

MĀORI ENTREPRENEURIAL ACTIVITY IN AOTEAROA NEW ZEALAND

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ABSTRACT

This research supplements a national and international project that studies the complex relationship between entrepreneurship and economic growth. This research specifically concerns itself with gaining an insight into Māori micro-entrepreneurial activity in Aotearoa New Zealand. Preliminary research identified specific entrepreneurial framework conditions that influence Māori enterprise creation and growth. The research also encourages Government policies that promote Māori social-economic transformation. The research reveals that social-cultural norms have a significant influence on Māori entrepreneurial activity. This research proposes that if social-cultural, educational-training and finance issues are addressed appropriately the anticipated wealth creating enterprises that Government desires may occur naturally. For an entrepreneurial spirit to foster responsibility still largely remains with resourceful individuals not afraid of being held back by factors and conditions that work against them.

INTRODUCTION

The information for this research was extracted from data collated for the Global Entrepreneurial Monitor 2005 Aotearoa New Zealand study. Prior research and key informant perspectives provide an overview of entrepreneurship that is both specific to New Zealand and Māori. Qualitative analysis was used to interpret key informant responses which were coded under GEMs nine entrepreneurial framework conditions.

Analysis reveals that social-cultural norms such as a positive and confident attitude assist in meeting social-economic expectations. However when these are mixed with other location specific factors they have a significant impact on venture creation and sustainability. Accordingly there is a real need to redesign the provision of public and private sector financial support and for Government to instigate more effective educational and training strategies that have relevance to Māori.

This research offers an insight into current Māori entrepreneurial activity to assist towards the development of policies that promote further venture creation and sustainable enterprises. The perspectives presented in this research are meant to inform and build on existing and continuing entrepreneurial research as well as to provide indicative and directional guidance for further policy consideration.

NEW ZEALAND'S ENTREPRENEURIAL ENVIRONMENT

Government's Role

The New Zealand (NZ) Government supports economic development through a wide range of Government agencies at central, regional and local levels as well as through a number of regulatory framework policies and programmes. These include foundation and facilitation policies and programmes that are designed to stimulate and sustain economic performance within NZ's business sector. The Government's current focus is on global market opportunities, innovation, human capital and skills development as well as changing local and international perceptions and attitudes about NZ as a place of business (Ministry of Economic Development [MED], 2005a). Foundation policies are designed to foster business confidence and investment that enable economic activity to take place in an efficient and productive manner. Facilitation policies and programmes offer support to firms, regions or industry sectors by responding to identified weaknesses or barriers (MED, 2005a). The overall aim is to create an environment that allows NZ businesses to operate to their full potential.

Both Government and business enterprise are in theory aiming for social and economic transformation. Regulatory compliance costs are an inevitable aspect of conducting business. The tradeoff between Government objectives and the perceived advantages or disadvantages of regulation is not an easy undertaking. The relationship between the degree of Government regulation or intervention and entrepreneurs testing these boundaries in order to compete and respond to national and/or international market conditions can differ. For some entrepreneurs the view is that Government should intervene as little as possible. Equally observed is the view that Government is not doing enough.

Irrespective of views both large and small businesses interact with Government agencies. They are both subject to the same legal regimes. As ventures start-up and expand so does the frequency of contacts with Government agencies. For growing enterprises this often begins with employing staff. As a result the amount of its annual contacts with agencies such as the Inland Revenue Department (IRD) can easily double. This research concentrates on NZ's micro-enterprise because this is where the majority of entrepreneurial activity occurs.

New Zealand's Micro-enterprise

New Zealand is a nation dominated by micro-enterprise or small and medium-sized enterprises (SMEs). Micro-enterprises for the purpose of this research are defined as enterprises that employ 19 or fewer people (Cameron & Massey, 1999). Since 1984 major Government reforms to open up NZ's economy have resulted in constant and prolonged market adjustments and continuous business restructuring. It has also created a more insecure workforce. Constant advances in technology also allow people to re-think about when, where and how they choose to work. It has also created opportunities or the need to consider independence or self-employment through micro-enterprise.

There are two types of entrepreneurs who create enterprise. Opportunity Entrepreneurs are people who identify available opportunities and exploit them. Necessity Entrepreneurs create self-employment in response to either job loss or redundancy, normally when other options for

work or participation in the economy are absent or considered unsatisfactory. The conditions that drive entrepreneurial activity form the basis of this research.

The structure and dynamics of New Zealand enterprise was reviewed by MED and Statistics New Zealand in 2005 (MED, 2005b). The review provides a statistical summary of NZ SMEs. Key findings reveal that from a total of 324,293 enterprises those firms or businesses that employed 19 or fewer people (96.3%), provided employment for 29.2% of the population and contributed 37.3% to the output of the total economy. Firms with five or fewer employees (86.8%) employed 10.4% of the population and contributed 20.9% towards output. Firms with no employees, the self-employed (64.70%) accounted for the largest group of businesses. Appendix A depicts the number of NZ Enterprises by size. The significance of the SME sector is a major factor in understanding the entrepreneurial environment in New Zealand.

The Global Entrepreneurial Monitor

The Global Entrepreneurial Monitor (GEM) is an annual international longitudinal research programme based on a harmonised assessment of the level of national entrepreneurial activity for participating countries. Since GEM's inception in 1999 it has been conducted in more than 40 countries. GEM examines the factors that contribute to an entrepreneurial environment and the links between entrepreneurship and economic growth.

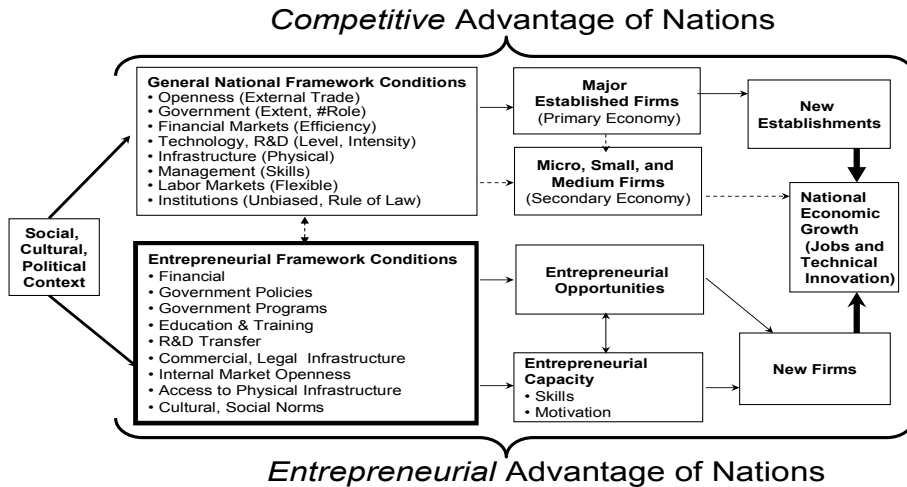
New Zealand has been involved in the GEM study since 2001. GEM defines entrepreneurship as any attempt at new business or new venture creation, such as self-employment, a new business organisation, or the expansion of an existing business, by an individual, teams of individuals, or established businesses. Annual reports are available from www.gemconsortium.org. In 2005 with the assistance of Te Puni Kōkiri (Māori Economic Development Agency [TPK]) two distinctive and evolving aspects of entrepreneurial research analysis have occurred. One aspect looks at New Zealand entrepreneurs consisting of non-Māori (Pākeha [European] and other ethnicities); the other aspect looks at Aotearoa (Māori) entrepreneurs. The term Kiwi refers to entrepreneurs who represent NZ.

The overall aim of the GEM Aotearoa NZ study is to reveal the nature of entrepreneurship as a social and economic phenomenon in the context of New Zealand. A fundamental question explored by the GEM project is what makes a country entrepreneurial? It is also concerned with developing a clearer understanding of entrepreneurial activity and to assist in the development of entrepreneurial policy. These questions are explored in the context of the GEM conceptual framework at figure 1.

Entrepreneurial Framework Conditions

The general national framework conditions are more or less controlled by Government. The framework provides a comprehensive view of the complexities that entrepreneurs face when contemplating, entering, conducting, and exiting business, which is also referred to as business churning (Frederick, 2004). The interactions and relationships between entrepreneurial opportunity and capacity are linked to nine entrepreneurial framework conditions (EFCs). A full explanation of the nine EFCs is contained in Appendix B. Each EFC comprises a subset of other variables that either contribute or limit entrepreneurial activity. In combination the framework

Figure 1: GEM Conceptual Framework



seeks to explain the dynamic nature of entrepreneurial activity and its influence on job creation, innovative enterprise and subsequent economic growth.

KIWI ENTERPRISE

The following discussion relates to specific EFCs outlined in Appendix B that have been identified from preliminary GEM research and analysis as having a substantial impact on entrepreneurial activity in Aotearoa NZ. They include education-training, Government policies and social-cultural norms. Tax has been included to account for specific tax related concerns as well as research and development (R&D) transfer to account for viewpoints associated with innovation.

Entrepreneurial Education

The role of entrepreneurial education is seen as critical in shaping attitudes, skills and culture, from the primary level up (Frederick, Carswell, Henry, Thompson, Campbell & Pivac, 2002). The earlier and more widespread the exposure to entrepreneurship, the more likely it is that people will consider becoming potential entrepreneurs. Minniti (2005) suggests that those who are more educated pursue opportunity-based ventures. The less educated are involved out of necessity and those with secondary level education tend to work for salary and wages. The importance of education is to reduce the number of necessity entrepreneurs as well as business failures and to build appropriate business management and technological skills required for business efficiency and innovation in all industry sectors.

In addition to this is the delivery and offering of entrepreneurial education that is specifically designed for entrepreneurs rather than small business (Minniti, 2005; Wilson, 2004; Breen, 2004). Breen (2004) explored the terms enterprise, entrepreneurship and small business. Breen

concluded that there were broad and narrow interpretations with considerable overlap between definitions. Divergence occurred where the emphasis was placed on venture creation, which was often overlooked in traditional business courses and programmes which focus more on management related skills and theory.

Government Policies – Tax Compliance

The impact of taxation is important for two reasons: the number of SMEs in NZ, and the extent of their tax contribution. Self-employed individuals who work on their own and businesses that employ five or fewer staff contribute around 40% of business income tax revenue, the remainder comes from a small number of large businesses (IRD, 2003). SMEs tend to be disproportionately affected by tax costs. Many owners do their own paperwork, outside of business hours. Simplifying tax for small businesses was the subject of a discussion paper by the IRD in 2003.

The IRD (2003) reported that SME owners' views on the tax system and related issues varied. Administration in some business's ranged from highly organised to not well organised when it came to tax matters. Tax obligations had the biggest impact (70%), compliance costs such as time filling in forms and provisional payments not being aligned to cash flows rated evenly high responses. Concerns raised by SMEs reflected the view that they were unpaid tax collectors. Other issues included more flexible tax administration processes to take account of changing circumstances; more tolerance of mistakes; less severe penalties and interest; and taxpayers' need for assistance in using technology-based solutions.

Some of these issues have either been addressed by the IRD or are being dealt with through administrative initiatives, Government reforms and improvements to customer service assistance. Proposals designed to remove some of the tax compliance burdens included: covering part of the cost of using payroll agents; reviewing the timing and frequency of tax payments; provisional tax being based on GST (Goods and Services tax) turnover; and a discount for individuals starting a business.

Access to finance

Securing finance to start, grow and innovate is the most challenging aspect for NZ micro-enterprise. The need for financial assistance varies throughout the life of an enterprise. In hand with this is gaining an appreciation of those who supply and demand finance. On the supply side, lenders or investors, such as banks are establishing specialised business relationships. However banks are not suppliers of venture start-up capital or development finance and cannot lend if little or no collateral is offered (Frederick, 2005). Venture Capitalists (VCs) provide funding but expect high returns and some form of equity (ownership) or management rights. Support from VCs involves rigorous evaluation of the ventures commercial potential. A comprehensive business plan is normally required. Angel Investors (wealthy investors or self-made entrepreneurs), can be either passive or hands on, either way their approach will be variations of those adopted by VCs. The NZ Government also provides various kinds of grants through agencies such as MED, NZTE (New Zealand Trade and Enterprise) and MFAT (Ministry of Foreign Affairs & Trade); FRST (Foundation for Research, Science and Technology) and TPK. Government funding is also subject to formal evaluation processes.

On the demand side, bank debt places the burden of repayment plus interest on the entrepreneur, however, ownership and independence of the venture is retained. Equity forces entrepreneurs to relinquish a proportion of ownership control to avoid borrowing. Debt and equity proposals and options for finance are often poorly understood, researched or prepared. A summary of research in this area concludes that there is a reluctance to develop equity finance and to use the full range of financial services to enable business start-up and growth (Frederick, 2005; MED, 2005a). Debt finance continues to be the main source of funding. Overall contributions from VCs, Angel Investors and Government grants form a relatively small proportion of assistance. Limitations in accessing finance for initial startup and growth frequently results on the reliance of the entrepreneur's personal resources or assistance from family, friends or interested contributors.

Research and development that leads to innovation

Entrepreneurship and innovation are closely linked, but are two different things. Entrepreneurship is the commercialisation or exploitation of innovation. Entrepreneurship and innovation are central to the creative process in the economy. Entrepreneurs sense opportunities and take risks in the face of uncertainty to open new markets, design or improve products and develop innovative processes or services.

Innovation has been defined as "the introduction of a new or significantly improved product or service to the market or the introduction of a new or improved process within a business" (Statistics NZ, 2003, p.1). Innovation can be the result of the introduction, adaptation or adoption of new knowledge or technological developments. It can also be the combination of existing technologies presented in a novel way. These activities can occur within a business, or be acquired from other businesses.

Intellectual property rights (IPR) are designed to protect innovation for a limited time to give creators and innovators time to make a return on their investment. For patents, in return for protection, patent owners are required to disclose details of the invention to encourage other inventors to build on the innovation. All creations cultural or otherwise are covered under the legal framework which includes copyright, patents, trademarks, designs and plant variety rights. Ownership is normally exclusive private individual rights.

Research and development is an essential process of innovation and a major factor in commercial enterprise. For example FRST business unit Technology New Zealand (TechNZ) administers three schemes aimed at increasing the ability of firms to undertake R&D. They include Technology for Business Growth, Industry Fellowships, and SmartStart. These initiatives aim to overcome identified barriers to innovation by fostering technological learning and promoting networked research capacity. They offer partial R&D funding, subsidies and grants towards products, processes or services that are export focused.

The interface between entrepreneurship and innovation as it applies to NZ was explored by Pirich, Knuckey & Campbell (2001). Their assessment of NZ's ability to promote a knowledge-intensive, value added economy revealed that NZ is still in catch up mode. Although the question remains, given location specific differences in resources and capabilities, who exactly is NZ trying

to catch up with? Davenport & Bibby (1999) equated small country size to the characteristics of an SME in terms of implementing a national innovation system. Davenport & Bibby proposed that the competitive advantages of a country were essentially social in nature rather than those based on physical or material endowments.

In addition, what distinguishes entrepreneurs from small business owners? Both are SMEs, both share similar structural characteristics, and resource constraints. However differences can be explained through such things as either their emphasis on local, national or global competitiveness; their vision and ability to be followers or leaders; and their view as to whether they are economic change agents or change victims. It could also be determined by evaluating if their product, service or processes are either imitation or innovation orientated.

Statistics NZ (2003) & Bartle (2002) found innovation to be greater in larger businesses, although most technology orientated firms tended to be SMEs. The highest proportion of innovation occurred in the manufacturing industry followed by finance and insurance. Businesses that had implemented innovations reported an increase in a range of goods and services along with increased profitability, and improved efficiency. However, overall contributions towards exports were not substantial.

Innovation is seen as a key factor in sustaining economic growth, and in developing a more flexible NZ economy capable of competing in a global market. A common theme associated with sustaining competitiveness is making the most of distinctive and valuable assets, which competitors find hard to imitate. In a modern (more sophisticated) economy distinctive assets increasingly favour knowledge, skills and creativity. Kiwis have one of the highest rates of business start-up activity but the rate of wealth creation through innovative enterprise remains small.

New Zealand Social-Cultural Norms

Entrepreneurs can be found everywhere; their objectives can be either economic, social, or both. What unites entrepreneurs is their capacity to establish enterprise (Frederick, 2004). Further, what business entrepreneurs are to the economy, social entrepreneurs are to social change. The categories of entrepreneurs continue to expand through research. The extent to which NZ social-cultural norms (values, attitudes and behaviour) influence individual entrepreneurs and individual perceptions of entrepreneurs also continues to evolve.

There are elements in the environment that actively stimulate or support entrepreneurial activity and elements that impede it. Since 2001 GEM NZ studies reveal various perspectives relating to national entrepreneurial activity and behaviour. Entrepreneurs are viewed as vibrant networkers, support self-reliance and belief in oneself and are willing to try out new ideas. On the other hand they are also perceived as dishonest opportunists, often fall victim to the tall poppy syndrome (punished for success and for failure) and are often unaware of their excellence to celebrate success. Overall Kiwi entrepreneurs are reported as having a concern for lifestyle.

The first global study of high-expectation entrepreneurship found that 9.8% of the world's venture creators (entrepreneurs) expected to employ at least 20 people within five years. A significant factor particularly when NZ was observed as having an adult population that exhibited such high-expectations (Autio, 2005).

In terms of cultivating the entrepreneurial spirit the role of education in schools and learning institutions tended to reinforce the dependency of the job seeker rather than to identify and develop future job creators. Current research supports the view that entrepreneurs face too many barriers. To extend a spirit of enterprise and that there needed to be improvements in:

- fiscal and cultural barriers to understanding which lead people to avoid or misjudge risk;
- access to the right finance for growth and R&D as well as the business and technical skills to manage it; and
- regulations which impose excessive or unnecessary burdens on business.

A profile of a Kiwi entrepreneur is full of complex interactions and relationships. The environment, the venture and the entrepreneur interact and respond differently to changes in internal and external market conditions (Morris & Kuratko, 2002). Kiwi ingenuity and resourcefulness continues to create business churn however the differing cultural perceptions associated with an individual's capacity to take (calculated) risk, act upon opportunity and finance and manage the process efficiently is regulated by mechanisms that are often viewed as being counter productive.

GEM's interest in Māori entrepreneurial activity and the contribution Māori make to NZ's economy also commenced in 2001. This research builds on previous and current research that continues to assist in further understanding Tangata Whenua (the people of the land). It commences with a discussion on Indigenous entrepreneurship as it provides a relevant starting point for understanding how social-cultural norms influence entrepreneurial thinking.

INDIGENOUS ENTREPRENEURSHIP

Government policies concerning indigenous peoples have historically been geared towards integration and assimilation. The limited success of these policies and programmes has prompted indigenous people worldwide to develop their own sustainable vision for the future. This is being achieved through the development of strategies and policies that encourage social-economic transformation consistent with Indigenous Peoples' cultural values.

Defining Indigenous Peoples

The characteristics, lifestyle, and experiences of Indigenous people's are difficult to capture. A working definition for Indigenous peoples has and continues to be explored (Asian Development Bank, 2005; Inter-American Bank, 2005; World Bank, 2005; Peredo, Anderson, Galbraith, Honig & Dana, 2004; Boven & Morohashi, 2002; GA UN, 1995; Daes, 1994). The approach taken for this research is to combine interpretations with the incorporation of new concepts as follows:

Indigenous peoples can be defined as descendents from populations inhabiting a region prior to later inhabitants. They have subsequently been geographically, politically, and/or economically dominated by later inhabitants or immigrants. They continue to maintain a presence of distinctive social-economic norms and institutions. They retain a close spiritual connection to ancestral territories and resources. They share a sustainable relationship with the natural environment

which remains a source of sustenance. They communicate in a different language to that of the dominant language, possess holistic location specific knowledge, and are self-identified and identified by others as a member of a distinct cultural group.

Due to the dynamic nature of culture, location specific variations continue to occur. This working interpretation provides a foundation on which to gain an understanding of Indigenous peoples for further research and to contribute towards the following discussion.

Indigenous Entrepreneurship

In addition to understanding the nature of Indigenous peoples is the effort to interpret Indigenous enterprise adapted to social-economic frameworks. Hindle & Lansdowne (2002) conducted a study involving 40 selected Indigenous and mainstream entrepreneurial experts to develop a global definition for Indigenous entrepreneurship as follow:

...the creation, management and development of new ventures by and for the benefit of Indigenous people. The organisations thus created can pertain to either the private, public or non-profit sectors. The desired and achieved benefits of venturing can range from the narrow view of economic profit for a single individual to the broad view of multiple, social and economic advantages for entire communities. Outcomes and entitlements derived from Indigenous entrepreneurship may extend to enterprise partners and stakeholders who may be non-Indigenous (cited in Hindle & Rushworth, 2002, p. 41-45).

Enquiry into Indigenous Entrepreneurship theory was undertaken by (Peredo et al., 2004). They comment that former self-reliant and socially cohesive indigenous communities to varying degrees have endured geographical and employment dislocation as a result of changing economic forces, technological advancement, social acculturation and colonial expansion. More importantly they note that the social cohesion that remains is now a pathway for establishing adapted communities and institutions on a foundation that is culturally grounded.

The extent to which Government intervention has taken responsibility for resources away from indigenous peoples and instituted one size fits all socio-economic policies has in part created a culture of dependency (Peredo et al., 2004; Hindle & Rushworth, 2002; Anderson, 2002; Pearson's, 1999). There is a widely held view that indigenous entrepreneurship helps generate confidence and creates a climate of self-reliance (Neblett & Green, 2005; Forster, 2000; Hailey, 1992). The divides between dependency and independence, (self-governance or being governed), continue to be a political legacy in NZ since the signing of the partnership agreement between Māori and the Crown through the Treaty of Waitangi in 1840.

ENTREPRENEURSHIP IN AOTEAROA

Māori share similar experiences to that of other indigenous cultures. Māori also share similar aspirations and priorities to that of most New Zealanders. The ability for Māori to participate in entrepreneurial activity that promotes Māori social-economic well-being without compromising cultural values, beliefs and practices has historically been a process of ongoing setbacks that requires constant negotiation for a better future. The confines of this article prevent a thorough

examination of the intricacies experienced by Māori or provide thorough and appropriate explanations of Māori concepts and values. Aspects that are covered serve to provide an insight for which further reading is encouraged.

Iwi Whānui – Māori Society

Culture can be seen as the social expression of attitudes, beliefs and practices. Characteristics of Māori Society are based on custom and practice that have for centuries been producing knowledge and strategies enabling Māori to survive in a balanced relationship with their natural and social environment (Neblett & Green, 2005; Solomon, 1998). Tangata Whenua describes the first inhabitants of Aotearoa (NZ). Traditional tribal identity such as Ngāti Kuri, Ngā Puhi, Ngāti Whātua, Ngāti Maru, Waikato, Ngāti Maniapoto, Ngāti Ranginui, Te Arawa, Ngāti Tūwharetoa, Tūhoe, Ngāti Porou, Ngāti Kahungunu, Ngāruahine, Ngāti Raukawa, Rangitāne, Ngāti Toa, Ngāi Tahu and Ngāti Māmoē to name a few, still exist within tribal areas although the term Māori is generically used. The following describes the physical and spiritual connections Māori share with the natural environment.

- iwi = tribe = bones
- hapu = sub tribe = to be pregnant
- whānau = family = to be born
- whenua = land = placenta of Papa-tū-ā-nuku (earth mother)

Traditionally the hapu was the most important economic unit, governing resources within natural geographical landmarks. Each hapu consists of individual and related family groupings. The communal nature of these structures still exist and can explain, in part, why Māori have been described to be collective in nature. However, affiliation to a particular grouping does not necessarily mean that Māori all share the same views or location specific histories or experiences (Mohi, 1999; Hohepa & Williams, 1996). Although some tribal origins can be traced back to the arrival of ancestral waka (canoes) there are significant differences and similarities that exist among Tangata Whenua.

Prior to the arrival of the first settlers Tangata Whenua actively engaged in systems of exchange at whānau, hapu and iwi levels. Such systems actively continued after the arrival of settlers. As time has progressed the conditions, terms and value attached to former non-monetary exchanges were transformed into monetary commodities and individual rather than collective ownership. Firth (1972) and Petrie (2002) provide further reading on early Māori economic life. Coercion for resources has progressively seen traditional resources transformed into commercial products and services.

Māori have always embraced the acquisition of knowledge as a means of maintaining their mana (self-respect and respect for others) and enhancing their quality of life. The preservation and dissemination of learning was well established in traditional Māori society. The Papakāinga (villages) and natural environment was the classroom. The learning of essential daily tasks was through observation and practical experience while tending gardens and hunting and gathering for kai (food). Certain knowledge was tapu (sacred); access to practice and for use was guarded. It

included such things as healing, whakapapa (intergenerational physical-spiritual knowledge and creations), astronomy, navigation, carving and warfare. Specialist knowledge was held by Tohunga. While respected Māori leaders and elders, such as Ariki, Rangitira and Kaumatua, were held accountable and responsible for the survival and welfare of iwi, hapu and whanau members. The arrival of Europeans brought new knowledge and tools as well as literacy. Māori quickly engaged with the new ideas and tools and incorporated them within their own knowledge systems.

Culture is represented in many forms and as society has changed in response to technological advancements so have aspects of Māori culture (Durie, 1998; Stewart-Harawira, 1995). There are certain values and customs that endure, however, these are also dynamic and receptive to change and are influenced by the conditions of the present (NZ Law Commission Report, 2001; Durie, 1994). This is not to ignore the centuries of generational spiritual, social and environmental relationships that continue to sustain and ground Māori world views.

The historical impact of colonisation and Government mechanisms has historically undermined traditional tribal knowledge and value systems that sustained community relationships as well as social and economic rights to manage and control tribal resources. Nowadays Māori are members of society with aspirations, needs and desires common to all New Zealanders, they are also unique people with aspirations, needs and desires distinct from non-Māori.

CULTURE AND COMMERCIAL ACTIVITY

Sustainable Development

Māori socio-economic development is a vision of increased opportunity for Māori. NZIER (New Zealand Institute of Economic Research, 2003) looked at the Māori economy which they broadly defined as encompassing all those that identify themselves as Māori who work in businesses and organisations, either as a collective or an individual. In essence it encompasses all commercial activities that focus on supporting the needs of Māori by embracing cultural distinction. Māori economic objectives also tend to be underpinned by social objectives. The return of tribal assets as a result of Treaty settlements also contribute to the resilience of this small economy within an economy. Balancing cultural norms and commercial interests is full of complexities.

The vision of the Hui Taumata 2005 (Māori Economic Forum) has been to focus on expanding Māori economic pathways by developing people, enterprise and assets (Hui Taumata, 2005). Messages from the 2005 Hui included investing in business enterprise and fostering business and entrepreneurial skills through education starting from a young age and with whānau. In addition to this was the exploration of Māori identity, both as a point of difference and a source of innovation and creativity.

Other Māori Institutions that advocate Māori social-economic transformation include tribal incorporations and trusts. These institutions are subject to Te Ture Whenua Act 1993. They are responsible for large areas of multi-owned Māori land and resources. Included in this are tribal and urban organisations which are more services orientated. A discussion on these organisations is beyond the scope of SME entrepreneurial activity however their contributions towards Māori

economic development are substantial as are their current and potential link to micro-enterprise initiatives within tribal and urban communities.

Exploitation and Innovation

Cultural knowledge and culture itself has the potential to produce new and exciting opportunities, however globalisation and free trade are not risk free. Māori taonga which is inclusive of tangible and intangible Māori creations, inventions, knowledge and natural resources are vulnerable to exploitation. Cultural commodification is the term used to describe how Māori culture is being exploited and appropriated for commercial gain without consent, consultation or due diligence in seeking authority, or any benefit being returned to Māori. In addition to this is the portrayal of Māori creations as a trend (Gilbert, 2004; Meade, 2004; Shand, 2002; Solomon, 2001a). Public evidence of inappropriate use and practice of Māori taonga casually adopted for commercial purposes is a subject that deserves attention.

Māori consider themselves to be Kaitiaki (guardians of the land) and for centuries have had their own systems of preserving, protecting and disseminating knowledge, skills and resources. Toi Iho and the Māori Trademarks advisory committee are initiatives that offer some protection. Nixon, Yeabsley & Spring (2003) examined the need for a Māori innovation strategy. They reported that a more efficient R&D strategy to take account of distinctive factors specific to Māori was warranted.

The emphasis placed on Māori to engage in commercial opportunity is not without considerable pressure to acknowledge the cultural aspects and responsibilities involved with being unique and to act ethically. At present current legal mechanisms such as those covered by the IPR regime do not adequately guarantee protection. Exclusive individual ownership rights also conflict with Māori collective ownership rights. Taonga and mātauranga (knowledge) such as the healing property of native plants fail to meet the copyright test of originality or they have outlived the term of copyright protection. Mātauranga also fails the patent requirement of novelty (newness). Although *individual* does include legal entities the Patent Act 1953 does not include Trusts (Meade, 2002; Frankel & McLay, 2002; and Solomon, 2000). Contrary to commercial persuasion the exploitation of traditional Māori resources and knowledge through commercial enterprise and scientific research should be treated with caution. The IPR regime falls short in protecting cultural values, traditional knowledge or protecting culture in perpetuity.

Māori Asset Base

Large scale land confiscations by the Crown in 1860 and ongoing discriminatory laws have resulted in the reduction and alienation of Māori from their economic resource base, in most cases the most fertile land was taken first. Prior to the 1700's tribal governance over land and resources was 100%, in 2002 Māori freehold land was estimated to be 1.5 million hectares, 5.7% of NZ's total land mass (TPK, 2002) and completely regulated by Government. Settlements to return tribal resources have and continue to take place, however historical and recent experiences with the Crown vested to the Government remains a source of contention.

The Māori asset base is concentrated in the primary sectors such as farming, forestry and fisheries (TPK, 2002). Cultural tourism is also strong and is making a significant contribution to

the economic value of culture (ITAG, 1999; Hall & McArthur, 1996). Culture and NZ's natural beauty are promoted to attract tourists and enhance their experience. It also brands NZ as a distinctive South Pacific nation.

At another level making effective use of tribal land is subject to commercial limitations. There are inherent difficulties in gaining majority ownership (shareholder, beneficiary) consent for commercial development as a result of multiple owner negotiation. In addition to this are the reported shortages of leadership to empower vision for such development to take place, as well as the skills and expertise that allow this process to happen.

Financial Support

A key element in economic development is the availability of capital for investment. Difficulty in accessing finance specific to Māori enterprise development has been reported as stemming from a lack of understanding about the process of securing finance; a failure to meet lending credit criteria; incomplete knowledge of financing options (both debt and equity); an inability to identify an agent or agency to seek advice and assistance; and a fear or suspicion about dealing with unfamiliar or insensitive institutions, individuals, or systems (TPK, 2002; NZIER, 2003). Reasons for failure to secure a loan included overcoming pre-conceived notions of an individual's business ability, experience or credibility.

Adding to this is the realisation that a number of Māori do not own their own homes and receive relatively lower sources of income to secure enough capital (Statistics NZ, 2001). A definite and obvious need for a Māori business finance provider (80%) was reported by Te Puni Kiri (2002). However, the comparative effectiveness and success rate of specific public or private Māori venture finance initiatives have yet to be fully explored.

Education and Training

Māori currently rank highly in the negative statistics of all social indicators from education to health. As noted by the Waitangi Tribunal (2005) it would not be difficult to argue that the seeds of Māori underachievement in the modern education system were sown by past education policies. Although reviewed frameworks and curriculum have changed to incorporate aspects of Māori culture a divide still exists on how best to design, provide and deliver education that specifically accommodates appropriate Māori learning philosophies in a modern global world. The approach taken continues to install imported knowledge appropriate to foreign settings rather than to start with internal cultural strengths from which understandings and perceptions of the global world commences. Education is also subjected to national majority rules and educational regulation.

From 1840 schooling doctrines sought to replace traditional Māori institutions and learning philosophies with Pākeha concepts, ideals, knowledge and values because they were viewed as more important and valid than that of Māori. The assimilative schooling agenda was controlled by Pākeha who dictated the amount and type of knowledge made available to Māori (Waitangi Tribunal, 2005; Parsonage, 1956; Strong, 1931). This agenda has impacted Māori in several ways. Traditional Māori knowledge and methods of teaching that knowledge have been reported as being:

...undermined and threatened; career options have been limited; resistance, negativity, and apathy towards school and education have developed; educational aspirations have been lowered; there has been an acceptance of manual labouring as a natural vocation...(Waitangi Tribunal, 2005, para 2.5).

Since the 1950s many policy changes have attempted to reverse the trend of underachievement of Māori in mainstream education and the low percentage of Māori pursuing tertiary education. Since the mid 1980s Māori participation in education at all levels and sectors has increased although it is still proportionately lower than that of Pākeha. In the industry training sector Curson (2005) reports that Māori are concentrated in forestry, social services, seafood, public services, dairy and infrastructure. Māori formed a significant portion of second chance learners with no or little school qualifications and were attracted to industry training because of its low entry level and flexible study options. Despite the vast literature on Māori in education, it remains questionable why conformity to mainstream ideology still remains an eminent aspect of Government controlled and subsidised approaches to education.

The development of modern Kohanga reo (Māori language nests), Kura Kaupapa (Māori Medium Schools) and Whare Wānanga (advanced houses of learning or tertiary providers) was to address the learning needs of Māori in all levels of education as well as to revitalise te reo Tupuna (language of Ancestors) and imparting Māori knowledge and learning philosophies (Waitangi Tribunal, 2005; Waitangi Tribunal, 1993; Smith, 1913). In combination they offer educational options not previously made available by Government and are making a positive contribution towards education and employment opportunities.

Māori Entrepreneurial Activity

Literature in the area of Māori entrepreneurial activity (MEA) continues to be limited. GEM 2001 proposed to gain a better understanding of the dynamics of Māori entrepreneurship. Since then research interaction continues to gather further insights that allow a greater appreciation of inherent differences that affect Māori entrepreneurial activity.

GEM 03/04 ranked Māori as world-class in terms of entrepreneurial innovation and reported that Māori can be just as entrepreneurial as Pākeha (Frederick, 2004; Frederick & Henry, 2004). Māori are proactively engaging in commercial activity and are already making significant contributions to NZ's economy while facing the same challenges as all NZ enterprises. Refer to Appendix C for an example of how Māori are participating in economic activity. Options such as BIZInfo as well as Poutama Trust also provide assistance for Māori SMEs.

Conversely, census data collated in 2001 revealed that 88.1% of Māori were paid employees (Statistics NZ, 2001). This signals that Māori entrepreneurial activity exists, but that there is a significant proportion of Māori who remain familiar to the security of working for others rather than working autonomously. The reported shortage of expert knowledge and skills appropriate to effective governance, to make sound strategic business decisions, and to establish competitive commercial enterprise is a consistent if not persistent message. The future of Māori entrepreneurial activity remains positive however there is still much to be done in terms of sustaining or surpassing this outcome.

METHOD

This qualitative study aimed to identify the main EFC factors that influence MEA. Twenty Māori key informants (KI's) were identified to explore the dynamics of Māori entrepreneurship in Aotearoa. Key informants were chosen because they had a direct involvement in delivering or assessing one or more of the national entrepreneurial framework conditions. Key informants included Government officials, investors, academics, professionals and entrepreneurs. A profile of Māori KI's is contained in Appendix D.

Face to face interviews allowed a collection of perspectives about aspects of entrepreneurial activity that KI's considered important in Aotearoa NZ. A research summary and topic guide of the nine EFCs was sent to KI's prior to being interviewed. The interviews aimed to collect information related to independent and/or corporate start-ups in Aotearoa NZ by asking the following questions:

1. What are the most significant factors that limit entrepreneurial activity?
2. What are the most significant factors that contribute to entrepreneurial activity?
3. What are three recommendations that can increase or improve entrepreneurial activity?

Key informants were asked to mention, in priority order, the three most significant EFC factors for each question. Refer to EFCs in Appendix B. Collection and coding of data was performed by entry onto a standardised Interview Summary Sheet (ISS). The content of each response was coded according to its corresponding EFC. Content analysis was performed using excel to capture key words, phrases and themes.

This research should be viewed as a supplement to the integrated research that continues to be conducted by GEM to gain both national and international country comparisons on entrepreneurial activity. The small scale responses provide an insight of current entrepreneurial thinking as it relates to Māori. As social-cultural factors dominated responses a larger sample size would require a more sophisticated qualitative analysis tool.

Research Findings

The following perspectives were obtained from key informant interviews in relation to the nine entrepreneurial framework conditions (EFC) that presently exist in Aotearoa. Figure 2 shows the combined ranking from a total of 180 responses.

Percentages were calculated on the 60 EFC coded responses for each question. Social-cultural norms, education & training, financial support and Government policies ranked the highest out of the nine EFC categories. There is a significant gap (13%) between social-cultural norms and education-training (18%). A further breakdown of responses is contained in Appendix D.

Appendix E provides an overview of the highest mentioned EFCs for each question. Education & training and financial support are considered the main source of weaknesses. Social-cultural norms form a significant aspect of MEA, but are mainly perceived as a source of strength. Recommendations to improve or increase MEA were spread across four EFCs with education-training and Government policies viewed as areas that need priority attention.

Figure 2: Māori Expert ranking of Entrepreneurial Framework Conditions

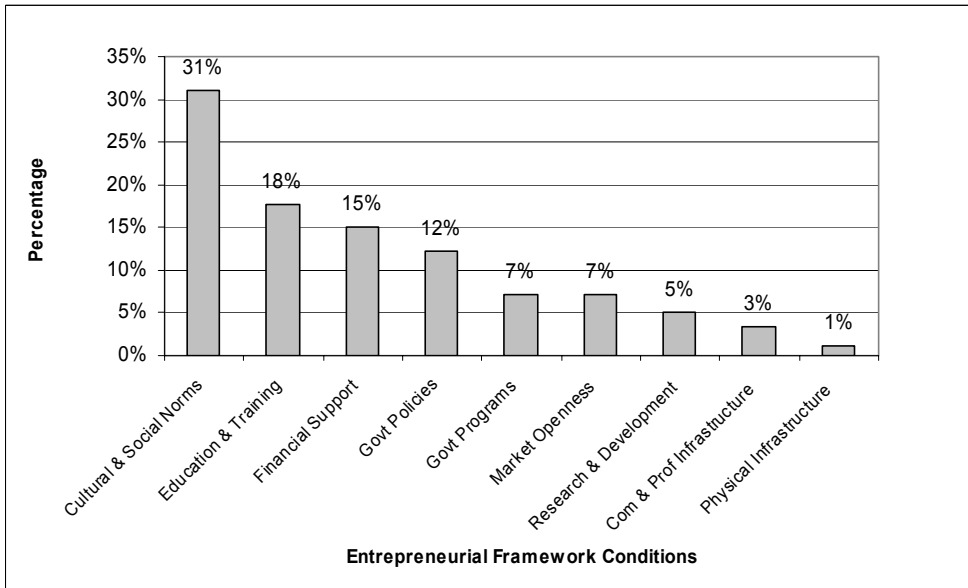


Table 1 summarises the four highest ranked EFCs and associated comments from KI’s. R&D has been included to account for innovation.

Table 1: Māori key informant EFC summary statement

EFC	Comment Summary
Social-Cultural Norms	Confident and positive <i>can do</i> attitude
Education & Training	Strong desire to develop entrepreneurial & business management skills through effective leadership
Financial Support	Limited access to capital funding and investment options
Government - General	Current policies and programmes have limited impact
Research & Development	Resourceful innovators, held back by access to funding

DISCUSSION

Context of Māori Entrepreneurial Activity

Entrepreneurial activity in Aotearoa relies on a variety of inter-related factors and conditions. There are factors that provide support for social-economic entrepreneurial activities to operate efficiently and those that complicate or obstruct its efficient operation. The following discussion elaborates on some of the key issues raised from the literature and key informant interviews.

Social-Cultural Norms and Entrepreneurial Activity

Kiwis are all subject to the same regulatory frameworks. This could explain why at first glance and in most cases there appear to be little difference between Māori and non-Māori in regard to

determinants of entrepreneurial activity. However closer inspection reveals that social-cultural norms and location specific experiences create a huge difference in perspectives and opinions.

For Māori social-cultural factors play a significant role in their contributions towards entrepreneurial activity. Attitudes, beliefs, values, culture and tradition can be seen to both limit and foster entrepreneurial behaviour. In the main, Māori, like all Kiwi entrepreneurs, exhibit a positive *can do* attitude. The tall poppy syndrome continued to affect self-confidence and confidence in others and included the recovery and learning associated with success and failure. The need for positive Māori role models and grass roots success stories formed an essential aspect of developing an entrepreneurial, spirit, environment and culture.

What may seem common in one domain, situation or location has the potential to become innovative, unique or valuable when manipulated to meet the needs and demands of another. There are cultural tradeoffs that need to be considered when creations based on whakapapa are marketed in the public domain. Cultural creations that add-value to products, services or processes whether at a local, national or global level will continue to be exploited for commercial gain, this is the nature of innovation. The view here is that Māori need to effectively take charge and/or advantage of this or others will continue to do this for them with or without consent.

Tourism serves Māori well. However, heritage orientated tourism sites, recreational enthusiasts and property developers, to name a few, place increasing pressure for use and development on tribal, hapu or whanau land. Commercial and urban development as well as the impact on the environment and fears over the desecration of wāhi tapu (sacred sites) situated on public or private lands are also factors to consider.

Prior research reinforces the view that the creation of an enterprise culture which fully respects cultural traditions has the ability to empower people as economic agents. In addition to this policies directed towards MEA have the potential to enhance self-confidence while reducing dependency. The most fundamental of all are Government interventions through ongoing legislation, such as that regarding the foreshore and seabed which further alienates Māori from their resource base. This continues to send contradictory messages to Māori about their status as a people in their own country and further diminishes Māori confidence in the Government. Research towards meaningful outcomes without reference to the lived experiences and intricacies of Māori as individuals and communities serves only to offer band aid (superficial) solutions that address the symptoms but not the cause.

Education and Training

Education and training was viewed as the second most important priority. Education designed specifically towards entrepreneurial development was viewed as lacking in all areas of the education system. Lack of business skills dominated the discussion in this area. Commentary placed emphasis on entrepreneurial skill development, starting at an early age. Apart from traditional business related courses such as accounting and economics, entrepreneurship or entrepreneurial skill development and new firm creation as well as how to manage high growth enterprise was viewed as not receiving adequate attention. In primary and secondary school it appeared limited, perhaps disguised as creativity. It also did not appear to be a pronounced aspect of specific tertiary or academic study.

There are now increasing amounts of Māori seeking business tertiary qualifications. However entrepreneurial skill development and training programmes were considered limited and also pose challenges for those self-employed that were fully committed to working in or on the business. The balance of options between practical or theoretical knowledge as well as a mainstream or wānanga approach to skill development and training that enhance Māori learning and culturally grounded philosophies requires further attention.

How the Government influenced shift to a knowledge society will impact on the primary sectors which employ a large proportion of Māori is largely unknown. Innovation in the processes and practices that add-value to products and services will serve to enhance the performance of enterprises in these sectors, *but* only if supported by effective and appropriate education or training programmes.

On-going learning, up-skilling and education still remain a challenge as individual choice or personal preferences as well as circumstances, priorities, commitment, time and past educational experiences influence educational participation decisions. The pursuit of social-economic freedom advocated by and through Government agencies, public and private education providers and local forums has never been questioned. However, the potential for culturally grounded philosophies that foster culturally relevant understandings, consistent with dual world perspectives, of which Māori report to both, continue to be undermined and misunderstood.

Financial Support

In terms of financial support a resounding lack of capital, a bias towards debt and a reluctance to relinquish equity formed part of the responses in this area, depending on the lifecycle stage of the business. Start-up venture capital was viewed as extremely difficult to obtain, followed by funding for growth or expansion opportunities. It was viewed as particularly hard to gain R&D funding to support innovation. The need for more mid-range funding from \$100,000 – 500,000 was also mentioned. Access to capital was viewed as being channelled more towards business start-up than towards business growth. In regard to available public or private funding, this was considered to be underutilised. Reasons for underutilisation appear to stem from either funder or investor regimented processes or potential enterprise seekers or developers lack of awareness in offerings or application experience. Regardless of the situation more private sector enterprise development agencies were called for.

The finance sector, as mentioned earlier, is one of the most innovative sectors. Subject to further exploration is the opportunity for established Māori institutions (trusts and incorporations) or a private tribal consortium to be formed that are better able to assess the needs, proposals and default risks of Māori. This could be done by refocusing finance criteria to include traditional norms such as fear of loss of mana, pono and tika. In the context of social relationships these concepts guide behaviour and are concerned with values such as respect and ethical conduct which also guide due diligence. Noted by NZIER (2003) are the merits of lending on secured future cash flows rather than collateral also warrants further exploration.

Government Policies and Programmes

Government policy overall was viewed as being restrictive, discouraging and ineffectual within certain industries. Overall there appears to be a general lack of understanding of what the Government is offering in terms of entrepreneurial assistance. The support that was provided in some cases failed to reach individual expectations. In reference to the regulatory framework there was a call for Government policy makers to explicitly include the implementation and impact of innovative initiatives. A one size fits all approach to Government initiatives instilled the view that projects or ideas should not be Government driven, because they were viewed by one KI as being the least innovative entity.

Increased investment in advisory services in the areas of mentoring, marketing and finance were seen as essential. This was due in part by the fact that simple advice from professional services was considered too expensive and created a culture of avoidance. This was particularly so for SMEs who did not have the resources to pay for critical professional assistance in order to sustain their businesses. Access to research information conducted with public resources was also viewed as being inaccessible. The lack of co-ordination between Government agencies also came under scrutiny. The view that Government assistance could not be obtained through contact with a single agency brought forward a suggestion that a one-stop shop, not in the nature of referral, could improve access and delivery of services offered. This should also include access and awareness to research information obtained with the use of public money.

Taxation compliance was viewed as time consuming, while taxes were viewed as excessive and wealth destroying. In addition to this there was a general lack of understanding of how the tax system operated. In combination these issues acted as a disincentive to enterprise start up and growth. Suggested solutions to create business incentives included Government support in reducing or exempting taxes at various stages in the lifecycle of the enterprise. Despite Government effort in this area a more simplistic administration and compliance approach was still called for.

Government bureaucracy, regulations and licensing requirements was experienced as being unduly difficult and posed dilemmas for a wide variety of reasons. In the main comments indicated that Māori entrepreneurs do not have equal access to mechanisms that promote or assist in acquiring new research and technology. Current policies promote easy business entry however sustaining the business is a completely different matter.

A consistent theme appears to be the lack of innovation within Government and the private sector as well as iwi and hapu organisations to provide adequate learning institutions and advisory and support mechanisms to effectively sustain and foster an entrepreneurial environment that meets the specific needs of current and potential Māori entrepreneurs.

The messages in this research are not new to Government, however by Government treating everyone the same they treat them differently. Integrated policies, efficient exchange of information and clarity of roles between Government agencies all affect the performance of individual entrepreneurs. Despite Government efforts the messages to respond to the specific needs of Māori remain largely conceptual as Government persistently continue to offer limited

solutions in this area. The findings of this research offer an insight into current entrepreneurial thinking towards the development of policies that encourage further Māori social-economic transformation and for individuals and communities to be agents of social-economic change rather than victims of it.

CONCLUDING REMARKS

The extent and scale of Māori entrepreneurial contributions to NZ's economic growth may appear surprising, but its potential is yet to be fully realised and cannot occur without the right mechanisms, expertise and leadership facilitators to implement more effective strategies consistent with individual and/or collective entrepreneurial vision. For an entrepreneurial spirit to foster responsibility still largely remains with resourceful individuals not afraid of being held back by perceptions, personal setbacks and other conditions that work against them. Indeed this appears to be the difference that sets them apart and makes them the entrepreneurial pioneers that they are.

With SMEs comprising 96.3% of NZ businesses the challenge for Government in terms of influencing MEA is to implement strategies that first address Māori social-cultural norms in the context of Aotearoa NZ rather than to remain purely focused on global economic objectives. In doing so this research proposes that Government may receive an unexpected surprise that the anticipated innovative and sustainable wealth creating enterprises they desire may of their own volition automatically follow.

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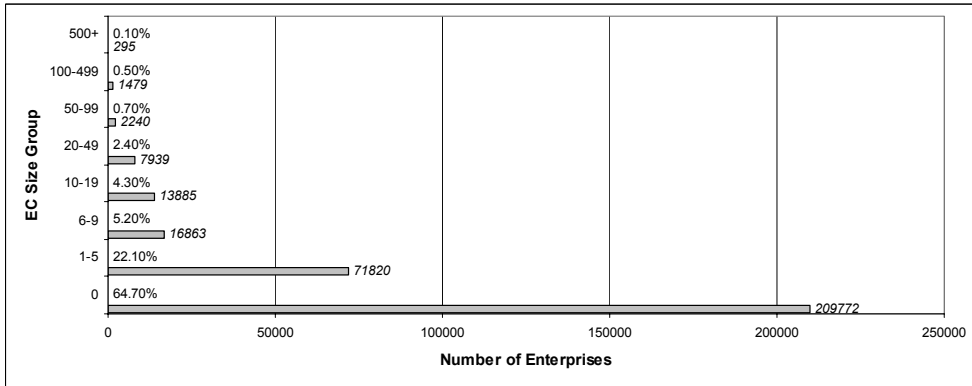
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APPENDIX A

Number of New Zealand enterprises by size



Source: (MED, 2005, p. 7)

Appendix A depicts the size of New Zealand enterprises by size as at February 2004. This is determined by the employment count (EC), which is a head count of salary and wage earners sourced from taxation data and the number of Enterprises (or operating businesses), which includes a company, partnership, trust, estate, incorporated society, producer board, local or central Government organization, voluntary organization or self-employed individual (MED, 2005).

APPENDIX B

GEM Entrepreneurial Framework Conditions

EFC#	Entrepreneurial Framework Condition Description
EFC1	Financial Support The extent to which financial support & resources are accessible for new and growing firms including grants and subsidies.
EFC2	Government Policies The extent to which regional and national Government policies and their application, concerning general & business taxes, Government regulations and administration, are size neutral and/or whether these policies discourage or encourage new and growing firms.
EFC3	Government Programmes The presence of direct programs to assist new and growing firms at all levels of Government, national, regional and local.
EFC4	Education and Training The extent to which training in starting or managing small, new or growing business features in the educational and training system at all levels.
EFC5	Research and Development Transfer The extent to which national research and development leads to new commercial opportunities, and whether or not R&D is available for new, small, and growing firms.
EFC6	Commercial and Professional Infrastructure The influence (including cost, quality and accessibility) of commercial, accounting, and other legal services and institutions that allow or promote new, small or growing businesses.
EFC7	Market Openness / Barriers to Entry The extent to which commercial trading arrangements are stable and difficult to change, preventing new and growing firms from competing with and replacing existing suppliers, subcontractors, and consultants.
EFC8	Access to Physical Infrastructure Accessibility and quality of physical resources including communication-telephone, post, internet; basic utilities; transportation-roads, air/ship transportation; land, office/parking space; cost of land, property, office space, rent; accessibility and quality of raw materials and natural resources such as wood, soil, climate that are advantages for potential entrepreneurial growth development.
EFC9	Social and Cultural Norms The extent to which existing social and cultural norms encourage, or discourage, individual actions that may lead to new ways of conducting business or economic activities and, in turn, lead to greater dispersion in wealth and income.

APPENDIX C

Māori participation in the New Zealand economy

Industry / Sector	Activity / Area / Community	Examples
Forestry / Fishing / Farming / Horticultural Agricultural	Utilisation of Māori Traditional Resources & Asset Base <i>Sustainable exchange of natural resources</i>	Spin-off potential for individual enterprise
Institutions	Tribal & urban organisations and non-Māori partnerships managing social and economic transformation	Wakatu Incorporated / PKW Ngai Tahu / Poutama Trust / SFRITO
Technology / Biology Life Sciences	Application of Traditional Māori Knowledge <i>Medicinal / Rongoa / ICT</i>	Tairawhiti Pharmaceuticals Power Beat International
Industry / Infrastructure Manufacturing / Trade	Using skilled labour efficiently	Mete Construction / Grace Painters Tribal Fibres
Creative	Application of traditional whakapapa matauranga <i>Literature / Art / Design / Crafts / Drama / Dance / Music</i>	Huia Ltd / Mana Magazine Tiki Designs / Toihoukura
Tourism	Celebrating culture and natural environmental appeal <i>Kapahaka / Eco-tourism / Recreation</i>	Kaikoura Whalewatch / Wakarewarewa Tamaki Tours / Best of Māori Tourism
Sports / Entertainment	Expressions of raw talent, determination and personality <i>Film & Television / Musicians / Athletes / Coaches</i>	Kiwa Films / SouthSeas / Herbs Farah Palmer / Michael Campbell
Services / Hospitality	Diverse range and application of skill in economic enterprise <i>Restaurants / Bars / Canteen / Business</i>	Kowhai Consulting / Kahui Tautoko Food Queens / Full of Beans
Education	Investing in people and strengthening cultural capacity <i>Wānanga / Kura Kaupapa / Kohanga Reo</i>	Te Wānanga o Raukawa Hoani Waititi / Cultureflow
Global Focus	Extending locations beyond Aotearoa <i>Headquarters based in Aotearoa</i>	Team Logistics Navman
Export	Engaging in export opportunity	Kia Kaha Clothing Tohu Wines
Networks	Working together <i>Clusters / Business / Industry / Sector</i>	NZ Māori Tourism Council Māori Business Network

APPENDIX D

Māori key informant profile

Variable	Attribute	Number of KI's Interviewed
EFC Category	EFC1	3
	EFC2	2
	EFC3	2
	EFC4	3
	EFC5	3
	EFC6	3
	EFC7	2
	EFC8	2
	EFC9	1
Key Informants	Experts	5
	Professionals	4
	Both	11
Gender*	Tane	13
	Wahine	7
Total key informants interviewed		20

* *Tane = Male / Wahine = Female*

APPENDIX E

Māori key informant interview summary

EFC factors that limit *MEA	%	Summary
Weaknesses		
Social and Cultural Norms	23%	<ul style="list-style-type: none"> • Lack of sufficient skills and appropriate training • Limited: assistance, access and options in areas of finance, market research and business advisory services • Fragmented approach to advisory services • Taxes act as disincentive • Unequal access to funding in all areas.
Financial Support	23%	
Education and Training	22%	
Government Policies	10%	
EFC factors that contribute to MEA		
Strengths		
Social and Cultural Norms	57%	<ul style="list-style-type: none"> • Confident resourceful entrepreneurial attitude • Open to global opportunity • Easy entry into business • Emergence of a diversified and educated workforce
Market Openness & Barriers to Entry	12%	
Financial Support / Govt Policies / Govt Programmes	*7%	
EFC factors to increase/improve MEA		
Recommendations		
Education & Training	15%	<p>Specific to Government - General</p> <ul style="list-style-type: none"> • Review tax as an incentive • Review educational and institutional funding strategies to allow entrepreneurial capacity to develop • Provide a 'one stop shop' for services <p>Specific to the Private Sector</p> <ul style="list-style-type: none"> • Redesign how entrepreneurial (as well as business) skills are developed, delivered and fostered to encapsulate the specific learning and development needs of Maori • Offer specialised financial packages <p>Specific to Māori- General</p> <ul style="list-style-type: none"> • Need more Māori initiated strategies • Establish collective strength through networking. • Invest in people • Consolidate Māori assets to be controlled and utilised by Māori with investment packages targeted at sustainable social-economic growth. • Be independent not reliant
Government Policies	12%	
Financial Support	8%	
Social and Cultural Norms	8%	

*MEA = Māori Entrepreneurial Activity / *All three EFCs received a 7% response rate.