

# THEORY OF CHANGE





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**We acknowledge the unceded sovereignty of Aboriginal and Torres Strait Islander peoples across this continent, elders, past and present.**



BLACK COFFEE WILL  
**GROW** WHEN WE  
ALL WORK  
TOGETHER

# DEVELOPING A THEORY OF CHANGE

Developing the Black Coffee Theory of Change has been an important process, as it has helped us to discuss, explore and create a shared understanding about what Black Coffee does, and why. It has helped us strengthen our determination to focus on activities that are making positive changes and communicate the challenges we see as opportunities.

Developing a Theory of Change was a process of mapping out Black Coffee activities, and the outcomes those activities are expected to lead to. Outcomes are changes experienced by individuals, families, organisations, and communities. We consulted with leaders who work with Indigenous businesses, and also examined current research to

help us build the evidence base for Black Coffee's Theory of Change. We collected stories, ideas and perspectives to allow for stories to be shared, the challenges and outcomes to be discussed and reflected upon.

We are now inviting people to ask questions and provide feedback so we could verify that the Theory of Change is strengthening Black Coffee members' sense of identity and understanding.

We would like to thank everyone who has shared their story, given us time and helped us create the Black Coffee Theory of Change.

LEESA WATEGO



# INTRODUCTION

## The cultural, economic and social significance of the business sector

Business can be good for communities if it fosters and supports employment, innovation, economic development, financial resilience and productivity. Furthermore, a strong business sector supports health and wellbeing of a community as it can reduce health care costs and deliver savings for individuals and government across the social services system, including welfare, health and housing (Barraket, Qian and Riseley, 2019; Fabius et al. 2013). Supporting entrepreneurs and employees to have autonomy, develop skills, and unlock their dreams and talents, has positive effects on stress, job satisfaction and job retention (Boxall, Hutchison and Wassenaar, 2015).

A strong business sector improves social and economic opportunities for all Australians with significant impact for Indigenous Australians. For many years encouraging Indigenous entrepreneurship and business has been advocated as a positive way to address some of the economic and social disparities First Nations people and communities experience by improving self-determination and self-sufficiency (Walsh and Douglas, 2011; Fuller, Jones and Holmes, 1999). The positive outcomes of business for Indigenous people is acknowledged in The Indigenous Business Sector Strategy 2018-2028 (Australian Government, 2018). This strategy was developed by the National Indigenous Australians Agency to identify four pillars that can support the Indigenous business sector in Australia. The pillars are better access to business support, improved capital access, stronger networks, and improved access to data. These pillars were established as the strategy to address the numerous challenges faced by Indigenous people seeking to establish and grow businesses. Businesses in remote

Australia face additional barriers. They also find it challenging to access capital and effectively connect with non-Indigenous supply chains, markets, or contracting opportunities. Additionally, Indigenous entrepreneurs, especially young people and women, need more mentoring and peer support to learn about business and career opportunities. The strategy explains that many of these challenges can be addressed by building stronger connections, relationships and networks.

Not only does business support and networking improve the ability for Indigenous business to thrive economically, it also protects and promotes Indigenous knowledge and cultural expressions. Reconciliation Australia states that “in a just, equitable and reconciled Australia, the distinctive individual and collective rights and cultures of Aboriginal and Torres Strait Islander peoples are universally recognised and respected” (2022. para.1). When respectful relationships are central to how people do life and business together, this enables Indigenous businesses to feel culturally safe and proud about their culture, business and community.

The cultural, economic and social significance of the business sector means there is a collective responsibility to support Aboriginal and Torres Strait Islander people to build sustainable businesses that will support themselves, their families and their communities. Ultimately this creates a more inclusive system, economy and community.



# A SNAPSHOT OF THE INDIGENOUS BUSINESS SECTOR

It is difficult to confirm the number of Indigenous-owned businesses in Australia as Indigenous businesses can be sole traders, businesses with employees under any corporate structure, nonprofit organisations, or a Trust established with the purpose of benefiting the Indigenous community, usually through the management and distribution of funds from Native Title or Indigenous Land Use Agreements (PricewaterhouseCooper's Indigenous Consulting, 2018).

The Indigenous Business Sector Snapshot 1.1 authored by (Evans et al. 2021) was conducted by the University of Melbourne. The analysis reviewed data identified by the Australian Bureau of Statistics and known as I-BLADE (Indigenous Business Longitudinal Analysis

Data Environment) which tracks Indigenous businesses, including corporations, defined by having at least 50% Indigenous ownership. The report acknowledges that the snapshot is likely to be an under-estimate of the true size of the sector. Despite this, it used a sample size of 3,619 businesses in 2018 to establish that on average Indigenous businesses are larger than non-Indigenous businesses and the gross income for these Indigenous businesses was \$4.88 billion.

The report also found that these Indigenous businesses employed 45,434 people in 2018 indicating the substantial public benefits the sector achieves through offering employment, especially as 'Indigenous employment accelerates income levels and wealth generation, unlikely to occur without employment in an historically dispossessed and excluded population, and lifts individuals out of the welfare economy' (Evans et al 2021, 25).

Geographically, 42% of the Indigenous businesses operate in major cities, compared to 74% of non-Indigenous businesses. While fewer businesses are in regional (32%) and remote locations (26%), these businesses make-up 34% of total gross income and 37% of all employment for the sector (14,030 jobs in total) (Evans et al 2021, 18).

The snapshot suggests that Indigenous businesses range from sole traders and small businesses, to nonprofits, large companies, and corporations. This sector encompasses businesses in all types of industries in all cities, rural and remote areas adding significant value to the economic and cultural ecosystem.



# SUPPORTING THE INDIGENOUS BUSINESS SECTOR

Enhancing and fostering a connected and innovative business ecosystem, and elevating the voice of a business sector, are strategies that are being implemented by business, government and networks supporting the sector and communities (Victorian Social Enterprise Strategy, 2021).

In 2015, the Australian government introduced the Indigenous Procurement Policy (IPP) to leverage the Commonwealth's annual multi-billion-dollar procurement spend to drive demand for Indigenous goods and services, stimulate Indigenous economic development and grow the Indigenous business sector. The National Indigenous Australians Agency (NIAA) reports that since 2015, the IPP has performed well against these KPIs, generating over \$5.3 billion in contracting opportunities for Indigenous businesses (NIAA 2020, para 6). Other government initiatives include The Australian Government's 'Indigenous Business Sector Strategy 2018-2028', The Indigenous Advancement Strategy (NIAA 2020), The National Roadmap for Indigenous Skills, Jobs and Wealth Creation (NIAA 2021), and The Indigenous Tourism Fund (ITF) (NIAA 2021). In Queensland, The Advance Queensland Deadly Innovation Strategy (2019). These are examples of how government is seeking to deliver jobs and economic wealth for Aboriginal and Torres Strait Islander people through supporting research, innovation, entrepreneurship, business development and growth. These strategies recognise the importance of leveraging the strengths of indigenous businesses and providing economic opportunities to Indigenous entrepreneurs and businesses.

The business sector and local communities are also developing and implementing strategies that support place-based and regional Indigenous businesses including initiatives that:

- supports business owners to foster entrepreneurship;
- secure contracts;
- achieve greater representation in supply chains;
- market and scale their business in sustainable ways;
- builds their personal self-efficacy and business knowledge;
- promote social procurement;
- connect businesses with Aboriginal and Torres Strait Islander mentors;
- offer cultural hubs where people can share, network and mutually benefit from one another;
- provide access to resources and finances; and
- celebrate and promote Indigenous Business Month (Indigenous Business Month, n.d).

All of these strategies encourage how Aboriginal and Torres Strait Islander entrepreneurs and business owners develop their identity, cultural and business knowledge and networks. They are strategies that do not work unless there are respectful relationships and cultural safety. The strategies are only effective if the barriers to inclusion and empowerment are identified and addressed, and Indigenous Australians play an important role in leading the strategies and providing feedback about how well they foster and protect the strengths of the Indigenous business sector.

# BUSINESS NETWORKS

Entrepreneurship and business networking is not a new concept within Indigenous Australian history and culture. Extended networks that share resources and intergenerational knowledge, redistribute wealth throughout the community and systems of reciprocity are not just economic transactions, this practice is considered a social investment that supports the rich social networks within Indigenous communities (Furneaux and Brown, 2007). These cultural norms and expectations were well established long before colonisation and the more recent definitions of business networking and economic development (Walsh and Douglas, 2011).

Today, successful business networks are considered to be inter-organisational relationships working cooperatively together to achieve common goals. Networks have been researched

extensively (Möller and Halinen, 2017) and have been called a valuable business resource, a competitive advantage, complex gatherings of different kinds of relationships which can foster cooperation and/or competition, innovation and learning (Kanter, 1994). Business networks take more than political, financial or organisational objectives to form, they require time and energy, with cultural and human capital such as trust, respect, commitment, and the exchange of resources, information or connections.

Examples of business networks in Australia that foster the opportunities networks have for all businesses include Business Network International (BNI); Chamber of Commerce; Business Chicks; Australia Local Business Network; and Rotary as well as a range of more locally organised groups in regions and communities. (Business Networking Group Australia) New South Wales started the first Indigenous Chamber of Commerce in Australia in 2006 which has expanded across Australia.

In April 2015 a national network of 8 Indigenous Chambers of Commerce was formed. With a growing membership of 3500+ this is known as the First Australians Chamber of Commerce and Industry (FACCI). This peak body encourages enterprising Aboriginal communities, focused on commerce as a means to addressing social and economic disadvantage. Chambers of Commerce foster trade amongst business owners and communities, share information and build the skills of Indigenous business owners and communities.



# BLACK COFFEE

Black Coffee is an initiative that started small and organically. It grew due to Indigenous business owners and entrepreneurs hoping to build trust and relationships with their networks, and other non-Indigenous businesses wishing to promote reconciliation, improve their procurement practices and learn from Indigenous culture and knowledge.

The name Black Coffee was coined by Thomas Holden, an Indigenous business owner when The South East Queensland Indigenous Chamber of Commerce (SEQICC) board member Leesa Watego and Keith Williams of The Townsville Region Indigenous Business Network (TRIBN) agreed to create one business network which could become a national initiative.

Iscaiot Media powers Black Coffee, including development and maintenance of the website, administration and coordination of the coordinators. Each coordinator is a volunteer and provides their time to organise and attend the Black Coffee events in their region.

The goal of Black Coffee is to provide a platform to connect micro- and small business owners around Australia. It is growing prosperous Indigenous business networks around Australia in order to achieve a connected, supported and enriched Indigenous business sector creates strong local and regional communities.

## The objectives are to:

- Build opportunities for Indigenous business owners to get together and build networks and relationships and local Indigenous business communities;
- Encourage Indigenous organisations, and non-Indigenous businesses and governments to learn about how to procure from Indigenous businesses; and
- Use digital technologies to build connections between Indigenous business owners.


These objectives are achieved through Indigenous business owners and professionals, along with supporters from the Aboriginal and Torres Strait Islander not-for-profit sector, regularly getting together and yarning, in person and/or online.

Each region determines their own Black Coffee format, so events are both informal and formal depending on the needs and goals of the group. Occasional industry events such as the Big Sound Music industry event are also organised.





# THEORY OF CHANGE

 **OUR VISION:** A connected and prosperous Indigenous business sector



## WHAT WE DO

We have fun and informal meetings that build networks, relationships and strengthen local Indigenous business communities.



## WHY THIS IS IMPORTANT

Supported and proud Indigenous businesses lead to wellbeing, business growth and community prosperity.

## WHAT WE ACHIEVE

- Wellbeing for Indigenous entrepreneurs and businesses.
- Enriching the voice of Indigenous businesses.
- Opportunities for Indigenous business development.
- Opportunities to strengthen partnerships between Indigenous businesses and the community.

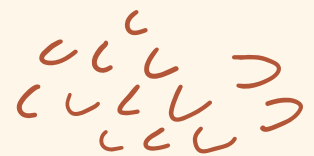


## THE IMPACT THIS MAKES

A connected, supported and enriched Indigenous business sector creates strong local and regional communities.



## OUR VALUES AND APPROACH



**PARTICIPATION:** We provide workplaces and communities that are safe for Aboriginal and Torres Strait Islander people. We celebrate identity and experience, customs, knowledge, aspirations and respectful relationships with Aboriginal and Torres Strait Islander peoples.

**PROUD PEOPLE:** We value Aboriginal and Torres Strait Islander people's strength and courage. We aim to empower people to make self-determined decisions.

**PLACE BASED:** We focus on local needs, local solutions, and the unique attributes of place and community. We value working together, building leadership, capacity and resilience within a community.

**FUTURE FOCUSED:** We like to identify and develop ideas in order to create a better future for Indigenous businesses. We believe that we all prosper when we work together to achieve our goals.

# ACHIEVING THE PURPOSE OF BLACK COFFEE

We know there are many factors that impact on whether Black Coffee can achieve its vision and objectives. The level of participation, strength of relationships, economic conditions, cultural, historical and political factors all might influence what change occurs, when and how significantly.

For example, the COVID-19 pandemic was a key contextual factor shaping how Black Coffee was implemented, for many months members could not meet together face to face, and Black Coffee had to engage people online. This can have an effect on participation and how relationships are built and maintained.

There are other contextual factors within Black Coffees control yet might have an influence on outcomes being achieved. Governance, management, communications, and processes such as member engagement and data collection, may impact on the diversity

and specificity of the intended outcomes. These are all issues which Black Coffee members continue to chat about and take action on.

Context plays a powerful role in shaping how and when change occurs, and our assumptions are that all members enjoy the format, times, and place in which Black Coffee members meet. We are assuming that yarning and networking is the best way to support and empower Indigenous entrepreneurs and businesses, yet this may not always be the case. We are aware that there can be larger contextual factors such as funding and policies that impact on the ability of businesses to participate. Likewise, health and wellbeing, stress and fatigue, can also be factors that create challenges for individuals to participate and experience any change or benefit.

These are all challenges and topics that continue to be part of Black Coffee discussions. We continue to make Black Coffee a forum where members can share what most supports Black Coffee to be a network that benefits us all.



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