



Principles for designing post COVID-19 support programs for Indigenous business

EY Indigenous Sector Practice Team and Supply Nation

This brief is part of Supply Nation's research activities within its Knowledge Hub – supporting the growth and long-term viability of the Indigenous business sector.

1. Introduction

The effects of COVID-19 have disrupted most organisations and displaced many people from employment. Indigenous business has a key role to play in the process of the post pandemic economic recovery.¹ To assist this role, targeted programs aimed at re-engaging individuals and businesses displaced due to COVID-19 are required. Supply Nation engaged the EY Indigenous Sector Practice (ISP) team to review existing support programs relating to COVID-19 to inform our program design process. This Research and Policy Brief provides a summary of the key findings from that review.

2. Re-engaging employees

Current programs that provide support to assist in re-engaging the workforce usually focus on:

- Financial assistance for those without jobs (e.g. JobSeeker)
- Support for reskilling and looking for work (e.g. Course Seeker; Career Transition Assistance)
- Engaging and supporting those currently employed (e.g. Beyond Blue; Upskill My Business)

These programs are essential for the livelihood of individuals who find themselves unemployed or working fewer hours. Throughout COVID-19, the need and demand for these programs increased,

with JobKeeper enabling many businesses to retain staff and continue their employees' source of income. It is estimated that without this payment unemployment could have risen by an additional 4%.²

Those currently employed still face challenges and require support in areas such as mental health and wellbeing, technology, training and childcare subsidies.

3. Support for business

Business support programs have proven to be critical to economic recovery and focus on three main categories: financial assistance, resources and education and additional support services for businesses.

Financial assistance

Cash flow has been a consistent problem for businesses through COVID-19. Common support programs provide financial assistance to assist businesses cover operating expenses and include:

- JobKeeper
- Cash flow boost
- Business Resilience Package
- Small business survival fund
- Export assistance

¹ Supply Nation, *State of Indigenous Business Driving growth across the Indigenous business sector*, Supply Nation Research Report No.1, 2020.

² Jeff Borland, 'Were it not for JobKeeper, unemployment would be 11.7%, up from 5.2% in one month. Here's how the numbers pan out' *The Conversation*, May 14, 2020.



Over 40% of businesses have accessed support measures like these to keep their business afloat.³

Resources and education

A key area of support is providing sources of information and education to assist business make informed decisions within the current climate of uncertainty. Examples include:

- Business.gov.au – support for businesses in Australia
- TourismIQ self-guided online course
- My Skills
- Upskill My Business
- La Trobe University’s ‘prime to thrive’ online course
- Cash flow finance – resources and support overview

Additional support

A range of other support programs exists in areas such as mental health and wellbeing support, personal development and mentoring. Examples include:

- Heads Up
- Business recovery and resilience mentoring
- Business Australia’s 10 initiatives to pay it forward during COVID-19
- Financial counselling for small businesses in regional areas
- Wellbeing and mental support for Victorian small businesses

4. Focus on Indigenous programs

As a result of COVID-19, increases in demand for existing support measures has meant that

government and peak bodies have begun delivering new programs. Several of the programs offered cater for Indigenous businesses and people. Most of these services come in the form of access to funding and capital, training and additional business support to assist Indigenous businesses to grow and cope with the reduced demand and cash flow. Indigenous organisations have also been encouraged to access the programs available to all businesses, such as JobKeeper.

These programs however often have barriers that make it difficult for Indigenous people to access, including:

- Difficulties within the application process without access to support⁴
- Limitations in being able to provide documentation and other requirements to meet eligibility⁵
- No access to a translator or assistance for non-English speaking people⁶
- Not having easy access to the required technology⁷

5. Indigenous programs worldwide

Programs and initiatives for Indigenous businesses from Canada and New Zealand in response to COVID-19 also provide useful insights. These programs:

- Understand, promote and communicate the importance of Indigenous businesses for the economy
- Encourage and support Indigenous entrepreneurship
- Focus on lifting the baseline skills of the Indigenous workforce

³ Yonatan Dinku, Boyd Hunter and Francis Markham, ‘How might COVID-19 affect the Indigenous labour market?’, *Australian Journal of Labour Economics*, 23(2), 2020, pp.189-209

⁴ Dinku et al. 2020; F. Markham, D. Smith and F. Morphy (ed) *Indigenous Australians and the COVID-19 crisis: Perspectives on Public Policy*, CAEPR TOPICAL ISSUE 1/2020, ANU; Megan Weier & Phil Usher, ‘Indigenous Financial Impacts & Risks and COVID-19’,

CSI & First Nations Foundation Response, (nd) https://www.csi.edu.au/media/uploads/csi-covid_factsheet_indigenous_impact_-_final.pdf

⁵ Markham et al. 2020.

⁶ Weier & Usher

⁷ Dinku et al. 2020



- Are tailored for Indigenous businesses and people
- Support Indigenous businesses with the required finances and resources in order to maintain operations

6. Potential focus areas

As Australia makes its way out of the worst of COVID-19, organisations need to think about how best to recover and survive. Organisations will need to:⁸

- Design and understand what their future workforce will look like, and ensure that it is flexible
- Plan for a more agile and local supply network and consider ways to create more reliable local supply chains
- Evaluate marketing, the changes to their customers' needs and expect a new type of customer
- Evaluate their finances and develop a more sustainable approach to managing cash flow
- Rebuild their operations and determine what this looks like
- Embrace, invest and increase capability in digital technology, while integrating predictive analytical capabilities to optimise their business
- Support their workforce in the transition back into work and promote their physical and mental wellbeing
- Plan for different scenarios and map out current opportunities from government policies

7. Support for the workforce

The workforce will also need support adjusting to the new normal. Understanding the pain points in this adjustment is critical and key considerations for workforce support include:⁹

- Providing technological support and assistance for remote working
- Upskilling and support as employees learn new tasks arising from the rapidly changing industries
- Providing information and resources to inform employees of their rights throughout this period of unemployment
- Support and education to ensure employees are COVID-19 safe within the workplace
- Mental and physical wellbeing support will be important as people reflect on the previous months and adjust to the new ways of working
- Labour market data and real time analytics to inform workforce opportunities

8. Support for Indigenous business

Indigenous businesses are important for both the economy and stimulating Indigenous employment, for instance, they are 100 times more likely to employ Indigenous workers than other businesses and are often important institutions within the communities in which they are located.¹⁰ A number of areas where Indigenous businesses and people will need support in the transition out of COVID-19 include:¹¹

⁸ EY, 'COVID-19: which critical choices should businesses make next?' July 2020 (https://www.ey.com/en_gl/long-term-value/covid-19-critical-choices-businesses-should-make); Deloitte Private, 'COVID-19 Small Business Roadmap for Recovery & Beyond: Workbook', (<https://www2.deloitte.com/au/en/pages/covid-19/articles/roadmap-to-recovery-and-beyond.html#>); Kevin Sneader & Bob Sternfels, 'From surviving to thriving: Reimagining the post-COVID-19 return', McKinsey & Company, May 2020; PwC Australia, 'Road to resilience: business and economic recovery after COVID-19', (<https://www.pwc.com.au/important-problems/business-economic-recovery-coronavirus-covid-19.html>); AGSM, 'Rebuilding the Australian Economy after the

impact of COVID-19', AGSM, UNSW, 23 June 2020; EY Global, 'COVID-19: Twelve insights to help build your business recovery roadmap', 20/8/2020, (https://www.ey.com/en_au/covid-19/twelve-insights-to-help-build-your-business-recovery-roadmap).

⁹ Deloitte Private, *COVID-19 Small Business*; PwC, *Road to resilience*; EY Global, *COVID-19: Twelve insights*.

¹⁰ Dinku et al. 2020

¹¹ Roger Wilkins, 'Who's hit hardest by the economic effects of COVID-19?' *Research Insights*, 10/20, Melbourne Institute: Applied Economic & Social Research, University of Melbourne, May 2020; Dinku et al. 2020; Markham et al. 2020.



- Education programs and resources for Indigenous business owners to help create strategies to navigate the new normal
- Education programs for Indigenous people to upskill or reskill in emerging areas
- The provision of technology and training for individuals to promote access to work, education and other programs
- Technology support for businesses as they transition operations online
- Creating and promoting opportunities for collaboration, networking and education to stimulate future business
- Continued financial assistance to businesses and people
- The provision of trustworthy financial advice, coaching and mentoring to Indigenous businesses and people
- Continued promotion of Indigenous procurement and assistance in developing innovative and flexible procurement processes

9. Key design principles for successful Indigenous programs

Mainstream programs designed for all do not always work for all. In response to COVID-19 the provision of tailored programs to meet the needs of Indigenous businesses and people is essential. Factors to take into consideration when designing Indigenous programs include:

- Elevating the voice of businesses and the community throughout the program design process and having self-determination as a core component¹²
- Maximising accessibility for all involved in the program
- Thinking nationally, but focusing on how the service will be provided locally¹³

¹² Péta Phelan, 'Doing it Themselves', *Pursuit*, University of Melbourne, (<https://pursuit.unimelb.edu.au/articles/doing-it-themselves>)

¹³ Weier & Usher

- Taking a more personalised approach with the application criteria and required documentation
- Providing support and education throughout the application process
- Ensuring the program is working with and not competing with Indigenous businesses and organisations

Additional principles for designing good Indigenous programs include:¹⁴

- Clear governance and accountability arrangements
- Increased employment of Indigenous staff
- Clear and measurable objectives
- Harnessing existing community capacity and leaders
- Clear methods of receiving feedback from the community and organisations
- A focus on community strengths rather than deficits
- Having clear program objectives
- Strong levels of transparency and trust
- Ensuring the program is developed and supported by the community
- Ongoing monitoring and evaluation of outcomes
- Real time data and analytics
- Clear methods of scalability

Examples of well-designed Indigenous programs

- Yuendumu Old People's Program
- New Capacity building partnership model for Indigenous child and family services
- Dhimurru Land Management Indigenous Corporation
- The Walpiri Education and Training Trust.

¹⁴ Sam Morley, 'What works in effective Indigenous community-managed programs and organisations', CFA Paper No. 32 – May 2015, Australian Institute of Family Studies.