

## TE PĀREKEREKE O TE KĪ: PREPARING THE SEEDBED INNOVATION IN MĀORI ENTREPRENEURSHIP EDUCATION

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E kore au e ngaro, he kākano i ruia mai i Rangīātea.

I will never be lost, for I am a seed sown in Rangīātea.

### INTRODUCTION

He Kākano is an innovative, experiential entrepreneurship tertiary education programme. Initiated in 2013, He Kākano was initially a collaboration between the University of Otago, Otago Polytechnic and UpStart (now powerhouse Ventures), which aimed to foster a culture of Māori entrepreneurship among a number of Otago's tertiary student population. After two years as a pilot programme, He Kākano was offered as a Special Topic 300-level course in the Otago Business School's Department of Management for the first time in 2016, and again in 2017.

The aims of He Kākano were consistent with the strategic goals of various stakeholders, including the local council, the University of Otago, Otago Polytechnic, the Tertiary Education Commission, the Ministry of Education and Te Puni Kōkiri<sup>1</sup>.

This paper provides a definition of both entrepreneurship and indigenous entrepreneurship as a backdrop to the development of He Kākano. It goes on to outline the unique elements of He Kākano as an example of a collaboratively developed indigenous entrepreneurship programme. We also introduce the Te Whata Business Model Canvas, a unique framework developed by a member of the project team in response to an identified need following the first offering of He Kākano in 2013. Finally, it will present a case study of how Te Whata can be applied in practice with a local community.

### BACKGROUND

#### Indigenous entrepreneurship vis-à-vis entrepreneurship

It is helpful to broadly define entrepreneurship, and within this, the variation of indigenous entrepreneurship. Tap-sell & Woods<sup>2</sup> and Keelan & Woods<sup>3</sup> all cite Kirzner<sup>4</sup> who defines the entrepreneur as "a decision-maker whose entire role arises out of his alertness to hitherto unnoticed opportunities". Woods<sup>5</sup> draws further on this theme by defining an entrepreneur as an individual alert to opportunity for gain, actively working to then 'make things happen'. It appears that the alignment of both 'alertness' and 'opportunity' is a prerequisite for entrepreneurial endeavour:

It is important to note that many different types of entrepreneurs exist. Economic entrepreneurs are alert to building opportunities for profit, sourcing the most appropriate resources to exploit these opportunities<sup>6</sup>, whereas social entrepreneurs tend to be largely motivated to address a social need, rather than a solely financial need. According to Roberts and Woods<sup>7</sup> “Social entrepreneurship is the construction, evaluation and pursuit of opportunities for transformative social change carried by visionary, passionately dedicated individuals”. There are also necessity entrepreneurs, opportunity entrepreneurs and entrepreneurs driven by cultural values<sup>8</sup>. Indigenous entrepreneurship is another type of entrepreneurship, one that has chiefly arisen from a need to improve the circumstances of a collective group.

As might be expected, innovation and entrepreneurship are not new concepts to indigenous peoples. For millennia, they have adapted to changing environments and opportunities, whether through the effects of migration, climate and colonisation or access to land, sea and natural resources. Dana<sup>9</sup> believes that opportunity exploration is culturally determined, claiming that, “the perception of opportunity is culturally influenced, as is the measure of success”.

Hindle & Lansdowne<sup>10</sup> define indigenous entrepreneurship as, “The creation, management and development of new ventures by indigenous people for the benefit of indigenous people”. But what, in fact, is ‘indigenous’? Some authors claim that it is an “accepted self-identification”, acknowledged also by the indigenous community in which the person claims membership<sup>11</sup> or kinship. Foley<sup>12</sup> expands on this initial definition of “accepted self-identification” as indigenous to include an original connection to the land. A number of other authors also proffer similar descriptions to define indigenous<sup>13</sup>. The United Nations offers a perspective that indigenous peoples are:

“Spread across the world from the Arctic to the South Pacific, they are the descendants... of those who inhabited a country or a geographical region at the time when people of different cultures or ethnic origins arrived. The new arrivals later becoming dominant through conquest, occupation, settlement or other means”<sup>14</sup>.

In the ‘International Handbook of Research on Indigenous Entrepreneurship’, Dana & Anderson<sup>15</sup> bring together a wealth and breadth of studies that focus on indigenous entrepreneurship from around the world. These studies highlight the diverse range of approaches taken by indigenous peoples to entrepreneurship and capture the dynamics that influence entrepreneurial activities. For example, the local environment, culture, government policies and strengths and interests of the indigenous peoples involved. Highly evident is the fact that there is a rich heterogeneity among indigenous peoples<sup>16</sup>, and as such, there is no one indigenous approach to business. What is consistent, however, among the diverse range of indigenous peoples across the world is the relative economic deprivation that characterises the majority of indigenous populations<sup>17</sup>.

Peredo et. al. and others<sup>18</sup> argue that it is this broader agenda – to rebuild Indigenous communities (and nations) and reassert control over their traditional territories and resources – that largely differentiates Indigenous entrepreneurship from entrepreneurship per se. The United Nations Declaration on the Rights of Indigenous Peoples<sup>19</sup> aptly articulates a sense of this larger agenda:

“Indigenous peoples have the right to maintain and develop their political, economic and social systems or institutions, to be secure in the enjoyment of their own means of subsistence and development, and to engage freely in all their traditional and other economic activities”<sup>20</sup>

## Māori Entrepreneurship

Iwi Māori are the indigenous peoples of Aotearoa/New Zealand<sup>21</sup>, having arrived to these islands as part of the migration and settlement of Polynesian peoples throughout the Pacific in the last 5000 years<sup>22</sup>. Iwi Māori have been extremely adept at adjusting to changing environments, and in fact have a rich history in organising and re-organising themselves – and their resources – as the need arose. Keelan & Woods<sup>23</sup> support this by recognising that tribal and sub-tribal societies have a long history of shaping resources in order to adjust to a continually changing environment, whilst remaining observant to future opportunities. Quite simply, this ability to adapt and evolve as required has been – and remains – a matter of survival for indigenous peoples.

Within the Aotearoa/New Zealand context, Henry<sup>24</sup> defines the self-determination of our indigenous peoples to adhere to this larger agenda – to rebuild communities and reassert control over traditional territories and resources – succinctly, “Kaupapa Māori entrepreneurship can be described as ‘social entrepreneurship’, in that it is entrepreneurial activity, but it is underpinned by social objectives to improve the wealth and well-being for the community, rather than just the individual”. Henry does allude, however, to the environment in which entrepreneurs operate; one of risk which requires flexibility to capitalise on opportunities and develop new innovations without being limited by community decision-making processes and shared ownership of resources.

“Thus the challenge for the Kaupapa Māori entrepreneur is to balance their individual desires to be entrepreneurial (which favours the notion that entrepreneurs are born, not made) with their sociocultural desires to contribute to the enhancement of their people”<sup>25</sup>

In Iwi Māori businesses, intergenerational responsibilities and long-term prospects are vital in decision-making processes. The ‘shareholders’ of the business are also the owners of assets that have been inherited from their ancestors. As Light<sup>26</sup> asserts, “Māori business is a unique form of commerce within cultural and historical context”. She goes on to provide a local example, referencing the way in which Wakatū Incorporation<sup>27</sup> operates in the Nelson region. Light’s observation is that, “The board and management are custodians for the long-term, as well as operators, and, because of this, are more risk averse than many companies”<sup>28</sup>

Likewise for Ngāi Tahu, the tribe that occupies a good portion of Te Waipounamu, the South Island. Its tribal website<sup>29</sup> refers to Ngāi Tahu as a resilient, entrepreneurial people who navigated long distances on voyaging waka (canoes) across the South Pacific to Aotearoa/New Zealand and Te Waipounamu. As kaitiaki (custodians) for upcoming generations, the tribe is steadfast in its commitment to grow and use its resources – acquired after seven generations of protest and reclamation – wisely for its future generations. The whakatauki (proverb) that guides Ngāi Tahu intergenerational focus captures this commitment succinctly: Mō tātou, ā, mō kā uri a muri ake nei (for us and for the generations that follow).

Henry (op cit.) alludes to Fredrick and Henry's (2004) proposition that there are two types of entrepreneurs in NZ: 1) 'rugged individualists' who pursue the Pākehā style entrepreneurial firm; and 2) 'harmonious collectivists' who base their entrepreneurial aspirations upon the community expectations of the group. The broader agenda of indigenous entrepreneurship appears to be alive and well in Aotearoa/New Zealand, as Henry observes:

“What is fascinating about the Kaupapa Māori entrepreneur; though most may not even see themselves in those terms, is that they share a passion for making a difference for Māori people... They are creating and working in businesses, profit and non-profit, that strengthen their whānau, hapū and iwi, and creating robust and strategic organisations that can make and are making a profound contribution to Māori development”<sup>30</sup>

### **HE KĀKANO: Innovation in Māori entrepreneurship education**

Within this local context, He Kākano – an experiential Māori entrepreneurship programme tailored specifically for the tertiary environment – was developed as a unique collaboration between the University of Otago, Otago Polytechnic and UpStart. The intention was to foster a culture of Māori entrepreneurship among a selected number of Otago's tertiary Māori students. In 2014, the composition was adapted to include powerHouse Ventures (previously UpStart) and additional staff from the Otago Polytechnic. The method employed by the project team to co-design He Kākano was a different approach to programme development within the local tertiary context; it was also possibly one of the unique features of the programme.

By way of further background, the University of Otago Research and Enterprise Office approached the institution's Office of Māori Development (OMD) in April 2013 to determine interest in adapting the 'Student Enterprise Experience in Dunedin' (SEED) pilot that was offered in February that same year. SEED's original objective had been to combine science expertise from the University, engineering skills from the Polytechnic and business development skills from UpStart. It aimed to create real opportunities for students to found businesses in Dunedin, and promote the town-gown interaction.

The OMD approached the Otago Business School (OBS) to gauge its interest in developing a similar programme, but from a kaupapa Māori perspective; He Kākano was 'birthed' in June 2013. A project team consisting of representatives from the collaborating partners was appointed to devise the programme specifically with Māori tertiary students in mind, requiring participants to consider community development needs as part of their concept development, whilst also balancing the need to validate the community's economic and social aspirations.

As a pilot, He Kākano was informed by and consistent with the strategic goals of various stakeholders including: the Dunedin Economic Development Strategy<sup>31</sup>, the University of Otago and Otago Polytechnic's respective strategic directions documents and Māori strategic frameworks. He Kākano also aligned with the Government's Tertiary Education Strategy 2014-2019<sup>32</sup>, as well as the latest Māori Education Strategy, Ka Hikitia<sup>33</sup> – Accelerating Success 2013-2017. He Kākano directly contributed to He Kai Kei Aku Ringa, the Crown-Māori Economic Development Strategy and Action Plan, in particular Goals One (Greater Educational Participation and Performance), Two (Skilled and Successful Workforce) and Three (Government, in partnership with Māori, enables growth).

There were a number of features that differentiated He Kākano in a tertiary entrepreneurship educational

context. As a four week, full-time programme, traditional and entrepreneurial practices were incorporated daily into all aspects of the programme. It started with a two-day noho marae (residential stay) at Huirapa Marae in Karitāne just north of Dunedin and included input from members of the local rūnaka (regional sub-tribe). Each day would begin and end with a karakia (prayer), guests were greeted and thanked according to local kawa (protocols) and food was blessed before eating. Connections were made with Māori experts and Māori organisations, including early consultation with Te Rūnanga o Ngāi Tahu, on the parameters of the programme and synergies were made with the Ngāi Tahu Tribal Economies framework.

He Kākano was a highly experiential programme, with 80% of the time spent outside the classroom. Students self-selected into teams, with intensive support provided to each one, including a dedicated mentor and an assigned member of the project team available for advice and guidance throughout the duration of the programme. Each student had access to a Dropbox library containing, for example: academic papers on Māori entrepreneurship; national journal articles highlighting Māori businesses and entrepreneurs; reports on Māori economic indicators; Māori assets, government strategies, partnerships and policies; profiles and case studies of Māori enterprises (collectives, trusts, small to large corporations); and speeches by prominent Māori leaders on entrepreneurship.

### **TE WHATA: A unique Māori business model canvas**

Throughout its various iterations, He Kākano benefited from a unique, Indigenised business model canvas, which was adapted from Osterwalder and Pigneur's<sup>34</sup> work. Corey Bragg developed the Te Whata Business Model Canvas (Te Whata) in response to the lack of indigenous business models from which to develop design thinking.

Te Whata is an iterative tool that enables users to continuously sculpt and shape their business models as they go. It incorporates nine key building blocks seen in Osterwalder and Pigneur's<sup>35</sup> Business Model Canvas (value proposition, key customer segments, key partners, channels, key activities, key resources, customer relationships, as well as cost structures and revenue streams), but bares distinction from this mainstream model by incorporating a 10th building block, or 'storehouse'. This 'storehouse' integrates and embeds Māori cultural values and intergenerational aspirations into the canvas, ensuring that they are at the centre of venture creation<sup>36</sup>.

As such, Te Whata has direct application within indigenous entrepreneurship education and has been used in settings such as the OBS's 300-level Management paper, 'He Kākano: Indigenous Innovation and Entrepreneurship', as well as various Māori businesses and organisations locally, papatipu rūnaka, and community-based enterprises.

### **A CASE STUDY: Te whata in action at Kāti Huriapa Rūnaka ki Puketeraki**

In 2016, Māori staff from the OBS applied for and were awarded a Ngā Pae o Te Māramatanga (NPM) Summer Studentship (NPM is New Zealand's Centre of Māori Research Excellence). The title of the proposed project was, 'Whai Rawa: Mobilising the Economic Development Aspirations of Kāti Huirapa Rūnaka ki Puketeraki'. Kāti Huirapa Rūnaka ki Puketeraki (KHRP) is one of 18 papatipu rūnaka, or regional sub-tribal groups, of Ngāi Tahu located in Karitāne, just north of Dunedin City.

This Summer Studentship project built on a piece of research the same team had conducted with the KHRP in 2015, which provided an in-depth asset analysis and series of recommendations for further exploration by the

Rūnaka Economic Development Committee, Komiti Rapu Ara Hou (KRAH). Corey Bragg, a former colleague from the OBS worked with a Māori postgraduate student, Roma Simmons-Donaldson, on this project, the aim of which was to collaborate with the Rūnaka on a formal strategic planning and business modelling process.

The proposal was to conduct a series of tailored entrepreneurship education workshops in order to stimulate and enhance the economic development aspirations of KHRP. Furthermore, it intended to assess the effectiveness of the Te Whata as a framework for entrepreneurship education, but especially tailored for indigenous communities. The overall purpose of this Summer Studentship project was to support and facilitate the decision making process in choosing the best way in which to develop the key assets of the Rūnaka.

Two workshops were undertaken at the Rūnaka Office in Karitāne, each four hours in duration. The first focused on brainstorming ideas, facilitating decision-making discussions, and finally introducing Te Whata. The second workshop focused on working more strategically on the Te Whata, as well as identifying key areas for future focus.

Research into different methods of delivering entrepreneurship education to indigenous communities highlighted the need to ensure that the values and worldviews of the indigenous groups involved underpinned any work taken with them. With this understanding, the project team safeguarded the values outlined in the KRAH's Strategic Plan (2013-2018)<sup>37</sup>, ensuring they informed the way the project was managed, the workshops were facilitated and their inclusion at the heart of Te Whata.

The overall outcomes of this project were positive. Working through brainstorming, discussion and decision-making processes, as well as engaging in iterative business modelling and strategic planning practices that embedded the cultural values and intergenerational aspiration of KHRP meant that the Rūnaka now has a clear model of a business concept.

In summary, those involved in this project firmly believe that the value of facilitating bespoke entrepreneurship education workshops with and for indigenous communities in order to stimulate and support their economic development was affirmed. The effectiveness of Te Whata as a framework and tool to facilitate business modelling and strategic planning uniquely aligned to indigenous values and indigenous communities was also made explicit. Finally, a significant and useful business model focused on a tourism venture that utilised the Rūnaka's natural environment was advanced. This included the identification and future prioritisation of key tasks in order to further their business concept, providing an opportunity for the Rūnaka to achieve sustainable economic development for their people.

## CONCLUSION

He Kākano and the tool developed to support its delivery, the Te Whata Business Model Canvas, are exemplars of innovation in indigenous entrepreneurship education. Both have been developed in a collaborative, cooperative way involving educators and individuals who are members of their own indigenous communities and who have the development aspirations of these communities firmly in mind. In its design, He Kākano sought to provide an avenue for Māori learners in tertiary environments to explore the concept of indigenous entrepreneurship. They were required to consider the developmental needs of an indigenous community as part of their concept devel-

opment, whilst balancing the need to validate that community's economic and social aspirations. This is in and of itself a challenge; from an Indigenous perspective, how does one balance individual entrepreneurial concepts with the social, economic, environmental, political and cultural ideals that will potentially contribute to the enhancement of an indigenous community?

As Henry<sup>38</sup> alludes to, the intriguing thing about the 'Kaupapa Māori entrepreneur' is that they share a passion for making a difference for their people; the enterprise or business concept is not just about the bottom line, but rather, about the difference it can make for a collective group or community. In the case study presented here, Te Whata was used as a framework to collaboratively embark on a formal strategic planning and business modelling process KHRP in order to develop a business concept. The purpose was not solely to make money for the Rūnaka, but to stimulate and enhance the economic development aspirations outlined in its Economic Development Plan for the collective benefit of its members. It was clear through the Summer Studentship project undertaken with KHRP that this objective was clearly achieved, and further, that a business concept – and plan to advance this concept – was established.

In summary, the value of a tertiary education programme focused on indigenous entrepreneurship, a framework by which to undertake business modelling in a uniquely indigenous way, and the application of both in the context of a local indigenous community is obvious. Whilst undertaken in a southern Aotearoa/New Zealand setting with the local Ngāi Tahu sub-tribe of Kāti Huirapa, these tools and approaches have the potential to contribute to the multiple bottom-lines and rebuilding of other indigenous communities and nations around the globe.

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**Roma Simmons-Donaldson** (Ngāti Porou, Taranaki, Ngāti Tuwharetoa, Tainui) is an honours student with Te Tumu, the University of Otago's School of Māori, Pacific and Indigenous Studies. In 2016, Roma was a recipient of a Ngā Pae o Te Māramatanga Student Summer Internship, undertaking research in the Whai Rawa theme. This collaborative research project was titled, Mobilising the economic development aspirations of Kāti Huirapa Rūnaka ki Puketeraki.

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