

MAORI VALUES IN THE MAORI BUSINESS APPROACH

*An interim report investigating the incorporation of tikanga in Maori
businesses & organisations*



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Executive Summary

This report presents a subset of findings from the Waka Tohu research programme. The overall goal of this programme is to investigate ways for Maori businesses to foster their competitiveness enabling them to increase sales and profits in New Zealand's export and domestic markets. The Waka Tohu project has four main research objectives:

1. Conduct research into Maori business branding in global markets
2. Investigate any competitive advantage of being a Maori business
3. Understand the Maori products and services branding experience
4. Document how Maori companies integrate their cultural heritage into their business approach

The study comprised a literature review, interviews, and case studies, and investigates how traditional values/tikanga are incorporated into contemporary Maori organisation and processes, and how they integrate their unique cultural heritage and values into their business approach. It shows how they communicate and protect that cultural point of difference in global markets, and provides information on how Maori businesses can achieve a sustainable competitive advantage based on unique cultural dimensions of governance and performance.

"...Maori values are instrumental in defining a Maori organisation, maintaining cultural and ethical standards, giving direction, and provide a point of difference in the global market place"

Interim findings show distinct parallels between an emerging interest internationally in the role of values and ethics for defining company culture, developing long-term strategic plans, and achieving sustainable growth and development. Maori values form the basis of Maori culture and have a significant role to play in Maori business. Results indicate that Maori values are instrumental in defining a Maori organisation, maintaining cultural and ethical standards, giving direction, and provide a point of difference in the global market place.

Introduction

Very little research has been carried out in New Zealand to understand the role of traditional Maori values in the contemporary New Zealand business environment, and the increasing importance placed on defining and implementing values and ethics in the global business environment. To maintain cultural integrity and identify advantages for Maori business in the national and global marketplace, it is important to understand the role of Maori culture in a contemporary business environment.

Background

VALUES IN BUSINESS

An increasing number of organisations worldwide are recognising that the use of values in business is not trivial, irrelevant, or indulgent, but is an integral part of effective management, touching all aspects of a companies operations (1). The way a company expresses its values is becoming a powerful determinant for consumer preference. They are strong determinants of behaviour, and the achievement of sustainable development requires behaviour to be consistent with the overall concept. For Maori, as with other groups, many of these values are traditionally based and commonly derived from their own unique culture.

TRADITIONAL MAORI VALUES

Maori values are largely based on traditional concepts, beliefs and values. From whakapapa and through time Maori acquired knowledge, termed Maturanga Maori; and from knowledge came Maori values (2, 3). For Maori this knowledge is still being created and is not just a remnant of the past. Maori values form the basis for developing principles, protocols, ethical and cultural standards, and for guiding philosophies for sustainable economic development.

Principles and a guiding philosophy based on values can determine how a company wishes to operate, and organise internally, how it relates to others, how it wishes to be seen by others, and help establish a company culture. This is often a positioning and branding exercise, and can reflect intrinsic values of individual staff, the nature of the organisation, or designed purpose-built values for a given constituency or market. The challenge for Maori is how to balance aspirations for cultural enrichment, retaining strong elements of traditional culture such as values, language and knowledge, with those more modern elements of advancement, growth, commerce and economic development.

MAORI ECONOMIC DEVELOPMENT

The Maori economy is defined as assets owned and income earned by Maori – including collectively owned trusts and incorporations, Maori owned businesses, and service providers. Within the Maori economy Maori can express their collective interests and aspirations. It is the space where cultural and economic aspirations combine. It is important to increase Maori participation rates in the New Zealand economy across a range of sectors through initiatives that include partnerships and joint ventures. Areas with an enormous potential for future growth include converting assets and intellectual knowledge capital into innovative, enterprising, and commercial activities within a robust cultural or tikanga framework.

VALUE & BRANDING

Branding is used to differentiate an organisation, product, or service, and includes visual imagery, text, iconography, graphics, and other to create a point of difference, unique qualities, a statement of identity, respect, a standard, ethics, or values in the market place. There is a growing body of anecdotal evidence that overseas markets are responsive to cultural distinctiveness such as Maori branding. It is important to note a distinction in this research between branding an organisation with a distinct identity based on a certain set of values, and branding a product or service. Generally speaking, iconic brands have very high-brand equity, while a commodity or product has a low-brand equity. The brand often becomes a symbol of the organisation that creates the brand, and people often attach values to that brand that give it equity through monetaristic, cultural, and emotional value.

Purpose of the Study

THE RESEARCH QUESTION

The research question addressed in this study arises from Objective 3 of the FRST programme Waka Tohu, Maori values in the Maori business approach. The specific question addressed in this study was “how do Maori companies incorporate traditional values in their businesses and organisations?”

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OBJECTIVES

The purpose of this study was to investigate the use of traditional Maori values in the Maori business approach. The specific objectives were to investigate how Maori businesses:

1. Incorporate traditional values / tikanga into their business approach
2. Communicate and protect their cultural point of difference in the global markets
3. Achieve a sustainable competitive advantage based on unique cultural dimensions of governance and performance

Methods

APPROACH

A qualitative approach was used to facilitate data gathering in the business setting. This approach allowed the collection of data from a wide range of Maori businesses within the target sectors.

RECRUITMENT PROCEDURES

The companies selected for this study represent a range of business enterprises and demonstrated the following characteristics:

- Established track record in business
- Sustainable business practices
- Tikanga/Maori values
- Indigenous branding/marketing
- Company vision and set of goals

PARTICIPANTS

The study sample comprised a total of seven Maori businesses:

- Tohu Wines Ltd (Lower Hutt)
- Wakatu Incorporation (Nelson)
- Biofarm Products Ltd (Palmerston North)
- Ngai Tahu Seafood Ltd (Christchurch)
- Shotover Jet Ltd (Queenstown)
- Team Logistics Ltd (Christchurch)
- Whale Watch Kaikoura (Kaikoura)

DATA COLLECTION

Questionnaires were used to gather data from research participants. Interviews were conducted by five researchers using a standardised questionnaire with questions organised under the following topics:

- Background including what constitutes a Maori business and a description of the business model
- Recognising Maori values in business
- Strategic direction and sustainable development
- Authenticating values
- Processes and standards
- Barriers / advantages
- Intellectual property issues

DATA ANALYSIS

Responses from the case studies were analysed and evaluated according to the above topics.

Results

KEY THEMES AND TRENDS

Key themes and illustrative quotes are presented in the table below.

Maori business	"the business is regarded as being Maori even though not all members of the business are Maori. Their reverence for papatuanuku (land and soil) and their treatment of papatuanuku as taonga (treasure) underpins their business, and they believe this distinguishes it from a non-Maori business"
Business model	"We are profit driven, like any business. The bottom line is, if we are not making money why stay in business?"
Maori values in business	"...whakapapa, whanaungatanga, rangatiratanga, mana whenua, mana moana, kaitiakitanga, manaakitanga, awhinatanga, kotahitanga, mauri, wairua...these are traditional cultural principles based on our ancestry and form an important part of the way we operate"
Strategic direction	"There is strong vision for the company in the next 10 years and beyond to grow the economic base and achieve social and cultural goals"
Authenticating values	"We work towards a quality regime attached to anything Maori. A Maori business should have a robust set of cultural standards, possibly delivered through a company business plan"
Processes & standards	"We work within a tikanga framework, guided by cultural protocols, but on the cultural side while nothing is formalised or documented it is expected by the whanau, the shareholders"
Barriers / advantages	"We do not regard Maori values and principles in business as barriers or limitations...if anything they strengthen our business"
Intellectual property	"Registered names and brands are very important to us, especially with our move into international markets...the brand tells our story and reflects our cultural values"

Results, continued

SUMMARY OF FINDINGS

Key findings of the study include:

- All businesses interviewed referred to themselves as Maori and had a strong sense of cultural identity and pride
- Business models were described as Western or composite (a mix of Western and cultural practices)
- All businesses recognised the importance of Maori values, but incorporation of these was often not formalised
- All businesses expressed an interest in indigenous branding as a way to tell a story, create a distinct cultural identity, express culture, express company concepts and values, or illustrate company philosophy, but believed indigenous branding should be carefully controlled
- All businesses had developed clear strategic plans that included performance targets such as financial, economic, production, markets, and client-base. However they were not aware of the exact strategies or performance measures required to achieve sustainable development
- Although all businesses adhered to a number of processes and standards related to their industry, there were no standards in place for the incorporation of cultural values
- None of the businesses viewed the incorporation of cultural values into the business as a barrier, and most believed that such incorporation could help strengthen the business, improve standards and ethics and create an ongoing, guiding philosophy
- All businesses believed intellectual property is an important issue, with brands seen as valuable intellectual capital to be protected by trademarks, patents and copyrights
- Cultural intellectual property was dealt with more informally though the implementation of tikanga (customs and protocols)

Discussion

All the businesses interviewed identified themselves as being Maori. Criteria for defining a business as Maori included Maori shareholding, Maori ownership, partnerships or joint ventures with other Maori businesses, an organisational culture that reflects Maori values, having Maori staff especially in management, or utilising Maori values in business practices, marketing, or branding.

BUSINESS MODEL

The businesses surveyed utilised either a composite business model (mixed Western and cultural) or a mainly Western business model, but maintenance of economic viability was at the core of each. Most businesses felt they deviated from the purely Western-based model, particularly with regard to governance-shareholding, business origins (multiple-owned land, Treaty claims, iwi/hapu shareholders or beneficiaries), responsibility, organisational structure, product or service development, social and environmental responsibility, and marketing and branding.

MAORI VALUES

The businesses surveyed recognised cultural values as important, but these were not incorporated into the business in any formal, defined or strategic way. Business or company values often mirrored or reflected Maori values to some degree, and were translated or implemented through strategies, organisational philosophy, hierarchy, operations, systems, products, and marketing. Marketing a product or service based on quality, excellence and competitive pricing were seen as more important than just basing it on cultural qualities alone. Indigenous branding was regarded as an important concept which could add value to products, services, and business profiles. However businesses believed that indigenous branding needs to be carefully controlled to ensure cultural integrity.

STRATEGIC DIRECTION & SUSTAINABLE DEVELOPMENT

The businesses surveyed all had a strategic plan, with overseas customers and markets seen as vital for growth, development, and sustainability. Sustainability was viewed holistically with businesses recognising the need to consider financial, economic, environmental, social, and cultural factors. Sustainability strategies being implemented included distribution of wealth back to the community, investment into local and regional economies, financing of educational scholarships and community projects, provision of training, sustainable management of resources, and compliance with New Zealand and international standards and legislation.

AUTHENTICATING VALUES

Maori values such as tikanga, manaakitanga and kaitiakitanga were evident in the everyday operations of many of the businesses, and although the businesses surveyed provided examples of authenticating cultural values, very little was formalised or documented. Some of the businesses believed they had processes and systems in place to authenticate Maori values, but most businesses measured company performance using fiscal factors.

PROCESSES & STANDARDS

Although all businesses surveyed had to comply with a variety of New Zealand and international legislation and industry standards, the processes in place to measure, report and review cultural practices in business tended to be informal. These included business plan statements, protocols, checks, reviews, responses and reaction from shareholders and constituencies.

Discussion, continued

BARRIERS / ADVANTAGES

None of businesses surveyed saw any conflicts, problems, or limitations with balancing or integrating cultural values with Western business practices. Cultural factors were seen as potentially providing a competitive advantage if used in the right way, providing another dimension (rather than a limitation) to a business. Incorporation of cultural values were also seen as something that could provide a point of difference for products and services, something unique in the world.

INTELLECTUAL PROPERTY

Intellectual property issues were a major consideration for all the Maori businesses surveyed and included intellectual knowledge, research knowledge, cultural knowledge, brands, products, services, organisational operations and systems, consumer / client databases, export strategies, and company intelligence. Most businesses had comprehensive steps in place to deal with intellectual property and had mechanisms to protect brands including trademarks, patents, and copyrights. Mechanisms to protect cultural heritage and traditional knowledge were informal and usually reliant on tikanga (cultural processes, protocols, and customs) and cultural guidelines. Intellectual property was identified as an area in which many Maori businesses needed assistance, and is likely to become increasingly important in the future.

Conclusions and Recommendations

CONCLUSIONS

This study shows that many Maori businesses retain a strong sense of cultural identity and pride. Key conclusions include:

- Maori values, although not well defined, are central to most Maori businesses and organisations
- Maori values play a key role in helping to distinguish and develop governance, identity, culture, organisation, operations, responsibility, accountability, functioning, and marketing
- Maori branding can contribute positively to the development of a point of difference for export products in the global market
- Attaining excellence, quality, profitability, providing high quality products / services, and managing the environment in order to achieve a sustainable, competitive advantage are a central focus of contemporary Maori businesses

RECOMMENDATIONS

Key recommendations include:

- The knowledge gained from these "established companies" be used to help smaller business get started in enterprise, marketing, and exporting
- Further investigation into the management of intellectual property and mechanisms to protect cultural heritage and traditional knowledge

References

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3. Mead H. Tikanga Maori: Living by Maori values. Wellington: Huia Publishers and Te Whare Wananga o Awanuiarangi; 2004.