



OPPORTUNITIES FOR IMPACT THROUGH PROCUREMENT

WellingtonNZ

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Foreword

At WellingtonNZ our ambition is to contribute to a thriving regional economy for all. The economy needs to function in a way that allows participants to access opportunities to grow their wealth and prosperity.

To begin to understand the landscape of procurement, a small group of Māori suppliers were interviewed. It is through their lived experiences that we seek knowledge of how the current system operates.

It provides a sampler of the positive steps being made by conscious buyers to put into practice and trial new ways of operating. It will address some of the structural features and practices that limit accessibility.

A key mechanism for businesses to participate in the economy is access to the sizeable value of contracts held by government agencies. To provide context, central government spends circa \$51b per annum and at a regional level, local government (councils) spends \$1.86b per annum.

To improve the chances of participating, suppliers need greater awareness and understanding of the resources and available support. The system should be open, accessible, and easy to understand while maintaining fair and transparent processes that ensure rates and tax money is spent wisely. In practice, the buyer usually sets the terms of engagement and inclusion relies on specialist knowledge.

There is a clear need to understand and raise awareness on how to best approach the procurement environment for the benefit of not only our financial needs, but our people, our planet and our place.

Creating a community to learn from lived experiences, gathering suppliers together to share knowledge and enable that knowledge to open the pathway to better outcomes for the Māori economy is a goal we wish to strive towards.

Tihei Mauriora, we breathe life into this journey.

Ko Toni Kerr māua Ko Michelle Boynton
WellingtonNZ

May 2024

Executive summary

WellingtonNZ has a focus on growing businesses in the region and recognises that Māori businesses play an important role in the region's and country's economic success. Enabling Māori business growth supports whānau Māori, Māori communities, the Māori economy, and the New Zealand economy.

As part of its Māori economic development mahi, WellingtonNZ has identified a need to support Māori businesses to better engage with the current procurement system (including both local and central government as well as private sector). However, through early discussions with procuring organisations there is recognition that the current system can be a barrier to entry for many Māori businesses.

This report aims to amplify work in the social procurement ecosystem within the Wellington region. As an important first step this report provides a current state analysis in the region with insights on Māori businesses as well as experiences of buyers from local, central government and private sector. This report is only a small snapshot of a much larger ecosystem and focuses only on Māori businesses already engaged through procurement processes. It has not focused on Kaupapa Māori, nor on those not already engaging with procurement opportunities.

Looking to the future, this report is just a small step in understanding the current state and WellingtonNZ intends to continue to explore ways to support and grow Māori businesses in the region.

Highlights

- The data shows that Māori businesses in the Wellington region are doing comparatively better than other Māori businesses across a range of indicators.
- Local and central agencies are looking beyond price to the wider social value of engaging Māori businesses.

Challenges

- There is limited public data showing the value and number of contracts awarded to Māori businesses.

The opportunity

- Local government spend in the Wellington region alone is about \$1.86 billion per year.
- Central government spends \$51 billion per year in procurement spend.
- Numerous local and central government projects require supplier diversity from their prime contractors, providing subcontracting opportunities with Māori businesses on major projects.
- There are opportunities for Māori businesses to participate through better understanding of the procurement system.

Approach

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- Insights and learnings were captured from five small to medium Māori businesses in technology, communications, publishing and design. All have had varying levels of success navigating the procurement system.
- Five buyer organisations in construction, local government, iwi and central government from across the Wellington region were interviewed. The interviews focused on project examples where buyers had engaged with Māori businesses through their procurement activity to provide case studies.
- Five Māori business interviews.
- Five buyer project interviews.

Future state

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KEY THEME	OPPORTUNITIES FOR IMPACT
COLLABORATION	<ul style="list-style-type: none">• Establish regional commitment• Collaborative change with key stakeholders• Create networking opportunities to build social capital
CAPABILITY	<ul style="list-style-type: none">• Raise awareness and build capability in supplier diversity• Build expertise across the region• Lift procurement innovation
SUPPORT	<ul style="list-style-type: none">• Make it easy for Māori businesses to understand where and how to get support• Understand the gaps in support for Māori businesses
ACTION	<ul style="list-style-type: none">• Advocacy through action

Background

Wellington is a vibrant region of New Zealand. It showcases a Māori economy with promising potential for continued growth that will increase the wellbeing of families and communities while supporting the region out of an economic downturn. The city is a hub for government, technology, and arts, one that the Māori community actively contributes to. From traditional arts to construction businesses, Māori entrepreneurs have traversed challenging economic times in the past few years.

Iwi and hapū groups in the region, through post-treaty settlements and other ventures, play pivotal roles in real estate, tourism and other sectors, making the regional Māori economy a testament to resilience, innovation and cultural strength.

However, there is still significant economic disparity between Māori and non-Māori. Across the country, Māori have the worst unemployment and underutilisation rates, lower average incomes, lower home ownership rates and lower business ownership rates than non-Māori. The data clearly shows that Māori are financially worse off when it comes to mechanisms to grow intergenerational wealth.

This means that continuing the status quo is only going to perpetuate the same poor outcomes for Māori. There is a need to look at targeted tactics to create equity in the economy for Māori.

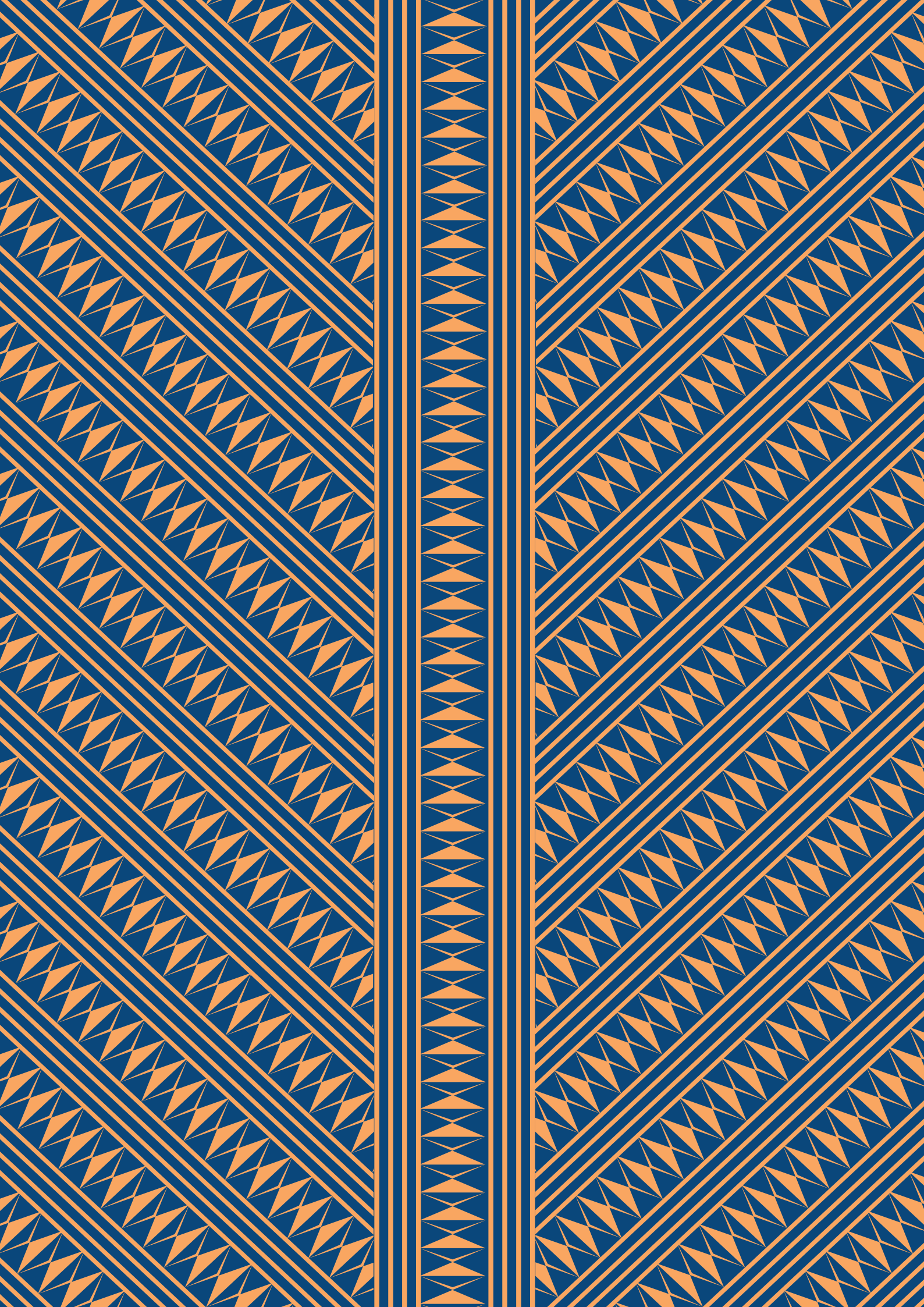
While the statistics for Māori in general are daunting, the Wellington region shows a comparatively positive story with the highest Māori average incomes and significant increase in Māori business numbers. This unique situation poses an opportunity to ensure there is equitable access to contract opportunities for Māori businesses.

The Progressive Procurement Policy sets governmental targets for 140-plus mandated government agencies to focus on the number of contracts awarded to Māori-owned businesses.

However, many of these contracts awarded are of a lower value. This presents an opportunity to increase the value spent on contracts awarded to Māori businesses. Targets are optional at local government level with only sporadic targets for projects, and some with a lack of consistent quality benchmarks.

Buyers must approach procurement with greater intention and develop strategies to ensure Māori businesses can equitably access contract opportunities. Achieving positive outcomes through procurement is not just a necessity but a responsibility to foster the growth and inclusivity of Māori for the overall betterment of Aotearoa.

This is a vital initiative as Māori businesses constitute a cornerstone of the broader Māori economy and thus the New Zealand economy. They not only create employment opportunities for Māori but also inspire others through role modelling and leadership. Moreover, the revenue generated by Māori businesses tend to circulate longer within the local economy, fostering sustainable growth and prosperity.



Procurement explained

Procurement is the process of buying the right thing, in the right amount, at the right time, at the right place and for the right price.

There is an exchange of goods or works or services delivered by a supplier and paid for by a buyer.

CLIENT

Is the person or organisation requiring goods, works, or services and will be the owner.

BUYER (PROCURER)

Is the person or organisation buying goods or services but doesn't always own them. They identify needs, source suppliers, negotiate terms, and complete purchases to ensure organisational or governmental money is spent fairly, transparently and demonstrates value for money.

SUPPLIER

Is the person or company providing specific goods or services to buyers, typically in exchange for payment. They fulfil the requirements set by the buyer based on agreed terms.

Together, clients, buyers and suppliers facilitate commercial transactions, all benefiting from the exchange.

In commercial transactions, there's often a difference in influence between clients/buyers and suppliers, particularly large buyer organisations or those with significant purchasing capabilities. Buyers tend to set the terms of engagement. This position can sometimes place suppliers in a vulnerable position, especially if faced with numerous competitors or if a buyer is a key client.

Such dynamics may make suppliers more inclined to accommodate the buyer's preferences, potentially at their own expense. Recognising and addressing these disparities is important to foster mutual understanding, fair negotiations, and sustainable business partnerships.

A client can also be a buyer if they are in a direct contract relationship with the supplier (e.g a government agency that directly engages a Māori business). A "buyer" is often a "supplier" to the "client" but is also the organisation that contracts the "supplier". This is illustrated in this report where a government agency (client) engages a main contractor (buyer) who engages a Māori business (supplier).

Procurement lifecycle

The procurement lifecycle represents the stages an organisation undergoes to acquire goods and services. It begins with the identification of a need, and progresses through the selection of suppliers, contract negotiation, delivery of the specified goods or services, and the evaluation of received goods or services. Throughout this lifecycle, there are key decision points and controls to ensure that the procurement process aligns with organisational objectives, adheres to established guidelines, and achieves value for money. The three key components of the procurement lifecycle are to plan, source and manage.

PLAN

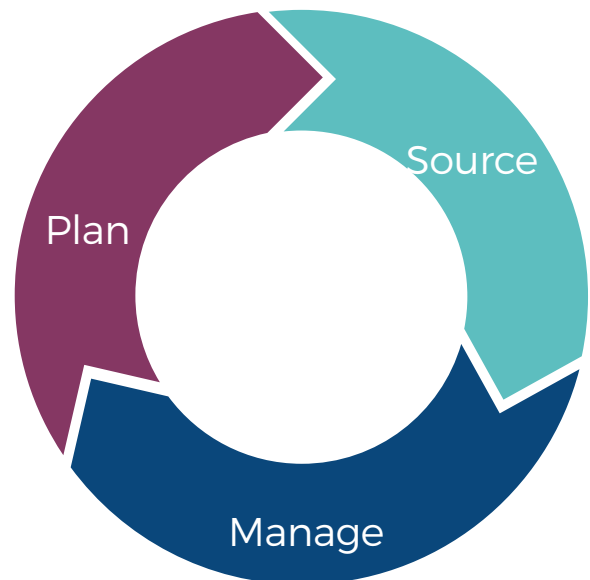
Before any procurement activity can begin, it's crucial to assess the organisation's needs and set clear objectives. This stage involves defining requirements, budgeting, and establishing the criteria by which vendors will be evaluated.

SOURCE

At this stage, the buyer organisation engages the market, seeking out potential suppliers that can meet its needs. This involves issuing tenders or requests for proposals, evaluating responses, and selecting the most suitable supplier based on the previously established criteria.

MANAGE

Once a supplier has been chosen, the relationship doesn't end. The relationship requires active management to ensure the terms of the agreement are met, that goods or services are delivered as expected, and that any issues or changes are addressed in a timely manner. This stage also involves regular performance reviews and, if necessary, renegotiations or contract adjustments.



Social procurement

What is social procurement?

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Social procurement is an approach where organisations leverage their buying power to generate social value beyond the intrinsic value of the goods, services, or works being procured. Rather than solely focusing on price and quality, social procurement integrates **social** objectives into the procurement process.

Broader outcomes

What are broader outcomes?

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Broader outcomes in New Zealand refer to a different approach in procurement, where the Government looks beyond achieving just the primary objective of acquiring goods and services at the best price. New Zealand Government Procurement describes broader outcomes as the secondary benefits generated from the procurement activity. They can be environmental, social, economic or cultural benefits.

Supplier diversity

What is supplier diversity?

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Supplier diversity is a global practice to enable minority-owned businesses strategically and intentionally to be engaged in business-to-business (B2B) supply chains.

The aim is to uplift marginalised communities excluded from the economic success of the country, by intentionally looking for ways to buy goods and services from minority owned businesses.

In Aotearoa, there is a particular focus on enabling contract opportunities for Māori-owned businesses.

Benefits of supplier diversity

What are the benefits of supplier diversity?

For every dollar of revenue, indigenous businesses create AU\$4.41 of economic and social value.¹

CLOSING THE WEALTH GAP IN AOTEAROA

Entrepreneurship is one of the main ways Māori can build wealth for their families and communities.

HIGHER EMPLOYMENT RATES FOR MĀORI

Māori businesses have, on average, 43% Māori employees, which is three times the national average.

MĀORI BUSINESSES CREATE ROLE MODELS AND CULTURALLY SAFE SPACES

Māori business owners are role models in their communities for whānau, community and employees.

INNOVATION

Māori authorities and small, medium enterprises (SMEs) are more likely to export and have higher rates of innovation and research and development (R&D), than other New Zealand firms.

COMPETITIVE ADVANTAGE

Successful supplier diversity programmes can create competitive advantage and provide significant financial benefits to companies. Supplier diversity requirements are now common, particularly in public sector purchasing.

Research also shows that diversifying your supply chain can support access to new revenue opportunities, creation of new markets, improved access to, and understanding of, an increasingly diverse customer base, development of robust, competitive and dynamic supply chains, positive corporate image and brand development. It can be a drawback for socially conscious employees, investors, and consumers.²

1. Supply Nation, The Sleeping Giant: A Social Return on Investment Report on Supply Nation Certified Suppliers, (2015).

2. Amotai, Top 5 reasons to procure from Māori and Pasifika businesses, (2021).

The importance of supplier diversity for the Wellington region

While Māori demonstrate promising economic potential in the Wellington region, their prospects remain overshadowed by their Pākehā peers. Māori business growth is a primary method to build the Māori economy and Māori whānau wealth.

Supplier diversity aims to level the playing field, ensuring equitable access to supply chain opportunities and supporting Māori business growth. Achieving this requires buyer organisations in Wellington to review their procurement practices to enable inclusivity. Given Wellington's position as a hub with a high concentration of government procurement teams, the city holds significant sway over national supply chain practices. These teams, often headquartered in Wellington, influence procurement not just locally but nationwide.

Due to the strong central and local government spend in the region, Wellington stands poised to spearhead transformative change, championing diverse supply chains that not only uplift its own local economy but also the broader Māori economy.

The opportunity

Every organisation, regardless of its size or industry, engages in procurement or spends money on various goods, works and services.

While not every organisation publishes their organisational spend, central and local government are required to, which provides insights into the financial opportunity in the government sector.

LOCAL GOVERNMENT

The Wellington region has 10 local government organisations (councils) that have an annual combined spend of about \$1.846 billion.

CENTRAL GOVERNMENT

Central government has an annual procurement spend of about \$51.1 billion nationally.

Taking into account the private sector, iwi, non-profit and other organisations as well, this presents significant opportunity to ensure contracts are accessible to Māori businesses.

Additionally, knowledge about businesses indicates that they operate without constraints imposed by regional boundaries, thus opening opportunities for both Aotearoa and global expenditure.

If Māori businesses were able to access even 8% of the national spend, there would be a stronger, more sustainable Māori business sector and Māori economy.

The Māori economy

The **Māori economy**
is worth **\$68.7b**³

\$39.1b held by the **9,880** firms owned by Māori employers

\$8.6b in the businesses of **18,600** self-employed Māori, and

\$21b in trusts, corporations, and other Māori structures (\$14b in the natural resources sector).⁴

The Māori economy includes Māori as employees and employers, Māori-run businesses and assets associated with iwi, collectives, trusts and corporations.

For the purposes of this report, there is a predominant focus on Māori businesses as there is evident data and clear definitions that provide visibility into Māori businesses. The data shows that privately owned businesses (Māori employers and sole traders) represent \$47.7b or 69% of the Māori economy. They are the backbone of the Māori economy. To grow the Māori economy there is a need to focus on Māori-owned businesses.

³. BERL, Te Ōhanga Māori, (2018).

⁴. Chapman, Māori economy soars to \$68b, a growth of 60% in five years, (2021).

ECONOMIC GROWTH

At a fundamental level, increasing the capacity and revenue of Māori businesses will contribute to the growth of the Māori economy. When these businesses thrive, they generate more revenue, create employment opportunities, and make investments that can benefit the wider community.

JOB CREATION

Māori businesses are more likely to employ Māori individuals. By awarding longer term and higher value contracts to Māori businesses, there's a direct impact on their ability to employ more people. This can reduce unemployment within the Māori community and create pathways for future generations.

ECONOMIC INDEPENDENCE

An increase in higher value contracts awarded to more Māori businesses can contribute to greater economic independence for Māori. This autonomy can empower the community to make decisions that best serve its interests without relying heavily on external entities.

INCLUSIVE GROWTH

Supporting Māori business growth ensures that economic development in New Zealand is inclusive. It can help address historical socio-economic disparities and ensure that growth is equitably shared across all communities.

NATIONAL ECONOMIC IMPACT: The Māori economy is a significant part of the national economy. By strengthening the Māori economy there is a positive ripple effect on the national economy, creating a stronger economic base for the country.

What is a Māori business?

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A Māori business is a business where at least 50% of the shareholdings of a company are held by someone with Māori whakapapa (verifiable genealogical lineage) or classified by IRD as a Māori authority.

Supplier diversity and procurement support

Progressive procurement policy

Introduced in December 2020, progressive procurement is a Government policy to increase the diversity of suppliers engaging with public sector procurement opportunities, starting with Māori businesses.

As of September 2023, this requires 8% of the Governments' annual contracts are awarded to Māori businesses.

More than 3,200 contracts were awarded to Māori businesses for the year ending 30 June 2022, with a total worth of about \$930 million.

AMOTAI

Amotai is Aotearoa's supplier diversity intermediary tasked with connecting buyers wanting to buy goods, services and works with Māori and Pasifika-owned businesses. Amotai verifies Māori and Pasifika-owned businesses and holds a national database of Māori and Pasifika-owned businesses that are ready for work. Amotai is currently housed within Auckland Council and operates a paid membership model for buyer organisations.



TE PUNI KŌKIRI

Te Puni Kōkiri is Government's principal policy advisor on Māori wellbeing and development. Te Puni Kōkiri supports the delivery of the progressive procurement policy. The policy stipulates that government agencies must spend 8% of the total number of contracts with Māori businesses. Te Puni Kōkiri supports Māori businesses to become 'procurement ready' through the capability uplift programme.



MINISTRY OF BUSINESS, INNOVATION AND EMPLOYMENT (MBIE)

The Ministry of Business, Innovation and Employment (MBIE) partnered with Te Puni Kōkiri to support the establishment of the progressive procurement policy and the creation of their partnership project to support the implementation of the policy

Te Kupenga Hao Pāuaua. All mandated agencies are required to report to MBIE on their quarterly progress towards achieving the progressive procurement targets.



NEW ZEALAND GOVERNMENT PROCUREMENT (NZGP)

New Zealand Government Procurement supports the public sector with its procurement management needs with advice, frameworks, tools and templates. It also sets the New Zealand Government rules of sourcing which outlines how procurement should be done for the public sector. NZGP is part of MBIE.



There are several global procurement associations and professional bodies that support the procurement profession. These are membership-based organisations where there is generally an annual fee and/or costs to access training and support. The most well-known organisations in New Zealand are:

CHARTERED INSTITUTE OF PROCUREMENT AND SUPPLY (CIPS)

A global membership organisation for the procurement profession.

PROCUREMENT AND SUPPLY AUSTRALASIA (PASA)

Procurement conferences, events and training provider across New Zealand and Australia.

WORLD COMMERCE AND CONTRACTING ASSOCIATION (WORLDCC)

Membership association supporting contracting and commercial practice and professionals.



Tatauranga Māori

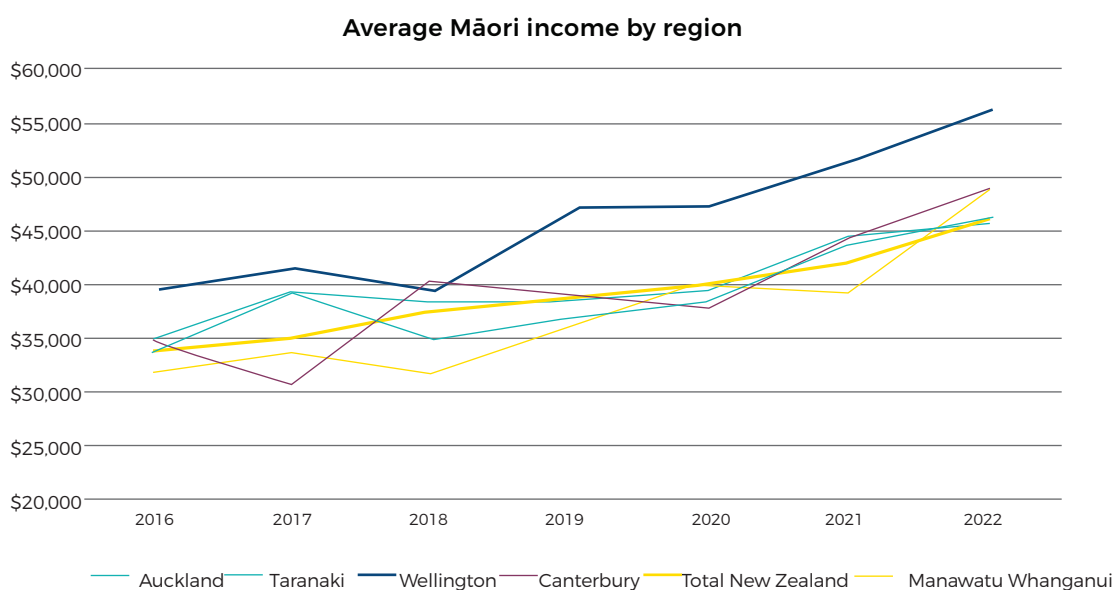
To effect meaningful change, it is important to fully comprehend the current situation. While insights through kōrero are vital, they are complemented by a thorough analysis of existing data to discern critical trends and garner a comprehensive understanding of the economic realities facing Māori in the region. This data will facilitate a clearer depiction of the present circumstances, highlight areas of need, and unveil opportunities for enhanced outcomes and improvements.

The following is a snapshot of the data concerning Māori in the Wellington region.

MĀORI POPULATION IN WELLINGTON

- The 2018 census shows there are 72,252 Māori in the Wellington region. This accounts for 14.3% of the population. This is lower than the Māori population nationally which is 16.5%.⁵
- 3.5% of Wellington region population reported they could speak Māori.⁶
- Māori median age in Wellington is 25.7 years compared to the non-Māori average of 37.2 years.⁷
- Māori are the youngest and fastest-growing population group, projected to reach more than 35% of the total population in the coming decade.⁸
- Māori represent 17.4 % of the population in Aotearoa (about 892,200) with significant population projections compared to other population groups. It's predicted there could be up to 1.35 million Māori in Aotearoa by 2043.⁹

HIGHEST AVERAGE INCOMES



Source: Stats NZ – Household Labour Force Survey

The Wellington region has the highest average income for Māori compared to anywhere else in the country. The average Wellington region income for Māori for the year to June 2022 was \$55,900. The comparable Māori incomes from other centres are: Auckland \$45,600, Taranaki \$46,000, Manawatu-Whanganui \$48,800 and Canterbury \$49,200.

5. Stats NZ, Wellington Region, (2018).

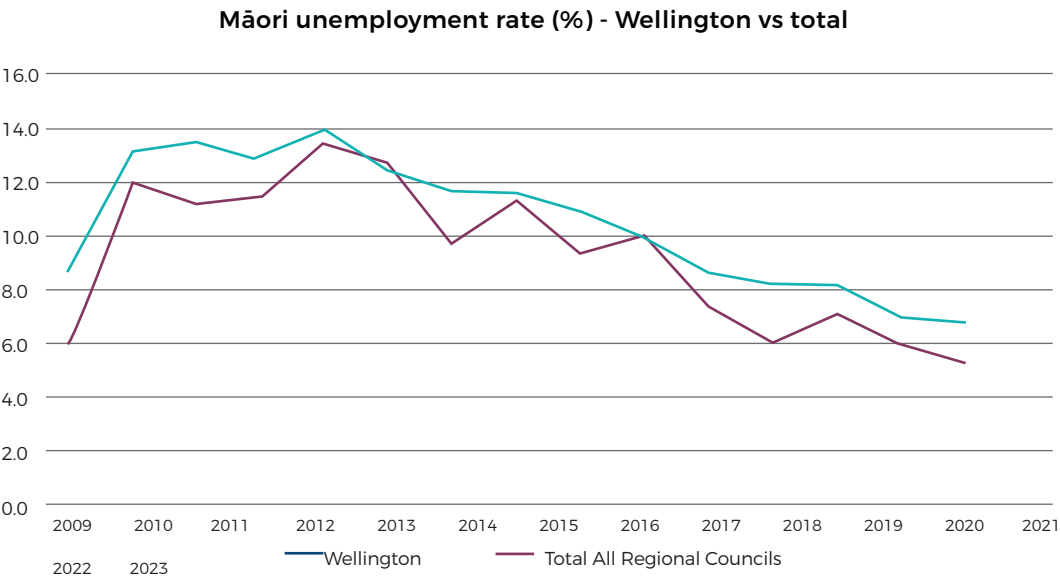
6. Te Matarau a Māui, Current State of Play, (2023).

7. Stats NZ, Wellington Region, (2018).

8. Stats NZ, Māori population estimates: At 30 June 2022, (2022).

9. Stats NZ, Māori population estimates: At 30 June 2022, (2022).

LOWEST UNEMPLOYMENT RATE



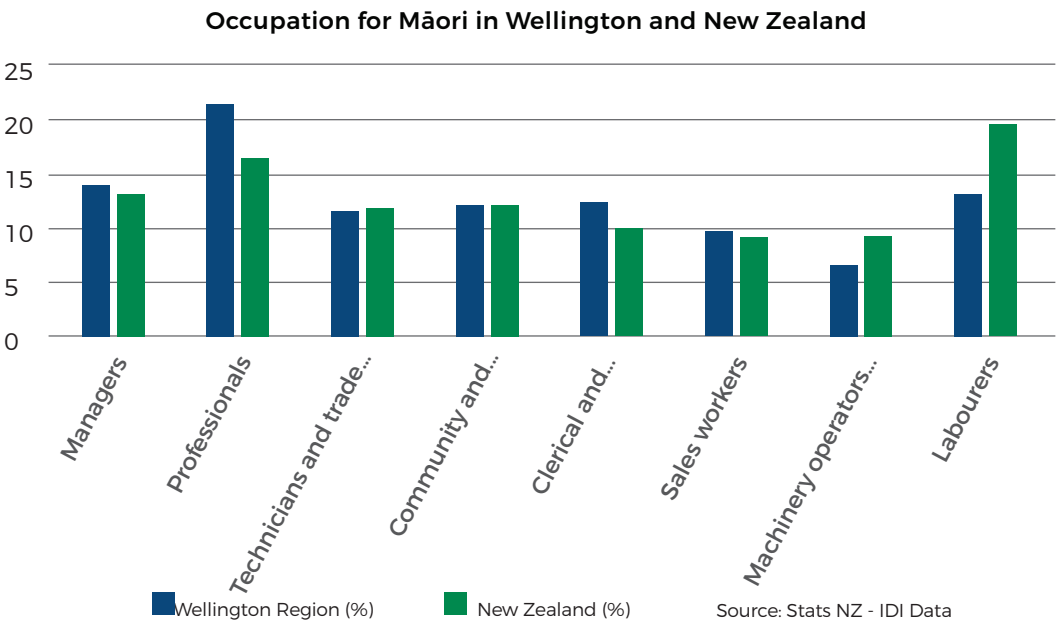
Data from Ministry of Business Innovation and Employment shows Māori in the Wellington region have experienced record low unemployment which is lower than the national average across other regions.

Source: Stats NZ – Household Labour Force Survey - Income Statistics.

OCCUPATION OVERVIEW

Māori in the Wellington region are far more likely to be professionals and managers and less likely to be in positions such as labourers compared to the New Zealand average.

The graph below shows the proportion of Māori occupations compared with the rest of New Zealand.



21.4% of Māori in the Wellington region are professionals compared to just 13% for New Zealand as a whole. In comparison, labourers represent 19.4% of the national occupation compared to 13.1% for the Wellington region.

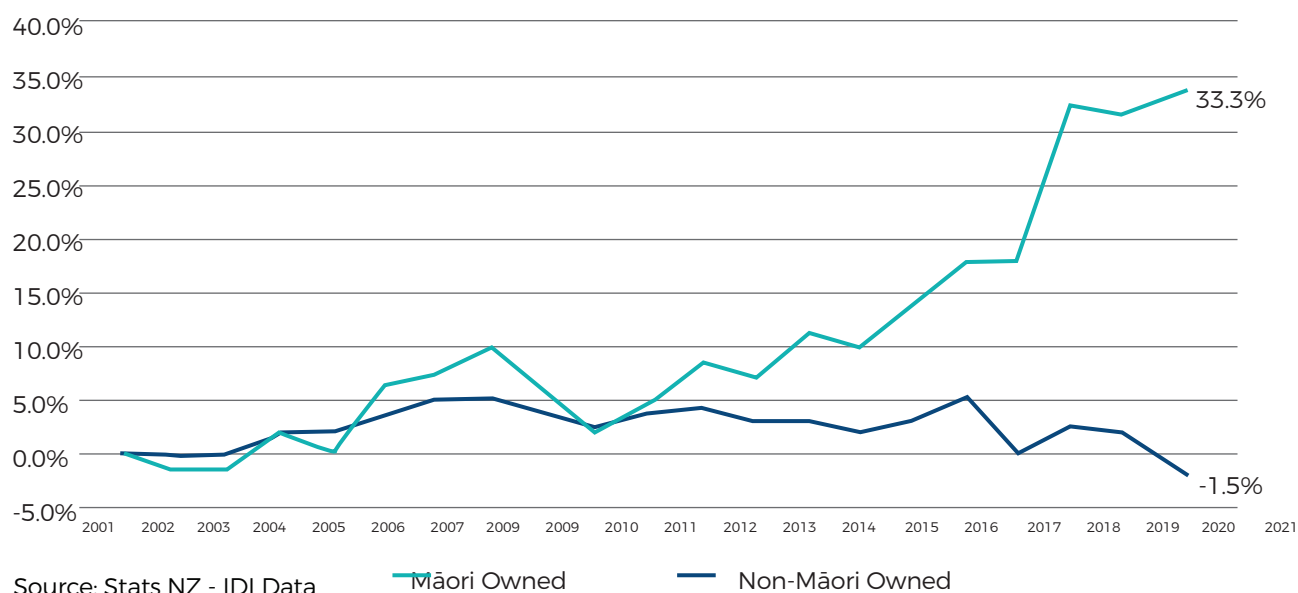
DATA REVIEW OF THE CURRENT STATE OF SUPPLY WITHIN THE WELLINGTON REGION

There are 14,856 Māori businesses in Aotearoa.

There are 7,158 established Māori sole traders in Aotearoa.

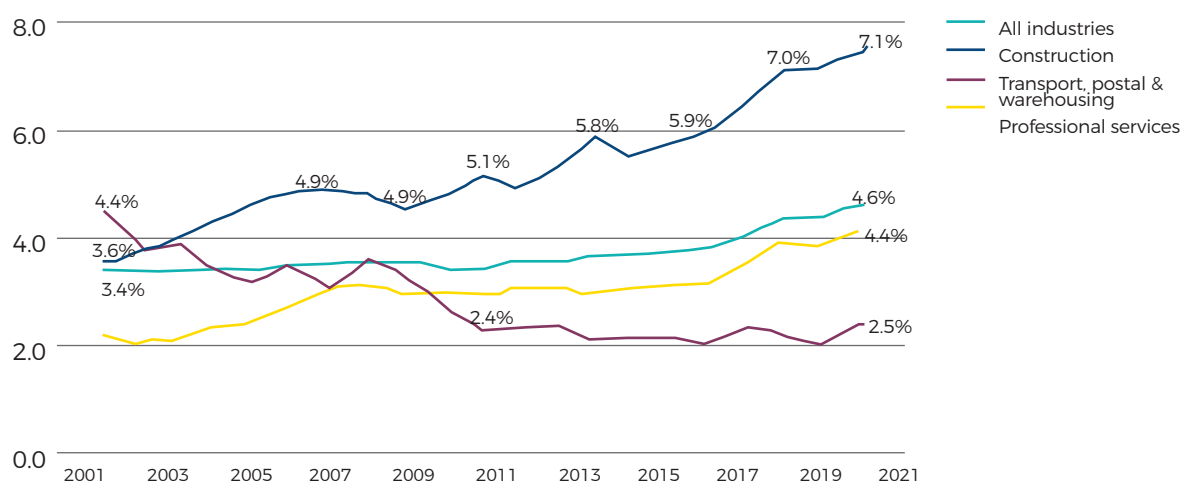
There are 1,320 Māori businesses in the Wellington region and 840 established sole traders.

Cululative growth in the number of Māori and non-Māori businesses in the Wellington region since 2001

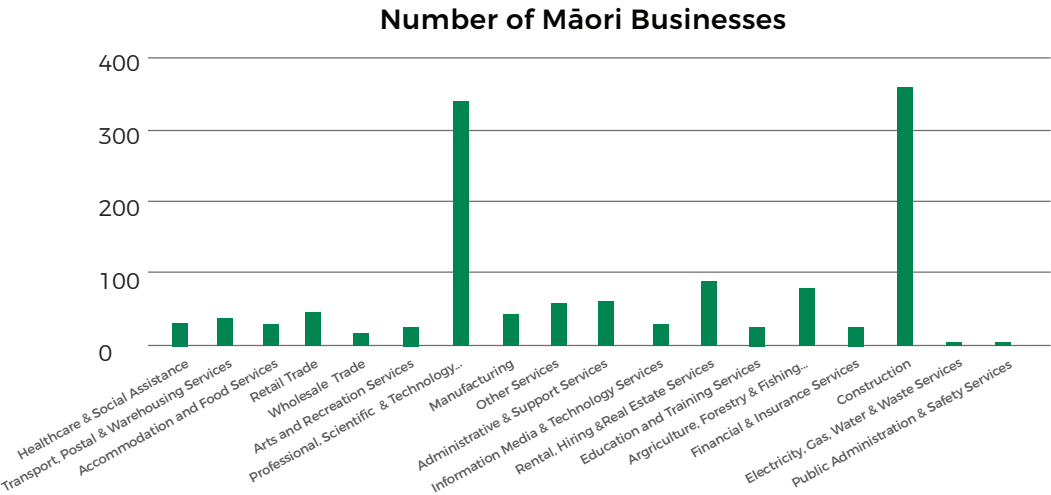


There has been significant growth in the number of Māori businesses in the Wellington region compared with non-Māori businesses. This is surprising given the global pandemic. It may indicate that Māori in the Wellington region were cushioned from the blow of the global pandemic compared to other regions such as Auckland who have experienced a cumulative negative growth. There may be a dip as more data emerges for the 2022/2023 period.

Rates of Māori ownership of businesses in Wellington, three industries



There has been strong growth of Māori businesses in the construction industry compared to other industries. Conversely, there has been a decline in businesses in the transport, postal and warehousing industries. Māori businesses have a strong representation in the construction industry nationwide with 1 in 5 Māori businesses operating in this sector, however the growth in the Wellington region may be because of the increased developments across the region.



Source: Stats NZ - IDI Data

There is a significant proportion of Wellington Māori businesses in the construction industry. Construction companies make up 27% of the Māori businesses in the Wellington businesses.

Additionally, professional, scientific, and technical services businesses make up 26% of the Māori businesses in the Wellington region. Over half of the Wellington Māori businesses are in construction and professional, scientific and technical services.

WHAT THE DATA TELLS US

The data shows that Māori and Māori businesses in the Wellington region are doing better than the national average across a range of indicators.

- Māori in the region have the highest average incomes compared to Māori across the country.
- Māori in the region are far more likely to be professionals and managers and less likely to be in positions such as labourers compared to the national average.
- Māori in the region are experiencing the lowest unemployment rates the region has ever seen.
- The Wellington region has experienced significant cumulative growth in the number of Māori businesses (there are more businesses starting than closing).
- There is a strong source of Māori business supply in the Wellington region.
- Māori businesses are well represented in construction and professional, technical, and scientific services making up over half of the total Māori businesses in the region.

The primary focus of this report is on Māori businesses and their associated data. The data collated is a snapshot and is by no means an extensive data review on Māori enterprises. There is an opportunity for a more in-depth data review of the full Māori economy.

Ngā whētū: This pattern depicts stars in the night sky.
Artwork: Chloë Reweti



Snapshot of businesses in Wellington

Māori businesses operate across an array of industries and have varying experiences within the procurement system.

As part of this report, five businesses were interviewed to share their experiences, learnings and insights navigating procurement systems. The variety of businesses interviewed provide a snapshot of the industries, size and longevity of Māori businesses across the Wellington region.

GoCloud

GoCloud is a Wellington-based, Māori-owned IT consulting firm. GoCloud Systems is a technology consulting, services and managed service provider. The company provides IT strategy and cloud adoption services to the New Zealand Government, non-profit organisations and the private industry.

KEY SERVICES INCLUDE:

- IT support
- Cyber security
- Cloud computing
- Application development
- Data processing and insights.



“It’s frustrating when you go through all the pre-conditions to get on to panels and then no work comes from it. It would make more sense to condense panels to those who will actually be engaged.”

David Brabant, GoCloud Systems

Huia Publishers



Huia Publishers is a Māori-owned, independent publisher, producing innovative and inspiring books and resources. Since 1991, its purpose has been simple and uncompromising – “to share stories that resonate with our people, that reflect our experiences and that value our culture and language”. Huia Publishers creates print and digital content and resources that are aspirational and fit-for-purpose.

KEY SERVICES INCLUDE:

- Content and resource creation
- Design, print and distribution
- Digital and multimedia
- Communications and marketing
- Māori translation.

“We are a company of professional writers, writing tender responses is not our issue. What we want to see is partnering for long-term sustainable work.”

Eboni Waitere, Huia Publishers

Te Ara Hiranga

Te Ara Hiranga is a Wellington based, Māori-owned business management consultancy working towards building a culture of excellence for Māori. It specialises in helping iwi, trusts, corporations and businesses optimise their assets. The specialist team covers most facets of managing a business including health and safety, strategic direction, business goal setting, systems and processes and brand.

KEY SERVICES INCLUDE:

- Strategy and performance
- Contract performance management
- Healthy and safety.



“It often comes down to who you know, so we need to build the relationships between Māori businesses and key staff in organisations pre-procurement”.

Blair Waipara, Te Ara Hiranga

IDIA



IDIA is a Māori-owned indigenous design and innovation company based in Wellington. IDIA was founded in 2017 by Miriame Barbarich (Ngāti Maru ki Hauraki, Ngāti Pikiao), Dr Johnson Witehira (Tamahaki, Ngāi Tū-te-auau), and John Moore (Ngāti Pākehā), bringing together years of industry and academic experience in design, digital and creative arts.

IDIA kaupapa is to use indigenous worldview to create solutions to commercial, social and environmental opportunities and issues. Through its mahi, it aims to influence and lead a global change in the design of products and services – creating solutions that improve futures and outcomes for people, communities, businesses and governments.

KEY SERVICES INCLUDE:

- Culture-centred design
- Marketing and communications
- Creative design and research
- Product and service design.

“We often see other companies using Māori values and narratives to position themselves for work that requires cultural expertise. Procurement processes need to ensure the right questions are being asked and quality evaluation is happening to determine whether businesses have cultural expertise or not.”

Dr Johnson Witehira (Tamahaki, Ngāi Tū-te-auau), IDIA director

Social Good

A proudly Māori-owned business, Social Good exists to use digital channels for good.

Social Good is a digital communicator, a specialist in marketing, social media, brand, digital training and communications. Strategic, system-wide thinking is a key differentiator and area of excellence. Social Good uses digital channels, data, insights and knowledge to help clients make better decisions. With 18 years' experience, the business covers a range of knowledge including climate change, kaupapa Māori, behaviour change and empowering people online through custom workshops. The team is focussed on work that has a positive impact on our people, the planet and communities.



KEY SERVICES INCLUDE:

- Digital and social strategy
- Training and workshops
- Digital communications
- Content creation
- Social media moderators.

“Procurement processes are usually completely faceless. We operate based on relationships, so we often don’t bother with open competitive tendering on GETS.”

Katie Brown, Social Good director

Māori businesses, learnings and insights

The Māori businesses interviewed reported a range of experiences when it came to engaging with procurement processes. Factors such as industry type, company size, operational history and growth goals influenced their journeys. It underscores the point that the experiences of Māori businesses can't be encapsulated by a 'one-size-fits-all' approach. However, the following provides a collective summary of some of the key insights.

RELATIONSHIP-BASED BUSINESS

Māori businesses all spoke about whanaungatanga and relationships as a fundamental part of doing business with clients. Having mutual understanding, shared values and personal relationships were important parts of assessing whether Māori businesses would do work with a potential client or not. Impersonal and often faceless procurement processes were not how any of the Māori businesses interviewed preferred to do business and many avoided this way of doing business.

VALUING CULTURAL EXPERTISE

There were genuine apprehensions about 'culture washing' - the practice of businesses superficially using Māori imagery or values to secure contracts. Instances of non-Māori businesses adopting Māori imagery, art and words to land contracts intended for businesses with Māori expertise were highlighted as a major concern. There is a need for culturally competent procurement processes that can credibly evaluate kaupapa Māori businesses and Māori expertise.

TAKING AFFIRMATIVE ACTION

There's a call for more affirmative action to be taken, not only for projects directly related to Māori but for all opportunities. There are some examples of affirmative action like set-asides, but they are generally in relation to work on Māori sites such as marae rather than for general contracted work.

SUPPLIER PANEL STRUCTURE

Large supplier panels require significant time and resources and often don't result in any work for businesses on them. This was a common source of frustration. Businesses shared concern around the visibility and timeline of when All of Government (AOG) panels open and close. There are not always any defined dates, making it hard for businesses to know when they can get onto the panels.

PROCUREMENT TEAM DIVERSITY

A more diverse procurement team could bring varied perspectives and help reduce any unconscious biases. This may result in a broader range of businesses considered for contracts, disrupting patterns of favouritism, and providing a more equitable opportunity landscape.

FLEXIBLE EVALUATION METHODS

There is a need for diverse ways to assess a company's capabilities, beyond traditional methods. Traditional methods of assessing a company, often based on track record or size, does not always capture the capabilities or potential of a business. Multiple and varied ways of evaluation could allow smaller or newer businesses a fairer shot, assessing them based on the likes of potential, innovation or cultural alignment.

PROCUREMENT PLATFORM REDESIGN

GETS and other platforms could be redesigned to have Māori business engagement at the centre which would fundamentally change the entire design of the platform. One that was less clinical, robotic and uninviting to one that was more in line with Māori values and how Māori do business.

PERCEIVED BIAS AND UNDER-RECOGNITION OF MĀORI BUSINESSES

Businesses shared experiences of microaggressions, inherent bias and a lack of recognition for Māori expertise. This is compounded when businesses are asked to sub-contract or partner with non-Māori businesses without value alignment.

PERFORMANCE RECOGNITION

The current system doesn't effectively acknowledge and reward performance. Businesses feel that without an existing track record with a company, they are only offered small contracts.

PROCUREMENT EXPECTATIONS AND REALITY DIFFER

Despite the introduction of progressive procurement, businesses have not observed significant changes. There's a perceived lack of authenticity in procurement processes. Businesses often find themselves participating in "tick-box" exercises where organisations claim to want change but do not implement any meaningful differences.

WHANAUNGATANGA AMONG MĀORI BUSINESSES

In many sectors, Māori business circles are small, and businesses know one another. The businesses generally reported low levels of competitiveness. Instead, they exhibited a tendency to step back or look to partner when they became aware another Māori business was contending for the same contract. There was a prominent pattern of Māori businesses supporting each other to succeed and secure work.

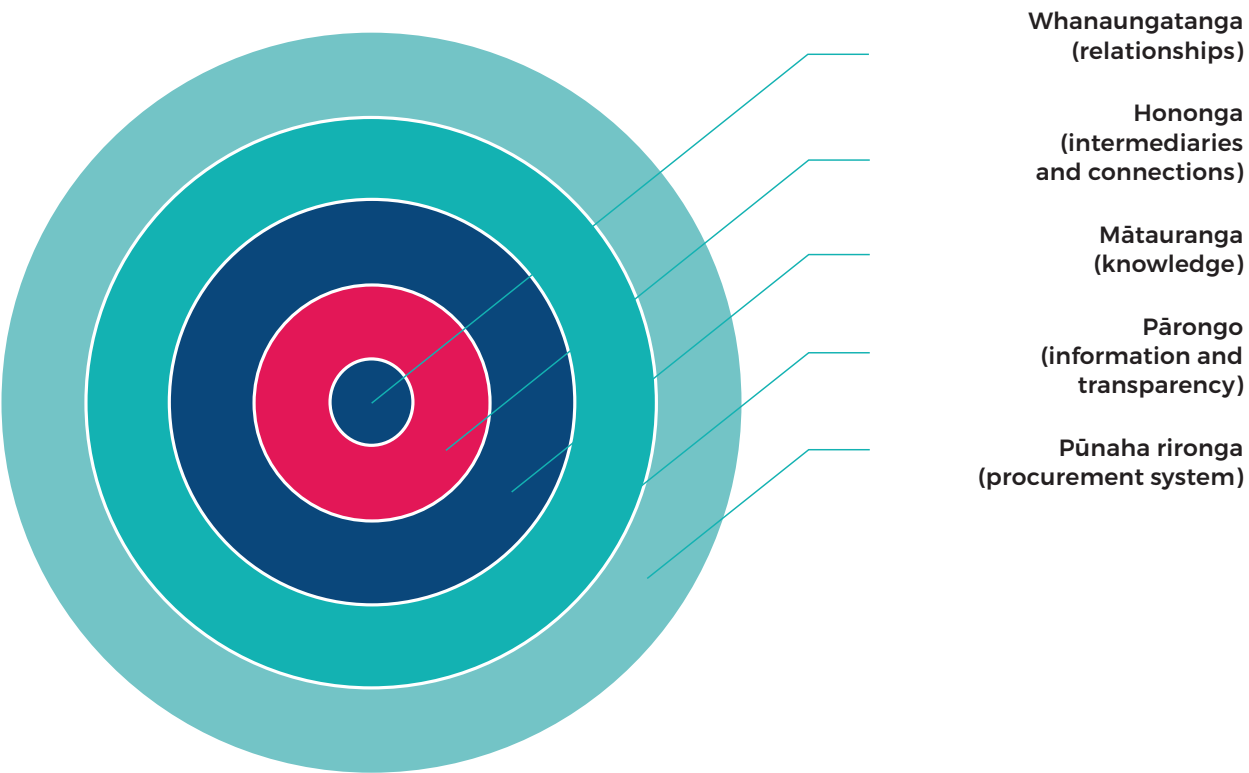
These themes underline the need for procurement practices and workforce to evolve, to better meet the needs and aspirations of Māori businesses, fostering genuine relationships, cultural sensitivity and more inclusive approach.

Navigating the ecosystem

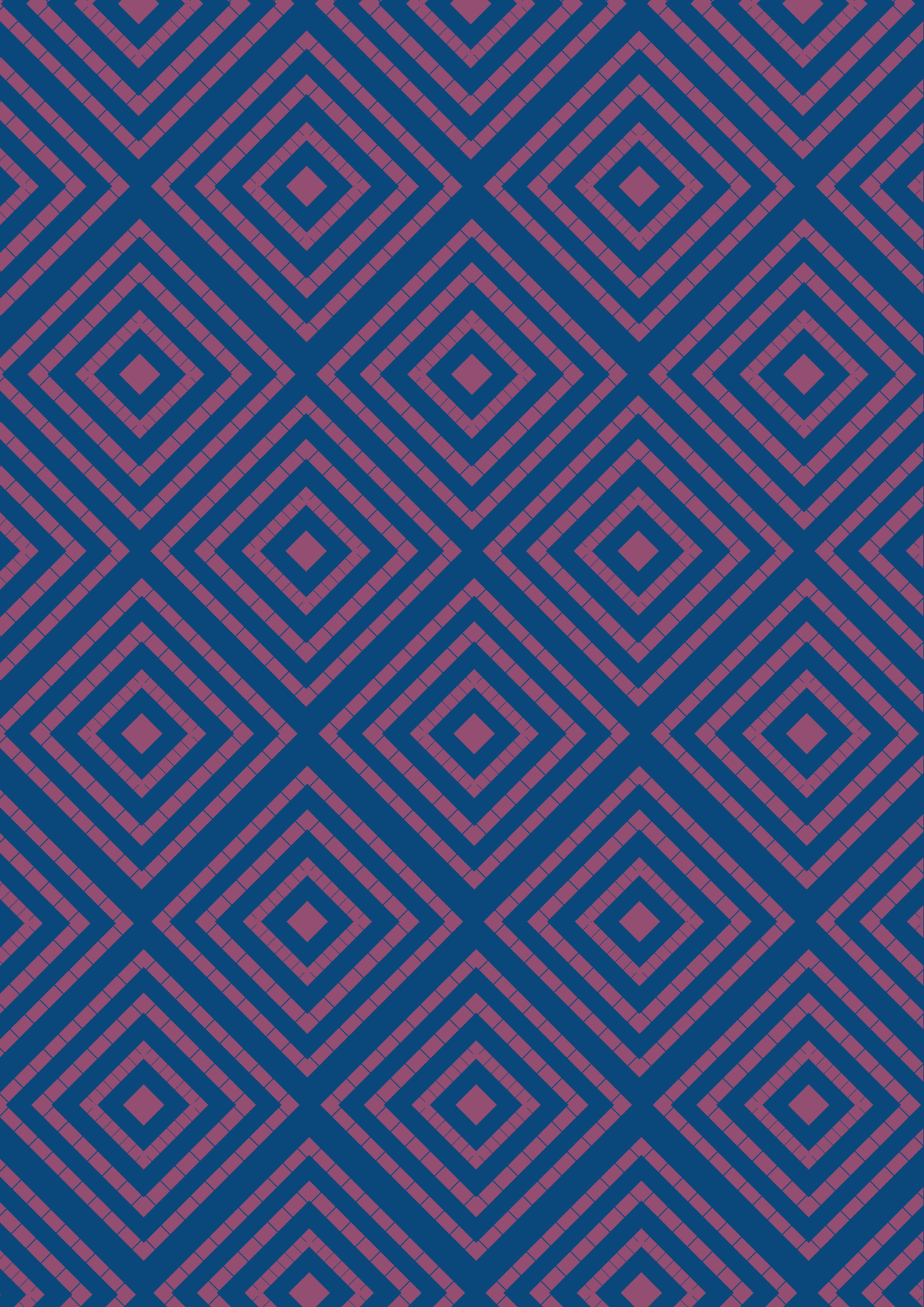
The diagram below illustrates there are many layers involved in the procurement and business support systems.

Navigating the two systems in tandem let alone in isolation can be difficult and confusing due to the multiple layers, duplication and lack of awareness.

This report shows Māori businesses are at differing levels of engagement with the procurement and support ecosystems. Some will be much closer to the core depending on their relationships, understanding of the system, experience in procurement and industry of work while others will still be at arm's length. No two Māori business experiences will be the same and there is no one-size-fits-all approach. Instead, there is a real opportunity to better co-ordinate both systems to enable successful engagement of all Māori businesses no matter where they are on their journey.



Whanaungatanga (relationships)	<ul style="list-style-type: none"> • Have existing relationships supported you to win work? • Are you given the opportunity to meet the contract owner before bidding/winning the work?
Hononga (intermediaries and connections)	<ul style="list-style-type: none"> • Did you have connections with intermediaries? • Did you have support to help you navigate the system? • Do you know where to go to find support?
Mātauranga (knowledge)	<ul style="list-style-type: none"> • Where were you able to find information? • Was it free and readily available? • Is it easy to find relevant information?
Pārongo (information and transparency)	<ul style="list-style-type: none"> • Were you able to find information about the opportunity easily? • Did you receive a tender debrief? • Were you able to find out who has been successful?
Pūnaha Rironga (procurement system)	<ul style="list-style-type: none"> • How did you access the procurement system? • How did you access the support system? • Who has influence over these systems? • Is it easy to understand how to meet criteria to access them?



Buyer projects and insights

To gain a comprehensive understanding of supplier diversity practices, interviews with key buyers in the Wellington region were conducted to provide case studies of projects where they have engaged Māori businesses.

While it is acknowledged these case studies reflect buyers' perspectives of engagements with Māori suppliers, the feedback sheds light on current procurement practices and highlights areas of potential improvement to lift the supplier diversity practice in the region.

The Living Pā

BUYER	Te Herenga Waka–Victoria University of Wellington and LT McGuinness
BUYER TYPE	Tertiary Provider and Private Enterprise Industry: Construction

The Living Pā project is intended to be a transformative initiative undertaken by Te Herenga Waka–Victoria University of Wellington, to redevelop its marae precinct into a Living Pā, a hub that connects the past to inform the future.

The Council of the University is committed to the Living Pā project, which is expected to meet the rigorous environmental standards of the Living Building Challenge, making it one of the world’s most environmentally responsible buildings. LT McGuinness appointed head contractor is leading this project.

As part of the broader outcomes, there are supplier diversity targets to achieve across the design, construction and operational phases. The following are insights and learnings shared by LT McGuinness for this project.

SOCIAL OUTCOMES AND ACHIEVEMENTS

1. The Living Building Challenge requires 20% of the design or construction contracts and 10% of the maintenance contracts to be appointed to minority, disadvantaged or women-owned business enterprises. Amotai-registered and Māori and Pasifika-owned businesses will be strongly represented in the Living Pā project.
2. The Living Pā is striving to contribute 10% of all contracted working hours towards apprenticeship programmes or workforce development programmes. Rāranga (partnership between Te Rūnanga o Toa Rangatira & LT McGuinness) has enrolled four employees working on the Living Pā project into carpentry apprenticeships.
3. Through the Living Pā broader outcomes initiative, two Māori-owned businesses have registered with Amotai's national supplier diversity database.

KEY LEARNINGS AND INSIGHTS

A GROWING TREND

LT McGuinness recognised that supplier diversity is becoming a norm as part of major projects. The company realises the value of working with new and smaller businesses, fostering a whānau centric approach in its collaboration with Māori and Pasifika businesses. LT McGuinness emphasised the importance of refining the procurement processes and supporting sub-contractors in areas like paperwork, tendering and health and safety compliance. It aspires to continue contributing to supplier diversity, making it a growing trend in the industry.

BARRIERS AND OVERCOMING

CHALLENGES

LT McGuinness found the advanced requirements of the Living Building Challenge hindered the inclusion of multiple contractors, including Māori and Pasifika businesses within the project. In specialist building projects like the Living Pā, innovative technological systems are adopted into the fabric of the building to meet stringent environmental performance requirements. Procuring certified suppliers with the knowledge to install these technologies presented difficulties due to a limited pool of suppliers.

However, the company acknowledged the significance of developing the supplier market to create opportunities for smaller businesses to grow and succeed. It also highlighted the benefits of providing feedback to suppliers, helping them enhance their documentation, tender and health and safety practices for the next tender. By supporting suppliers in its development, LT McGuinness aims to see them thrive and compete on larger projects in the future.

THE ROLE OF TARGETS

LT McGuinness highlighted that the targets played a crucial role in setting expectations for supplier diversity in the project. Clear targets help increase supplier diversity as a focus on major projects. The company also suggested that a national benchmark demonstrating supplier diversity success would bring consistency and improve supplier diversity and development outcomes.

Wainuiomata Town Centre

BUYER	Hutt City Council and John Filmore Contracting (JFC)
BUYER TYPE	Local Government and Private Enterprise
INDUSTRY	Construction

Hutt City Council selected JFC to develop the Wainuiomata Town Centre area to better connect the fast-growing suburb to shops and services, while creating opportunities to engage with Wainuiomata’s cultural and historical identity.

The result of this upgrade is intended to be a vibrant, safe, and attractive space achieved through necessary improvements to Queen Street’s infrastructure and the integration of the old Wainuiomata Mall site into the wider Town Square.

The following insights and learnings were shared by JFC about this project.

PROJECT OUTCOMES DELIVERED BY JFC

- 94% locally spent within Wellington
- 22% of total contract value sub-contracted through local Māori and mana whenua affiliated businesses
- Developed and retained long-term partnerships with five local Māori-owned businesses
- Employed nine targeted recruits directly for this project.

KEY LEARNINGS AND INSIGHTS

PREPOSITIONING &

LONG-TERM PARTNERING

JFC built relationships with mana whenua businesses well in advance of the tender stage. The company met with them in person and included them in the tendering journey. This was a material change in process and allowed JFC to build more meaningful and trusting connections before bidding and pricing. This relationship has enabled JFC to partner with the mana whenua businesses on other bids and projects in the region to ensure that long-term pipeline of work.

DELIVERY TEAM BUY-IN

The Māori businesses were engaged in the delivery team from day one due to the early relationships built pre-tender. The Wellington region is a new region of operation for JFC so it was simple to engage new, locally-based Māori sub-contractors and have early buy-in from the JFC team. This early buy-in and involvement was pivotal to the success of the new partnerships and ensuring the project team and sub-contractors successful collaboration.

SUPPLIER DEVELOPMENT

As part of the early engagement of businesses, JFC recognised a need to understand how it could support the development of the businesses. By building relationships based on open and transparent communications, the businesses could share information more confidently knowing that JFC wanted to support their development. For example, some of the Māori businesses engaged didn't have in-house estimators so JFC supported the businesses with pricing based on their required productivity rates. Additionally, JFC supported businesses to ensure they had the right insurance levels and amended their payment terms to support cash flow for those needing to buy materials upfront. Having an in depth understanding of the businesses early on enabled JFC to ensure businesses were contract-ready and provide support where needed.

Ngāti Toa – Pātaka Toa

BUYER	Ngāti Toa
BUYER TYPE	Iwi
INDUSTRY	Education

Ngāti Toa has an active priority procurement policy where it looks to engage any iwi member-owned businesses in the first instance. Where there isn't one, Ngāti Toa looks to other Māori-owned businesses before going to the open market.

Pātaka Toa, Ngāti Toa's initiatives around education, employment, and innovation, is an example of this policy in action.

There are more than 40 kaimahi running programmes supporting Ngāti Toa whānau and rangatahi. These programmes range from hauora programmes to Ngāti Toa history. Across both the programme delivery and the support services there is intentional and strategic sourcing of Ngāti Toa and Māori businesses. This includes goods, works and services across catering, cleaning, resource development, facilities improvement and programme delivery. The team actively seeks out or support the growth of whānau who can lead and facilitate the Pātaka Toa programmes.

The following insights and learnings were shared by Ngāti Toa on Pātaka Toa programmes.

KEY LEARNINGS AND INSIGHTS

KAUPAPA ALIGNMENT

Whānau-owned and Māori-owned businesses contracted by Ngāti Toa have a deep passion for the mahi because they are kaupapa-aligned. They understand the purpose of the mahi, care deeply about the impact of the mahi and go above and beyond due to this alignment. It's not just another contract for businesses, so the effort and standards set are much higher.

FROM START-UP TO SUPPLY CHAIN

Ngāti Toa has a diverse range of support programmes for whānau. One of these is a business support arm which supports start-up businesses. Ngāti Toa has successfully supported the start-up of whānau businesses which have then been engaged as a supplier. This has empowered whānau-owned businesses and demonstrates the commitment from Ngāti Toa as a buyer. It's not just 'another business course' but a programme to genuinely build capability and capacity for whānau-owned businesses.

UNDERSTANDING THE VALUE MĀORI BUSINESSES BRING

Organisations that engage with Māori businesses must acknowledge the broader perspective of value and understand the unique challenges these businesses encounter. The experience of the Pātaka Toa programmes has shown that Māori businesses operate beyond profit, incorporating social and cultural dimensions into their operations. These businesses strive for excellence in the delivery of services while also nurturing the kaupapa and going the extra mile for the betterment of whānau.

Wellington City Council unique contractor panel

BUYER	Wellington City Council
BUYER TYPE	Local Government
INDUSTRY	Construction

Wellington City Council began a programme of work to build a safe and comprehensive cycle network. The intention is to reduce congestion, give people more transport choices, and make sure people can easily get to the central city and other important places around Wellington.

Nine contractors have joined the panel, all pre-qualified to deliver the ambitious work programme. The panel has been set up with an expectation that at least 20% of work is sub-contracted to Māori and Pasifika contractors, and work packages will be allocated equitably to all nine panel contractors to provide surety of a pipeline of works, for steady and supported business expansion.

Additionally, broader outcomes requirements include:

- Encouraging the employment of local labour
- Increasing opportunity for Māori and Pasifika employment
- Paying the living wage to all employees working on Council contracts
- The contractor directly supporting the local community
- Developing capability and skills of Māori and Pasifika employees
- Developing and improving capability and experience of Māori and Pasifika-owned businesses
- Achieving environmental outcomes.

While the outcomes are ambitious, Wellington City Council has shared some key learnings and insights after planning and establishing the panel.

KEY LEARNINGS AND INSIGHTS

ENABLING INNOVATION

Wellington City Council (WCC) had to be bold in setting ambitious broader outcomes and supplier diversity requirements. The council encountered several challenges during the two-year journey. The project changed hands a numerous times with staff leaving and new staff starting, timeframes were extended, and it was difficult to simplify the tender documentation for such a complex programme of work. The team had strong committed leadership and drive to deliver.

MANAGING EXPECTATIONS

Robust market scanning and early market engagement was conducted. The council met with potential contractors, socialised the intentions of the panel and worked on building relationships with smaller contractors. However, some contractors still had to hire consultants to help them navigate the many documents and the uptake from smaller businesses was lower than expected. Part of this was attributed to unmet supplier expectations around accessibility to simplified processes. The team is committed to using insights to set the right expectations at the start of future procurement rounds.

CONTRACT MANAGEMENT

Now that the contractor panel has been established the team is dedicated to ensuring the broader outcome objectives are delivered. The council has designed a bespoke 'manaaki plan' to foster open and transparent relationships that are mutually beneficial. The plan includes customised communication processes. Some larger contractors may only need six monthly contract meetings, while others may need business support in times of growth and more frequent conversations with the dedicated contract manager. Hands-on audit processes have been established to meet with new staff brought on under the employment opportunity KPI. Data will be gathered to quantify the impact of the panel over time, such as how much a business has grown and how the wider communities may have benefitted indirectly.

Museum of New Zealand Te Papa Tongarewa

BUYER	Museum of New Zealand Te Papa Tongarewa
BUYER TYPE	Government Agency
INDUSTRY	Art and Culture

Te Papa was established in 1998 through the unity of the National Museum of New Zealand and the National Art Gallery. Te Papa is home to a forum of art, treasures and taonga.

A centre not only for those wanting to explore and present but also to preserve and revitalise the cultural heritage and taiao of Aotearoa New Zealand. As a national treasure, business and 'buyer' there are valuable insights in understanding what supplier diversity looks like for Te Papa.

- 9% of contracts are with Māori businesses.
- 5% of the total value of spend is with Māori businesses.

“To understand the past, enrich the present and meet the challenges of the future.”

Te Papa Tongarewa

The following are key learnings and insights from Te Papa on its practice of supplier diversity.

KEY LEARNINGS AND INSIGHTS

RECTIFYING UNDER-REPRESENTATION IN CONTEMPORARY ART

A key insight into Te Papa's procurement approach is its deliberate strategy to engage and uplift under-represented Māori artists and actively work to redress this imbalance. This commitment propels the organisation's active collaboration with and support for Māori creators. Given Te Papa's status as a national art repository, a collaboration with Māori offers artists a prime opportunity for wider recognition. This same approach extends to the Te Papa retail shop and hospitality where there is a focus on using more Māori, Pasifika and locally-owned businesses.

IWI/COMMUNITY CENTRIC APPROACH

Te Papa proactively engages with regions, iwi and communities to work with potential suppliers, creators and artists on the exhibition and preservation of art and taonga. This approach is highly relational and, in many instances, does away with a standard Government procurement process. Many suppliers are sourced through community connections and working with iwi rather than looking through databases. It recognises that there is a need for procurement exemptions when working closely with Māori communities and iwi who are the knowledge holders. Te Papa realises the importance of proactively aligning with Te Tiriti o Waitangi, to recognise the value of working alongside, and in partnership with, Māori.

HIGH BASELINE SPEND WITH ROOM FOR IMPROVEMENT

When the Government set a progressive procurement policy in 2020, requiring mandated agencies to report on their spend with Māori businesses, Te Papa was surprised to learn it exceeded the target nearly two-fold without any intentional action. Most organisations without an intentional supplier diversity strategy have baseline spend results below 5% with Māori businesses. Te Papa's total number of contracts with Māori businesses is 9%. Its spend value fluctuates between 4.5 and 5%.

Te Papa's model of community and partnership approaches to procuring services drives this high baseline. There is, however, recognition that some spend categories are higher than others. There is potential to look at categories of procurement where it has high total spend, such as facilities maintenance and utilities, to help increase spend with Māori businesses.

Key themes from buyers

There is an opportunity to be more ambitious with expectations

As buyer organisations explore supplier diversity and evaluate their procurement process more thoroughly, there is a growing emphasis on surpassing minimum requirements. There's potential to aim higher, set more challenging goals and redefine the vision of success. By increasing ambitions, buyer organisations can drive more meaningful change and create a ripple effect that benefits all stakeholders involved.

It's time to lift the quality bar

While initial efforts to enhance supplier diversity have been commendable, there's a pressing need to focus on quality. It's essential not just to engage diverse suppliers but to ensure these engagements uphold the highest standards of quality and performance. Elevating the quality expectations ensures all parties deliver and receive top-tier services, products and solutions.

This is a growing trend and a competitive advantage if done well

Emphasising supplier diversity isn't merely a feel-good initiative - it's becoming a cornerstone for competitive businesses. Buyer organisations are recognising its value. Those who can effectively implement and harness supplier diversity stand to gain a competitive edge in the market as more client organisations prescribe supplier diversity requirements as part of their tenders. They also benefit from varied perspectives, innovative solutions and broadened networks.

Breaking down barriers to engage

It's essential to recognise that while external efforts to engage Māori businesses are vital, there's also a need for buyer organisations to reflect internally. Overcoming barriers and challenges that Māori businesses face requires introspection. By understanding and addressing internal hurdles, be they biases, outdated practices, or lack of awareness, buyer organisations can pave the way for more seamless and prosperous collaborations.

A partnering approach works

Transactional relationships can only achieve so much. To genuinely harness the power of supplier diversity and engage with Māori businesses, a partnering approach is key. This means buyer organisations need to move beyond a faceless procurement process to a relationship approach built on trust, mutual respect and shared goals. Such partnerships can unlock unprecedented value for both parties, fostering growth, innovation and shared success.

Future state

The following provides opportunities for impact across four key themes of collaboration, capability, support and action. These opportunities provide potential areas of focus for the procurement and support ecosystems to enable future activity beyond this report.

KEY

THEME RECOMMENDATION

COLLABORATION	ESTABLISH REGIONAL COMMITMENT Re-establish the social procurement working group for local government with key representatives. The focus would be on setting and progressing regional aspirations and activity through procurement to ensure consistency to the market. That focus would look towards high quality results in all social procurement efforts and ensure that standards or goals are not lowered. This group of passionate champions would meet regularly to share learnings and insights and progress key social procurement actions.
	COLLABORATIVE CHANGE WITH KEY STAKEHOLDERS Bring together the key supplier diversity players in the region (including Amotai, TPK and MBIE) to work together to share insights and learnings about the practice, avoid duplication and make it easier for Māori businesses to navigate the procurement landscape and realise efficiencies.
	CREATE NETWORKING OPPORTUNITIES TO BUILD SOCIAL CAPITAL Work with the business networks to create platforms or events where Māori businesses can network with large organisations, government bodies and other businesses to increase their visibility and connection opportunities.
CAPABILITY	RAISE AWARENESS AND BUILD CAPABILITY IN SUPPLIER DIVERSITY Increase awareness of supplier diversity across the region to socialise the concept. This may involve capturing regional specific examples and stories, and holding events with experts to talk about supplier diversity and the potential for impact for the region.

BUILD EXPERTISE ACROSS THE REGION

To embed supplier diversity into organisations there must be some key internal experts that can support the wider organisation. There is an opportunity to look at providing training to key staff on supplier diversity from various buyer organisations to build consistent expertise across the region. Cultural competency training should also be considered.

LIFT PROCUREMENT INNOVATION

Demonstrate what innovative tactics and approaches to market could look like to better engage Māori businesses. Foster the environment for procurement innovation in the region and encourage new approaches.

SUPPORT

MAKE IT EASY FOR MĀORI BUSINESSES TO NAVIGATE THE PROCUREMENT SYSTEM

There is a vast and sometimes confusing landscape of support available to businesses which makes it difficult to understand who to go to for help. There is a need to make it clear who can help with the likes of bid writing, for example. This needs to be presented in a way in which businesses can easily identify who to approach.

UNDERSTAND THE GAPS IN SUPPORT FOR MĀORI BUSINESSES

There needs to be a co-ordinated effort to work with the existing support ecosystem, buyers and suppliers to identify the gaps in support for Māori businesses. From here support mechanisms need to be developed based on the identified gaps to ensure the right support is reaching Māori businesses.

This could include offering training programmes and workshops tailored for Māori businesses, such as tendering processes, pricing and financial literacy.

ACTION

ADVOCACY THROUGH ACTION

Organisations should look to be advocates by taking action to demonstrate what successful supplier diversity looks like in practice within their own organisations. There is still a limited pool of examples of intentional and strategic supplier diversity action across the region.

Take action

If you are a buyer organisation in Wellington, what can you do now?

1 Complete a baseline spend report

2 Hold an organisation-wide supplier diversity 101 session

3 Run a supplier diversity training session or workshop

4 Give it a go – pilot a supplier diversity project

5 Ask for help from the ecosystem

6 Hold a ‘meet the buyer’ event with Amotai

7 Provide a supplier briefing to Māori businesses pre-procurement

8 Create case studies of supplier diversity examples

9 Set organisation goals for supplier diversity

Next steps

The insights delivered in this paper are a starting point.

This report centred around starting with a small group of pakihi Māori keen to share their experiences, and a small group of conscious buyers leading change through action.

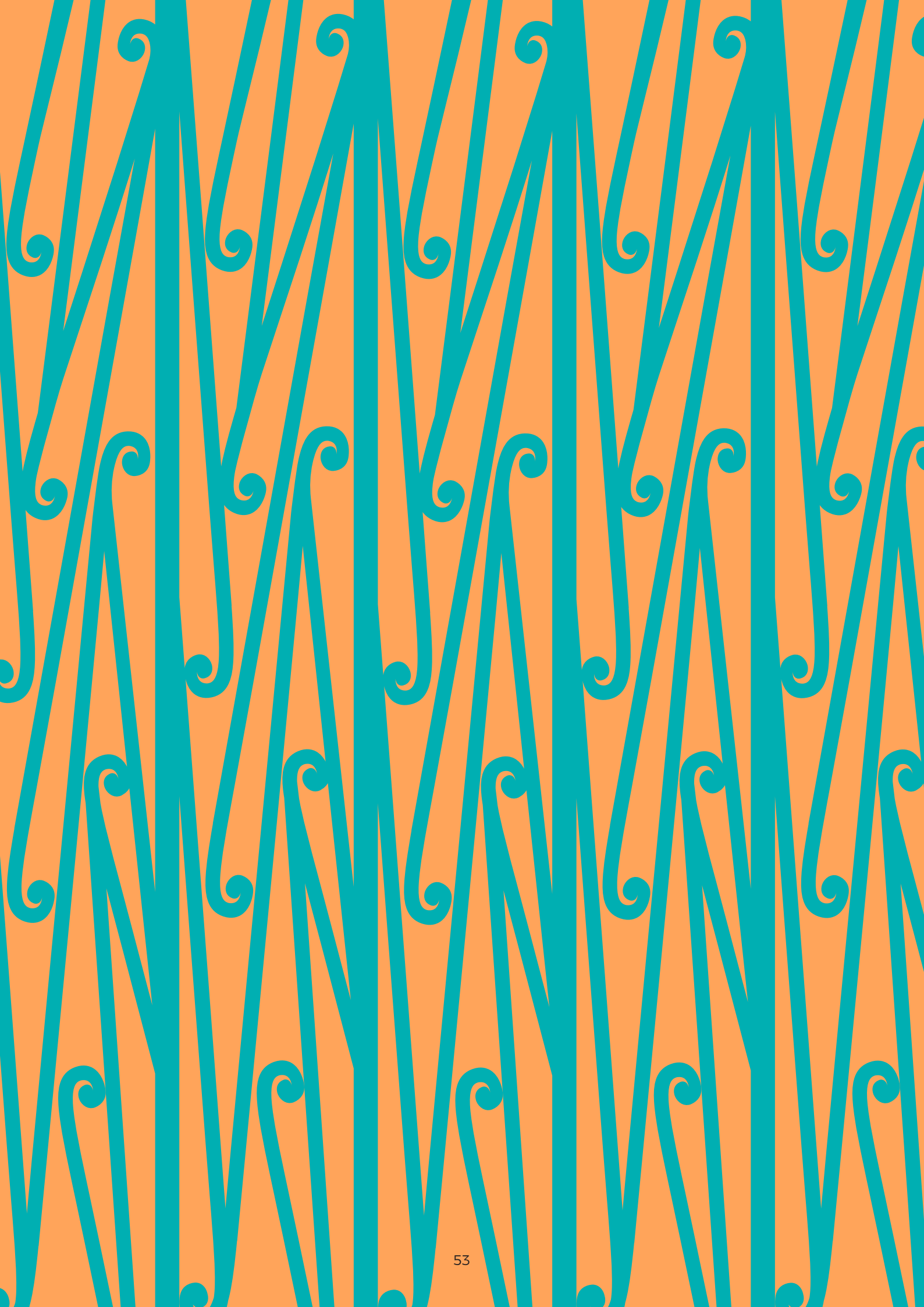
To help move the conversation forward, the report proposes to advance the first opportunity for impact through collaboration with a wider group of stakeholders.

The three main actions targeted for this future state are:

- Create networking opportunities to build social capital
- Establish a regional working group
- Collaborative change with key stakeholders.

WellingtonNZ will continue to work alongside the pakihi Māori who contributed to this kōrero to help inform the next steps.

There will be an opportunity to follow the progress of these participants and others on WellingtonNZ.com where the final publication can be found.



Acknowledgements

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Appendix 1: Glossary of terms

BASELINE SPEND	A baseline is a fixed point of reference used for comparison purposes. In this case, baseline spend refers to organisation's spend at a point in time for a period of time. Usually, it is an annual spend report to support an organisation to understand its current spend and then look to improve it.
BUSINESS-TO-BUSINESS (B2B)	Businesses that make commercial transactions with other businesses.
BUYER OR BUYER ORGANISATION	The person or organisation that buys goods or services but doesn't always own them. They identify needs, source suppliers, negotiate terms and complete purchases to ensure organisational or governmental money is spent fairly, transparently and demonstrates value for money.
CATEGORIES OF PROCUREMENT	Procurement categories are groups of related commodities or services that share demand and supply factors and suppliers. For example, 'construction' is a category of procurement.
CULTURE WASHING	Culture washing is a marketing or public relations process used by organisations to create a vibrant, attractive but misleading culture. In this report it refers to organisations providing misleading information about their Māori cultural capability and competency.
GOVERNMENT ELECTRONIC TENDERING SYSTEM (GETS)	GETS is the Government Electronic Tender Service, where most large Government contracts are advertised. It's free to use, but you must register to view the details of listed opportunities.
HAUORA	Māori word for 'health'.

MĀORI AUTHORITY	A Māori authority acts as a trustee by administering communally-owned Māori property on behalf of individual members. More information can be found on the IRD website www.ird.govt.nz/roles/maori-authorities .
MANAAKI	Māori word for 'support'.
MĀORI BUSINESS	A Māori business is where at least 50% of shareholdings are held by someone with Māori whakapapa (verifiable genealogical lineage) or classified by IRD as a Māori authority.
MBIE	Ministry for Business, Innovation and Employment
PROCUREMENT	Procurement is the act or process of getting something, especially for business purposes; the act of obtaining equipment, materials, or supplies. It usually involves obtaining goods or services from an external source, often through a competitive tendering or bidding process.
SET-ASIDE	Set-aside procedures are those reserved for a sub-class of bidders. In this report it refers to reserving procurement activity specifically for Māori businesses.
SUPPLIER	Is the person or company providing specific goods or services to buyers, typically in exchange for payment. They fulfil the requirements set by the buyer based on agreed terms.
TAIAO	Māori word for 'environment'.
TATAURANGA	Māori word for 'statistics'.
TE KUPENGA HAO PĀUAUA	A partnership project between Te Puni Kōkiri and the functional lead for procurement, the Ministry of Business, Innovation and Employment (MBIE).

Authorship

This report was commissioned by WellingtonNZ and authored by Puna Awarau. The design and artwork is by Chloë Reweti.

ABOUT WELLINGTONNZ

WellingtonNZ is the Wellington region's economic development agency, tasked with enhancing prosperity, vibrancy, and livability across the region.

WellingtonNZ's priority areas of focus are developing jobs and skills and placemaking. WellingtonNZ looks to do this by collaboration and engagement across the region.

The long-term direction of the economy is guided by the Regional Economic Development Plan (REDP), developed through collaboration across local and central government, iwi and businesses.

The chapter on Māori Economic Development in the REDP includes initiatives to support development of a more inclusive social procurement ecosystem through capacity and capability building of buyers and suppliers.

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ABOUT PUNA AWARAU

Puna Awarau is a Māori consultancy firm working at the forefront of Indigenous procurement in Aotearoa.

punaawarau.com



ABOUT CHLOE REWETI

Chloë Reweti (Ngāi Te Rangi, Ngāti Ranginui, Ngāti Tukorehe, Ngāti Porou) is a graphic designer living in Te Whanganui a Tara Wellington.

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Stats NZ disclaimer

Access to the data used in this study was provided by Stats NZ under conditions designed to give effect to the security and confidentiality provisions of the Data and Statistics Act 2022.

The results presented in this study are the work of the author, not Stats NZ or individual data suppliers.

These results are not official statistics. They have been created for research purposes from the [Integrated Data Infrastructure (IDI) and/or Longitudinal Business Database (LBD)] which [is/are] carefully managed by Stats NZ. For more information about the [IDI and/or LBD] please visit www.stats.govt.nz/integrated-data.

The results are based in part on tax data supplied by Inland Revenue to Stats NZ under the Tax Administration Act 1994 for statistical purposes. Any discussion of data limitations or weaknesses is in the context of using the IDI for statistical purposes and is not related to the data's ability to support Inland Revenue's core operational requirements.

