always translate into sustained outcomes for Indigenous businesses. Policy intent, leadership commitment, organisational systems and day-to-day practice can be misaligned, creating barriers to participation and shifting risk onto suppliers. This report focuses on what suppliers and members can do, together and separately, to close that gap and strengthen alignment in practice.

Pathways to Partnership draws on qualitative research undertaken by the Jumbunna Institute for Indigenous Education and Research at the University of Technology Sydney (UTS), commissioned by Supply Nation. It uses the results of online interviews conducted with nine Supply Nation suppliers and 14 corporate, government and not-for-profit members.

Participants were asked to reflect on what success looks like in Indigenous procurement, common barriers and challenges across their supplier or member journey, and the opportunities and practices that supported their success. Their experiences and perspectives form the evidence base for this report.

1.1 What we mean by partnership

Throughout this report, partnership refers to a long-term, collaborative, ongoing, mutually beneficial relationship between an Indigenous business and member. These partnerships are built on trust, shared learning and a commitment to creating sustained economic, cultural and community outcomes.

While every partnership will look different, this report explores the conditions, practices and behaviours that support those partnerships to develop and succeed.

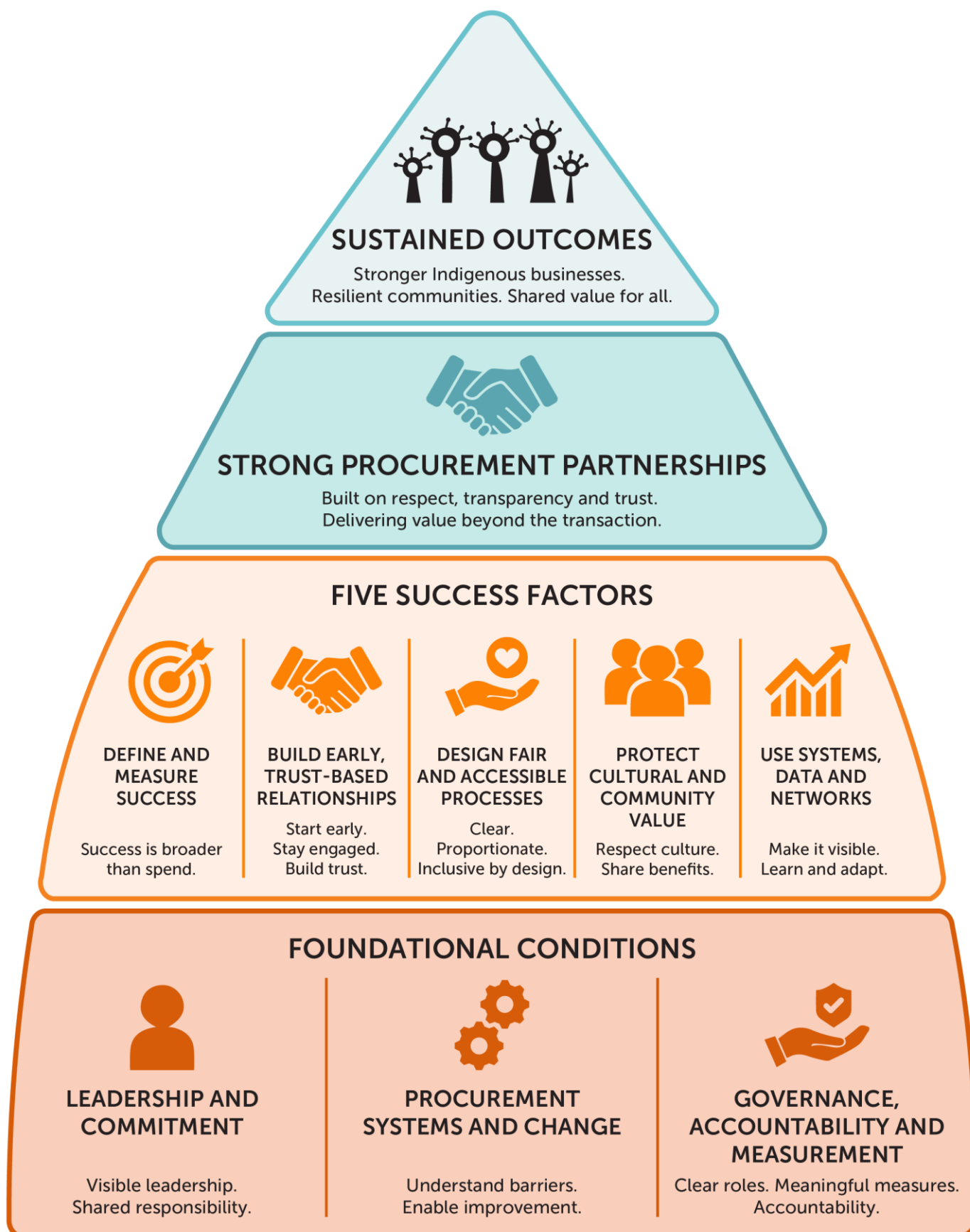
1.2 The framework

The research suggests that successful Indigenous procurement is not driven by a single policy, contract or initiative. Instead, it emerges when a range of interconnected organisational practices work together to support strong partnerships over time.

The research identified five interconnected success factors that consistently support stronger Indigenous procurement partnerships. Together, these factors form the *Pathways to Partnership* framework and provide a practical guide for suppliers and members to:

- strengthen procurement partnerships
- create lasting value
- achieve sustained economic, cultural and community outcomes

Pathways to Partnership framework



2. Creating the foundational conditions for successful Indigenous procurement

The research identified three foundational organisational conditions that support successful Indigenous procurement: leadership and organisational commitment; understanding the procurement system and enabling system change; and governance, accountability and measuring success.

Together, these conditions shape how commitments are translated into decisions, how Indigenous businesses experience procurement opportunities and whether strong partnerships can develop over time.

The central challenge is alignment. Where policy intent, organisational commitment, systems and day-to-day practice work together, Indigenous procurement can move beyond individual transactions and support sustained outcomes. Where they are misaligned, participation may exist in form – through policies, targets or individual contracts – without producing enduring relationships, repeat opportunities or shared value.

These foundational conditions create the organisational environment in which the five success factors can be put into practice consistently.

2.1 Leadership and organisational commitment

Leadership emerged as one of the strongest enablers of successful Indigenous procurement. Participants described executive commitment as essential for establishing Indigenous procurement as an organisational priority, allocating resources and creating accountability for outcomes.

Rather than viewing Indigenous procurement as a compliance exercise or isolated procurement initiative, successful organisations embed it within their policies and objectives. This helps to maintain momentum beyond individual champions and ensure Indigenous procurement remains a shared organisational responsibility.

OPPORTUNITIES TO EMBED INDIGENOUS PROCUREMENT



**Broader
organisational
strategies**



**Procurement
policies**



RAPs



**Supplier diversity
initiatives**



**Social impact
initiatives**

Participants noted that where Indigenous procurement relied heavily on a single champion, changes in personnel could result in the loss of organisational knowledge, relationships and momentum. Embedding responsibility more broadly helped protect progress over time.

As one member explained:



Internal leadership support ... 100% needs to happen. They don't need to have all the answers, but they need to be saying this is really important to the organisation.

– Supply Nation member



Participants also described storytelling as an important leadership and organisational-change mechanism. Alongside quantitative reporting, sharing supplier experiences and outcomes helped leaders and internal stakeholders understand the value of Indigenous procurement, challenge assumptions about risk and build support for continued action.

Leadership in practice: translating organisational commitment into action

Participants in the research identified several ways in which they had successfully made Indigenous procurement a priority in their organisation:

- Executive sponsorship of RAPs
- Embedding Indigenous procurement into organisational performance measures
- Supporting procurement teams to adopt more relationship-based approaches
- Ensuring capable Indigenous businesses were actively considered in procurement decisions

These approaches demonstrate how to create visible leadership for Indigenous procurement initiatives and make it a shared responsibility across the organisation.

2.2 Understanding the procurement systems and enabling system change

The research found that successful Indigenous procurement depends not only on individual procurement decisions, but also on how organisational and broader procurement systems operate.

Participants described Indigenous procurement as an interconnected system. Because these elements are closely linked, decisions made by one part of the system often influence outcomes across the broader ecosystem.

INDIGENOUS PROCUREMENT ECOSYSTEM



Many of the barriers experienced by Indigenous businesses were described as systemic rather than intentional. Procurement processes are often designed to maximise efficiency, consistency and risk management. While these objectives remain important, standardised tender requirements, lengthy payment terms, complex compliance obligations and rigid procurement policies can unintentionally disadvantage smaller or growing Indigenous businesses.

Participants described successful Indigenous procurement as requiring a shift from transactional procurement towards long-term partnerships built on trust, flexibility and shared value. Achieving this does not mean compromising governance or commercial outcomes. Rather, it involves considering whether existing procurement practices are proportionate, inclusive and responsive to the needs of diverse suppliers. These

approaches can also strengthen organisational resilience by broadening supplier networks and supporting a more diverse and capable supply base.

Recognising systemic barriers is only the first step. The research suggests that leadership determines whether organisations are prepared to address them. Procurement systems are not fixed. They reflect organisational decisions about governance, risk management and commercial practice.

Participants also identified several examples where organisational systems unintentionally transferred risk to suppliers. In one organisation, decentralised governance resulted in a procurement decision taking almost 12 months to secure internal approval. In another, organisational delays and changing procurement decisions resulted in a supplier investing significant time and resources in additional capability and capital infrastructure for work that ultimately did not proceed. These examples demonstrate that procurement outcomes often reflect organisational systems and decision-making processes as much as procurement policy itself. They also highlight the imbalance that can arise when buying organisations control procurement processes, timelines and contractual conditions while smaller suppliers absorb the consequences of delay, uncertainty or changing decisions.

Intermediaries such as Supply Nation also play an important role within this system by increasing supplier visibility, facilitating connections, building capability and supporting both buyers and Indigenous businesses to navigate procurement processes.

However, system change also requires buying organisations to strengthen their own capability. This includes understanding Indigenous businesses and the environments in which they operate, recognising where standard requirements create disproportionate barriers, and equipping procurement and operational teams to engage early, communicate clearly and make proportionate decisions.

Together, these findings demonstrate that stronger Indigenous procurement depends on capable buyers as well as capable suppliers, supported by organisational systems that enable equitable participation and long-term partnerships.

System change in practice: redesigning procurement systems

Successful organisations were willing to question existing approaches and redesign procurement systems to better support Indigenous business participation. There were several examples of system change identified through the research:

- Embedding Indigenous participation requirements into tender processes
- Simplifying procurement processes and documentation
- Adopting more flexible commercial approaches where appropriate
- Supporting joint ventures and collaborative delivery models
- Investing in supplier capability development
- Reviewing procurement policies to remove unnecessary barriers to participation

2.3 Governance, accountability and measuring success

Strong governance and accountability are essential for translating organisational commitment into sustained action. While leadership establishes direction, governance ensures Indigenous procurement remains embedded in organisational decision-making through clear objectives, defined responsibilities, meaningful performance measures, and regular reporting.

The research found that clear governance structures help maintain momentum in Indigenous procurement despite changes in personnel. These structures are complemented by accountability mechanisms that ensure Indigenous procurement remains visible across leadership, procurement and operational teams. This reduces reliance on individual champions and embeds responsibility more broadly across the organisation.

Participants emphasised that governance should support a broader definition of success. It should encompass not only procurement activity and targets, but also relationship strength, capability development and long-term outcomes. These themes are explored in the first success factor, 'Defining and measuring success'.

Governance in practice: turning commitment into accountability

The research identified examples of organisations moving beyond broad Indigenous procurement commitments by embedding accountability into everyday business performance:

- Linking Indigenous procurement targets to employee incentives
- Setting expectations for procurement team members to engage new Indigenous suppliers
- Establishing targets for onboarding businesses into different areas of the organisation
- Requiring Indigenous supplier participation in tender processes
- Embedding Indigenous procurement requirements into contracts and bids

These approaches demonstrate how leadership commitment can be translated into practical accountability. Rather than relying on individual champions, responsibility for Indigenous procurement becomes embedded across teams, contracts and organisational decision-making.

2.4 From foundations to action

The three foundational conditions are mutually reinforcing. Leadership establishes direction and commitment; governance creates responsibility, visibility and accountability; and procurement systems determine how that intent is experienced in practice.

Together, they create the environment in which the five success factors can translate organisational intent into stronger, more sustainable partnerships and sustained economic, cultural and community outcomes.

3. The five success factors

Building on the above foundations, the following five success factors translate the research findings into practical actions that organisations can take to strengthen Indigenous procurement and deliver lasting economic, social and community outcomes.

3.1 Defining and measuring success

What this means

The research found that successful Indigenous procurement is measured by more than contracts awarded or procurement spend. Participants described success as creating value for both buyers and suppliers over time through stronger relationships, business growth, capability development, employment opportunities, and positive cultural and community outcomes.

While spend and compliance remain important indicators, they do not fully capture whether procurement is contributing to sustained outcomes. The research therefore supports a broader understanding of success. It

reflects not only procurement activity, but also the strength of partnerships, capability development, and the value created for all parties.

Defining success early in the partnership helps suppliers and members align expectations, make informed decisions, and understand whether their partnership is delivering the outcomes that matter most over time.

Why this matters

Participants remarked that performance measures influence organisational priorities and behaviour. Organisations that focused primarily on spend or target achievement often had limited visibility of the broader outcomes that drive long-term organisational success. This included supplier capability, partnership quality and long-term business performance.

Importantly, participants did not suggest that targets should be abandoned. Rather, they highlighted the value of using performance measures to identify gaps, ask questions and support continuous improvement. As one Supply Nation member explained:

“ If I expect to see First Nation engagement in these categories ... and it does not occur, we flag it and ask ‘OK, well, why not? What was different about it? Was it too hard? Was it location specific? Was it niche, was it otherwise?’ ... [and] start trying to generate feedback loops.
– Supply Nation member ”

The research highlighted the need for a more balanced approach that combines quantitative measures with qualitative insights. This helps organisations understand not only what was purchased, but what was achieved through procurement.

As one Supply Nation member reflected:

“ Quantitative only tells you so much of the story ... It's not the passion driver or trigger. It doesn't win the hearts and minds ...
– Supply Nation member ”

While quantitative measures remain essential for demonstrating progress and accountability, participants consistently emphasised the importance of complementing them with qualitative insights that capture the relationships, capability, cultural outcomes and community value created through Indigenous procurement.

Participants also described storytelling as an important mechanism for organisational change. Sharing real examples of successful Indigenous procurement can build internal understanding, challenge assumptions about risk and capability, and strengthen leadership support for continued engagement.

These findings are reinforced by *The Sleeping Giant Rises*, which found that the value created by Indigenous businesses extends beyond financial performance. It includes outcomes such as increased pride, stronger cultural identity, improved wellbeing, stronger family relationships and greater connection to Culture and Country. These findings highlight the importance of measuring not only procurement activity, but also the broader value created through successful procurement partnerships.

Common challenges

The research identified several common challenges when defining and measuring success:

- Procurement spend and compliance are often treated as the primary indicators of success, limiting understanding of broader outcomes and value creation.
- While organisations may collect significant procurement data, they have limited visibility of factors such as relationship quality, supplier capability and long-term impact.
- Cultural, community and capability outcomes can be difficult to measure using traditional procurement reporting frameworks.
- Inconsistent definitions and reporting approaches can make it difficult to compare progress over time or across organisations.
- A strong focus on annual spend targets or compliance requirements can encourage short term decision-making at the expense of continuous improvement, capability development and long-term relationship building.

What good practice looks like

The research suggests that successful suppliers and members define success together, review it regularly and use a combination of quantitative and qualitative measures to understand progress and outcomes.

For members: defining and reviewing success

- Define success beyond procurement spend by considering relationship quality, supplier capability and broader economic, cultural and community outcomes.
- Discuss what success looks like with suppliers early in the relationship and review it periodically.
- Combine quantitative reporting with case studies and qualitative feedback to demonstrate impact.
- Reflect on procurement outcomes regularly and identify opportunities to strengthen future partnerships.

For members: measures to monitor

Drawing on the research findings, organisations and suppliers may consider monitoring the following indicators:

- Procurement spend alongside supplier diversity
- Repeat engagement with Indigenous businesses
- Relationship quality and collaboration
- Supplier capability developed through procurement
- Employment outcomes created through procurement
- Cultural outcomes, community value and broader social impact created through procurement partnerships
- Organisational learning and continuous improvement

These indicators are intended as examples rather than a prescribed reporting framework.

Partnership in practice: when meeting the target becomes the end point

The research highlighted the limitations of measuring Indigenous procurement success through spend or target achievement alone. One supplier described asking a long-term client why opportunities had stopped despite the strength of their performance. The response was that the organisation had already met its Indigenous procurement target.

This example illustrates the difference between achieving a procurement target and creating sustained outcomes. Measures such as spend and supplier numbers remain important, but they provide only part of the picture. Looking at repeat engagement, relationship longevity, supplier growth and capability development can help organisations understand whether procurement activity is translating into stronger Indigenous businesses and longer-term partnerships.

Key insight

The research found that the strongest partnerships measure what matters most. Alongside spend and compliance, they assess whether procurement is building trusted relationships, strengthening capability, and creating sustained economic, cultural and community value for Indigenous businesses, buying organisations and communities.

Supplier and member tools for this factor:

- [Shared tool] [Reframing value in Indigenous enterprise](#)
- [Shared tool] [Success indicators](#)

3.2 Building early, trust-based relationships

What this means

The research found that strong relationships sit at the centre of successful Indigenous procurement. Participants consistently described trust, open communication and mutual understanding as critical foundations for sustainable partnerships.

Relationship-building begins well before a contract is awarded. Early engagement allows suppliers and members to understand each other's priorities, capabilities and ways of working. This creates stronger foundations for future procurement opportunities.

Instead of viewing procurement as a series of individual transactions, successful organisations invest in relationships that can evolve and create value over time.

Why it matters

The research suggests that trust plays a central role in successful Indigenous procurement partnerships. It enables open communication, supports collaborative problem-solving and creates the conditions for opportunities to emerge beyond individual transactions.

Participants noted that trusted relationships provide suppliers with the confidence to raise concerns and pursue new opportunities. Over time, these relationships strengthen partnerships and support more sustained procurement outcomes.

In the absence of trust, misunderstandings can persist and opportunities may be overlooked. This reduces the likelihood of partnerships developing into long-term, mutually beneficial relationships.

Common challenges

The research identified several barriers to building strong relationships:

- Relationships are often dependent on a single contact or internal champion.
- Assumptions or stereotypes about Indigenous businesses can undermine trust before a relationship develops.
- Power imbalances within procurement processes can make it difficult for suppliers to raise concerns openly.
- Limited communication and unclear expectations can lead to misunderstandings.
- Engagement often begins only when a procurement opportunity is released, leaving little time to establish trust.

As one supplier reflected:



A majority of industry have got a certain mindset on Indigenous businesses... it's like they nearly don't believe that you've done it.

– Supply Nation supplier



What good practice looks like

The research suggests that strong partnerships are built through early engagement, transparent communication and a commitment to learning together over time.

For members: establishing strong partnerships

- Engage suppliers before a tender is released, not only once one is live.
- Build relationships across a team, not just through one relationship manager.
- Invest in internal education so staff understand Indigenous cultures, communities and the diversity of Indigenous businesses.
- Be transparent about internal processes, timelines and the likelihood of an opportunity proceeding. This helps suppliers make informed decisions about investing their time and money.
- Treat setbacks as something to learn from together, rather than a reason to step away.

Partnership in practice: growing together over time

One supplier described a relationship with a member organisation that had developed over more than 10 years. The supplier reflected that while the relationship may have contributed to the member's Indigenous procurement objectives, its impact on the business had been much broader:

“

I've been working with [a member organisation] for 10 years. So you could say ... they're using me as an Aboriginal procurement [target] on their end, but ... I would beg to differ because we're certainly a lot bigger and bolder than we were 11 years ago.

– Supply Nation supplier

”

The member similarly described successful partnerships as relationships that create value for both organisations and support the Indigenous business to grow over time:

“

From my experience, it's ... building a strong relationship that is mutually beneficial to both the [member] organisation ... and the [Indigenous] business and finding ways to collaborate in a space [that] elevates the business but also elevates the profile of that business within our industry. So, as ... their business organically grows, they employ more people and roll out really good community outcomes.

– Supply Nation member

”

This example demonstrates how long-term procurement relationships can evolve beyond individual contracts or procurement targets. Sustained engagement can strengthen trust while expanding capability and opportunities. Over time, this supports business growth, employment and broader community outcomes.



Key insight

The research found that trust is built before contracts are awarded. Early engagement, open communication and long-term relationships create stronger procurement partnerships and better outcomes for both suppliers and members.

Supplier and member tools for this factor:

- [Shared tool] [Values alignment in practice](#)
- [Shared tool] [Working through moments of tension](#)
- [Member tool] [Leadership diagnostic](#)
- [Member tool] [Recognising bias and typecasting in Indigenous procurement](#)
- [Member tool] [Stages of engagement in Indigenous procurement](#)

3.3 Designing fair and accessible procurement processes

What this means

The research found that processes play a significant role in shaping how Indigenous businesses experience procurement opportunities. Participants consistently described the importance of processes that are clear, proportionate and accessible, while still meeting organisational governance and risk requirements.

Fair procurement does not mean lowering standards. It means ensuring requirements are appropriate to the size, complexity and risk of the opportunity, and that suppliers have a reasonable opportunity to participate and compete.

Successful organisations regularly review their procurement processes to identify and remove unnecessary barriers that may unintentionally limit Indigenous business participation.

Why it matters

The research found that many procurement processes have been designed around the needs and capabilities of large, established suppliers. As a result, smaller or growing Indigenous businesses can face barriers that are unrelated to their ability to deliver the work.

Participants described how complex documentation, short tender timeframes, unclear requirements and administrative burdens can increase the cost and effort required to participate. One Supply Nation member reflected on the pressure created by short procurement windows:

“ You’d be very aware the government gives you this tender and it’s due seven days later...
– Supply Nation member ”

At the same time, internal decision-making within buying organisations can be considerably slower. One member described a decentralised procurement model where securing internal approval could take up to 12 months. This imbalance can shift risk onto suppliers, who may invest significant time, resources and capacity in pursuing opportunities long before there is certainty that the work will proceed.

Participants also highlighted that compliance and administrative requirements are often communicated as though suppliers already understand corporate procurement systems. Even relatively small requirements – such as invoicing formats, contract variations and documentation standards – can create barriers if expectations are not clearly explained. As one Supply Nation member noted:

“ They have to be exact ... pricing it right and being exact to the dollar, to the cent ... it’s frustrating, but this is what our client expects and this is the way a Tier One operates.
– Supply Nation member ”

More accessible procurement processes do not require organisations to lower standards. They involve ensuring requirements are proportionate, expectations are clear and suppliers have a reasonable opportunity to participate and compete.

Common challenges

The research identified several aspects of procurement processes and practices that participants from both buying organisations and Indigenous businesses said can create unnecessary barriers to effective partnerships:

- Compliance requirements are often applied uniformly regardless of the size, complexity or risk of the procurement activity.
- Tender timeframes are often short, while internal approval and decision-making processes can be lengthy and create uncertainty for suppliers who have already invested time and resources.
- Procurement processes and requirements are often communicated as though they are already understood, rather than being clearly explained.

- Expectations around invoicing, reporting, contract management and variations are not always communicated clearly at the commencement of the engagement.
- Procurement documentation and administrative requirements can become unnecessarily complex relative to the procurement activity.

Partnership in practice: when opportunity creates unintended risk

One supplier described investing heavily in additional infrastructure after being encouraged to prepare for anticipated contracts. The business established a commercial kitchen and invested hundreds of thousands of dollars, but the expected contracts did not eventuate.

This example highlights how risk can unintentionally shift from large buying organisations to smaller suppliers. Suppliers make significant investments based on anticipated work. Delays, changing decisions or unclear commitments can have substantial commercial consequences.

Clear communication about the likelihood and timing of opportunities allows suppliers to make informed decisions about how much time, money and capacity they can reasonably invest.

What good practice looks like

The research suggests that effective procurement processes balance governance requirements with accessibility, transparency and supplier support. Building practical opportunities for suppliers to gain experience and grow can make these processes more effective over time.

For members: supporting suppliers

- Scale compliance requirements to the size and risk of the work.
- Explain invoicing, variation, reporting and other compliance requirements clearly at the start of an engagement.
- Provide practical support if the supplier is unfamiliar with corporate procurement processes.
- Consider the impact of payment terms on smaller suppliers' cash flow. For example, one member introduced 20-day payment terms for small businesses.
- Offer pre-tender support, such as reviewing draft tenders for compliance and competitiveness, to help build supplier confidence.
- Break larger scopes of work into more manageable components.
- Consider contract-sharing models that allocate a defined portion of work to an Indigenous supplier while capability grows.
- Be honest about the likelihood of an opportunity proceeding.
- Never encourage supplier investment in opportunities that are unlikely to materialise.

Partnership in practice: building capability through opportunity

One member described deliberately creating a staged pathway for a new Indigenous supplier rather than expecting the business to demonstrate full capability from the outset.

For the first 12 months, the supplier was allocated around 20% of the work on an ad-hoc basis. This gave the supplier an opportunity to learn the member's requirements, while allowing both organisations to build their understanding of each other. During this period, the supplier strengthened its capability and expanded its operational capacity. After 12 months, the relationship progressed to a longer-term contract.

This example demonstrates how procurement can be used as a mechanism for capability development. Breaking work into manageable stages reduces risk for both parties. At the same time, it gives emerging suppliers the practical experience, relationships and commercial opportunity they need to grow.

Key insight

The research found that procurement processes shape participation. Processes that are clear, proportionate and accessible enable capable Indigenous businesses to compete more effectively and strengthen long-term partnerships.

Supplier and member tools for this factor:

- [Shared tool] [Best practice procurement checklist](#)
- [Shared tool] [Identifying common barriers and pressure points](#)
- [Supplier tool] [Assessing opportunity and risk](#)

3.4 Protecting cultural and community value

What this means

The research found that many Indigenous businesses create value that extends beyond the delivery of goods and services. Participants described commercial success as being closely connected to broader outcomes, such as:

- employment
- community development
- cultural continuity
- sharing and protection of cultural knowledge

For many Indigenous businesses, these outcomes are not separate from business success. They are instead fundamental to the purpose, identity and long-term sustainability of the enterprise.

Recognising cultural and community value helps members better understand the outcomes that Indigenous businesses are seeking to achieve. It also strengthens the foundation for more meaningful procurement partnerships.

Why it matters

Suppliers and members often bring different perspectives to discussions about value and success. Members frequently focus on commercial delivery, quality and procurement outcomes. While these outcomes are also important to suppliers, they tend to consider a broader range of economic, cultural and community benefits.

Participants consistently highlighted the importance of recognising these broader outcomes, particularly where procurement is intended to contribute to long-term Indigenous economic participation and self-determination.

As one Supply Nation supplier explained:

“ You've got commercial success ... sale of our products and sustainable revenue and contracts ... then there's obviously the impact that we have in community and our cultural knowledge. As we build, we intend to employ Indigenous people ... it's also around protecting our cultural knowledge... so there's that success.

– Supply Nation supplier ”

Participants also described cultural value as something that develops through relationships built over time. One Supply Nation supplier reflected on working alongside Elders over many years before earning the trust to share cultural knowledge through their products:

“ ... building the relationships with those Elders ... that's taken a long time ... making sure that we're authentic and that we're there to do the right thing.

– Supply Nation supplier ”

These perspectives highlight that Indigenous procurement is about more than creating commercial opportunities. It is also about supporting businesses to maintain cultural integrity, strengthen communities and create lasting value beyond the contract itself.

Understanding these broader dimensions of value allows organisations to build stronger partnerships and gain a more complete picture of the outcomes being achieved through procurement.

Common challenges

The research identified several challenges in recognising and protecting cultural and community value:

- Cultural and community outcomes are not always reflected in procurement objectives or reporting frameworks.
- Members may have limited visibility of the cultural responsibilities and community commitments that Indigenous businesses manage alongside commercial delivery.
- Procurement timeframes and processes can unintentionally create tension between commercial requirements and cultural obligations.
- Success measures that are focused primarily on spend or contract performance may overlook broader outcomes.

What good practice looks like

The research suggests that successful organisations create opportunities to understand, recognise and support the cultural and community value generated through Indigenous procurement.

For members: creating opportunities to better understand suppliers

- Ask suppliers about cultural and community priorities early in the engagement and consider how these may influence project planning and delivery.
- Recognise and record community, cultural and employment outcomes as part of contract reporting instead of an optional extra.
- Build flexibility into project planning where appropriate so cultural obligations can be accommodated without compromising delivery.
- Use verified suppliers through Indigenous Business Direct to support integrity in the sector.

Partnership in practice: building cultural value through relationships

One supplier described how relationships with local Elders became fundamental to the development of the business. Building those relationships took time. One Elder initially visited the business regularly, observing how it operated and ensuring it was authentic and committed to doing the right thing.

Over time, that relationship developed into genuine trust. The Elder later stood alongside the business at industry awards and became involved in sharing cultural knowledge through its products.

The example demonstrates that cultural value cannot simply be added to a procurement contract or measured as an additional output. It is built through relationships, trust and appropriate stewardship of cultural knowledge. Recognising the time and responsibility involved in maintaining these relationships helps members better understand the broader value Indigenous businesses may create alongside commercial delivery.

Key insight

The research found that cultural and community value is central to the purpose of many Indigenous businesses. Procurement approaches that recognise these outcomes create stronger partnerships and more meaningful long-term impact.

Supplier and member tools for this factor:

- [Shared tool] [Identifying and protecting cultural and community value](#)
- [Member tool] [Reconciliation Action Plans in practice](#)

3.5 Using systems, data and networks to improve visibility

What this means

The research suggests that organisations with more mature Indigenous procurement practices embed procurement into systems and processes that support visibility, consistency and continuous improvement.

As outlined in the foundational conditions section, participants described Indigenous procurement as operating within a broader ecosystem that includes buying organisations, Indigenous businesses,

intermediaries, industry networks and government initiatives. Effective systems help organisations navigate this ecosystem more consistently and create pathways for Indigenous businesses to access opportunities.

Strong systems also reduce dependence on individual champions by embedding knowledge, supplier information and procurement practices within the organisation.

Why it matters

The research found that lack of visibility remains a significant challenge for many Indigenous businesses. Members often rely on personal networks, referrals and existing contacts to identify suppliers. Valuable information about supplier relationships and performance is frequently held by individuals rather than captured systematically.

Participants suggested that organisations achieving more consistent outcomes invested in both supplier visibility and internal capability. This includes maintaining supplier databases, sharing knowledge across teams, tracking engagement over time, and making greater use of existing procurement networks and support services. These systems should also help procurement teams share knowledge, assess suppliers fairly and adapt approaches where appropriate.

When supplier information, relationships and procurement data are captured and shared effectively, organisations are better positioned to identify opportunities, build continuity and support long-term participation.

Common challenges

The research identified several barriers that can limit supplier visibility and participation:

- Supplier relationships and engagement history are rarely recorded centrally, so knowledge leaves the organisation when people change roles.
- Internal systems for finding and engaging Indigenous suppliers are often informal or inconsistent across teams.
- Data on supplier engagement and outcomes is not always shared across an organisation, limiting visibility at a system level.
- Capability is often framed through corporate expectations, and a supplier's actual strengths can be misread when their offer is not communicated in familiar corporate language.

What good practice looks like

The research suggests that successful organisations embed Indigenous procurement into systems and processes that support visibility, consistency and continuous improvement.

For members: embedding Indigenous procurement into systems and processes

- Use Indigenous Business Direct as a starting point for finding verified suppliers, not a substitute for direct engagement.
- Share supplier relationships and history across teams, so engagement does not rely on one person.
- Track supplier engagement and outcomes centrally, so progress is visible even as staff change.
- Work with suppliers to clarify and articulate their core service offering and help internal teams understand supplier capability and potential.

Partnership in practice: making Indigenous suppliers visible through organisational systems

One member identified a fundamental barrier to its Indigenous procurement strategy: its existing systems could not reliably identify which suppliers in its supply chain were Indigenous businesses.

The organisation responded by changing its finance systems to capture Indigenous business status and relevant verification information. As the Supply Nation member explained:

“We couldn't actually measure in our supply chain which are Aboriginal businesses or not, so [we] ... had to go through the kind of back-office systems in finance to actually include categories ... We've put these classifications into the finance system to then make it easier for us to draw reports out to then track the metrics that we set in the procurement strategy.

– Supply Nation member”

Embedding this information into core business systems enabled the organisation to identify Indigenous suppliers more consistently and track progress against its procurement strategy. It also reduced reliance on individual knowledge by making supplier information more visible and accessible across the organisation.

This example demonstrates how practical changes to organisational systems, and the integration of Indigenous procurement into business-as-usual processes, can strengthen supplier visibility, reporting and accountability.

Key insight

The research found that visibility is not simply about being known – it is about being discoverable, understood and considered consistently over time. Organisations that support Indigenous procurement through strong systems, shared knowledge and active networks are better placed to create sustainable opportunities and long-term partnerships.

Supplier and member tools for this factor:

- [Shared tool] [Using networks to support Indigenous procurement](#)
- [Supplier tool] [Communicating your corporate procurement capability](#)
- [Supplier tool] [Entering the procurement system](#)
- [Supplier tool] [Navigating and building capability](#)
- [Member tool] [Designing and supporting supplier capability](#)
- [Member tool] [Systems and tools](#)

Conclusion

Indigenous procurement in Australia has matured significantly over the past decade. This maturity, along with increasing Indigenous business participation, has been an important achievement. The next stage is not simply about engaging more Indigenous businesses. It is about creating opportunities for Indigenous businesses to succeed by building stronger, more enduring partnerships.

This research found that Indigenous procurement delivers the strongest outcomes when it is approached as a strategic organisational priority rather than an isolated procurement initiative. Sustainable outcomes are not created through procurement spend or compliance alone, but when policy intent, leadership, governance, procurement systems and relationship-based practice are aligned. This alignment helps translate procurement activity into sustained opportunities, stronger capability and longer-term economic, cultural and community outcomes.

The five success factors presented in this report build on these organisational conditions and provide a practical framework for translating them into practice. Together, they create an environment in which Indigenous businesses and buying organisations can build partnerships that are commercially successful, culturally respectful and sustainable over time.

The examples in this report demonstrate that successful Indigenous procurement is not defined by a single contract, policy or initiative. It is instead built through ongoing partnerships characterised by trust, mutual value, shared learning, and a commitment to creating lasting economic, cultural and community outcomes.

The *Pathways to Partnership* framework provides a practical guide for suppliers and members seeking to strengthen these partnerships. By applying the principles and practices outlined in this report, suppliers and members can help shape the next chapter of Indigenous procurement, one that moves beyond transactions and targets to create enduring value. In doing so, procurement becomes more than a commercial transaction. It becomes a catalyst for stronger Indigenous businesses, stronger organisations and stronger communities.

Supplier and member reflective tools:

- [Supplier tool] [Supplier reflection checklist](#)
- [Member tool] [Member reflection checklist](#)

Pathways to Partnership toolkit

This toolkit is available for Supply Nation verified Aboriginal and Torres Strait Islander businesses (suppliers) and corporate, government and not-for-profit buyers (members).

Success factor 1 – Defining and measuring success

- [Shared tool] [Reframing value in Indigenous enterprise](#)
- [Shared tool] [Success indicators](#)

Success factor 2 – Building early, trust-based relationships

- [Shared tool] [Values alignment in practice](#)
- [Shared tool] [Working through moments of tension](#)
- [Member tool] [Leadership diagnostic](#)
- [Member tool] [Recognising bias and typecasting in Indigenous procurement](#)
- [Member tool] [Stages of engagement in Indigenous procurement](#)

Success factor 3 – Designing fair and accessible procurement processes

- [Shared tool] [Best practice procurement checklist](#)
- [Shared tool] [Identifying common barriers and pressure points](#)
- [Supplier tool] [Assessing opportunity and risk](#)

Success factor 4 – Protecting cultural and community value

- [Shared tool] [Identifying and protecting cultural and community value](#)
- [Member tool] [Reconciliation Action Plans in practice](#)

Success factor 5 – Using systems, data and networks to improve visibility

- [Shared tool] [Using networks to support Indigenous procurement](#)
- [Supplier tool] [Communicating your corporate procurement capability](#)
- [Supplier tool] [Entering the procurement system](#)
- [Supplier tool] [Navigating and building capability](#)
- [Member tool] [Designing and supporting supplier capability](#)
- [Member tool] [Systems and tools](#)

Reflective tools

- [Supplier tool] [Supplier reflection checklist](#)
- [Member tool] [Member reflection checklist](#)