



FDIO
Forum for Directors of
Indigenous Organisations

TOP TIPS for Succession Planning for Aboriginal Organisations

(from the Seminar held in Perth on 25 May 2016)

Discussion lead by Tom Meagher (Murfett Legal) and Alex Davis (Nexia Australia)

- **You can't ignore Succession Planning:** Board Succession and CEO Succession are fundamental to the success of an Aboriginal organisation.
- **Succession Planning is a long term proposition:** Identifying one or a number of successors, giving them time to gain skills and knowledge and introducing them to responsibility can take 5-10 years. Don't wait until you are ready to leave an organisation to look for successors.
- **Consider external training pathways, secondments and employment programs:** Some corporate organisations (accountants/government bodies) are starting to offer internships and training programs for Aboriginal youth. While it may mean spending some time away from home, the experience and training will be invaluable when its time to return home and take up a leadership position. The key is to join an organisation that will provide strong cultural support to the intern while they are away from home.
- **Think about Board composition: What are the important skills to have on a Board?** Can you identify someone who is good with numbers (financial skills), good with people and language (community consultation), likes details (keeping on top of governance and regulatory requirements)?
- **It is important to keep good records:** Recording Minutes of meetings, preparing accurate financial reports and retaining background information on decisions made is really important for transferring "corporate memory" so that new directors and leaders learn and benefit from the experiences of the past.
- **The Elders have an important role to play in succession planning:** Many well-functioning Aboriginal organisations have an Elders' Council which advises the Board. The Elders don't necessarily want to be involved in the day to day management and strategy of an organisation, but their experience and collective cultural knowledge is a huge asset for any Aboriginal organisation and plays an important role in the preservation of language and culture.
- **Seek external advice:** Independent directors and external advisors can offer some impartial and helpful guidance in succession planning.
- **Individual estate planning (having a Will) is also a hugely neglected but very important area of succession planning:** Many Aboriginal people die intestate (without a Will) and yet have significant assets (life insurance, superannuation, copyright to Artworks, property or businesses). Not having a Will causes huge difficulties in managing those assets and deciding who will own them after you are gone.