

Finding opportunities for Māori businesses

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Finding opportunities to contract Māori businesses can be challenging. It requires an understanding of where to find Māori businesses, who they are and what services they provide. It also requires a good understanding of what your organisation buys and your procurement pipeline.

Often when organisations think about procuring from Māori businesses, we hear about services like cultural design and tree planting. Whilst there are some incredible Māori businesses who have these services, we encourage buyers to think broader and across multiple industries.

Buyers have a real opportunity to explore what quality engagement with Māori businesses could look like across the supply chain as Māori businesses operate across all industries from information media and telecommunications to financial services, to manufacturing.

Māori business data

Looking at Māori businesses by highest number of businesses, construction is the industry with the most Māori businesses. There are almost 5000 Māori businesses in construction which means 1 in 5 Māori businesses is a construction business. This is followed by agriculture, forestry and fishing, professional, scientific, and technical services, and rental, hiring and real estate services.

What we tend to see is that small, low risk contracts are given to Māori businesses in a small range of industries and larger contracts are still being given to non-Māori businesses.

Whilst there are many small Māori owned businesses and small businesses play an important role in the general New Zealand economy (In fact, 97% of all firms in New Zealand are small businesses and they contribute just under a quarter of New Zealand's GDP). There are also medium and large sized Māori businesses. The highest percentage of which operate in health care and social assistance, accommodation and food services, as well as wholesale trade.

Understanding sources of supply is important in identifying the right opportunities for Māori businesses, and it's even better if there is an industry specific and region-specific breakdown of businesses (This search is possible through databases like Amotai.)

Buyer Organisation Data

It's also helpful to understand how much money your organisation spends on goods, works, and services and whether there are any Māori businesses in your supply chain already.

Additionally, it's important to know what the organisations addressable spend is (what hasn't already been committed to other suppliers) as often opportunities may be tied to panels or committed in existing contract arrangements for several years. Having a good grasp of your procurement pipeline helps to be able to match supply with opportunities.

Tips: Finding opportunities

It's not always easy to identify opportunities for Māori businesses, but here are some tips for scoping them:

Procurement categories

Think about the main categories of goods, services and works the organisation procures regularly and whether there are Māori businesses that can provide any of those services.

Look at the organisations pipeline of works

If the organisation has a clear pipeline of works or forward works programme, identify the areas where Māori businesses could bid for some of the works.

Expiring contracts

Understand when current contracts are expiring or when new panels are coming up for renewal. Identify Māori businesses that could be invited to participate in the renewal process.

Major projects

If the organisation delivers major projects, think about some of the opportunities in the project that Māori businesses could deliver.

Market scanning

Identify potential Māori businesses that can do work for your organisation and meet with them. It seems straight forward, but market scanning can fall off the to do list when things get busy and it's easier to go back to the same existing networks when opportunities arise.

Māori business events

Identify and attend local Māori business networking events to meet new Māori businesses. Look up your local Māori business network or when there may be an Amotai 'Meet the Buyer' event on.

The two key components in our recommendations are to understand what and when the organisation procures and identify and build relationships with Māori businesses.

Doing these things should provide a solid foundation for starting to engage and contract new Māori businesses into the supply chain.

References:

<https://www.tpk.govt.nz/en/o-matou-mohiotanga/maori-enterprise/te-matapaeroa-2020>

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<https://www.nzherald.co.nz/kahu/the-maori-economy-is-booming-and-will-be-worth-100-billion-by-2030/L73MCPZMUFGRVEXWQTXL7XC62Q/>

<https://www.mbie.govt.nz/business-and-employment/business/support-for-business/small-business/>

About us

Puna Awarau is a Māori consultancy firm working at the forefront of Indigenous procurement in Aotearoa. With unrivaled expertise in supplier diversity, we are your specialist support. Generating Māori (and Pasifika) socio-economic outcomes within organisations and major projects.

We work with government agencies, local body authorities, Iwi, Māori land trusts, private enterprises and charitable trusts that want to better understand what social value they can create through their spending.

We understand the power of procurement in creating change and believe a more equitable Aotearoa is possible. We offer independent expert advice and support to organisations working towards broader outcomes through social procurement, progressive procurement and/or supplier diversity.

- We are 100% Māori owned
- We are 100% wāhine owned

Puna Awarau founders have whakapapa links to Ngaati Te Ata Waiohua, Te Rarawa, Te Waiariki, Ngāti Tūtae, Ngāi Tuupoto, Ngāti Reinga, Te Hikutu, Te Aupouri, Ngāti Kahu.

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