

Australian Indigenous Entrepreneurial Leadership

ARC Linkage study investigating the impact of human and social capital of Indigenous business leaders on business routines and outcomes.

The research will explore the leadership challenges faced by Indigenous business leaders, including how do they attempt to overcome these challenges?

The research aims to contribute to understanding the leadership experiences and perspectives of Indigenous entrepreneurial leaders and better explain the challenges faced and the contexts Indigenous leaders work with.

This study will provide evidence based research and policy advice on effective business education interventions for Australian Indigenous enterprises and individuals.

It will also explore the unique challenges Indigenous leaders face in owning or operating commercial enterprises.

LONGTITUDUNAL RESEARCH

- 3 year period
- Multiple survey and interview options
- This research will investigate the impact of
- Indigenous business leaders' human and
- social capital on their business routines.

ENTREPRENEUR LEVEL INTERVENTION

Human Capital Development through program content and individual interviews seeking to explore the leadership experiences and perspectives of Australian Indigenous entrepreneurs

Social Capital Development through cohort teaching, mentorship program and professional network growth

ENTERPRISE LEVEL INTERVENTION

Human Capital Development through survey work assessing capacities of
Australian Indigenous entrepreneurs

Social Capital Development through survey work assessing social networks

INTERVIEW CONSTRUCTS

Networks and opportunities

Business development

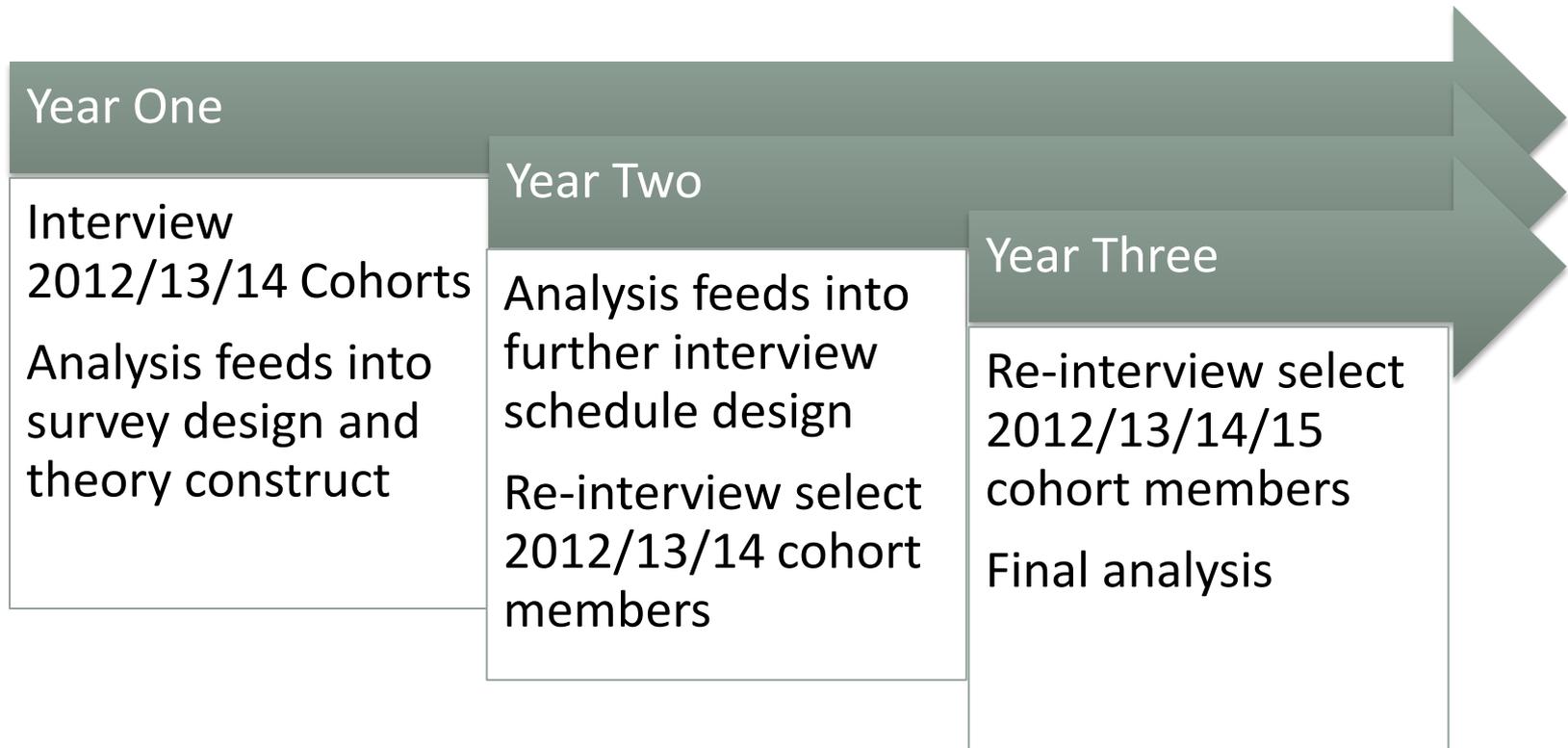
Entrepreneurship

Leadership

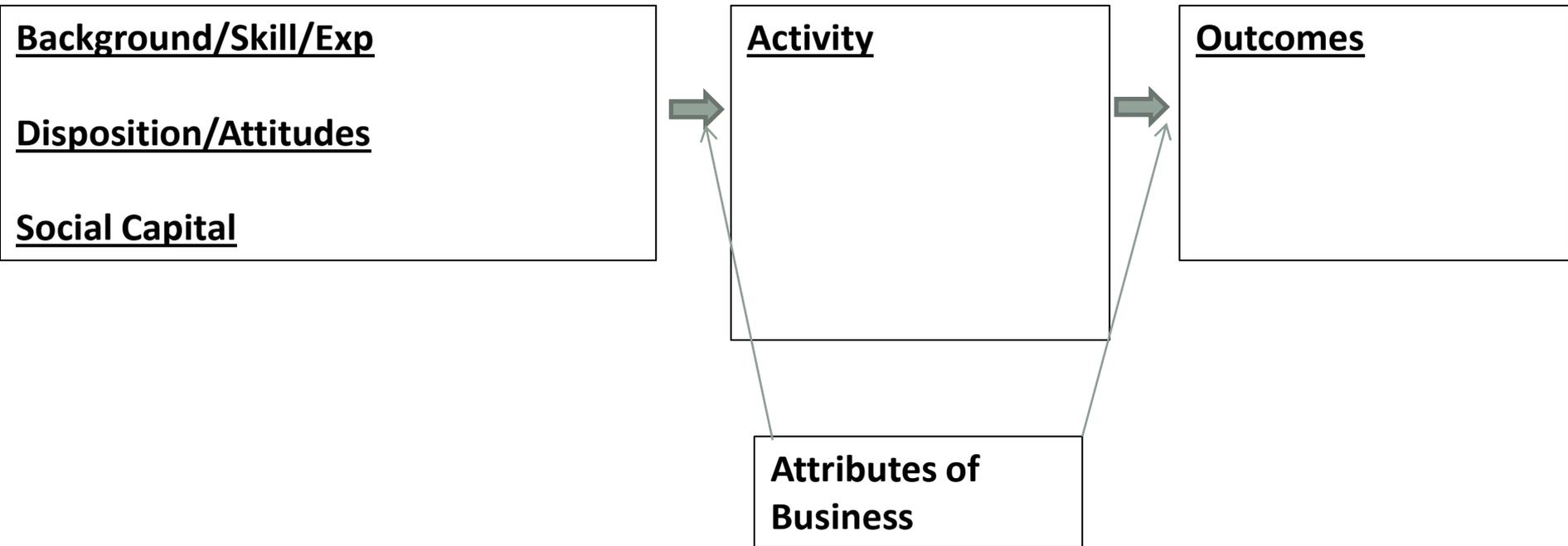
Cultural values and practices

Aboriginal and/or Torres Strait Islander identity

QUALITATIVE METHOD DESIGN



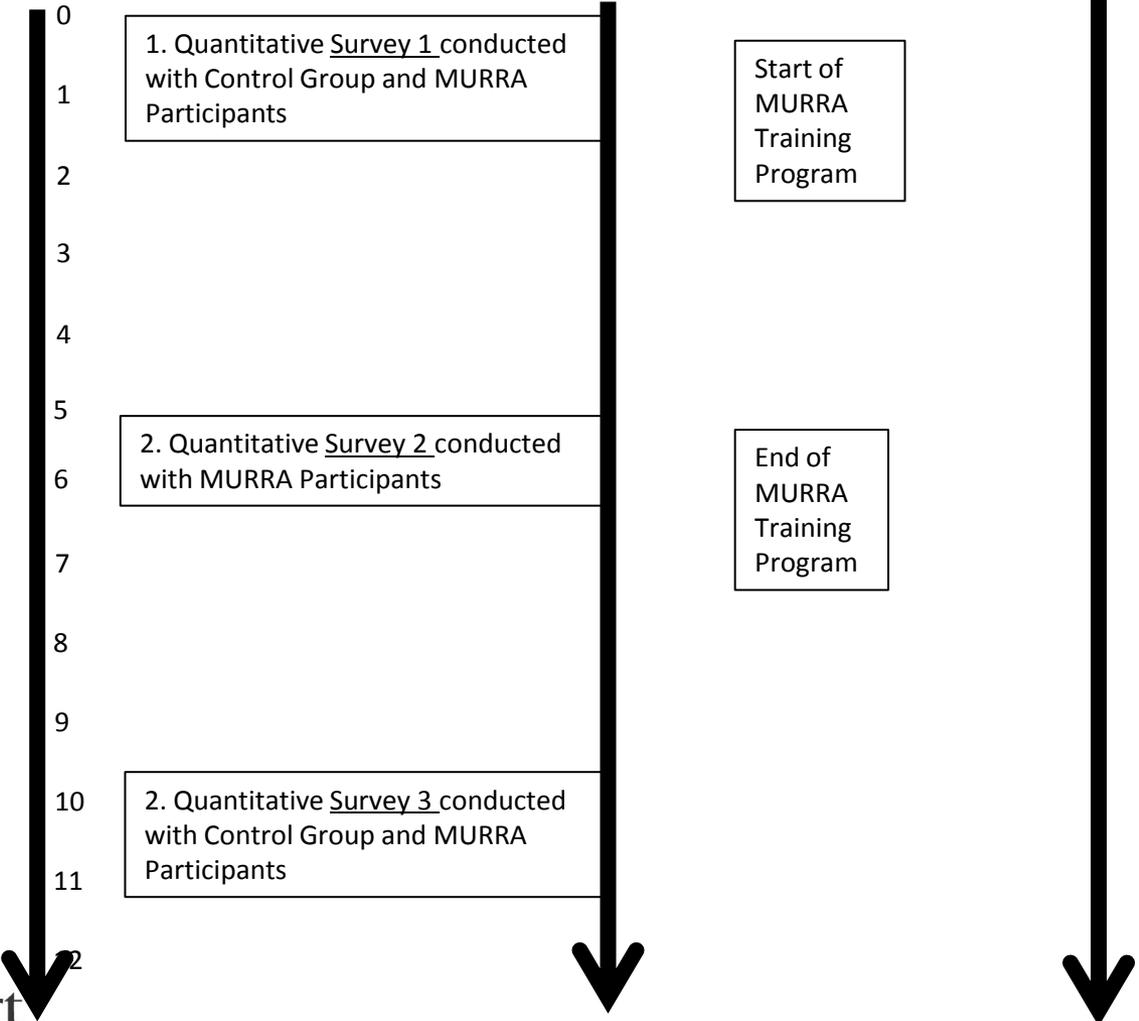
SURVEY CONSTRUCTS



QUANTITATIVE METHOD DESIGN

Year One Year Two Year Three

Month



Starting Point

- Despite the general evidence of the importance of new and small enterprises to economic development, there are still many unanswered questions about the development of commercial enterprises in the Australian Indigenous community.
- To date, a relatively small body of research has explored the area of Australian Indigenous commercial enterprises, Australian Indigenous enterprise development, and how they intersect with leadership (Pearson & Chatterjee 2011; Foley 2008, 2005, 1999; Fuller, Dansie, Jones and Holmes 1999; Schaper 1999; Martin and Liddle 1997; Daly 1995).
- This research suggests that the skills, relationships, motivations and capabilities of Indigenous leaders play an important role in shaping enterprise outcomes.

Starting Point

- Thus, a key conclusion of prior research is the need for interventions to enhance the level of business acumen among a larger number of Indigenous entrepreneurs and organisational leaders.
- The increase in the types of Indigenous enterprises suggests that the types of skills Indigenous leaders must possess to successfully manage a more diverse set of clients, business models and competitive dynamics must also evolve.
- However, to date, there is a lack of empirical research examining how the business acumen demands placed upon Indigenous leaders vary across firms in different industries.

Research questions

- This research is interested in the business and growth strategies of Australian Indigenous firms and how this intersects with leadership of the firms.
- Given this central interest, we seek to firstly understand:
 - How do Australian Indigenous entrepreneurs choose to shape their firms?
 - What the key assets mobilised in the strategy choice of the firm?
 - How is leadership conceptualised by Australian Indigenous entrepreneurs?
 - What are the leadership challenges/tensions faced by Australian Indigenous entrepreneurs?

Indigenous entrepreneurship

- Research on Indigenous entrepreneurship has been developing over the past three decades as scholars investigate the comparative differences associated with Indigenous entrepreneurs and their enterprises (Foley, 2003; Nnadozie, 2002; Jenkins, 1992; Humphreys and McClung, 1982; Anderson 2002; Dana, 1995, 2007; Fredrick, 2008; Christie, 1996 Hindle and Lansdown, 2005).
- Much of the research has conceptually mapped this sub field (for example Dana and Dana 2005; Hindle and Lansdown, 2005) highlighting characteristics, limitations and success stories of Indigenous entrepreneurs.
- Further, literature focuses on the collective focus of the project of Indigenous entrepreneurship being the creation of independent economic futures (Foley, 2003; Hindle and Moroz, 2010).

Indigenous entrepreneurship

- Over the past ten years the field has been developed further by a range of empirical studies which have brought primary and secondary qualitative data forward in the research of Indigenous entrepreneurship (for example Whiteman, 2000; Dana, 1995; Anderson, Dana and Dana, 2006; Foley 2006).
- The empirical studies thus far have expanded the fields' knowledge about:
 - structural impediments and growth opportunities (Furneaux, 2007; Pearson and Helms, 2010);
 - exploration of individual characteristics and identity management (Wood and Davidson, 2011; Foley, 2006);
 - and knowledge development relating to business or enterprise level concerns like managerial styles and success measures (Dahiwale, 2007; Anderson, 1999).

Upper echelon theory

- The upper echelon perspective theorizes that a firm's ability to derive value from its management practices is influenced by the characteristics of the firm's leadership team (Becker & Hauseld, 2006).
- As a result, leaders with different characteristics may be better or worse at identifying and implementing firms' practices, which in turn can affect organizational outcomes (Hambrick & Mason, 1984; Finkelstein & Hambrick, 1996; Tsui & Gutek, 1999).
- Consistent with this logic, several studies have found an association between leadership characteristics, firm strategic actions and firm-level outcomes (e.g., Barker & Mueller, 2002; Gulati & Higgins, 2003; Higgins & Gulati, 2003, Higgins & Gulati, 2006, Somaya, Williamson & Zhang, 2007; Thomas, Litschert & Ramaswamy, 1991; Wiersema & Bantel, 1992).

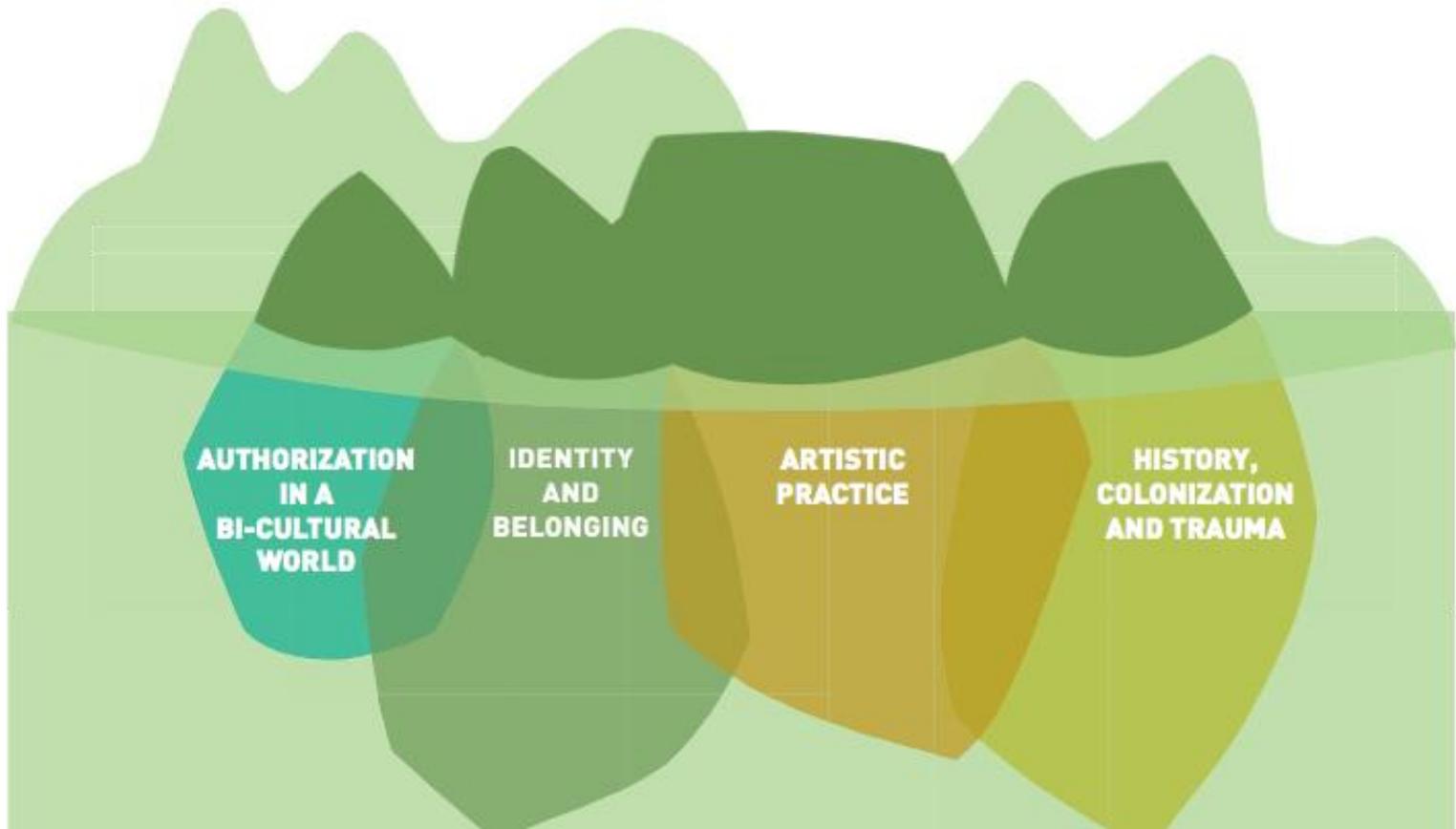
Knowledge based view of the firm

- Previous research has reported that knowledge is the most strategic and significant resource of a firm. A knowledge based view of the firm (Felin and Hesterly, 2007) emphasizes the heterogeneity of knowledge as strengthening resource for new creation development.
- Focusing on the source of knowledge, the entrepreneur, researchers have worked to distinguish human capital constructs, both input and output (Marvel et al, 2014), however this work does not account for cultural knowledge embodied by the individual entrepreneur.
- One area underexplored in the literature is the use of Indigenous intellectual and cultural property and identity as a knowledge based resource of the firm.

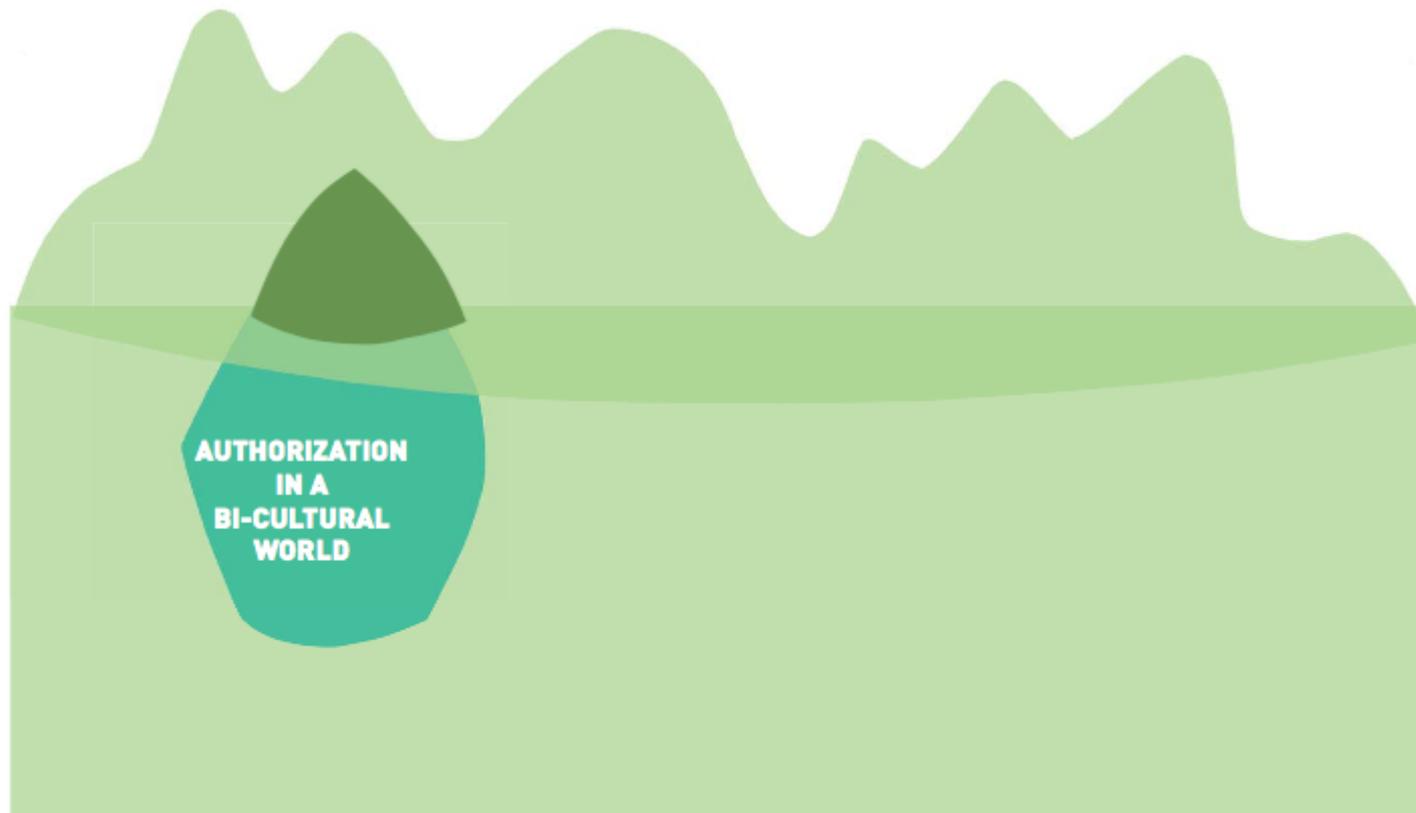
Indigenous leadership

- There is a growing international research literature devoted to exploring Indigenous leadership (for example Begay Jr, 1991; Ottmann, 2005; Warner and Grint, 2006; Sveiby and Skuthorpe, 2006; Sveiby, 2009; White, 2010; Borofsky, 2010; Spiller et al., 2011a; Kenny and Fraser, 2012).
- Two key issues arise in Indigenous leadership research (Evans and Sinclair, forthcoming):
 - Western/Northern biases subordinate Indigenous leadership as a variant of an unproblematised norm (Nkomo, 2011);
 - And, there is no one pan-Indigenous truth to answer ‘What is Indigenous leadership?’
- Hence the argument for phenomenological studies to examine the construction of leadership by Indigenous people

A model of Australian Indigenous leadership (Evans and Sinclair, 2015)



Community, cultural and self authorisation



Contribution

- We argue that there is an opening in the Indigenous entrepreneurship literature to contribute an empirical study that builds and tests theory on:
 - The strategy choices that shape Australian Indigenous firms;
 - The way leadership is constructed by Australian Indigenous entrepreneurs leadership behaviours of Indigenous entrepreneurs;
 - And the impact of the entrepreneur's leadership on firm strategy and success
- Further, we seek to make a contribution more broadly to the entrepreneurship literature through our investigation of knowledge based view of the firm and the role Indigenous cultural knowledge and cultural identity play

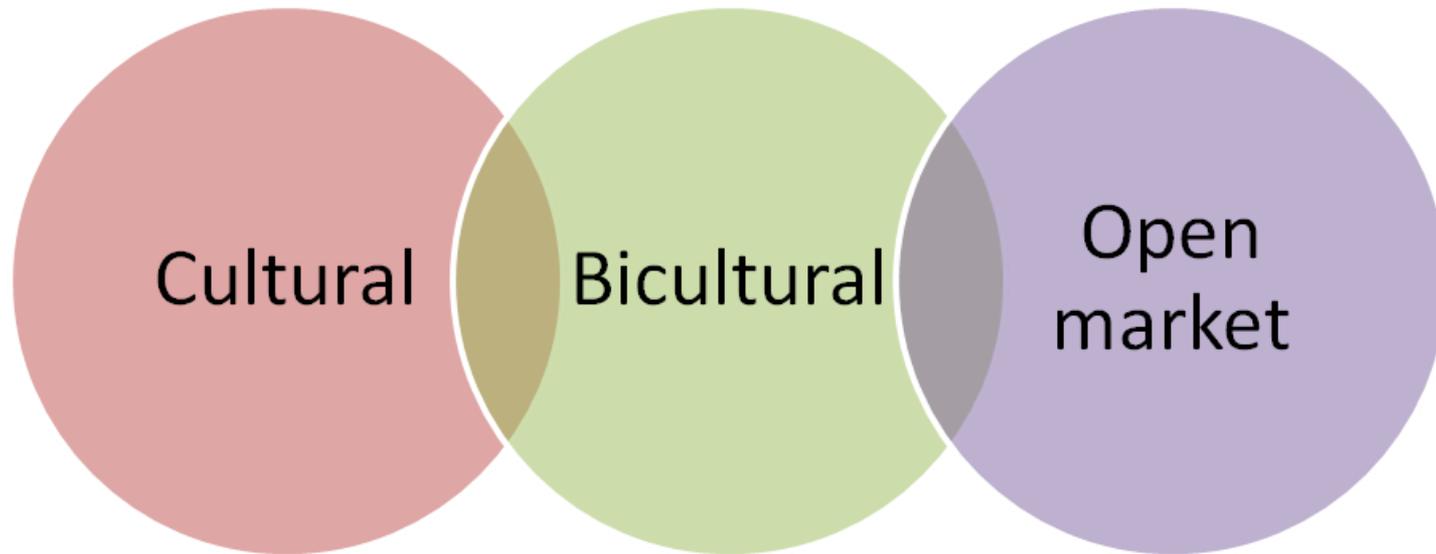
Qualitative Study

- Data Collection (Time 1)
 - Semi structured interviews of 39 for profit Australian Indigenous entrepreneurs
 - Secondary sourced information from firm websites and publically available information
- Data analysis (Time 1)
 - Thematic analysis

Findings – Business strategies

- We find that the Indigenous firms engaged in this (year one) study employ a common set of embodied knowledge resources:
 - cultural identity and the related intellectual and cultural properties associated with Indigenous cultural identity and knowledges (Janke, 1998).
- However, the ways in which they choose to engage with the market using these resources differed in three significant ways:

Australian Indigenous business strategies model



Australian Indigenous business strategies model

- Cultural businesses are distinctively Australian Indigenous:
 - The identity of the entrepreneur and key personnel
 - Australian Indigenous signifiers or language reflected in the firm name
 - Specific Australian Indigenous culture based offerings



Australian Indigenous business strategies model



- Broker businesses use personal, cultural and community knowledge through the expertise of the key Indigenous personnel. Key features include:
 - The identity of the entrepreneur and key personnel
 - Australian Indigenous signifiers or language reflected in the firm name

Australian Indigenous business strategies model



- Open market firms compete against other like businesses in their industry, however Australian Indigenous entrepreneurs drive them.

Australian Indigenous Entrepreneurial Leadership

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