

How much do you pay your CEO?

Remuneration report coming soon—watch the ORIC website

ORIC is nearing completion of its research into the amount of money corporations registered under the *Corporations (Aboriginal Torres Strait Islander) Act 2006* pay their senior staff—mainly their CEOs. The findings of the research will be available on the ORIC website in March 2013.



Is your corporation facing legal challenges?

Not quite sure what to do?

Call **LawHelp**

on **1800 622 431** (not free from mobiles)

or email **LawHelp@oric.gov.au**

LawHelp is a free service run by ORIC to help not-for-profit corporations gain access to some of Australia's best lawyers and law firms. LawHelp has assisted scores of corporations with employment matters, drafting contracts, interpreting legislation, basic tax matters and more.

Send in your stories

Every month on the ORIC website we look forward to highlighting the activities of a different corporation in 'spotlight on'. We like to do the same in the *ORIC Oracle* newsletter which we publish four times a year.

Stories should be about 450 words and be supported by at least two good-quality images. Take any angle you like and tell us about some of the good things happening at your corporation.

We would love to hear from you.

Send your copy to **publications@oric.gov.au**

Haven't time to write a story?

Let ORIC help. We can prepare your story for you. Just give us your details and let's talk! Email your interest to **publications@oric.gov.au**

Have you lodged your 2011–12 reports?

If you have not lodged your 2011–12 reports with the Registrar you are in breach of the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*. Reports are due by the end of December each year.

DO NOT DELAY
Lodge today. Did you know you can lodge online? **www.oric.gov.au**

If you need help please call ORIC on **1800 622 431**.



WARNING If you do not lodge your reports the Registrar may prosecute your corporation or your corporation may be deregistered. Last year 21 non-compliant corporations ended up in the courts and were convicted and fined.

Is your corporation in breach? Check you are not on the *List of corporations in breach of 2011–12 reporting requirements* on the ORIC website at **www.oric.gov.au**



Australian Government
Office of the Registrar of Indigenous Corporations

ORIC Oracle

The vital role of your CEO/manager

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Boards of directors have many duties but choosing the CEO/manager for their corporation is probably the most important decision they ever make. The CEO/manager is the highest staff appointment in the corporation and whoever sits in this position has a profound effect on its progress and wellbeing.

Without a good CEO/manager a corporation cannot live up to its full potential.

“It is possible for a corporation to perform well with an excellent CEO/manager and an ordinary board of directors but it is more or less impossible for a corporation to perform well with a capable board and a substandard CEO/manager.”

When the board selects a manager it looks for someone with a wide range of skills and depth of knowledge. Not only must the person have a very good head for business but also be good with people—that's to say, approachable, persuasive, and capable of drumming up enthusiasm for the corporation's projects and plans.

The CEO/manager is often the face of the corporation—the person outsiders meet and deal with.

“The best CEOs and managers are the ones that are both salesperson and cheerleader. They must be able to 'sell' their plans and strategies to the board and talk up the positives of the corporation to everyone.”

Within a corporation the directors along with the CEO/manager and other staff form a team. They work together to achieve the corporation's goals but in terms of structural hierarchy, the CEO/manager reports to the board (and the other staff report to the CEO/manager).

CEO versus manager

CEO stands for chief executive officer. The CEO's job is to manage the corporation—in other words, to be the head administrator.

In some corporations the CEO's position is filled by a manager. These corporations are normally

small in size and do not have high financial turnovers or complex programs.

The CEO/manager is accountable to the directors, members, community and stakeholders (such as funding bodies, partners, government, and the public).



Canteen Creek

Canteen Creek Owairtilla Aboriginal Corporation is part of a close-knit community about 300 kilometres south-east of Tennant Creek. It's a well-run place that manages a shop selling quality food and goods.

Tom Kairupan, the CEO says, 'I think our secret is we all get along. The directors and I work together as a team.'



Top: The office Middle: The Registrar, Anthony Beven, delivering a corporate governance workshop Above: The directors and CEO (from left to right) Ray Kelly, Adrian Mick, Tom Kairupan (CEO), Natasha Mick, Graham Clegg, Deborah Clegg and Evonne Thompson All photos: ORIC

CEOs/managers in the corporation structure

Directors govern the corporation, the members steer its direction by voting at meetings and taking part in activities, but it is the CEO/manager who makes sure the corporation is managed properly.

Under the directors' say so, the CEO/manager sets the corporation's goals, devises a business plan, formulates the corporate strategy and lays down the standards and guidelines for the corporation staff. Very good CEOs or managers are able to generate enthusiasm for their plans.

In large part the CEO/manager defines the character of the corporation by setting, and adhering to, high standards of ethical behaviour.

The CEO/manager looks after the corporation's operations—for example:

- » monitors the financial outlook to ensure it remains favourable
- » allocates the corporation's resources in such a way that the corporation can achieve its goals and, at the same time, maintain financial stability
- » provides the directors with regular status reports on individual programs to show how they are performing against targets outlined in the business plan.

The CEO/manager has to be a good administrator, understand business and get on well with people. As the corporation's primary representative when dealing with outside groups and agencies (such as funding bodies), the CEO/manager must be good at public relations, promoting the corporation to the outside world and attracting interest in its activities.

Basically, the CEO/manager is responsible for any decisions that affect the corporation's welfare.

- » creates an organisational structure for clear lines of reporting and defining areas of responsibility
- » prepares a report for the annual general meeting (AGM) to inform members about the past year's activities—the highlights and the lowlights, how the corporation is faring overall, and to explain key decisions made by the directors.

The CEO/manager continually reports to the directors on the corporation's activities and current situation. Before any action can be taken on goals, policies or strategies the CEO/manager must have the approval of the corporation's board of directors.



Background photo: Detail from the mosaic created by Michael Nelson Jagamara for the forecourt of Parliament House, Canberra. Photo: ORIC