Strategies and Identity in Networks: A Case of Indigenous SMEs in the Western Australian Mining Industry

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Statement of Candidature Contribution

I hereby submit my thesis for examination in accordance with the regulations and declare that all sources have been acknowledged, the thesis has not previously been accepted for any other degree in this or another institution and the thesis has been substantially accomplished during enrolment in the degree. This thesis contains published work, some of which has been co-authored. The bibliographical details of the work and where it appears in the thesis are outlined below.


I declare that I was the primary author of the publication and contributed 70% of the content. Material included in this publication appears in Chapters Five and Six of the thesis.

Daniel Schepis
Abstract

This research explores two interrelated topics which can be considered central to the understanding of organisational networks: strategy and identity. Through exploring multiple perspectives of strategic behaviour in an inter-organisational net, the research considers the issue of actor control and how certain actions can influence the network environment in such a way that facilitates the achievement of their objectives. In addition, the research considers the interactions between the network context and organisational identity work, specifically focusing on how strategizing through identity work influences actor role and position.

The contextual focus is on the development of privately-owned, for-profit Indigenous enterprises in the Western Australian mining industry. This setting provides valuable insight into interactions between Indigenous people and large multinational corporations, a complex area considering the underlying relationship tensions such as cross-cultural engagement, stakeholder power, CSR management and even elements of post-colonialism. The objectives of focal net being investigated focus on increasing Indigenous contracting in the mining industry through the implementation of measures that seek to overcome the barriers to Indigenous participation in the industry.

An in-depth case study is presented, based on qualitative interviews with a wide range of participants from different Indigenous and non-Indigenous organisations in the focal net, as well as relevant secondary data. A combination of thematic and discourse analysis was utilised to investigate the major themes relating to strategizing and identity construction and explore the underlying sense-making motives and tensions.

The case study provides an empirical example of the potential for a small number of highly prominent and influential firms to engage in strategic activity for their mutual benefit, while also performing a hub role to align the resources and activities of other actors towards common net goals. The analysis of the structural and processual elements of the net, such as centrality, cohesion, structural holes, power and relationship orientations are influenced by certain strategic actions and how they link to the overarching net objectives. This case differs from previous examples of net concepts as
it does not explicitly identify collective intent for collaborative inter-organisational actions or any formal recognition of a net being purposefully designed and constructed.

The research also captures the effects of strategy in the net from the perspective of the Indigenous companies’ identity work. This builds onto the understanding of ‘identities in networks’ by exploring how identity is influenced by the network but can also be strategically constructed to influence the network. The identity work of Indigenous companies was recognised as being a strategic tool to negotiate the tensions that exist in the net by balancing connection and distance to an Indigenous identity. The research highlighted the ways in which identity work can construct an Indigenous organisational identity so as to influence the role and position of the company in the net.
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Glossary of Terms

Several terms which are specific to the research context may be unfamiliar to individuals who do not have prior knowledge of the contextual setting. These terms will be briefly clarified to ensure consistent use and interpretation.

AIMSC: Australian Indigenous Minority Supplier Council (now rebranded as Supply Nation). An organisation that links accredited Indigenous business with corporate and government clients.

Blue Chip: refers to blue chip companies which are generally the large, industry leading companies. In this context is used to describe major mining companies.

EPCM: Engineering, Procurement and Construction Management organisation that manages large projects typically in the infrastructure, mining, resources and energy industries. These companies manage generally the whole project on behalf of the client (in this context, large mining companies).


ILUA: Indigenous Land Use Agreement. Refers to agreements negotiated between Indigenous groups and companies or governments in relation to land use, access and management.

Indigenous: refers to Indigenous Australian peoples of Aboriginal and Torres Strait Islander descent, who identify as Aboriginal or Torres Strait Islander and are accepted as an Aboriginal or Torres Strait Islander person in the community in which they live, or have lived. The term Indigenous has been used to mean Aboriginal and Torres Strait Islanders for consistency with the terminology used by government and research institutes in Australia. Please note the capitalisation of the word Indigenous throughout the thesis has been employed as a sign of respect. This also applies to references to other Indigenous people throughout the world or in general usage to remain consistent.
JV: Joint Venture. A business structure in which parties agree to contribute resources to the development of a new project.

Land Access: Within this context, land access refers to the processes (mining) companies must go through to secure land for exploration, development and infrastructure projects. There are a number of legislated requirements to obtaining land access, many relating to the consent of Indigenous groups.

License to Operate: refers to a company achieving ongoing acceptance or approval from the local community and other stakeholders who can affect its profitability. This concept features heavily in mining company rhetoric.

Native Title: a property right which recognises the rights and interests that Indigenous people hold over their land and waters arising from their original ownership under traditional law and custom.

Native Title Claimants: are members of Indigenous groups that have filed native title determination applications and have a registered claim which provides certain procedural rights.

PACA: Pilbara Aboriginal Contractors Association. An industry representative body supporting Aboriginal businesses in the Pilbara region of Western Australia.

RAP: Reconciliation Action Plan. These documents outline an organisation’s commitments to practical actions aimed at building relationships and enhanced respect with Indigenous people.

Traditional Owners: are Indigenous people who have common spiritual affiliations with a particular site and have certain rights and responsibilities attached to that land.
Chapter One

Introduction

1.1 Overview

This research explores two interrelated topics of fundamental importance to the understanding of organisational networks: strategy and identity. Network perspectives offer a valuable insight into organisational strategy and identity that is often not often considered from traditional organisational management perspectives (Baraldi, Brennan, Harrison, Tunisini & Zolkiewski 2007; Gadde, Huemer & Håkansson 2003). When applied to the context of organisational strategy and identity issues, the value offered through network approaches lies in the ability to capture broader relational perspectives on the subject rather than atomistic perspectives of the firm (Gulati, Nohria & Zaheer 2000). The inclusion of the dynamic interaction between an organisation and the structures and processes of the network it is embedded in, allows for a better appreciation of the development of both strategy and identity (Hald, Cordón & Vollmann 2009; Harrison & Prenkert 2009).

In examining strategy and identity in a network setting, this research takes a multi-level perspective to capture the interdependencies and influences between the concepts from key reference points. At one level, organisations can align their strategic activity to form nets which are directed at achieving mutually beneficial objectives (Möller & Svahn 2003). On another level, given the interconnected nature of relationships, strategic activity at the dyadic level can spread through the network and the accumulative effects of change at this level has the potential for wider network impact (Håkansson & Snehota 1995: Halinen, Salmi & Havila 1999). While organisations are heavily influenced by their network, they also have the capacity to take strategic actions to influence their own position and role (Anderson, Havila, Andersen & Halinen 1998; Johanson & Mattsson 1992). Strategizing at the actor level is therefore also important in respect to understanding strategy and identity in the network.
As agency in the network can be considered to stem from activity at the actor-level, this represents an important perspective to analyse. This is especially true for this particular research context, given the patterns of identity work which inductively emerged as a significant theme through the analysis process. The critical focuses in this instance are the ways in which organisational identity is influenced by network and the ways identity work strategically influences the network. Those two elements represent a major theoretical and managerial contribution of the research. This particular emphasis on strategy and identity in networks is made novel because of the unique network setting of the research. The case study captures interactions between Indigenous people and multinational corporations (MNC) within an industrial context with underlying cross-cultural and power tensions.

The rest of this chapter is set out as follows: Firstly, a contextual overview will be provided to explain the position of Indigenous people as mining industry stakeholders; the business development model being pursued in the mining industry; various contextual barriers to Indigenous business contracting; and finally characteristics of Indigenous companies. An explanation of the theoretical framework will be presented along with a clarification of the research questions being explored. This is followed by an explanation of the research approach and a summary of the major contributions. Finally, definitions of key contextual terms will be presented.

1.2 Contextual Overview

In many countries around the world, relationships between local Indigenous people and the typically larger and more powerful non-Indigenous population remain a very contentious and pressing issue (Anderson, Dana & Dana 2006; Banerjee 2008; Imas, Wilson & Weston 2012; Kapelus 2002; Peredo & Anderson 2006). As the rights and needs of Indigenous people slowly begin to gain recognition globally and in their respective countries, much attention has been given to addressing issues relating to well-being, self-determination and participation in mainstream society. While this area has long been the domain of governments, more recently greater emphasis has been
placed on the role of industry in supporting these objectives (Esteves & Barclay 2011). This is especially true for companies that interact with or have some impact upon Indigenous communities through their operations. For the companies that consider those groups to be key organisational stakeholders, engaging with Indigenous groups can present unique managerial challenges (Garcia & Vredenburg 2003, Kapelus 2002).

This research focuses on a case in Western Australia, where firms in the mining industry have recently taken an active role in engaging Indigenous owned companies and in doing so have implemented Indigenous-specific contracting policies. These engagement strategies can be viewed as a reaction to their perceived corporate social responsibilities (CSR). The introduced strategies seek to overcome the perceived contracting barriers faced by Indigenous companies and embed particular Indigenous contracting norms within the industrial network. The study of inter-firm relationships in this context offers valuable insights into some of the tensions which exist as organisations adopt an apparently collaborative approach within what is a traditionally competitive business network, while seeking to satisfy often differing objectives.

1.2.1 Indigenous Groups as Stakeholders

A major contributing factor to the interest in Indigenous development amongst private sector organisations is the growing recognition of Indigenous people as a distinct stakeholder group. This recognition may reflect the increasing expectations on large, profit-seeking corporations to apply principles of CSR (Esteves & Barclay 2011). The Australian mining industry is a pertinent example of this move, however the industry’s relationship with Indigenous groups in particular takes on added layers of complexity due to the fact that land used in mining operations is often land which Indigenous people are connected to, and thus mining has a significant impact on the lives of these people (Coronado & Fallon 2010; Cragg & Greenbaum 2002).

In recent years, the mining industry in Australia has recognised the need to meet the expectations of Indigenous stakeholders as forming a central aspect of their ‘license to operate’ (Esteves & Barclay 2011; MCA 2011). Up to 60 percent of mining
operations in Australia are located in the vicinity of Indigenous communities (Tiplady & Barclay 2007). Although only a small portion of the total Australian population, Indigenous people represent a significant and growing majority in some mining areas and are also more likely to be permanent residents of those areas, highlighting their increasing status as stakeholders (DITR 2007). The conceptualisation of Indigenous people as stakeholders of mining companies is accurate in considering the potential they have to both affect and be affected by the achievement of organisational goals (Freeman 1984).

Within the Australian context, one of the major factors contributing to the recognition of Indigenous groups as corporate stakeholders has been the introduction of native title legislation (Langton & Mazel 2008). Native title represents one of the means by which the Australian legal system seeks to formally recognise Indigenous peoples’ relationships with traditional land and waters (Mantziaris & Martin 2000). Under the Native Title Act (1993) claimants can have their native title recognised by Australian law (Mantziaris & Martin 2000). The introduction of Federal native title legislation has been coupled with a growing trend within the mining industry to recognise the importance of Indigenous communities to their operations and to work with, rather than against them (Langton & Mazel 2008). This movement has evolved from unilateral resistance and active lobbying against land rights reform in the 1970s, to a more progressive acceptance and relationship based approach today (Crawley & Sinclair 2003).

Land rights have been recognised as providing Indigenous people with some influence over certain mining projects affecting their communities or their lands. According to the CSR perspective, this relationship would signify the position of Indigenous groups as a stakeholder for mining companies operating in those areas (Freeman 1984, Parsons 2008). The level of power an Indigenous group may have to influence a company’s performance will determine the level of strategic interest the company has in actively managing that relationship (Kapelus 2002). Langton (2012) suggests that land rights have placed Indigenous people in a beneficial market position to engage with companies requiring land access.
In addition to progress in the area of native title, there have been 799 registered Indigenous Land Use Agreements (ILUAs) in Australia, which often involve interaction between Indigenous groups and private enterprise (NNTT 2013). In recent times, there has been a major increase in these agreements in mining regions such as the Pilbara in Western Australia which has been attributed to the unprecedented increases in production and the development of new operations (Holcombe 2009). ILUAs are voluntary, binding agreements that can be negotiated to avoid some of the typical legislative procedures of the Native Title Act and provide a flexible mechanism in relation to land use, access and management (DIA WA 2005).

ILUAs are usually concerned with how issues such as mining access and mine development proposals can pragmatically co-exist with the exercising of native title rights and interests. These agreements have become common practice in Australia as they provide a level of security over land access; an issue which is seen as critical to mining companies’ development plans (Crooke, Harvey & Langton 2006; Crawley & Sinclair 2003). Aboriginal groups can benefit from the terms of the agreement, typically in the form of financial compensation for the impairment of native title rights and interests of applicants (O’Faircheallaigh 2010). Other ‘benefits’ such as employment and contracting opportunities, land access and heritage protection are increasingly being offered (Allbrook & Jebb 2004; O’Faircheallaigh 2010).

Native title rights are not in themselves a way for Indigenous people to overcome disadvantage and improve their socio-economic status. Altman (2002) highlighted that statistics fail to show socio-economic improvement among Aboriginal groups despite being parties to agreements or living near mine sites. Langton and Mazel (2008) draw comparisons between Aboriginal poverty in resource rich regions of Australia to the much discussed concept of the ‘resource curse’ which describes the severe poverty and disorder in third-world nations with significant natural resources. The native title system has been criticised for not providing Indigenous groups with sufficient power to refuse mining developments on ancestral lands or even guarantee any substantial benefits (O’Faircheallaigh 2007). The behaviour of mining companies has also been criticised for being preoccupied with managing their operational risks rather than ensuring effective results from interactions with Indigenous groups.
The literature suggests that, at least in the Australian context, there is room for improvement in respect to corporate engagement with Indigenous stakeholders.

1.2.2 Business Development Model

The previously mentioned land use agreements represent one prominent area of interaction between mining companies and Indigenous groups; however there are many other platforms through which interaction takes place. This research seeks to look at the broader issue of Indigenous economic development and the role that the mining industry is perceived to have. There is growing emphasis on Indigenous engagement with the mining industry as a method through which to pursue economic development (Lawrence 2005). Many people in Australia now agree that economic development, specifically engagement with the mainstream economy through employment and Indigenous business ownership, is a pathway to improving wellbeing and livelihood in Indigenous communities (FaHCSIA 2011; Foley 2008; Martin 2003).

The mining industry, as a major, labour intensive industry operating in regional areas, is seen by some to possess the resources and opportunities through which Indigenous people can break the perceived reliance on the state (Lawrence 2005). It is hoped that engagement with mining will build capacity and institutions in Indigenous communities that will provide benefits beyond the life of the mine (Langton and Mazel 2008). It should be recognised that this view is not shared by all, many scholars are critical of the benefits and implications of this form of development (Parsons 2008; Banerjee and Tedmanson 2010). Given the support at the industry and government levels, this approach to development can be considered to represent the main discourse in Australian society and deserves attention and critique.

The movement for companies to become actively involved in Indigenous economic development is gathering momentum in Australia. A reported 81% of the 100 leading companies that form the Business Council of Australia (BCA) have implemented Indigenous initiatives, and, indeed, all BCA members in the mining and energy industry have done so (BCA 2011). Recently it has become commonplace for
private sector companies, especially those in the resources industry, to set targets for Indigenous employment, establish training programs and incorporate Indigenous contracting and procurement practices so as to encourage economic development (Langton 2012). Similar models of economic development are currently being practised in other parts of the world (Anderson, Dana & Dana 2006, Kapelus 2002). This represents a departure from previously common approaches to Indigenous stakeholder engagement that took the form of arms-length sponsorships and philanthropy (Crawley & Sinclair 2003).

As this research focuses upon the interactions between Indigenous groups and mining companies at an organisational level, it will investigate the strategies introduced to facilitate contracting and procurement from Indigenous companies. Holcombe (2009) suggests the need for economic development in mining regions should not be limited to Indigenous engagement through training and employment but should also encourage a diverse economy through business development. Many major resource companies in Australia now have policies to facilitate Indigenous business development and with this model being established as an industry norm, standards of practice are considered to be improving (Esteves et al 2010). Esteves and Barclay (2011) identify momentum in mining company/community interactions, increasingly moving away from short term compensation to longer term sustainable economic development.

Indigenous business development, or alternatively - Indigenous entrepreneurship, is considered by many to offer an escape from welfare dependency and poverty in many parts of the world (Fuller, Howard & Cummings 2003). It is also seen to differ from other areas of economic development as it encourages self-reliance and self-determination (Furneaux & Brown 2008). Indigenous-owned businesses are often best positioned to deliver positive outcomes to their own communities (Hindle & Moroz 2009; Peredo & Anderson 2006). Holcombe (2009) sees the development of small businesses as key to securing economic independence for the individuals participating, while these entrepreneurs can act as role models which will also lead to positive outcomes across the wider community. This sentiment is reflected in the manner in which Hindle and Lansdowne (2005 pp.132) conceive Indigenous
entrepreneurship, as the “creation, management and development of new ventures by Indigenous people for the benefit of Indigenous people”.

While governments, the private sector and NGOs have made commitments to promoting Indigenous-owned businesses, at present little is known about these Indigenous firms (ATO 2009; Hindle & Moroz 2009). The fact that the number of Indigenous-owned businesses in Australia is currently unknown is symbolic of the research gaps that currently exist; however as a rough gauge, 6,800 Indigenous people were identified as self-employed in 2006 (ATO 2009). This figure represents a large discrepancy between self-employment amongst the Indigenous and non-Indigenous workforce (6.3% vs. 17.3% respectively) (Foley 2008). Proportionately fewer Australian Indigenous people are involved in small businesses compared to those in Canada and the U.S (Hindle 2005).

There is a clear need for further research into Indigenous entrepreneurship, as this represents a unique and emerging research field requiring empirical investigation specific to this contextual setting (Hindle & Moroz 2009; Peredo & Anderson 2006). Furthermore, the existing literature focuses mostly on community based ventures and comparatively little research concerning privately owned Indigenous ventures exists (Foley 2006). Indigenous entrepreneurship has even been described as the latest and least developed area of research in Australia (ATO 2009). It is important to better understand the circumstances of Indigenous people so as to successfully harmonise the interests of mainstream and Indigenous communities (Hindle & Moroz 2009). If private companies are to successfully achieve their goals of increasing Indigenous business development, they must adapt their strategies to the specific needs of these companies.

1.2.3 Barriers to Engagement

In order for this model of economic development to succeed, the participating parties must recognise the barriers which restrict Indigenous contracting in the mining industry and work together to overcome them. These barriers are summarised as the
general contextual barriers to Indigenous business development and industry barriers preventing entry and effective participation in this industry specifically.

### 1.2.3.1 Contextual Barriers

To fully understand the contextual complexities surrounding this research, it is important to acknowledge the current situation faced by many Indigenous Australians and to consider the effect this may have on economic development. Indigenous Australians are, on average, the most disadvantaged group in the country across most important socio-economic and quality-of-life indicators (DIA WA 2005). Problems include poor levels of education attainment (ATO 2009), high rates of long-term unemployment and underemployment (Jordan & Marvec 2010). Many Indigenous communities are perceived to have become overly dependent on Government supported social security and funded initiatives or support from the philanthropic sector (Pearson 2000; DIA WA 2005). The intent of this research is not to emphasise the existing levels of disadvantage in Indigenous communities but to highlight the urgency for effective methods of addressing these problems and the implications for business development. Taking into consideration the view that the policy implementations of successive Australian governments have had little impact on the socioeconomic status of Indigenous communities puts into perspective the challenge for private sector led approaches to make progress in this area (Furneaux & Brown 2008).

The socio-economic circumstances that face Indigenous people may constrain their ability to start a business. The factors necessary for business start-up such as skills relating to education or business experience, financial literacy and access to finance, are more likely to be lacking within the Indigenous community (ATO 2009; Hunter 1999). Indigenous businesses may start at a disadvantage due in part to low inter-generational transmission of wealth, poor credit ratings or perceived higher risk by lenders (Fuller et al 2003; Hunter 1999; ATO 2009). Business relationship constraints can be caused due to racial discrimination which is still present in Australia, as well as a more general lack of understanding of Indigenous companies by non-Indigenous Australians based on a limited of exposure and familiarity (Foley 2008).
Indigenous people, particularly those in remote and regional locations, often lack the social capital networks that support and encourage participation in business enterprises (Hindle 2005; Klyver & Foley 2012). Furneaux and Brown (2008) suggest that lack of access to capital in all forms may act as a barrier to Indigenous business development. The inward networks of other minority groups often cultivate entrepreneurial activity but this has not been the case within Indigenous Australian communities (ATO 2009). While Indigenous people typically have strong ties within the Indigenous community, business opportunities within this network are limited (Foley 2008). While social capital can be a rich source of support, in this case it is considered to be constrained by the embedded nature of the ties within Indigenous communities (Furneaux and Brown 2008). Lahn (2012) considers existing Indigenous networks to be insufficient to ensure economic participation in many instances, necessitating engagement with other, new networks.

As many resources and opportunities are not available within Indigenous networks, interaction with non-Indigenous people/organisations is therefore considered necessary for business survival (Klyver & Foley 2012). Relations within non-Indigenous networks in this instance can also be used to provide credibility for a business, leveraging off the image of others associated with it to overcome barriers that exist such as negative racial stereotypes (Foley 2006, Klyver & Foley 2012). While partnerships between Indigenous and non-Indigenous organisations play a prominent role in the development of Indigenous entrepreneurship, collaboration can often prove difficult and many Indigenous people are wary of committing to a Western model of business relationships (Peredo & Anderson 2006).

1.2.3.2 Industry Barriers

Indigenous business development through contracting into the mining industry faces several barriers based on the structures and processes of the mining industry itself. This is recognised as a more general problem for major resource companies that seek to commercially engage with local small and medium sized enterprises (SMEs) in the areas in which they operate (Esteves et al 2010). A report on local contracting published in conjunction with the Australian mining industry outlines five major barriers that
SMEs face in entering the industry: 1) the information gap between small and very large companies restricts communication, awareness and information of opportunities; 2) a lack of capacity in small enterprises to effectively prepare documentation and equipment to meet the needs of the contract; 3) complex procedures and costs associated with prequalification that are unattainable or unrealistic for SMEs; 4) corporate policies and systems that seek to reduce costs, risk exposure and supplier numbers so as to achieve maximum competitiveness and profitability; 5) Use of Engineering, Procurement and Construction Management (EPCM) contractors that reduces the control and flexibility of the resource company over contractual issues (Esteves et al 2010 pp.7).

Indigenous SMEs face numerous challenges in establishing a credible and attractive identity within the mining sector. Indigenous companies may face discrimination and many other companies may lack the cultural understanding to engage in effective relationships with Indigenous partners (Foley 2008). Another barrier is the prevalence of ‘bundling’, which is a common procurement practice in the mining industry referring to the amalgamation of several smaller contracts into larger ones so as to improve efficiency (Esteves et al 2010). The scale of contracts in the mining industry is not conducive to small business development as the requirements may go beyond the company’s capacity (PWC 2011). While breaking large contracts into smaller ones may be a way to make contracts more accessible, they must also remain of a size and timeframe that will allow for sustainable business development (AIMSC 2011). There also remains the significant barrier of Indigenous companies being able to receive information with regards to potential opportunities or relevant advice if they do not have well established ties throughout the industry. This is considered to be critical to the entrepreneurial process (Birley, Cromie & Myers 1990).

1.2.4 Indigenous Business Characteristics

Despite the previously mentioned lack of literature on this subject, it is possible to, at least at a generalised level, identify certain characteristics that are often associated
with Indigenous businesses. Indigenous business owners often display unique characteristics in their motivations, orientations and business models (Rola-Rubzen 2011). As Hindle and Lansdowne (2005) recognise, there is a need to appreciate the dynamic interactions of Indigenous world-views and traditions within the discourse of commercial development. Klyver and Foley (2012) suggest that given the ‘mixed embeddedness’ of minority groups, entrepreneurs may in fact be more influenced by their minority culture than the dominant national culture. Understanding the effects of this cultural embeddedness is critical to analysing entrepreneurial activity in this context (Klyver & Foley 2012).

Individuals are embedded within kin-based networks and have attachments to certain geographic areas, language groups and other cultural groupings (Martin & Finlayson 1996). The associated rights, obligations and allegiances that form an integral part of Aboriginal society must be acknowledged along with the implications this has on the development and performance of Indigenous organisations (Martin & Finlayson 1996). As an example, reciprocal family obligations and a culture of obligatory sharing form a central part of an Indigenous manager’s identity and this will be reflected in their business decisions and actions (ATO 2009; CoA 2008). Outcomes such as providing gainful employment for family members, is a key priority for many Indigenous business owners (Fuller et al 2003). Through sharing, individuals validate their relationships, whereas there can be high costs for refusal to share as it not only damages the financial interaction but the entire relationship (Furneaux & Brown 2008). At times, these ideologies can be considered to challenge commonly accepted business practices of non-Indigenous companies, particularly if they contradict competitive, capitalist orientations (ATO 2009; CoA 2008).

While Indigenous companies may perform similar roles to comparable non-Indigenous companies, they are associated with having different norms and values and this will influence their interaction with others (Hindle & Moroz 2009). Indigenous owned and run businesses are characterised as having orientations that extend beyond wealth creation to encompass more socially orientated objectives (Hindle & Landsdowne 2005; Anderson, Dana & Dana 2006). These social objectives can be targeted at benefiting family groups to communities and even regions (Hindle &
It is more likely that Indigenous companies have a mixture of social and commercial goals but success is not determined primarily by financial criteria (Foley 2006; Altman 2001). It is for this reason that Indigenous companies are often associated with social entrepreneurship as they do not strictly follow a commercial model in the same way as equivalent non-Indigenous companies would (Pearson & Helms 2013). This business model or orientation is considered to more closely align with Indigenous cultural values and is appropriate for the community in which they are embedded (Pearson & Helms 2013; ORIC 2010).

At the same time, Indigenous Australians are not a homogenous group with a single value system and therefore business development models that assume as such have been widely shown to be inappropriate and ineffective (Altman & Dillon 2005; Foley 2006). Foley (2006) identifies Indigenous business managers that did not align themselves with traditional Indigenous value systems, which suggests the characteristics of a company are based more on the values of the individual(s) in charge.

Encouraging Indigenous business development is therefore made difficult by multiple contextual and industry barriers, as well as adapting to the different orientations or motivations that Indigenous companies may possess. The challenge for mining companies seeking to become active in this area is how to work with Indigenous companies to overcome these barriers and adapt to these differences. Individuals are more likely to start businesses in environments that are conducive to entrepreneurial activities (Furneaux & Brown 2008). It is clear that without some adjustment to the established structures and processes and participation from others involved in the supply chain, the proposed model of Indigenous business development is extremely difficult. As Furneaux and Brown (2008) suggest, such a model shifts the focus away from individual or group to the environmental enablers and constraints to business development. To be successful, Indigenous enterprise development requires a certain environment in which to flourish (Russell-Mundine 2007). This reflects an increasing emphasis in the literature on the network as a contextual factor influencing business development (Snehota 2011).
1.3 Theoretical Framework

The contextual overview has established the complex nature of the research setting. Whilst this can primarily be considered a study of business, the previous section has recognised that the setting also incorporates issues such as Indigenous land rights, cross-cultural engagement and community development. The business interactions that are being examined are embedded in a complex cultural, political, legal, and industrial environment that is critical to understanding the research context. Identifying a theoretical framework that is able to capture all these elements so as to develop an understanding of the phenomenon presents a critical challenge for the research. In taking into account these considerations, the theoretical framework has been based on a business network perspective. This section will outline the main concepts included in the framework and explain why they are relevant to the research context.

Network perspectives appreciate the interconnected nature of business relationships and how they are connected to the broader social system in which they exist (Wilkinson 2008). As the success of Indigenous business development is not solely dependent on the characteristics of the firm or the firm’s members, it is important to take a broader view of the networks they operate in (Furneaux & Brown 2008). Indigenous companies, like any other, are embedded in a network of business and non-business relationships and these in turn can be seen to enable or constrain performance (Håkansson & Ford 2002; Ritter, Wilkinson & Johnston 2004). In order to better understand business development in this industrial setting, it is important to analyse the multifaceted relationships between Indigenous people and mining companies and consider the implications for strategic CSR and stakeholder relations.

The theoretical framework is based on an integrated combination of three complementary network approaches – Industrial Networks, Social Networks and Entrepreneurial Networks. The research is most heavily influenced by the industrial networks approach, which understands that businesses have positions and roles in networks and their activities are facilitated and restricted by the network structure and process (Håkansson & Snehota 1995). The social networks approach contributes to the theoretical framework by providing a manner in which to describe the structural
elements of business networks (Wasserman & Faust 1994). The entrepreneurial studies approach is also relevant to the research given the emphasis on business development within this field (Hoang & Antoncic 2003). An integrated approach offers the possibility of a deeper understanding of the network phenomenon under investigation, allowing for the theoretical framework to more closely align with the contextual nuances.

The research seeks to develop an understanding of the structural and processural characteristics of the case network, so as to explore how they are influenced by actor strategies while simultaneously influencing the actions of those same actors. Partanen and Möller (2012) recommend integrating network structure and process concepts into the research framework so as to develop a better understanding of strategic actions at the firm level. As this research takes a multi-level perspective, it not only looks at the role and position of organisational actors but also the structures and processes that form at a net-level based on the interconnected dyadic relationships of the participating actors. Structure has been described as the pattern and configuration of relationships and linkages among network actors (Inkpen & Tsang 2005). The research incorporates the concepts of centrality, cohesion and structural holes, which are considered to be the most relevant to the research questions at hand. The research also looks at the interrelated concept of process, which describes the dynamic aspects of the network and the norms of interaction between actors. Theories of network regulation are included into the research framework, so as to understand the rules and principles that govern and coordinate actor behaviour (Benassi 1995).

From a business management perspective, the problems that have been outlined in the contextual overview can be conceptualised as being relevant to that of business strategy. In recognising the various industry barriers to Indigenous contracting, potential differences in company orientations and the diversity of strategic goals amongst the different companies taking part, it is clear that managerial strategies must look beyond the boundaries of the firm. This supports the need to adopt a broader perspective that focuses on relational rather than atomistic approaches to understanding strategy (Gulati, Nohria & Zaheer 2000). For Indigenous contracting in the mining industry to firstly, be possible and secondly, be sustainable in the long term, the network structure and
processes must be conducive to this net objective. Such a network transformation requires some level of common understanding between actors and can benefit from the alignment of actor activities towards a common strategic goal (Partanen & Möller 2012).

The alignment of inter-organisational strategies can lead to the formation of various types of nets within the network (Brito 1999; Möller & Svahn 2003). Similar network transformations have previously been considered by Chou and Zolkiewski (2010) in respect of the impact of external incidents such as technology change and the accompanying strategic reactions of actors. The performance of an organisation is not based solely on their own efforts and the development of strategic thinking should reflect this (Wilkinson & Young 2002). Strategy from a network perspective acknowledges that firms are not able to engage in strategic behaviour unrestricted by the network, while the network itself is not beyond the influence of the firm (Johanson & Mattsson 1992).

As previously stated, the research takes a multi-level perspective and as such in conjunction with the analysis of net level and dyadic level concepts, also focuses on the strategic actions at the firm level. The theoretical framework includes a focus on organisational identity, in particular its strategic construction, how it is used to influence position and how it is influenced by the firm’s network embeddedness. Organisational identity is described as the collectively held frame through which an organisation’s members make sense of their world (Weick 1995). Identity is interrelated with role and position as it captures the perceived attractiveness or repulsiveness of a firm as an exchange partner due to the unique set of connections it maintains (Anderson et al 1994; Hald et al 2009). A key part of a firm’s strategic network position is determined from how that firm’s identity is constructed in interactions and viewed by other network actors (Gadde et al 2003).

This research adopts the ‘identities in networks’ perspective which recognises the control an actor has in developing their own identity (Huemer, Håkansson & Prenkert 2009). Identity is used to communicate a company’s orientations to other firms in the network, as well as the competencies and resources that may allow it to perform a particular role (Anderson, Håkansson & Johanson 1994). Identity work can therefore be
considered to be a strategic activity through which managers show a firm’s alignment with network norms but also a way in which they can influence other actors and the network itself (Gioia, Schultz & Corley 2000). This research replicates the focus of Ellis, Rod, Beal and Lindsay (2012) that captures individuals’ view of the identities and positions of others in their network.

### 1.4 Research Questions

Having introduced the contextual setting of the research and the theoretical framework through which it is approached, it is possible to present the specific research questions. As stated previously, this research takes a multi-level perspective to analysing strategy and identity in networks and this is reflected by the development of the research questions whereby the focus is both at the actor level and net level.

The first research question focuses upon the macro-effects of multiple individual actor strategies and considers how this may lead to the development of a net, characterised by a structure and processes that facilitates the achievement of a common objective. This is analysed predominantly from the perspective of the major mining companies that are recognised as prominent and influential actors seeking to respond to a specific stakeholder issue. The second research question focuses on strategy at the individual actor-level rather than in a collective sense and takes the perspective of the Indigenous companies in the net. This question specifically focuses on how actors can strategize through identity work and how this strategizing is influenced by the embedded net context. These two complementary research objectives link together to develop a more comprehensive understanding of issues relating to strategy and identity in networks.

As previously stated, this research can be broadly described as focusing on multiple aspects of organisational strategy, which represents a salient topic in much of the management and marketing literature (Baraldi et al 2007; Gadde et al 2003). Investigating strategy from a network perspective however, requires a different approach than often features in the classical approaches which dominate mainstream strategic management thinking (Håkansson, Ford, Gadde, Snehota & Waluszewski
2009). As mentioned at the beginning of this chapter, network perspectives focus on relational rather than atomistic understandings of strategy (Gulati, Nohria & Zaheer 2000). Less emphasis is placed on combative tactics and there is instead a greater appreciation of the role of others in achieving business goals (Håkansson et al 2009). Baraldi et al (2007) consider strategy researchers to often neglect the importance of network phenomena and call upon more research that explicitly addresses the concept of strategy from an industrial networks perspective.

The contextual challenge of encouraging Indigenous business development in the mining industry can be considered to be a strategic issue. The strategic business development goal can be understood as a way in which mining companies can engage with an important stakeholder and deliver significant benefits to this group. It can also be considered to be a strategic issue in considering the numerous contextual and industry barriers that must be overcome to enable Indigenous contracting in the mining industry. This highlights the importance of the network perspective as the problem relates to the industrial network itself and is beyond the capacity to be addressed at the dyadic level alone. Achieving the goal of increasing Indigenous contracting requires transformative change to occur within the industrial context. Understanding what these transformations are and the activities that can bring them about are a key focus of this research.

The capacity for strategic management in a network setting is not fully understood. On a fundamental level the relationship between an actor and the network is such that an actor can never attain complete control or organise its network so as to achieve its organisational goals (Håkansson & Ford 2002; Ford, Gadde, Håkansson & Snehota 2011). The network constrains actor behaviour but it can also be understood to facilitate behaviour, provided it is through interactions with the actor’s relations (Håkansson & Ford 2002; Ritter, Wilkinson & Johnston 2004). This research seeks to explore this issue by examining the capacity for strategic management to occur via nets. The existing literature cites examples of collaborative relationships, alliances and strategic or issue-based nets which suggest it is possible for actors to strategically organise and mobilise the resources of others in line with a particular objective (BarNir & Smith 2002; Dyer & Singh 1998; Möller & Svahn 2003).
Building upon the literature, this research will explore how actors can influence network structures and processes to develop a net which facilitates the achievement of strategic objectives. In this case, the major mining companies can be understood to behave strategically to introduce measures that will overcome the perceived barriers restricting Indigenous contracting. This research will examine the strategic actions taken and its links to structural and processural elements, as well as the links to common objectives between net members. Central to this question is the ability for actors to create nets and the extent to which these nets are manageable. For the purposes of this study, net actors are defined as actors that participate in the net. This leads on to the first research question: How do net actors strategically influence structures and processes to achieve their objectives?

As previously stated, this research seeks to provide a multi-level perspective of the case problem and as such it is important to show the business development process from the perspective of the Indigenous companies. The research agenda considers Indigenous companies to be the focal actors in the network and therefore it is important to develop an understanding of the focal net from that particular actor-level. Indigenous companies, like all companies, are not at the mercy of the network, they have the ability to undertake strategic action to influence their position in the network (Johanson & Mattsson 1992). This is recognised by the ‘identities in networks’ perspective (Huemer et al 2009).

Actors engage in strategizing in networks, through which they attempt to influence other actors to achieve strategic aims (Gadde et al 2003). Strategic action at the actor-level can take many forms, however the focus of this research is to add depth to the literature by showing the way actors strategize through identity work. The management of organisational identity is considered to represent a key strategic decision for managers (Pratt & Foreman 2000). The identity construction process is considered to be particularly relevant in the context of entrepreneurship, as firms attempt to embed themselves into a network and seek to develop a desirable position (Aldrich & Zimmer 1986).

The discussion in section 1.2.4 presented some of the characteristics which are often attributed to Indigenous companies and identified the challenges this may present
in cross-cultural business relationships (Hindle & Moroz 2009; Huemer & Cox 2007). This takes on added complexity in a mining network context given the relationship between Indigenous people and the land and apparent contradictions that involvement in mining development may present (Huemer & Cox 2007; O’Faircheallaigh 2006). The net-level strategies, as defined by this research, are orientated towards Indigenous companies and therefore the identity of these companies is a worthwhile topic to explore.

From a network perspective, organisational identity is embedded in the network in which it operates and it therefore represents a social construction that is influenced by others (Clarke, Brown & Hailey 2009). It is important to consider how the network context influences the organisation’s identity. This network in particular, with its embedded power dynamics and underlying stakeholder tensions, represents an important context through which to understand the influence of CSR strategies on organisational identities (Huemer 2010). At the same time, actors are considered to be active agents in developing their identity, rather than passively accepting the identity imposed upon them (Clarke et al 2009). The use of identification is considered particularly relevant within this Indigenous context and plays an important role in identity work. Identity work is a tool through which an actor can influence others and therefore an aim of this research is to build upon the understanding and draw attention to how it can be used for strategic purposes (Clarke et al 2009; Gioia et al 2000). This forms the foundation of the second research question: How does the identity work of Indigenous actors influence and get influenced by their identity in network(s)?

Summary of Research Questions:

- How do net actors strategically influence structures and processes to achieve their objectives?
- How does the identity work of Indigenous actors influence and get influenced by their identity in network(s)?
1.5 Research Approach

The research questions necessitate a design that accounts for the complex contextual nuances and remains culturally appropriate with respect to Indigenous participants. Given the cross-cultural setting, the approach must be sensitive to Indigenous rights and worldviews, while remaining aware of issues relating to post-colonial dynamics. The research is approached from a moderate constructivist ontological position, which recognises that meaning does not passively exist, however there can be localised forms of knowledge (Järvensivu & Törnroos 2010). In appreciating the contextual setting and seeking to avoid research imposed meaning, this research is geared towards an interpretivist epistemological position. Individuals create multiple and varied subjective meanings of their experiences and therefore the emphasis is on the participant’s views (Creswell 2013). In following this approach the researcher has collected personalised and contextualised information based on a qualitative methodology.

The research design developed was deemed appropriate following a rigorous university ethics approval process and the ongoing input of Indigenous participants and advisors. A case study approach was taken which utilised both qualitative semi-structured interviews and secondary data analysis. This latter element provides a degree of data-based triangulation as corporate texts such as websites, brochures and reports were scrutinised. To gain a better understanding of the research case and most importantly develop relationships with key participants, a combination of formal and informal interviews were conducted based on similar approaches by Jack (2005) and Dubois and Gadde (2002). Hindle and Landsdowne (2005) and Foley (2008) take a similar approach in studying Indigenous entrepreneurs in Australia; moreover, this is a common design in network research investigating complex issues (Halinen & Törnroos 2005).

The interview-based accounts of managers were analysed using a combination of thematic and discourse analysis. Thematic analysis identified network characteristics in terms of words or phrases relating to structure and process (Creswell 2013). This captured the network positions and identities being portrayed in the interview data. Data
was thematically coded into categories that exemplified network concepts portrayed by
the existing literature and was interpreted as representations of structural and
processual network characteristics or strategizing and identity construction. The
discourse analysis approach looked beyond the surface of the data and attempts to
interpret the underlying sense-making motives and tensions (Lowe, Ellis & Purchase,
2008). The approach used the concept of the ‘interpretive repertoire’ to facilitate the
study of discursive agency on the part of participants (Ellis & Hopkinson 2010).
Repertoires are recurrently used systems of terms viewed as building blocks that
speakers use strategically in explaining, justifying, excusing, etc. (Potter & Wetherell,
1987). They effectively function as ‘scripts’ (Welch & Wilkinson, 2002) that can
facilitate and/or restrict actors’ sense-making.

1.6 Contribution

The theoretical understanding of strategy from a network perspective, represents
an empirically underdeveloped area of research (Baraldi et al 2007). That is the case
despite the great value that network perspectives can provide to the field of strategic
management studies (Gadde et al 2003). This research provides a valuable contribution
to the understanding of business networks and organisational strategy by examining
strategy development and its consequences within a net from a multi-level perspective.

While the potential for organisational actors to strategically collaborate in
industrial networks is recognised, this understanding is restricted to dyadic partnerships
or explicitly developed nets. This research offers an alternate perspective to viewing
inter-organisational strategy by showing how actors can loosely align behaviour towards
mutually beneficial goals without explicit coordination or cooperation. This provides an
additional layer of understanding to the complex nature of networks by presenting a
case study of actors responding to shared external pressures.

The capacity for actors to strategically influence or orchestrate nets links to
fundamental arguments around the concept of actor control in networks. By presenting a
case study of inter-organisational strategy in a focal net, this research offers insights into
the potential for actors to influence structures and processes in order to facilitate the achievement of their strategic goals. This makes a valuable contribution to the discussion of actor control in networks by using an integrative network approach to highlight the links between strategic activity and their influences on the structural and processural elements of the net.

This study presents a multi-level understanding of the focal net which provides an in-depth analysis of identity work with respect to strategy. The research shows how Indigenous organisations strategize through their identity work and in doing so influence their network role and position. This adds to the depth in which organisational identity in networks can be understood and identifies examples of managerial strategizing through identity. The addition of this layer of analysis allows for a better appreciation for the interplay between actor and network level constructs and highlights the influence each has on the other.

Finally, this research provides a valuable situated contribution into Indigenous business development in the Western Australian mining industry. This is significant because it captures a unique industrial approach to Indigenous entrepreneurship and it provides insight into the dynamics of the engagement between Indigenous people and MNCs from multiple perspectives. Approaching these issues from a network perspective provides an important understanding into the influences actors have on their counterparts through their interactions but also the cumulative effects of their strategizing.

1.7 Outline of Thesis

The thesis is structured in the conventional style of reporting scientific research, although slight adaptations have been made to account for the specific research context. Chapter One has provided an introduction to the research, the rest of this thesis is presented as follows. Chapter Two will present a review of the relevant literature to build a theoretical framework for the research. Chapter Three addresses the research methodology, including the approach taken, details of the data collected and the analysis methods. The findings are presented in two chapters for the benefit of the reader.
Chapter Four outlines the findings relating to the structure and process of the focal net while Chapter Five outlines the findings relating to Indigenous companies’ identity. Chapter Six presents a discussion organised around the two research questions. Finally Chapter Seven is a conclusion outlining the theoretical and managerial contributions, limitations and future research directions.
Chapter Two

Literature Review

Chapter two introduces the literature that forms the theoretical foundation for the research. The literature has been classified into five broad areas and will be presented as follows: firstly the relevant network perspectives will be discussed along with the integrated approach taken; secondly, central concepts to network research will be introduced, thirdly, the concept of strategy in networks will be discussed; fourthly, the network structure and process concepts relevant to the research will be introduced to form the conceptual tools for the research and finally the concept of organisational identity in networks will be discussed.

2.1 Network Perspectives of Business Relationships

In seeking to apply theory from the extensive management and marketing literature, it is critical to identify those provide a conceptual framework for an academic and managerial contribution, while also capturing the sensitivities of the unique contextual research setting. The application of business network theories offers an incredibly useful and increasingly popular perspective that can lead to a greater understanding of business relations, business-to-business marketing and the entrepreneurial process. This perspective proposes that firms should not be seen in isolation but connected in business systems and therefore network analysis should be considered (Anderson, Håkansson & Johansson 1994). In taking a network view, the understanding of company’s shifts from an inside to an outside perspective, characterising firms in terms of their network resources and activities (Gadde et al 2003). Firms are embedded in a network of business and non-business relationships and these in turn can be seen to enable or constrain performance (Håkansson & Ford 2002; Ritter, Wilkinson & Johnston 2004). Interactions between companies do not occur as
isolated transactions but each business entity with its unique technical and human resources is bound together and to many other entities in many different ways through relationships (Håkansson & Ford 2002).

A network can be considered in abstract form as a structure comprising a number of nodes, related to each other by specific threads (Anderson et al 1994). In applying this to a business context, companies can be represented as nodes while relationships are represented as threads, both of which have their particular context and are ‘heavy’ with many different forms of resources, knowledge and understandings (Håkansson & Ford 2002). Firms develop these relations with other firms or organisations through carrying out their business activities, as these directly or indirectly affect their performance (Ritter, Wilkinson & Johnston 2004). Networks can be considered cultural phenomena and are therefore laden with other aspects of culture and a wide range of social relations (Curran et al 1993). Network analysis seeks to identify actual behaviour and structure rather than assume official hierarchies or cultural expectations of behaviour to be true (Haythornthwaite 1996). What is of interest in this case is the nature and functions of relationships, to develop an understanding of Indigenous business development within this particular industrial network context.

There are numerous theoretical frameworks from which the study of business networks can be approached. In a review of network theories in socioeconomic systems, Araujo and Easton (1996) identified ten different schools of network thought, each with their own unique characteristics and applications, however with multiple areas of overlap in theories and methodologies. While this research is largely representative of the Industrial Networks (IN) approach, which is characteristic of the Industrial Marketing and Purchasing (IMP) Group’s literature, to best address the research problem, elements of Social Networks (SN) approach and the Entrepreneurial Studies approach will also be included. A brief overview of these approaches will now be provided.
2.1.1 Industrial Networks Approach

The industrial networks (IN) approach, which has also been called the business network perspective (Slotte-Kock & Coviello 2010) and the IMP approach can be considered to be the primary perspective from which we have chosen to understand this particular network phenomenon. This is reflected in the formation of this approach being primarily directed at the study of dyadic business relationships in industrial markets (Easton 1992).

Much of the research in this approach utilises the *Actors-Activities-Resources* (AAR) model, particularly in regards to explaining networks dynamics (Axelsson & Easton 1992; Araujo & Easton 1996). While this research does not apply this model in the strictest sense, it is worthwhile explaining in brief given that it guides much of the literature. Håkansson and Snehota (1995 pp.26) define the 3 elements as follows “*Actor bonds* connect actors and influence how the two actors perceive others and form their identities in relation to each other. Bonds become established in interaction and reflect the interaction process; *Activity links* regard technical, administrative, commercial and other activities of a company that can be connected in different ways to those of another company as a relationship develops; *Resource ties* connect various resource elements (technological, material, knowledge resources and other intangibles) of two companies. Resource ties result from how the relationship has developed and represents in itself a resource for a company”. As Ritter and Gemünden (2003 pp.693) explain “actors perform activities and control resources, activities transform resources and are used by actors to achieve goals and resources give actors power and enable activities”.

Araujo and Easton (1996) consider the IN approach to be rather unique in that it cross-references other network approaches and that it has been developed in parallel to other approaches rather than in response to them. Within this approach to networks, qualitative, case-based methodologies are favoured as they are a more interpretive style of analysis rather than the positivist styles that are common in SN research (Araujo & Easton 1996). This represents an important reason for the selection of the IN approach as the guiding perspective, as well as the alignment with the research problem and methodological design. Of the ten approaches included in the review of network
research by Araujo and Easton (1996), the IN approach was deemed to be the most appropriate for Business Market research. Business Market research can be considered to match the aims of this research and meeting the level of analysis being undertaken.

Within this approach there is an appreciation of the multiplex adaptive nature of networks and an emphasis on managing within the network rather than controlling the network *per se*. Slotte-Kock and Coviello (2010) summarise this approach as being focused on understanding how to establish, build and maintain or change relations to achieve a position within a network, while distinguishing this from SN approaches which do not tend to question how relationships change or why change occurs. As connections or relationships are of particular interest, both the structural and processural effects of the network are under investigation (Håkansson & Snehota 1995, Araujo & Easton 1996).

Key philosophical and theoretical differences can also be identified within the IN research tradition itself. While there are multiple perspectives within this stream of network research, one issue of particular relevance to this research setting is the attitude towards actor strategy. The aspect of strategy that generates the greatest contention surrounds network management and the degree to which actors are in control of themselves or others. The classical/traditional IN scholars typically disagree with the notion of network management in any form (Håkansson & Snehota 1995; Aarikka-Stenroos, Sandberg & Lehtimäki 2014). The strategic network approach meanwhile recognises the ability of actors to form nets, generally assuming a greater level of determination (Jarillo 1993; Aarikka-Stenroos et al 2014). This divergence directly impacts on the attitude towards nets and as such will be expanded on further in section 2.3.

**2.1.2 Social Networks Approach**

The SN approach focuses on describing and explaining patterns of social relations and can also be utilised in developing sophisticated methods based upon relational or positional analysis (Araujo and Easton 1996). Social network analysis is interdisciplinary in both its development and its application, it provides a way of
defining important social concepts, a framework for testing social theories and the measures needed for analysing social structures and systems (Wasserman & Faust 1994). Much of the attention is on the relationship patterns which link individuals and organisations and examines the availability and exchange of resources between these people (Haythornthwaite 1996).

The concept of embeddedness is highly central to SN approaches. The literature argues that economic behaviour is embedded in a social context or in a network of relationships (Granovetter 1985; Slotte-Kock & Coviello 2010; Uzzi 1996). The approach can be seen to be developed out of social exchange theory and maintains focus on actor connectedness and systems thinking regarding behaviour (Cook and Rice 2003). Actors are not free to behave in a purposeful manner and their actions are instead constrained by their embeddedness in a system of ties (Granovetter 1985; Uzzi 1996). This concept corresponds with the discussions that feature prominently in other approaches to network research regarding the interaction between structure and process on actor and network. It is also particularly central in IN research and will be featured in later parts of the literature review.

The SN approach is based on four theoretical propositions: actors in all social systems are interdependent; actors are related through links that channel information, affection and other resource; the structure of those relations both constrains and facilitates actions; and the patterns of relations among actors define economic, political and social structures (Wasserman and Faust 1994 pp.4). It is worth noting that in the IN approach, relations and structure influence each other instead of being one directional. A structuralist approach to actor role for instance assumes that the actor’s position determines which role it can act in. Also the notion of ‘defining’ a structure does not align with the ontological position of IN research. Some prominent theoretical arguments lie within the SN perspective such as the notion of network cohesion (Coleman 1988), the roles of strong and weak ties (Granovetter 1973) and the recognition and utilisation of structural holes (Burt 2009).

The majority of SN literature is orientated towards identifying and measuring tie and network characteristics, with a view to understanding the influence of structural change on the network (Slotte-Kock & Coviello 2010). In reviewing the literature we
can see that much of the analysis is focused at an individual level, although there are still a considerable number of studies orientated towards the group and organisational level. Methodologies within this approach are typically orientated towards more quantitative, sociometric techniques, which are beyond the scope of this research. The conceptualisation of network characteristics however, particularly structural, is useful in providing a theoretical framework to qualitatively identify these concepts within the focal net (Araujo & Easton 1996; Slotte-Kock & Coviello 2010). While SN literature provides a vast resource for the analysis of network structure, a more balanced approach that incorporates the effects of network processes is required for this research. Elements of the SN perspective will therefore be integrated with other network approaches.

**2.1.3 Entrepreneurial Studies Approach**

Networks are seen to be an essential element in the development of entrepreneurial ventures (Anderson, Dodd & Jack 2010). Entrepreneurial network perspectives are relevant to this research given the emphasis on business development within the contextual focus. In presenting a review of network perspectives to entrepreneurship, Hoang and Antoncic (2003) incorporated research that focused on the development and consequences of networks in the new venture creation process, or looked at small to medium-sized firms. Jack (2010) identified a dramatic increase in the number of entrepreneurship studies that focus on networks and relations. Networks became more relevant to entrepreneurship research when the focus shifted from the sociopsychological characteristics of entrepreneurs to the social and institutional context in which entrepreneurship is embedded (Aldrich & Zimmer 1986; Araujo & Easton 1996). Businesses do not emerge in a vacuum and therefore there is a need to understand the pre-existing structures and process that they are developing into (Snehota 2011).

Entrepreneurship can be considered to be embedded within a social context, and a company’s position within particular networks will channel and facilitate, or constrain and inhibit, the degree of this embeddedness (Aldrich & Zimmer 1986). Entrepreneurs
utilise their networks to obtain the non-redundant resources they require to perform their various roles (Brüderl & Preisendörfer 1998; Klyver & Hindle 2010). This concept is also discussed in the IN literature with respect to resource mobilisation (Baraldi et al 2007). As social networks are considered to provide the entrepreneur with access to resources, they are also seen to affect the chance of entrepreneurial success (Jenssen & Koenig 2002). Network resources, network activities and network support are critical to new firm development and therefore the role of networks in stimulating entrepreneurship is apparent (Burt 2009).

According to Hoang and Antoncic’s (2003 pp.167) review, the three key constructs of network research on entrepreneurship were the content of entrepreneurial relationships, the governance of these relationships, and the structure or pattern that emerges from the ties that link actors directly or indirectly to one another. This approach acknowledges the importance of social and professional relationships in the entrepreneurial process, to obtain ideas, opportunities and resources that facilitate the process (Araujo and Easton 1996). Entrepreneurial research studies often examine issues of network process as predictive sequences of stages and engage in life cycle theories (Slotte-Kock and Coviello 2010). Contextual information is often heavily incorporated into the analysis. Snehota (2011) suggests that new businesses cannot be isolated from their contexts and that the context will have considerable implications for the firm’s development. Researching a focal firm’s development must also take into account its business relationships and counterparts in the network (Aaboen, Dubois & Lind 2013). Araujo and Easton (1996) identify prominent examples in the literature where entrepreneurship studies of networks have strong links to SN approaches (Aldrich and Zimmer 1986) and with IN approaches (Aabozen et al 2013; Snehota 1993).

As discussed in section 1.2.2, a prominent discourse that is currently being advocated for in Australia, encourages Indigenous owned and managed entrepreneurial ventures as a possible way for Indigenous people to engage with the mainstream economy and stimulate economic development more generally (Foley 2008; Fuller et al 2002; Furneaux & Brown 2008; Peredo & Anderson 2006). Entrepreneurship network perspectives provide a framework through which to understand the influences of the mining network on the entrepreneurship process of Indigenous businesses, as well as
capturing how the network is influenced by this process (Hoang and Antoncic 2003). By incorporating a network perspective that incorporates the processes of focal actors with that of external network structures and processes, this research can make a bigger contribution to the understanding of Indigenous businesses. As Hindle and Moroz (2009) suggest, Indigenous entrepreneurship research is emerging as a distinct sub-disciple of entrepreneurship and therefore particular attention must be paid to the specific contextual environment.

2.1.4 Integrated Approach to Network Research

This research therefore seeks to adopt an integrative approach to network analysis, combining aspects of the IN, SN and Entrepreneurship approaches. This integrative approach is presented as a worthwhile option by Araujo and Easton (1996) and has been encouraged as a valuable theoretical framework (Huang & Antoncic 2003, Slotte-Kock & Coviello 2010). Further to this, Slotte-Kock and Coviello (2010) highlight the research benefits in applying IN approaches which offer a deep understanding of specific relationships, together with SN approaches which can provide a macro-level understanding of structural change and influence in the network. Granovetter (1985) discussed the need to apply a more contextualised approach to network analysis and acknowledge the role that social relations have alongside structural factors in economic dynamics.

The varying attitudes towards network management within the IN perspective provides an example of the lack of complete unity around various network concepts. While this friction may provide challenges to the application of an integrated approach, it also provides opportunities to consider certain issues from a different perspective. The conceptual disagreement over the net concept does not prevent notable works (Brito 1999; Möller & Svahn 2003) from incorporating both a traditional conceptualisation of IN theory with ideas from the strategic network perspective. The combination of the three selectively chosen network approaches was arranged in a way to complement each other and in doing so draw on each approaches’ strengths as a way of increasing the understanding of the focal network.
There are notable differences between the three broad network approaches, notwithstanding the previously mentioned differences within the IN school itself. These differences are noted in the focuses, methodological approaches and research aims which are generally associated with each steam, such as the level of analysis or the conceptualisation of actors and ties. At a deeper ontological and epistemological level, differences may also be considered to exist, which may lead to some fundamental incongruence. It has been made clear that at this level, this research aligns with the IN approach, as is evident in the overall approach to the case study. To provide a comparative overview of some of the differences between the three approaches, the major positions and focuses of each approach has been summarised in the table below.
<table>
<thead>
<tr>
<th>Research Dimension</th>
<th>Industrial Network Perspective</th>
<th>Social Network Perspective</th>
<th>Entrepreneurial Network Perspective</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Primary level of analysis</strong></td>
<td>Focuses on dyadic interaction (specific inter-organizational relationships within the broader network) but argues it is possible and necessary to understand the mutuality of tie and network development.</td>
<td>Studies patterns of whole networks of individuals or organizations, occasionally including dyads.</td>
<td>Focuses on either dyads of the focal firm or the firm’s egonet. Increasing recognition of the interface between the dyad and the network.</td>
</tr>
<tr>
<td><strong>Nature of actors</strong></td>
<td>Organisations</td>
<td>Individuals and organisations</td>
<td>Individuals</td>
</tr>
<tr>
<td><strong>Nature of ties</strong></td>
<td>Resources and information</td>
<td>Friendship, resources, information and power</td>
<td>Communication, power, influence, resources</td>
</tr>
<tr>
<td><strong>Stance towards network management</strong></td>
<td>Considers networks as non-hierarchical multiplex adaptive systems, where individual actors are not able to control or manage others.</td>
<td>Considers tie and network formation as calculative, thus assuming some ability to intentionally manage the network within the constraints of the environment.</td>
<td>Generally argues the network must (and can) be understood and managed.</td>
</tr>
<tr>
<td><strong>Tie characteristics</strong></td>
<td>Considers multiplex characteristics: tie content, tie intensity, tie reciprocity, positive and negative ties, tie duration, sleeping ties.</td>
<td>Emphasizes tie existence and tie strength. Distinguishes between social and economic ties.</td>
<td>Emphasizes mostly tie content (social vs. economic) and tie strength. Some appreciation of other characteristics, e.g., tie usefulness, durability, direction and dormancy.</td>
</tr>
<tr>
<td><strong>Network and tie change</strong></td>
<td>Follows relationship development to understand change within relationships as well as across relationships and the impact of change on the wider network.</td>
<td>Assesses how the addition or deletion of ties impacts network structure.</td>
<td>Provides descriptions of tie and network change but little assessment of how and why this occurs</td>
</tr>
<tr>
<td><strong>Influence of the network on the actor</strong></td>
<td>Appraises positive and negative aspects of ties with regards to firm and network development. Longer-term ties considered essential and efficient for the firm and stabilizing for the network.</td>
<td>Assesses network structure for efficiency, with insight on how the network impacts firm growth and other outcomes.</td>
<td>Provides some understanding of the impact of the network on performance and offers some understanding of which types of tie matter when.</td>
</tr>
<tr>
<td><strong>Methodological orientation</strong></td>
<td>Mostly case studies</td>
<td>Sociometric techniques</td>
<td>Case studies and sociometric techniques</td>
</tr>
</tbody>
</table>
The research context is complex and requires great depth of analysis. Therefore, a qualitative interpretation of network concepts is the most appropriate. In analysing network structure in this context, the conceptualisations of structural properties presented in SN literature will be emphasised and applied rather than the quantitative measures that are generally focused upon. The focus in SN literature is generally on the transfer of information, as issues of knowledge transfer and innovation are of great importance. In contrast, this research will endeavour to take a broader approach to look at the other resources exchanged in networks as well as information. In considering business development, Kanter (1983) includes information, finances or material resources and motivation. Similarly, Jenssen and Koenig (2002) look at the transfer of financial information, expertise, advice on handling bureaucracy, advice on accounting, advice on technology, social support, encouragement, access to market/customers, suppliers, production resources and labour.

Looking at structural and processural network issues from different perspectives can offer valuable insights. Richardson (1972) sees process as a valuable complement to explanations of network structure that focus on concentration and market power in ascribing profitability differences at the industry level of analysis. As Hoang and Antoncic (2003) identify, entrepreneurship network research lacks research focus on process-orientated issues where the network is a dependent variable. All of the approaches identified can benefit from a broader, integrative perspective. This allows for an expanded understanding of industrial networks and a deeper appreciation for the factors that affect firm performance (Gulati, Nohria & Zaheer 2000).

### 2.2 Central Concepts in Network Approaches

The following section seeks to introduce the focal elements of the network approach to provide a framework through which the structural and processural effects of networks can be understood. In reviewing the literature, it is evident that there is much overlap in the way different network approaches conceptualise the various elements that
make up the network. It is important at this point to present the main concepts as they are represented in each approach so as to provide a foundation for understanding the theories of interest in this research.

2.2.1 The Concept of Actors

Network analysis is performed on multiple levels and so it includes entities that may take different forms and sizes. The entities within a network are commonly referred to as actors, which can consist of individuals, groups or entire organisations (Wasserman & Faust 1994). From the IN perspective, the entities that exist with the network are the actors involved in the economic processes (Axelsson & Easton 1992), while from a broader view, the network itself can be conceptualised as collective actors (Anderson et al 1994). Entrepreneurs are also conceptualised as actors in the literature with the term being used to describe both the entrepreneur and the entrepreneurial venture (Aldrich & Zimmer 1986). This terminology is therefore consistent across the theoretical approaches which feature in this research.

As the focus lies on the characteristics of the patterns of relational ties between actors in a network, less emphasis is placed on the individual characteristics of the actors (Wasserman & Galaskiewisz 1994). When actors are presented in network structures, they are seen to be nodes which are linked to other nodes by connectors (Haythornthwaite 1996). This reflects the position of network research in focusing away from an internal-process and organisational theory perspective, towards the interface between the organisation and its environment (Håkansson & Snehota 1989).

From a business network perspective, the identity of an actor is determined by the bonds it has with others and identity is therefore derived from the perceptions of the other actors around them (Håkansson & Snehota 1995). This relates to the famous analogy ‘no firm is an island’ by conceptualising an actor not as an independent island but an arbitrary part of the mainland – the network (Håkansson & Snehota 1989). In following this view we agree that identity is acquired through interaction with others and that this construction of identity may be based on past interactions and or potential
interactions given the resources or connections it is seen to possess (Håkansson & Snehota 1995). Identity is discussed further in section 2.5.

Actors are critical elements to a social structure as it is the way in which actors, either individually or in sets, control and facilitate the flow of resources, position themselves with respect to the flow of resources and form close or distant connections to others which describe the social structure of the studied environment (Haythornwaite 1996). Actors do not exist solely in one network but are instead simultaneously active as members of different professional and social networks (Haythornwaite 1996). As actors are embedded in multiple, interrelated networks, exchange in one network is affected by the unique contextual embeddedness of the actors taking part (Halinen & Törnroos 1998). In this way, an embeddedness approach tries to take into account the ever-changing social context of organisational activities (Grabher 1993). Gray (2006) shows that most SMEs are involved in at least one network, with small firms engaging with other organisations, both for business and technical knowledge and more generally in a social sense. This reflects the complex nature of network analysis as individuals possess multifaceted identities and these identities are not independent from each other. Resources or information received by an actor in one network may be applicable to another network in which they exist (Haythornwaite 1996).

2.2.2 The Concept of Relationship Ties/ Actor Bonds

The conceptualisation of business to business relationships is central to the IN approach and therefore much emphasis is placed on understanding the characteristics of these relationships and their effects both at the organisational and network levels (Håkansson and Snehota 1995, Welch and Wilkinson 2002). Ties represent one of the fundamental elements in social network analysis and the relational connections that actors have between each other is a critical unit of analysis (Wasserman & Faust 1994). Business relationships are also highlighted as the unit of analysis in IN approaches (Anderson et al 1994). A tie is considered to be present if two or more actors are involved in some form of a relationship, for example, one company that supplies goods to another (Haythornwaite 1996). Interpersonal and inter-organisational relationships
are viewed from an entrepreneurial development perspective as the source through which actors gain access to the resources held by others (Hoang and Antoncic 2003). Networking is seen to extend an organisation’s resource reach and is considered to be an integral part of the entrepreneurship process (Anderson et al. 2010).

Relationships describe patterns of interaction among the entities involved over time (Wilkinson 2008). If we look beyond the notion that companies share purely dyadic relationships and come together for distinct, independent transactions, we begin to recognise the complexity involved in the relationships. Dyadic interactions between two actors cannot be understood in isolation and interactions are therefore influenced by third party relationships (Håkansson and Snehota 1995, Håkansson and Ford 2002). Both actors involved in a dyadic relationship are simultaneously involved in other relationships which are therefore also connected to the focal relationship (Holmen and Pederson 2003). Similarly, two actors can have an indirect relationship that exists based on a mutual relationship the actors share with a third party that then mediates the connection (Easton 1992). At the organisational level, relationships can also consist of a varied number, type and pattern of individuals representing one company and interacting with individuals from another company (Håkansson and Snehota 1995).

It is possible for several networks to exist simultaneously as different parts of a business network and this understanding reflects the interrelatedness and complexity of the network concept (Halinen and Törnroos 1998). Relationships are layered with different types of exchanges between the same two actors, a concept that is known as multiplexity (Hoang and Antoncic 2003). Actors are tied together by the various relationships they maintain and therefore a tie is seen to be the aggregate connection between pairs (Haythornthwaite 1996). In considering tie as aggregations of relationships, multiplexity refers to the extent of different relationship contexts within the tie (Ferriani, Fonti & Corrado 2013). This can be understood with reference to the overlap of roles, exchanges or affiliations within one relationship tie (Verbrugge 1979). Multiplexity has been considered to strengthen the tie, increasing trust and common language, while in turn increasing the likelihood of economic exchange (Ferriani et al. 2013). As a form of social capital which depletes in the opposite manner to traditional forms of capital, relationship ties can be seen to strengthen and add value through
continued use while they are depleted and devalue through neglect and infrequent use (Bourdieu 1986). Multiplexity can be seen to be strongly associated with the concept of embeddedness (Ferriani et al 2013; Granovetter 1985; Uzzi 1996).

The individuals, groups and organisations connected to each other either directly or indirectly and the nature of the relational connections depict the structure of the network (Wasserman & Faust 1994). This in turn, affects the functionality of the network (Wasserman & Faust 1994). The structure of relationships within the network is of importance to the firm as it will determine what can be done and how it can be done within the confines of the network (Anderson et al 1994). A company’s relationships help them to develop their products and services to meet the requirements of other actors within the network and in this sense, a lot of internal characteristics of the company can be seen to be influenced by a network (Håkansson & Snehota 1995). Halinen and Törnroos (1998) present the idea that as one exchange is contingent on other exchanges, the connectedness of exchange relations can be considered in both a positive and negative way. Positive connections refer to exchanges in one relationship which facilitates or supports exchange in another, while negative connections are those exchanges in a relationship that impedes exchange in another (Halinen & Törnroos 1998).

The importance of business relationships to a company is not understated within network approaches. Håkansson (1987) considers the relationships that a firm possesses to be amongst its most valuable resources. They provide direct benefits in the valued functions they perform and the resources they help create and provide access to, including knowledge and markets. They also provide access to indirect benefits in that they can grant access to other relations, organisations, resources and competencies (Håkansson and Snehota 1995). Network ties can provide businesses with important sources of referrals that enable prospective partners to identify and learn about each other’s capabilities (Gulati, Nohria & Zaheer 2000). Based on this, every relationship can not only be considered as a bridge but also a reflector or a projection of the connected relationships and their inherent resources (Gadde et al 2003). The perceived value of a business relationship is actor specific, meaning it cannot be determined by the content and form of the tie nor the features and characteristics of the counterpart
(Corsaro & Snehota 2010). This further emphasises the importance of the relationship in networks as economic consequences are not derived simply from the transaction but multiple other aspects of the relationship (Corsaro & Snehota 2010).

### 2.2.3 Relationship Characteristics

An overwhelming amount of information is available on categorising and defining different business relationships (Ford et al 2011; Håkansson et al 2009; Wilkinson 2002). Fitting with the network perspective chosen, relationships can be characterised based on the structural position of the actors engaging in it, as well as the network processes that inform the interaction (Ford et al 2011). These factors will be explained in greater detail later in the chapter. It is important to recognise that all relationships within the network are unique and complex and they can be characterised in many different ways. The functions of a relationship can be considered with respect to the individual actor, the dyadic pairing or the aggregated network structure (Håkansson and Snehota 1995).

Håkansson and Snehota (1995) explain their network approach as focusing on exchange relations that are complex in substance and having multiple functions. Hertz (1996) identifies several distinguishable characteristics of relationships: one-way, passive, infrequent or temporary and suggests that for interactions to take place, a certain degree of frequency, intensity and stability must be present. Alternatively, Khanna, Gulati and Nohria (1998) consider the nature of relationships as being collaborative or opportunistic and indicate that this will set the tone for interactions within the network setting as being either benign or rivalrous. Wilkinson and Young (2002) consider relationships to involve a mixture of cooperative and competitive elements.

In considering company-community stakeholder relationships, the focus of this research, Esteves and Barclay (2011) identify three stages that the relationship goes through: Reciprocal exchanges describe those which focus on transactional exchanges; Developmental value creation refer to planned partnership arrangements designed to
meet each partner’s needs; and finally symbiotic value creation where some form of joint venture or alliance is formed. Each stage is characterised by an increasing level of interdependence and willingness to generate value for the partner (Esteves and Barclay 2011). The characteristics of a relationship are understood to have clear implications for a firm’s strategic behaviour and performance (Gulati, Nohria and Zaheer 2000).

With relationships actors may have different motivations for being in the relationship (Håkansson and Snehota 1995). Companies engage in networks to achieve their own strategic needs and will be motivated by the benefits available in a particular network (Corsaro, Ramos, Henneberg & Naudé 2012). This is true for companies that engage in relationships on the basis of CSR. Organisations such as mining companies will enter into relationships with stakeholders for strategic rather than purely altruistic purposes, as a way to satisfy their own needs (Esteves & Barclay 2011; Kapelus 2002). Cragg and Greenbaum (2002) suggest that companies internally frame stakeholder relationships from strategic perspectives so that the relationship value can be more effectively demonstrated to align with their corporate objectives. This rationale results in companies often considering relationships with Indigenous groups from a public relations perspective (Crawley and Sinclair 2003). While the actual substance of the relationship exchange may not be of critical value to the non-indigenous company, purposefully grounding it as a strategic rather than altruistic imperative, links it to the broader CSR implications of maintaining that relationship (Cragg and Greenbaum 2002). Although a company may engage in CSR primarily for self-interest, from the perspective of the company’s stakeholders (in this case. Indigenous businesses), they are also able to derive value from the relationship for their own purposes (Holcombe 2009, Langton 2012).

In recognising this, it is possible for companies to be engaging in a relationship for different motivations and provided both are able to achieve their goals, this would be an appropriate arrangement. These different motivations reflect the multiplexity of ties that develop in networks. At one level, the supplier – customer relationship dynamic that features in the models used in the IMP literature (Håkansson & Snehota 1995, Wilkinson 2002) is one appropriate example of the different motivations held in a dyadic relationship. Birley, Cromie and Myers (1990) put forth that the importance of a
social network in the entrepreneurial process can be considered based upon information, support, credibility and governance. A relationship can fulfil any or all of these benefits to one actor, while the partner may receive other completely different benefits. Through working together, two actors can learn that cooperation can raise the benefits that each receives from the network (Axelrod 1984).

It is pertinent to also link back to the discussion of Indigenous cultural traits in section 1.2.4 to consider the implications with regards to the nature of business relationships. Indigenous people may engage with companies in the mining industry in multiple ways such as through native title, contracting and cultural awareness and heritage consulting. Indigenous companies can therefore maintain multiplex ties with mining companies based on these multiple forms of interaction. The literature shows that Indigenous people engage with mining companies on multiple levels and this means that relationships are complex and interrelated (Parsons 2008; O’Faircheallaigh 2010).

It is also important to note that the relationships within Indigenous networks, such as those a company may have to individuals or groups in the Indigenous community, can also be characterised in different ways. Indigenous people may hold cross-cutting ties to groups based on family, clans or ancestral lands etc. (Martin & Finlayson 1996). The content of such relationships may also differ to those in non-Indigenous contexts, especially with regards to obligations to kin and expectation of behaviours (Martin & Finlayson 1996).

The strength of the tie between two actors is an important factor to consider (Haythornthwaite 1996). The tie strength can be dependent on the number of individual relationships maintained between the pair, the type of relation and the strength of individual relation making up the tie (Haythornthwaite 1996). Identifying tie strength allows for the comparison of the roles of individuals with the network; the comparison of networks within different network structure properties and the identification of the individuals, groups and tie types that are structurally equivalent in different networks i.e. actors with the same network ties or perform the same network roles (Vera & Schupp 2006).
2.3.3.1 Strong and Weak Ties

In general, strong ties are characterised as being reliable, easily accessible and important for dealing with conflicts, crisis and other uncertain environments (Granovetter 1973; Krackhardt 1992). Strong ties are considered to be more conducive to information sharing and knowledge transfer as actors with more intimate ties are more willing and motivated to provide information to others (Haythornthwaite 1996). Alliances in particular require strong ties between partners for knowledge transfer to occur, with the presence of strong ties reducing cost or moderating the risks involved in cooperation (BarNir & Smith 2002; Inkpen & Dinur 1998). BarNir and Smith (2002) found that in terms of inter-firm cooperation, the quantity of ties was actually negatively associated with forming alliances, while the quality of ties i.e. strong ties, was positively related.

Weak ties are also important in a network context, especially in accessing more and different information, as will be discussed later with the concept of structural holes (Haythornthwaite 1996). As an example, one of the main dangers of developing strong ties and building social capital with certain external actors is that the firm may become overly-dependent on that source for information at the expense of other sources (Anand, Glick & Manz 2002). This becomes increasingly problematic when that partners’ contribution decreases in value or becomes obsolete due to changing circumstances (Anand et al 2002). Similarly if the strong ties that are maintained originate from family or friendship ties, the information available may not meet the businesses needs in the most suitable way (Jack 2005). This is particularly interesting within an Indigenous business context as strong family ties can offer access to some resources however they may also not possess the capital to support business development (Foley 2006). Over reliance on strong ties can also inhibit the realisation of potential opportunities that are available away from the familiar business or social context (Jack 2005).

In reality, most companies will have a mixture of strong and weak ties and this is considered an important resource, especially in the case of developing organisations. In a case study of start-up ventures, Elfring and Hulsink (2003) found in the context of radical innovation, strong ties were emphasised by companies in gathering resources,
while weak ties were emphasised to gain legitimacy within the network setting. While the concept of strong and weak ties offers a useful way to view relationships, in practice relationships are complex and dynamic and this has led some researchers to suggest a move away from the dichotomy of strong/weak to a more multiplex perspective (Jack, Dodd and Anderson 2004).

In presenting the characteristic of relationships in business networks, the intention was not to provide a comprehensive list that could enable an in-depth analysis of dyadic relations as that is not the aims of this research. This section sought to provide examples of the different ways of looking at and characterising a relationship by exploring the breadth and depth of perspectives in the literature. This serves to highlight the complexity of relationships within a network context.

2.2.4 Network Position

An actor’s network position consists of the set of relationships and the benefits, restrictions, obligations and reputation it acquires through unique interactions within those relationships (Ford et al 2011). The IN approaches consider each company in a business network to have a different position respective to other companies, however these positions can be perceived and interpreted differently by every network member (Gadde et al 2003). Partner companies will have different expectations because their relationships with the focal actor would take on different characteristics and they each interact with and value the focal actor differently (Gadde et al 2003).

These connected relationships impart meaning onto the focal actor’s orientations, activity competencies and resources (Anderson et al 1994). Position can be understood to relate to how actors are related to others in terms of their function, role and identity in the network structure (Johanson & Mattsson 1992). Network position is shaped by partner actors involved in exchanges with a firm and their actions and reactions will demonstrate their perceptions of a focal company’s position and further reinforce it (Gadde et al 2003). As mentioned previously, SN perspectives deviate from the above definitions by considering position within the concept of structural equivalence and therefore see it as a collection of actors who have similar social
activity, ties or interactions, with respect to other actors (Wasserman and Faust 1994). This research takes an IN perspective on position which is also considered to be consistent with Entrepreneurship approaches.

Positions can be perceptually as much as materially-based. Johanson and Mattsson (1992 pp.213) elaborate on this point in stating that “interactions between positions can be a matter of intentions and interpretations of the actors”. In forming their interpretations, managers are ceaselessly engaged in sensemaking, and their actions derive from the understandings they make (Weick, 1995). This sensemaking can involve the social construction of actors’ identities and positions, thus shaping and changing networks and organisations. In engaging in sensemaking activity, managers use network pictures to understand their network environment (Ford et al 2011; Henneberg, Mouzas & Naudé 2006). The basis of a network picture is the subjective, mental representations made by an individual in regards to the main constituting characteristics of their personal or company’s network (Henneberg et al 2006). This forms the basis of an individual’s understanding of relationships, interactions and interdependencies, resulting in network pictures constituting an important component of their individual decision making processes (Henneberg et al 2006). Every individual within a network is expected to perceive the extent, content and characteristics of their networks differently (Ford et al 2011).

The network position of a firm is of critical importance to managers as it will ultimately dictate their approach to interactions and the opportunities to access resources through the network. The more critical resources a focal actor can govern in its network, the stronger its position will be (Johanson & Mattsson 1992). For this reason much of the strategic work that takes place within a network setting is directed at mobilising and influencing activities that change or maintain desired network positions (Harrison, Holmen & Pedersen 2010). The potential to influence others can be considered to be a function of an actor’s network position (Gadde et al 2003). As position is a subjective construct, managers engage in activities that shape the perceptions of other actors. Managers representing organisations, especially those that see themselves as central network hub firms, will typically try to establish a kind of inter-organisational rationality (Astley & Zammuto 1992). Ford et al (2011) draw strong
links between strategy and network position, so as to outline the interrelatedness of the concepts. Position reflects the strategic profile or posture of an actor as perceived by other actors (Anderson et al 1994).

### 2.2.5 Network Roles

As this research has a multi-level focus, to appreciate actor level dynamics it is important to clarify the concept of actor role. Actors perform various activities in networks and can be considered to act in a role (Anderson et al 1998). Actor role from a network perspective is understood through a relational approach in that a particular actor’s role is characterised relative to the set of relationships the actor is involved with (Borgatti & Everett 1992). An actor’s role therefore relates to what they do in relation to their network counterparts (Anderson et al 1998). Other actors therefore play a central role in defining an actor’s role and at a network-level a role may be understood to be the defined set of expected behaviours toward a particular type of actor (Gulatti & Gargiullo 1999).

As actor role is characterised based on its affiliations and patterns of interaction, Gulatti and Gargiullo (1999) suggest that from a network perspective, role is gauged from the position the actor occupies in networks. Anderson et al (1998) differ in that they consider the interplay between role and position to be the basis for network dynamics. Role is seen to be the dynamic aspect of the position an actor occupies, in that it describes the actions performed based on its particular position (Anderson et al 1998). Role and position are two interrelated but distinctive concepts that help to understand networks at the actor level. The dynamics of a network will influence an actor’s interpretation of their roles and create meaning in them (Anderson et al 1998). Meanwhile, actors can actively influence their network position through the roles they play (Anderson et al 1998). Network dynamics are also dependent on role interpretations and actors actively seek to create or shape common role understandings with other actors (Abrahamsen, Henneberg and Naudé 2012). Understanding the
process through which actors interpret and construct their roles is fundamental to appreciating the dynamics of a particular network (Abrahamsen et al 2012).

2.3 Strategy in Networks

Inter-firm relationships are recognised by the strategic management literature as being of great importance (Gulati, Nohria & Zaheer 2000). This highlights the relevance and importance of approaching the organisational strategy research from a network perspective. Network perspectives take an alternative approach to strategy than other traditional or more conventional organisational research perspectives (Gadde, Huemer & Håkansson 2003). In reflecting on the network perspective, the performance of an organisation is understood to not be based solely on their own efforts and the development of strategic thinking should reflect this (Wilkinson and Young 2002). This perspective therefore moves beyond the firm-centric view and proposes that firms are not able to engage in strategic behaviour unrestricted by the network, while the network itself is not beyond the influence of the firm (Johanson & Mattsson 1992). It is critical that network effects are taken into consideration during the strategy planning process (Harrison & Prenkert 2009).

The extent to which it is possible for an individual actor to manage or control a network is a pertinent issue. Despite whether it is possible or not, Håkansson and Ford (2002) suggest that actors strive to control their network surroundings and manage others, and it is this ambition that is one of the key forces in developing networks. Some researchers have suggested at least in the strictest sense networks are unmanageable (Håkansson & Ford 2002; Ford et al 2011), while others accept the possibility of managing in networks, at least in small clusters of actors within the network (Möller & Halinen 1999; Ritter, Wilkinson & Johnston 2002). From another perspective, Jarillo (1988) suggests that firms can control themselves as well as connected actors. This reflects a fundamental division within the industrial networks approach, with the classical IMP perspective suggesting networks are unmanageable being challenged by the strategic network perspective which is more accepting of
actor’s ability to manage in networks (Håkansson & Ford 2002; Möller & Halinen 1999). The Entrepreneurship and SN literature often assume the possibility of actor control and generally portray network development as being driven by the focal firm or the entrepreneur (Slotte-Kock & Coviello 2010). According to Möller and Svahn (2003), the differences between perspectives of control lie in whether networking is an intentional and deliberate activity or whether it is in fact unintentional and emergent.

If we accept the strategic network notion that there is some capacity for strategic management within networks, we can consider how actors can achieve this in a network setting. As actors must achieve their own objectives through their relationships with others, some actors may cooperate and coordinate their activities so as to better realise their own goals. Dyer and Singh (1998) recognise this as the notion of cooperative or collaborative advantage. Cooperating companies intentionally seek to have common goals and procedures (Alajoustijärvi, Möller & Rosenbroijer 1999). These firms may operate in what can be described as a loosely coupled coalition, where each actor acts towards a particular communal goal but remains a distinct and separate entity (Dhanaraj & Parkhe 2006). Successful business partnerships have been described as being shaped around common or shared activities, however they are able to achieve, first and foremost, the individual objectives and strategic drivers of each partner (Esteves & Barclay 2011). These forms of planned strategic networks are purposefully constructed to place individual organisations in a better position through cooperating than by working alone (Sandberg 2006).

2.3.1 Focal Nets

Möller and Halinen (1999) introduce the idea of net management capability which refers to an individual firm’s capability to mobilise and coordinate the resources and activities of others in the network. The concept of nets can refer to focal nets, which are understood to be the environmental context of actors and are based on their own perspectives of the actors they see as relevant and within their network horizon (Möller & Halinen 1999). Focal nets can describe the immediate business network of a business
relationship (Alajoustijärvi et al 1999). This includes actors that have a direct or indirect relationship with the focal dyad (Anderson et al 1994). Möller and Halinen (1999 pp.416) add that from a strategic perspective, the focal net concept is also used to refer to an interrelated group of actors pursuing a joint strategy in a network.

The focal net is seen to be a subset of the larger business network in which it is embedded (Alajoustijärvi et al 1999). A net is therefore not separate from the broader network and interactions occur between each layer of the network, e.g. from the actor to dyadic relationship to focal net to wider network and beyond to the macro environment (Alajoustijärvi et al 1999). The idea of a net as a form of bounded entity represents another point of friction with the classic IMP perspective. The IMP perspective generally maintains the view that boundaries are objective, they are difficult to define and delimit and are based on a company’s view of the network, otherwise known as their network picture (Ford, Gadde, Håkansson & Snehota 2011). Defining a net around a central activity or goal so as to identify structures and members, in effect imposes a boundary. In supporting the idea of nets, this research therefore aligns with strategic network perspective on the conceptualisation of boundary (Möller, Rajala & Svahn 2005).

Managing in nets thus suggests that there is some capacity to influence the net, although management refers to managing relationships rather than other actors (Heikkinen, Mainela, Still & Tahtinen 2007). Medlin (2006) suggest that companies must pursue joint action in networks to further their own self-interests. To organise into a functional and stable business net, there must be some degree of mutual adaptation and coordination between firms (Chou & Zolkiewski 2010). The coordination and control mechanisms used will depend on the type and purposes of the net (Möller & Rajala 2007).

Strategic network perspectives suggest it is possible for networks to be orchestrated to the extent that deliberate and purposeful actions can be undertaken to create and extract value from the network (Dhanaraj & Parkhe 2006). This perspective is complementary to the understanding of emergent network process, by allowing for the addition of engineered processes that are triggered by particular network entities (Doz, Olk & Ring 2000). Again, this viewpoint is in tension with the IMP stance on
network control and management. Dyer and Singh (1998) suggest that a degree of management is possible through the use of appropriate governance mechanisms, interfirm knowledge sharing routines, appropriate relationship-specific investments and initiating necessary changes to the partnership as it evolves while also managing partner expectations. Gulati, Nohria and Zaheer (2000) suggest the network concepts are important to understanding the influence of inter-organisational strategy on industry structure and individual firm performance.

2.3.2 Strategic Nets

Strategic nets are a broad concept describing networks of various structures and aims (Möller, Rajala & Svahn 2005). Möller and Svahn (2003 pp.205) define strategic nets as “intentional structures that firms try to design deliberately for specific purposes”. This concept draws upon the resource based view of the firm and the strategic management perspective, which focuses on a specific set of organisations with agreed roles (Möller & Svahn 2003). This aspect does not deviate from the essence of the IN approach which recognises the need to mobilise and coordinate the resources of other network actors (Hakansson & Snehota 1995). Strategic nets can develop for various purposes and can be either specific to a single project or have multiplex long term horizons. Möller et al (2005) propose three descriptive factors of strategic nets: the level of determination of both the value activities and the actors forming the network; the goal of the strategic network or its hub firm and; the structure of the net. The type and purpose of the net will have implications for the manner in which it can be managed (Möller & Rajala 2007). As Möller et al (2005) reemphasise however, complete management is not a possibility and any potential for management is based on the level of influence that can be exhibited by the actors involved.

There are many ways in which strategic nets can develop and function. Strategic nets can be developed through horizontal or vertical supply relationships, although it is also possible to develop through a more complicated mix of competitors, suppliers, customers, governments and research institutes (Möller & Halinen 1999). While actors
in these nets remain independent, the nets have shared management and common objectives that require interaction to achieve (Partanen & Möller 2012). This is consistent with the pursuit of collective interests which are considered to be the conjoined self-interest of partners vis-à-vis other actors in the network (Medlin (2006). While diverse in their use and application, the role of strategic nets is often framed around supply chain product offerings and great emphasis is placed on customer value creation (Möller & Rajala 2005; Zolkiewski 2011). While this may be seen to limit the applicability to this research, as Möller et al (2005) suggest, there can be wide ranging and multiple goals for a strategic net, that are not necessarily strictly shared by all firms participating in the network. The idea that actors may combine efforts for mutual yet different goals supports the view that collaborative activities in business relationships are undertaken for their own interests (Medlin 2006).

One aspect of the strategic net concept which resonates with this particular research context is that of the role of hub firms in the development and management of the nets. Hub-driven strategic nets are considered to revolve around the objectives of the hub firm (Partanen & Möller 2012). Views on the motivations of the hub firm differ in the literature between economic self-interest as in Jarillo (1988) and more collaborative goals (Möller & Halinen 1999). Hub firms typically possess prominence and power gained through individual attributes and a central position in the network structure (Dhanaraj & Parkhe 2006). Möller and Svahn (2003) suggest that actors that command resources through which they can carry out activities that are considered valuable, rare, inimitable or non-substitutable, hold powerful positions in strategic nets. The hub firm uses its prominence and power to perform a leadership role in organising the dispersed resources and capabilities of other net members (Dhanaraj & Parkhe 2006). Powerful actors may hold significant influence on the network environment and can influence the role and position of other actors (Anderson & Fjeldstad 2003). Through the use of inducement to secure compliance or authoritative coercive power, hub firms can influence the behaviour of actors to align with a particular network objective (Scott 2001). Hub firms can have a dominant influence on the net and have the potential to change network membership - size and diversity and structure, density and autonomy (Dhanaraj & Parkhe 2006). Håkansson and Ford (2002) suggest caution in that the more
a network is controlled or managed, the less effective it becomes as it loses the value derived from the independence of the individual actors.

2.3.3 Issue-Based Nets

Another form of net which is relevant to the understanding of inter-organisational strategy in networks is the concept of issue-based nets. Brito (1999 pp.93) defines an issue-based net as “a form of association mainly based on cooperative relationships amongst actors who aim to cope with a collectively recognised issue by influencing the structure and evolution of the system(s) to which they belong through an increased control over activities, resources and/or other actors”. The issue-based net focuses on the collectively perceived or shared interests/issues of network members that cooperate towards a common goal (Brito 1999). These can be considered to be ongoing or temporary arrangements structured around a particular interest (Araujo & Easton 1996). Through processes of interaction and exchange, the net members attempt to influence the network in a manner that serves their strategic interests (Brito 1999).

Issue-based nets can be either formally organised via existing institutionally represented groups or informally organised by actors that mobilise in response to a recognised issue (Brito 1999). These nets are only considered to be a small subset of the overall business network (Brito 1999). Issue-based nets may develop based on the actions of a subset of highly resourceful and interested network members that can provide the necessary critical mass for the establishment of the net (Brito 1999; Mäkinen 2001). These participating actors may be able to mobilise sufficient time, money and resources towards the collectively framed goal despite the inactivity of other actors in the network (Brito 1999). This reflects the ‘power in numbers’ adage, recognising nets can exert much greater power than individual actors (Zolkiewski 2011). The structure of relationships within the net is likely to be highly cohesive and strong, to maintain common beliefs and basic sets of rules (Brito 1999; Mäkinen 2002). The net is supported by the passive members of the network, whom may only be
connected via weak ties and not directly benefited by the collective goals, however they support it none the less (Brito 1999).

While only a small portion of the overall network may be actively participating in an issue-based net, the combined effect of their strategically unified actions have the potential to influence the network as a whole (Brito 1999, Mäkinen 2002). As Brito (1999) suggests, the unified and coherent actions of the net are intended to influence the network processes and structures in such a way that will alter the balance of power and achieve their strategic aims. The goals of the net are not necessarily characterised by economic motivations but can also be social or political in nature, reflecting the contextual embeddedness of the network (Brito 1999). The strategic actions of net members are autonomous but interdependent and are intended to have an overall effect on the wider business network (Araujo & Easton 1996). Issue-based nets can therefore be seen to be a means of inducing change or preserving stability in the network to promote or defend the interests of its members (Araujo & Easton 1996; Brito 1999).

The case nets studied by Brito (1999) were centred on a diverse and politically volatile network in the Portuguese Port industry. The issues studied had a number of economic, political and social implications that affected certain actors within the network. Another relevant example is the issue-based net studied by Mäkinen (2002) that focused on a more formalised net established to develop and support start-up enterprises. In this instance the issues were around knowledge transfer and developing the competency of small firms through collaborations with research and financial institutions (Mäkinen 2002). This can be considered pertinent to this particular research topic ad the issue-based net in the case studied by Mäkinen (2002) aimed to influence the network so as to foster an environment which is conducive to the development of new companies.

2.3.4 Strategizing in Networks

While the strategic behaviour of partners or groups of organisations has been presented, it is also important to consider the strategic behaviour taking place at the
actor level. Of particular interest is the way in which actors develop understandings of their network and seek to react and influence key network properties. This section will present the idea of strategizing in networks. This represents a shift in perspective from strategy at the inter-organisational level to strategy at an individual actor level.

The idea of ‘strategizing’ in networks focuses on “identifying the scope for action, within existing and potential relationships, and about operating effectively with others within the internal and external constraints that limit that scope” (Håkansson & Ford 2002 pp.137). Activities and resources are not coordinated and conducted spontaneously, but instead are purposely directed by many individual actors who try to systematically influence one another (Gadde et al 2003). In recognising that firms are embedded in a complex network and that interactions are reliant on multiple connected and unconnected relationships, Gadde et al (2003) suggest that the ability to build and maintain relationships is central to business strategy.

Within a network perspective, strategic action is defined as the efforts of a firm to influence its position in the network (Johanson & Mattsson 1992). Harrison and Prenkert (2009) categorise this form of strategizing in terms of positioning as actors attempt mobilising and influencing actions linked to their position. Actions to influence can either seek to change or preserve the current position (Johanson & Mattsson 1992; Harrison & Prenkert 2009). While change can be made through network activity, this is often difficult as the structure of the network presents the problem of inertia (Håkansson & Ford 2002). Other actors may resist a focal actor’s attempt to change as they are seeking to achieve their own objectives (Abrahamsen et al 2012). Actor strategizing can even backfire, leading to negative consequences for existing relationships (Chou & Zolkiewski 2010).

Both the network and dyadic expectations that exist and the social systems of regulation must be understood by each actor and used as a reference to determine their actions within the network. Actors develop network theories or sets of expectations which guide the way they behave and respond to other network members that are trying to achieve their own objective (Wilkinson & Young 2002). As network processes and structures are dynamic, actors must identify, read and interpret changes in the network so that they can strategically direct their conduct (Holmen & Pederson 2003).
network theories form a conceptual framework through which the actor understands their multiple relationships as well as the overall network environment (Johanson & Mattsson 1992). Each network theory is unique to the actor and is a product of their network position, objectives and historical interactions (Benassi 1995).

While network theories vary greatly between different actors, they are not independently constructed and are therefore heavily influenced by the direct and indirect connections (Benassi 1995). As companies work together over time, they begin to act in parallel and develop an understanding of the behaviours and motivations of those which they are interacting with (Wilkinson & Young 2002). This complex interplay allows actors to modify their behaviour and network theories with respect to partners (Benassi 1995; Wilkinson & Young 2002). Network theories are therefore reinforced through the behaviour and interactions with other network members which leads to a degree of stability and disincentive to change ways of thinking or responding (Wilkinson & Young 2002). This sets expectations and intentions regarding future interactions (Johanson & Mattsson 1992). As Wilkinson and Young (2002 pp.126) highlight, “this does not mean that actors’ theories are mutually consistent or similar, only that they are compatible and reinforce each other”.

Ritter et al (2004) suggest that the management of interactions with other firms and organisations both directly and indirectly represent a key part of the firm’s managerial activities. A firm’s strategy is based on the interactive engagement with its major counterparts (Håkansson & Snehota 1989). The relational view of strategy recognised by network perspectives, understands that there are common benefits developed in cooperative relationships which actors cannot generate independently (Dyer & Singh 1998). The ability to effectively manage such interactions is critical for achieving economic goals and as such is a core competency of the firm and its personnel. Actors can develop strategic interdependence when one organisation has access to resources or capabilities that are beneficial to another that does not possess them (Gulati 1995). Strategies can also concern how an actor can work through others, so as to use that relationship to mediate connections with third parties (Aaboen et al 2013). As a business development strategy, accessing reliable and knowledgeable
mediators allows new ventures to increase the speed of development by not having to establish direct connections (Aaboen et al 2013).

Network position can be considered to be an important component of strategy. Abrahamsen et al (2012) contend that network changes depend on an actor’s ability to construct a degree of common role understanding with their network counterparts. The ability to achieve such shared meaning can be a challenge, as how focal actors understand their network counterparts varies, thus influencing the type of strategic initiative undertaken (Harrison, Holmen & Pedersen 2010). Actors must convince other network members of their network position and therefore act strategically to present their portfolio of relationships in a way that supports this position (Abrahamsen et al 2012). Changing perceptions of network position is not easily achieved as some actors will be resistant to change. As position is determined through an actor’s connected relationships and it is therefore possible that different interpretations exist regarding their position (Gadde et al 2003). The actor must therefore engage in the continuous cognitive construction and reconstruction of their network position (Abrahamsen et al 2012). Added to the complexity of this strategic task is that an actor may have a shifting interpretation of their position and must develop different representations of their position based on which actor they are engaging with (Johanson & Mattsson 1992).

Companies must decide whether to accept their current position and try to maintain it or seek positional change. This presents strategic choices for key personnel to respond to, such as whether to conform or confront, to consolidate or create, coerce or concede (Håkansson et al 2009). In terms of the established network norms, companies can either conform to accepted ways of behaving or confront those norms by behaving in a different manner (Håkansson et al 2009). In respect to relationship combinations, companies can also choose whether to consolidate their position by strengthening existing ties and adding similar ones or create a new position by adding new and different ties or changing the nature of their existing relationships (Håkansson et al 2009). Finally, in their approaches to networking, companies are faced with the decision to try to coerce other actors to do as they wish or in contrast concede to the wishes of others (Håkansson et al 2009). It is important to recognise that these strategic choices are depicted so distinctly for illustrative purposes and at the managerial level

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the strategies chosen by actors are not black and white. It should also be reaffirmed that these strategic decisions are not made independently and are instead negotiated through interaction (Wilkinson & Young 2002).

In the context of Indigenous business development, parallels can be drawn to strategizing in entrepreneurial ventures. Entrepreneurial ventures can access legitimacy through the network and therefore actors will take strategic actions to achieve this. Khoury, Junkunc and Deeds (2013) present the idea that legitimacy is a kind of social capital which influences the relationship between external ties and the entrepreneurial outcomes. Actors seek legitimacy through associating with or gaining explicit certification from other well regarded actors which in turn reduces the perceived risk they present to other network members (Khoury et al 2013). Hoang and Antoncic (2003) discuss the positive perceptions that result from such network linkages, which in turn can lead to subsequent beneficial resource exchanges. Managers are in a continuous process of justifying their network theories to other actors and showing that they conform to the socially constructed network norms (Khoury et al 2013). Holmen and Pedersen (2003) suggest that organisational strategizing to initiate and react to network change is crucial to the organisation remaining valuable in the network.

2.4 Network Structure and Process

The following section will introduce the broad concepts of structure and process in networks. While these will be presented separately, along with the conceptual elements most relevant to the research, network structure and process are considered to be interconnected. Network structure is dependent on the behaviour of actors within the network, while actors’ behaviours are also dependent on the structure (Burke 1997). Ellis and Mayer (2001) present the idea that the process of managing inter-organisational relationships through conscious strategic decision making and/or accumulated interactions exerts significant influence on the network structure and the firm’s external environment. The dynamic relationship between network structure and process means that the structure does not remain static and is continually being
reproduced or changed through the interactions between the actors within it (Araujo and Easton 1996). The interaction of structure and action mutually reinforce and perpetuate social structure through a structuration process (Zaheer & Soda 2009).

Although there are multiple characteristics that can describe and define a network, only those most relevant to the research context have been selectively chosen from across the three network approaches discussed in section 2.1. This is intended to provide the conceptual tools to investigate the already outlined research questions. Given the interconnectedness of structure and process, in some cases the concepts overlap between the two broad headings, however for presentation purposes they have been categorised into one heading.

2.4.1 Network Structure

Strategy in the network and the ability for companies to strategize is very much dependent on the structure of the network. At the same time, strategic actions whether individual or collectively construed, will have an influence on the network structure. To better understand this relationship and why it is relevant to the research problem, this section will introduce key network structure concepts.

It is difficult to understate the importance of network structure - all activities performed by companies and individuals are affected by the social structure, relations and ties which make up their social context (Granovetter 1985). According to Wilkinson (2008) the functions and dysfunctions of business relations and networks depend on their structure. Inkpen and Tsang (2005) describe the structural dimension of a network as the pattern and configuration of relationships and linkages among network actors. Similarly Hoang and Antoncic (2003) define it as the pattern of direct and indirect ties between actors. The key frame of reference for network structure is the relationships within the network. Actors possess different numbers and types of connections and this will define their position in the network (Johanson & Mattsson 1992). As this is true for all actors within the network, taking a broader view of all the actor positions will determine the overall network structure (Johanson & Mattsson 1992).
An understanding of structure reintegrates previous points that relationships cannot be considered in isolation. The connectedness of relationships mean that what happens in one relationship has a chain effect on the rest of the network due to third party linkages (Håkansson & Snehota 1995). The network contains ongoing actions and interactions which affect actor’s experiences and outcomes and in turn lead to the continuous reproduction and changing of network structure (Wilkinson 2008). The network structure has a large impact on what actors can do and also how it can be done (Anderson et al 1994). Khanna, Gulati and Nohria (1998) consider the network structure to be a resource for a firm and that given its uniqueness it has the potential to confer a competitive advantage. Network position has implications for resource flow and therefore also entrepreneurial outcomes (Hoang & Antoncic 2003). As the structural pattern of a firm’s relationships are considered to be unique, they can confer competitive advantages (Khanna et al 1998). The position of an actor in a network and the structure of ties they are embedded with have been framed as key determinants of business development success and ongoing business performance (Jack 2005; Reagans & McEvily 2003; Tsai 2001).

Some network perspectives focus primarily on structure and therefore who an actor is will be secondary to where they are positioned in the network (Hoang & Antoncic 2003). SN approaches consider the structural equivalence of an actor’s position, the similarity of connections in comparison to other actors (Borgatti & Everett 1992). Other perspectives emphasise that structures are not static concepts and are instead continuously changing due to dynamic features and ongoing organising processes (Benassi 1995; Håkansson & Snehota 1995). All approaches do however have at least some appreciation for the presence and effects of network structure. When considered in conjunction with network processes, structure is considered an attempt to understand the stable dimension of the network (Anderson et al 1998).

In order to investigate the structural characteristics of the network in sufficient detail, several important structural concepts were identified that were common across the three approaches being followed. This is appropriate for the integrative approach and the comparing and contrasting between the IN, SN and Entrepreneurship literature. The concepts had to be applicable within the business to business context under
investigation and relevant to the issues of Indigenous business development that were
identified in Chapter 1. The theoretical foundation of this research incorporates both
organisational actor-level and network-level variables. Parkhe, Wasserman and Ralston
(2006) acknowledge that it is important to blend different levels of theoretical analysis.
Relationships at the actors, dyad, focal net and macro environmental levels are
interrelated and there is value in examining this dynamism (Alajoustijärvi et al 1999).

In the following section we will introduce the structural concepts of network
boundaries, centrality, cohesion and structural holes. This will include a discussion on
the effects of these structural characteristics on actors within the network and the
implications relative to the context of Indigenous business development.

2.4.2 Network Boundary

The issue of network boundary is important in identifying the network under
investigation. In considering the endless nature of connections between social entities,
any attempt to impose a boundary will in most cases be seen as arbitrary (Wasserman &
Faust 1994). SN approaches identify the determination of network boundaries as a key
task of the research process however, as it is seen to be important to the identification
and description of the population being studied (Heath, Fuller & Johnston 2009;
Wasserman and Faust 1994). The IN approach typically takes a less definite view of
network boundaries, considering them to be unclear, problematic to identify and based
largely on individual actor perspectives (Håkansson & Snehota 1995; Huemer, Becerra
& Lunnan 2004). Boundaries are important to the understanding of network concepts
such as structural holes which is presented in section 2.4.4.

 Actors seek to identify the boundaries or horizons of their network, to determine
which actors are within it and therefore significant in terms of identity construction
(Anderson et al 1994; Huemer et al 2004). The horizon represents the part of a network
which an actor is aware of (Holmen & Pedersen 2003). The aspects of the network
horizon considered relevant by a focal actor forms their network context (Håkansson &
Snehota 1989). The boundary construction process defines who is in a focal actor’s
circle of identification and who is beyond it (Ellis & Ybema 2010). This process is performed by all actors in a network and can determine the sense of commonality or togetherness with other firms (Huemer 2004).

As discussed previously in section 2.3.4, drawing network theories, pictures and horizons can be considered to be a form of cognitive strategizing (Harrison & Prenkert 2009). In developing these understandings, actors are influencing the perceived mediating role of network counterparts (Harrison & Prenkert 2009).

Identification is considered an important aspect of inter-organisational strategy as it facilitates the conditions which support cooperative behaviour and mutually accepted goals (Huemer et al 2004). This takes on added importance for hub firms for whom identification represents a way to facilitate the orchestration and legitimisation of the net, so as to gain the strategic alignment of other actors (Huemer et al 2004).

Strategies for identifying boundaries in research can be considered in terms of realist or nominalist. Realist strategies are based on the perceptions of actors themselves and correspond closely to the idea of network pictures (Knoke & Yang 2008; Wasserman & Faust 1994). Nominalist strategies are based on researcher imposed ‘external’ definitions that seek to limit the sample based on a research specific framework (Knoke & Yang 2008; Wasserman & Faust 1994). This research has sought to analyse a network bounded by both realist and nominalist means only for the purpose of illustrating the focal net. Boundaries are relative to individual perceptions and should be viewed as such.

**2.4.3 Centrality**

Centrality is regarded as a key concept from a SN perspective and can be defined as “the importance of a node due to its structural position in the network as a whole” (Borgatti & Li 2009 pp.15). Indeed the notion of centrality was one of the first to be pursued by social network analysis researchers who recognised its application to
real world problems (Scott 2000). The concept of centrality is an actor level construct that relates to network position. A central actor is one involved in many ties, either as a receiver or as a transmitter and therefore the concept of centrality takes a simpler, non-directional view of relationships and focuses on the presence of a tie rather than the complexities of that relationship (Wasserman & Faust 1994). A further distinction can be made when considering actor prestige, which focuses solely on the amount of ties received (Wasserman & Faust 1994).

Central positions are synonymous with importance, prestige and prominence which in turn have desirable implications for the actors who occupy them (Wasserman & Faust 1994). Tsai (2001) put forth that occupying central positions allowed actors to access desired strategic resources. The centrality of an actor’s position within the network has a bearing on its ability to access/ control resources through direct and indirect ties (Hoang & Antoncic 2003). Actors who occupy central positions create a brokerage position which allows them to locate relevant information and exchange knowledge within the network (Burt 2009). Being in control of relevant resources has further implications as it increases other actors’ dependence on them and provides the actor with power (Brass & Burkhardt 1993). The network position of an actor is an important aspect of its social structure, having the ability to enhance the actor’s ability to create value and achieve economic goals (Tsai 2001; Tsai & Ghoshal 1998). Seeking to establish central positions can be seen to be a network strategy that companies may employ to access the benefits that are associated with those positions (Håkansson & Ford 2002).

In considering communication, actors in central positions that permit direct contact with a large amount of other actors are seen to be a major channel of information (Freeman 1979). This leads to them being important to the flow of information and be considered by others as a focal point for communication in the network (Freeman 1979). This is contrasted with actors that have a low degree of centrality and are seen to occupy a peripheral position in the network (Freeman 1979). This isolates the actor and prevents them from actively participating in the communication process (Freeman 1979). Within the context of innovation in intra-organisational networks, Tsai (2001) found that occupying central positions provided
actors with opportunities for shared learning, knowledge transfer and information exchange from other actors. This was positively associated with significantly increasing the actor’s innovation capability (Tsai 2001). In another study centrality was shown to be directly related to performance (Tsai & Ghoshal 1998).

An abundance of measures of network centrality have been established. Centrality measures share a common concern however and all centrality studies do show its relevance to group dynamics and understand it to be an important structural attribute (Freeman 1979; Scott 1991). There have been calls for considering a more contextualised approach to traditional strategic problems as we recognise the role of social relations in economic dynamics (Granovetter 1985). We will therefore seek to consider a more open interpretation of centrality (network structure) measurements, embedded within the context of the case being investigated. This research focusses upon three different components of centrality which are considered to be the predominant forms and feature in seminal literature across network perspectives (Brass & Burkhardt 1993; Freeman 1979; Marsden 1990; Rowley 1997). These are labelled degree centrality, betweenness centrality and closeness centrality. Each will now be elaborated upon.

2.3.4.1 Degree Centrality

Degree centrality can be considered to be the simplest definition of actor centrality in that it identifies the actors which are most active – having the most ties to other actors in the network (Wasserman & Faust 1994). Central actors have a high degree and are seen as well-connected which allows them greater access to other actors (Rowley 1997; Scott 1991). Through this position, the actor may access many alternate sources of information and resources that may benefit their organisation (Rowley 1997). Degree-based measures correspond to how well connected an actor is to its local environment, ignoring any indirect connections it may have (Scott 1991). It can therefore be seen to be a measure of local centrality (Scott 1991). Wasserman and Faust (1994) use the example of a network map resembling a star to highlight the point that the central actor would be in the middle of the star with the most ties, contrasted to a
circular map whereby all actors have the same number of ties and are perfectly interchangeable.

### 2.3.4.2 Closeness Centrality

Closeness centrality is defined as the sum of distances to or from all other nodes, by which distance is taken to mean the shortest path between two nodes (Freeman 1979). This version of centrality takes into account indirect ties and the implications for an actor’s ability to access other members of the network (Freeman 1979). Actors that are considered central based upon closeness measures are seen to have greater freedom given they have less reliance on others to mediate relationships in the network (Freeman 1979; Marsden 1990; Wasserman & Faust 1994). If directional ties are being analysed, such as in the case of supply ties, it may be impossible for certain actors to reach other actors as some ties may only flow in one direction, creating one-way streets which effectively creates an infinite distance from one node to another (Borgatti & Li 2009). In this research however, we take a deeper, IN approach and consider the relationships as more complex, in which case resources would be considered to flow both ways.

### 2.3.4.3 Betweenness Centrality

Betweenness centrality is based upon the frequency which an actor lies upon the geodesic i.e. shortest paths between pairs of others (Freeman 1978). Actors that occupy positions of high betweenness centrality have been conceived to function as intermediaries for indirect relationships (Marsden 2002). Such an actor would be important in that they are relied upon to facilitate communication between two nonadjacent actors and potentially have come control over the interactions of other actors (Wasserman & Faust 1994). The level of betweenness is in many ways linked to the level of control they have, as centrality between ties allows for withholding or distorting information (Freeman 1978). Betweenness reflects the actor’s ability to facilitate or limit interaction between the nodes it links (Marsden 2002). Actors with high levels of betweenness centrality are structurally important to the network and if they are removed from the network, the result would be a decrease in efficiency of communication or supply paths and potentially the loss of connection to some ties from the network (Borgatti & Li 2009).
2.4.4 Cohesion

Cohesion, also known as structural cohesion, group cohesion, social cohesion and network closure, is a central concept within network analysis (Gargiulo & Benassi 2000; Moody & White 2003; Wasserman & Faust 1994). Cohesion seeks to describe identifiable regions of a network that contain a subset of actors which are connected by relatively strong, direct, intense, frequent or positive ties (Wasserman & Faust 1994). Within the network, the highly inter-connected actors that form cohesive subgroups can also be known as a cluster, while if it becomes fully connected it is considered a clique (Haythornthwaite 1996). An alternate way of understanding group cohesiveness is the extent to which members can be removed without the group losing its structural integrity (Moody & White 2003). As an example, if by removing one member from the group, other members become disconnected, this would be an example of a group with low levels of cohesion (Moody & White 2003).

Wasserman and Faust (1994 pp.251) outline four properties of cohesive subgroups: “mutuality of ties; closeness or reachability of subgroup members; frequency of ties among members; and the relative frequency of ties among subgroup members compared to non-members.” These properties draw similarities to the concept of centrality and indeed as Haythornthwaite (1996) points out, cohesion can be measured through centralisation, or the extent to which network clusters are organised around a central point. This can also be considered relevant to the understanding of hub firms in nets (Dhanaraj & Parkhe 2006).

Cohesiveness in network groupings indicates strong socialising relationships and the likelihood of actors involved in these relationships having access to the same information and resources (Haythornthwaite 1996). High density networks have multiple channels for sharing resources, which positively affects flow (Haythornthwaite 1996, Reagans & McEvily 2003). Actors in high density networks are also more likely to be in touch with others in the network, knowing who has what resource and how to source it (Haythornthwaite 1996). In addition, higher levels of social cohesion can
indicate that a relationship is surrounded by strong third party connections and this in turn has a positive effect on an individual’s willingness to devote time and resources to supporting others (Reagans & McEvily 2003). This finding is supported by Kauffeld-Monz (2009) who found that interaction within networks leads to the development of norms of conduct and to a certain degree of mutual identification (network cohesion) that may reduce the danger of opportunistic behaviour resulting from information asymmetries.

The importance of cohesion is also visible in social capital theory. Cohesive social ties have a positive effect on the development of social norms and sanctions that facilitate trust and cooperative exchanges (Coleman 1990; Reagans & McEvily 2003). Higher levels of cohesion have been linked with greater consistency in normative behaviour (Moody & White 2003). Coleman (1990) found that highly cohesive groups had higher levels of trust which increased the likelihood of collaboration and the actors’ ability to cooperate successfully to achieve mutual goals. Cohesion has been identified as an amplifier of reciprocity (Burt 2009; Coleman 1990). Cooperative norms that exist within cohesive groups provide the sender with some assurance that acts of sharing will be reciprocated by the receiver at some point in the future (Reagans & McEvily 2003). This lowers the likelihood of opportunistic behaviour occurring and the uncertainty that may cause in exchanges (Coleman 1990). Collaborative network orientations are considered to be beneficial to business development as that can reduce dependencies and enhance options for sourcing resources (Sorenson, Folker & Brigham 2008).

The influence of cohesion in increasing network cooperative behaviour is more important in situations where social motivations drive cooperative behaviours, as opposed to more formal settings whereby explicit incentives or benefits exist to facilitate such behaviour (Anand et al 2002). Adhering to group norms and building close, embedded ties with other actors in the network, thus increasing group cohesion, is more likely to occur in situations where the risk of opportunism and the cost of misconduct is high (Reagans & McEvily 2003). This indicates that actors are placing a greater value in relational safety over flexibility or adaptability (Reagans & McEvily 2003). In discussing the benefits of cohesion to actors, it is understandable that some actors may take a strategic approach. Actors may deliberately seek to form cohesive
groups of business relations so as to take advantage of the benefits that high interconnectedness and established group norms may bring. Actors may engage in cooperative behaviour when it is not in their best short-term interests to do so, based on the confidence that doing so is in the best interests long-term (Uzzi 1997).

2.4.5 Structural Holes

In following on from the discussion of network cohesion which relates to the interconnectivity of network actors, the following concept focuses on the challenges and opportunities that arise from a lack of connections in networks. A simplistic definition of structural holes would be the absence of ties between actors (Hoang & Antoncic 2003). The concept of structural holes asserts that the benefits of social capital result from the diversity of information and the brokerage opportunities created by the lack of connection between separate clusters in a social network (Gargiulo & Benassi 2000). What is of critical importance therefore is not necessarily the lack of connection, but also the resource gap the hole represents between diverse sets of actors. The presence of structural holes within a network represents both a problem for the network and an opportunity for an actor to bridge the hole.

The concept is based on the idea that actors in networks that are too cohesive or structurally equivalent waste limited time and resources on developing relationships and transferring information that is to some extent redundant due to the interconnectedness of the network (Burt 2009). Redundancy can be caused through cohesion – direct connection to interconnected sources, or structural equivalence – indirect connection to contacts with shared sources (Burt 2009). Due to the homogeneity of opinion and behaviours within groups, those with access to ties between groups are privileged with familiarity to alternative ways of thinking and behaving (Burt 2004). While much of the focus on structural holes has been around its effect on information flow within the network, by broadening to the other perspectives of network research we can see that the concept also has relevance to the transfer of other resources and the connectivity of the network.
Structural holes can be considered either complementary or advancing upon the idea of weak ties in networks. Burt (2009) argues that it is not so much the strength or weakness of a tie that determines its information potential but rather whether a structural hole exists between the focal actor’s contacts. Weak ties have been conceptualised as being relative to the infrequency of interaction between two actors and whether the tie is non-redundant (McEvily & Zaheer 1999). As was presented in section 2.2.2, weak ties can extend over distant geographical, socio-economic and cultural boundaries (Vera & Schupp 2006). Weak ties often link actors who are in different social circles or business clusters (McEvily & Zaheer 1999). This is particularly relevant to the study context given the existence of relationships within an inter-cultural setting and the need to engage between groups. In applying this concept to the research context, the lack of connection between the mining industry networks and Indigenous networks can be considered a structural hole (Furneaux & Brown 2008).

As structural holes represent opportunities for actors to profit from linking diverse sets of actors, it is considered to be an advantageous network position (Burt 2009). Haythornthwaite (1996) clarifies that structural holes are present where there is an opportunity for brokerage to exist but have not yet been capitalised upon. While Burt (2009 pp.28) considered the hole to be ‘chasm spanned and the span itself’, McEvily and Zaheer (1999) distinguish between the two concepts. In their view, structural holes present information opportunities while the bridging tie is how actors exploit those opportunities to realise certain benefits. Snehota’s (2011) view of opportunities in an entrepreneurial context is that they arise through interaction with others and do not already exist, waiting for discovery.

### 2.4.5.1 Bridging Ties

McEvily and Zaheer (1999) consider bridging ties to link a focal firm to contacts in economic, professional, and social circles not otherwise accessible to the firm. These connections are recognised as brokerage ties; taking into account the role they play in a network to carry information between unconnected actors (Haythornthwaite 1996). The structural hole can provide brokerage opportunities created by the lack of connection between separate clusters in a social network (Gargiulo & Benassi 2000). Bridging ties
can provide an actor with a source of information and opportunities that is not available in their immediate network (McEvily & Zaheer 1999). Research on bridging ties focuses primarily on strength and redundancy of ties, and their effect on information dissemination, idea generation and competitive capabilities (Burt, 2004; Granovetter, 1973; McEvily & Zaheer, 1999). In taking a broader view, we look also to the role they play in connecting distant actors and also the transferal of other network resources.

Studies have found that actors which occupy positions that allow them to bridge structural holes (i.e. connect to distant and weak ties), have been shown to perform better than others who are not in this position (Burt 2009; McEvily & Zaheer 1999). Organisations that are able to bridge structural holes are better able to be innovative and adaptive due to their access to information about potential threats or opportunities, unavailable to firms around them (Zaheer & Bell 2005). The brokerage position can also provide access to information and comparative advantages in negotiating relationships, which allow them to know about more opportunities and to secure more favourable terms in the opportunities they then pursue (Gargiulo & Benassi 2000). The brokerage position is therefore associated with opportunity within the network perspectives (McEvily & Zaheer 1999).

Occupying bridging positions allows actors the opportunity to wield power, or influence the otherwise unconnected actors that rely on it for resource flow (Krackhardt 1995). As the actor bridging the structural hole facilitates the exchange from one group to another while retaining their intermediary position, they also retain control of the resources exchanged (Haythornthwaite 1996). Bridging a structural hole can often be a difficult position, however, especially in situations where there is a wide social distance between actors which will increase the likelihood of a clash of norms (Leonard & Onyx 2003).

Having identified the need for interaction between the mining industry and Indigenous companies to overcome the barriers presented in section 1.2.3, the importance of bridging ties becomes apparent. The literature indicates that Indigenous societies around the world typically have strong bonding ties but comparatively weaker bridging ties (O’Brian, Phillips & Patsiorkovsky 2005). Broadening the scope of network ties, particularly with those in the mainstream economy, has been positively
associated with improved economic outcomes for Indigenous Australians (Van Es & Dockery 2008). The strength of Indigenous bonding ties and lack of bridging ties has been discussed as one of the challenges of encouraging economic development and wider societal participation (Biddle 2011; Lahn 2012; O’Brien et al 2005). This also represents a challenge for MNCs which recognise the need to engage with ‘non-traditional’ stakeholders such as Indigenous communities (Garcia & Vredenburg 2003).

2.4.6 Network Processes

As discussed previously, network structures and network processes (or agency) are interrelated concepts. While a firm’s position within a network will affect its ability to interact, so too do the rules and norms which exist within the network and which act to govern exchange between actors (Giddens 1979). Taking a process approach to network research provides insights into the dynamics and stability of human systems such as the business network (Benassi 1995). This allows for a dynamic representation of the economic phenomenon and was considered by Benassi (1995) to be crucial to the understanding of networks. This section will introduce key concepts of network process: regulation and power, framed specifically around the research context.

As Williams (2005 pp.29) notes, “No social structure exists independently from the perceptions, interpretations and interactions of the actors involved”. Halinen and Törnroos (1998) refer to embeddedness as a company’s relations with and dependence on, various types of network. This is heavily interrelated with processual factors in that structural embeddedness is also considered to be a function of how actors interact and how future interactions are determined (Granovetter 1992). The concept of embeddedness relates to the “diffusion of values and norms which enhance coordination among autonomous units, and it defuses information about parties’ behaviours and strategies that enhance the safeguarding of customised exchanges” (Jones, Hesterly & Borgatti 1997). Embeddedness is described as having a great influence on an actor’s economic actions and their outcomes (Halinen & Törnroos 1998). Thus in considering
the embeddedness of actors in networks, the constraining and facilitating effects in has on interaction are made apparent.

### 2.4.7 Network Regulation

Given that firms are embedded within a network, actors must take into account both economic factors and social dimensions when interacting with partners (Gadde et al 2003). From a business network perspective, relationships are often seen to be ongoing and interdependent and therefore short-sighted, transactional attitudes will interfere with the functioning of the network. In order for the various actors to be able to achieve their individual objectives, actions must be appropriate at a communal or network level. Companies seek to reduce the transaction costs of resource exchanges and as relationships develop, firms build familiarity and trust which makes coordination more routine (Wilkinson & Young 2002). The development of regulatory systems is therefore seen to be important to networks.

Over time, networks develop norms and behavioural expectations that guide and govern actor interaction. This captures the processual elements of networks and has been conceptualised in a multiple of ways. Gulati, Nohria and Zaheer (2000) use the term ‘tie modality’ to describe the set of institutionalised rules and norms that govern appropriate behaviour in the network. Welch and Wilkinson (2002) discuss the concepts of ‘idea logics’ or ‘schema’ which could be considered to align with the understandings of business network process. Ideas are seen to be an accumulation of all the perceptions, beliefs, norms and attitudes that contribute to the understanding of a network development and behaviour (Welch & Wilkinson 2002). At the business network level, the identified idea logics or schema configurations are the patterns of co-adapted ideas characterising a network and which underlie its functioning (Welch & Wilkinson 2002).

Jones et al (1997) discuss a similar context called network ‘Macroculture’ which is a system of widely shared assumptions and values that guide actions and create typical behaviour patterns among independent actors. These are comprised of the industry specific, occupational or professional knowledge base that develops in a
network through repeated exchanges (Jones et al 1997). Macroculture is considered by Jones et al (1997) to be a social mechanism which acts as a control for the exchange problems associated with the broader concept of network governance. This was considered to moderate actor behaviour along with other social mechanisms such as restricted access, collective sanctions and reputation (Jones et al 1997). These network rules and norms are important as they form the social environment which is has a large influence on the way in which entrepreneurial ventures develop (Anderson et al 2010).

The role of informal social systems in informing actor coordination and collaboration features in governance literature (Jack 2005). Hoang and Antoncic (2003 pp.170) discuss the “distinctive governance mechanisms that are thought to undergird and coordinate network exchange”. Governance factors are seen to be the rules and principles recursively used by groups of actors to accomplish tasks economically (Benassi 1995). According to Jones et al (1997 pp.914) the process of network governance involves “a select, persistent and structured set of autonomous firms engaging in creating products and services based on implicit and open-ended contracts to adapt to environmental contingencies and to coordinate and safeguard exchanges”. The governance factors existing in a network determine the behaviour of firms in terms of what is permissible or acceptable and what is not (Benassi 1995). The theory of network governance constitutes a distinct form of understanding economic exchange coordination that contrasts with those of markets and hierarchies (Jones et al 1997).

These network regulations may be officially prescribed in formal contracts however for the most part they are understandings that evolve within dyads and across the network (Gulati, Nohria & Zaheer 2000). Håkansson and Snehota (2006) suggest that the effectiveness of exchange can be directed and managed by values and norms of behaviours rather than prescriptions of the patterns of activities. Similarly, Benassi (1995) points out that formal contracts represent only a limited aspect of a relationship and do not capture the more informal, social evolution of the co-operation process. Connected exchange relationships can therefore not be interpreted as nexus of contracts (Benassi 1995). With greater emphasis on the informal elements of relationships, contracts can be perceived to be socially rather than legally binding (Jones et al 1997; Jack 2005). Social network norms are considered to enhance the value created in
alliances and are even associated with being cheaper and more effective than formal controls (Gulati et al 2000).

2.4.8 Regulation at the Dyadic level

As with the concept of network structure, network processes are not independent of actors. Actors are involved in the construction and ongoing reinforcement of network norms through their dyadic exchanges. Changes in the network process originate in the dyad and will then spread to others in the network (Håkansson & Snehota 1995; Halinen, Salmi & Havila 1999). The effects of change are relayed to connected business relationships and given the intricate network interdependencies, indirect relationships, even those relatively distant from a focal dyad may be affected by changes (Halinen et al 1999). The behaviour of an actor will therefore influence their own exchange relationships as well as their partner’s behaviour with others (Gulati et al 2000). The dynamism of network process at the dyadic level is evident in that actor behaviour is influenced by network norms, while norms can also be influenced by actor behaviour.

In recognising the influence network norms have on behaviour in section 2.4.5, we can also consider the influences that exist at the dyadic level. As has been stated previously, companies do not function in isolation and performance is based as much on the activities and performances of others as it is on individual effort (Håkansson & Snehota 1995; Wilkinson & Young 2002). Relationship development and transformation is a joint process and dependent on each party’s expectations regarding their future interactions (Ford & Håkansson 2006). As relationships develop, actors increase the knowledge about their partner and this helps to create realistic expectations of each other (Ford & Håkansson 2006). Each relationship has certain rights and responsibilities that are determined based on resources, experience and investments made (Turnbull et al 1996). In appreciating the importance of dyadic relationships to the development of overall network norms and regulatory systems, it is important to remember that individual dyadic processes are also influenced by those of the broader network. Behavioural norms do not develop independently within a particular dyad.
The dynamism of interactions within relationships are important factors in the overall performance of the firm. Every actor within the network is simultaneously attempting to achieve their own objectives whilst also taking into account the effects and responses of other actors, both connected and not connected (Wilkinson & Young 2002). Partners develop interdependencies and rely on the use of each other’s resources, abilities and knowledge (Turnbull et al 1996). Actors often combine resources with those of their counterpart and therefore a substantial part of a firm’s resource base is located beyond their own organisational boundary (Gadde et al 2003). By coordinating activities in a business relationship, companies can produce superior mutual outcomes or singular outcomes with expected reciprocity over time (Anderson & Narus 1990). Turnbull et al (1996) saw such activity as enhancing a company’s network position and competitive advantage.

Collaborative behaviour requires the presence of inter-firm trust, which acts to facilitate interaction (Gulati, et al 2000). The actors involved in such inter-organisational relationships are likely to have great awareness of the rules, routines and procedures that each needs to follow (Gulati, et al 2000). Within network perspectives, trust is considered to be an organising principle and fits within the idea of regulation at both dyadic and network levels (McEvily, Perrone & Zaheer 2003). Trust facilitates the flow of resources and it allows partners to take actions that are predictable and mutually acceptable (Uzzi 1997). As trust develops over time, actors have a better understanding of what partners will expect and the behaviours that they will allow. While opportunism is typically considered negatively in a network context, Jones et al (1997) indicate that behavioural uncertainty, which includes unexpected variance in performance and understandings, can be a more refined way of considering such issues in this inter-actor setting.

2.4.9 Power

Power is an important concept to consider within this research context. A number of interesting power dynamics are present in the Western Australian mining
industry which can influence business to business relationships. As discussed in Chapter One, the research context features multiple internal and external power sources and dependencies in relation to stakeholder pressures, CSR, resource allocation and even historical and current colonial tensions. The power construct is rarely addressed within the industrial network literature; however it is considered important from a strategic network perspective and has therefore been included. Incorporating power into the analysis adds to the theoretical understanding of network interactions, and in particular the development of nets. While power has been discussed previously in relation to strategic nets, centrality and structural holes, this section will focus on the processes of power in networks and their interrelation with structural concepts.

Power can be understood in reference to the potential power an actor has through its bases or sources of power, or through the actual use of power which is the ability to affect outcomes (Ibarra 1993). Greater power is not inherent in any one position within a network and can perhaps be better understood through a network process perspective (Burke 1997). Power is considered to exist only within the context of a relationship (Zolkiewski 2011). Relationships have an atmosphere that can be described in terms of the balance of power and dependence which exists between the companies (Håkansson 1982). This determines the state of conflict or cooperation and the overall closeness or distance that characterises the relationship, as well as the companies’ mutual expectations (Håkansson 1982). Within the relationship, actors attempt to use their power to influence the other, while simultaneously resisting the influence of others (Wilkinson 2002). Zolkiewski (2011) suggests that this interplay relates to the exploitation of the resources controlled by parties in the relationship. Given the nature of networks, no one actor can be in complete control of others actors or even their own position and outcomes (Ford et al 2011).

Turnbull, Ford and Cunningham (1996 pp.54) summarise three bases of power which can be used by actors. 1) Access to the resources of other network members. The resources include their financial and spending power, asset base or their ability to transform or transfer resources. A company may also have access to the knowledge resources of other network members in the key operational or commercial areas. 2) Reputation - a function of other network members’ experience and relates to such things
as the belief that interactions with a particular network member will have a particular positive outcome. Reputation also refers to the ability a company may have to exercise leadership, or to influence the decision making of other network members, based on their supposed expertise or network position. 3) *Expectations* – which can both facilitate and restrict the freedom of action of a company. For example, network members could have the expectation that an Indigenous company will provide the level of Indigenous employees required to fulfil obligations. On the other hand, Indigenous companies may be expected to maintain employment levels even when it may not be profitable to do so.

The actor’s position in the network will affect what displays of power the actor can rely upon (Brass & Burkhardt 1993). Structural bases of potential power available to an actor do not directly translate into actual power; rather behaviour transforms structure into power (Brass & Burkhardt 1993). Axelsson (1992) discussed power in a network context in relation to the scope of power which represents the activities one company can make another perform and also the extension of power which represents the range of companies a firm can influence. The atmosphere within a dyadic relationship such as problems, uncertainties and abilities, will determine the level of influence that can be exerted (Ford et al 2011). An actor’s power is very much relative to other actor’s dependence on it (Wilkinson 2002). Well-connected actors can exercise influence over decision makers and can use their network position to promote or add legitimacy to information (Brass & Burkhardt 1993). In particular, strong ties carry legitimacy and have a large effect on the information being adopted by the receiver (Brass & Burkhardt 1993).

In reference to the discussion in section 2.4.4 around Indigenous companies occupying bridging positions, they can be seen to have strong ties to the broader Indigenous community and are therefore more effective at transferring information and ideas as opposed to non-Indigenous companies with weaker ties (Haythornthwaite 1996). This has implications given the importance that certain messages are accepted by the community. Measures of relationship strength indicate what information an actor can deliver, legitimise and whether the recipient will use the information he or she receives (Brass & Burkhardt 1993). Displaying and accentuating this power can have an impact on Indigenous companies’ interactions with mining companies. Mitchell, Agle
and Wood (1997) suggest that managers differentiate among stakeholders based on their power, legitimacy and urgency. This reflects the definition of stakeholders which understands that they have the capacity to affect and be affected by the achievement of the company’s objective (Freeman 1984).

As companies concurrently exist in multiple networks, it is possible for power to be derived from their position or access to resources in one network and apply it in other network setting (Halinen & Törnroos 1998; Haythornthwaite 1998). This reflects the understanding that power is not one-directional and that a firm’s position can determine the impact of political actions it takes (Zolkiewski 2011). A relevant example to consider would be the links Indigenous companies have to traditional owner groups and what this represents from the perspective of mining companies. The dynamics in respect to land rights will influence mining companies’ perceptions of the power and legitimacy of Indigenous companies (Coronado & Fallon 2010). Land rights have been considered to provide Indigenous people with considerable ‘capital’ that can influence relationships with mining companies (Anderson et al 2006). An alternative example considered by Crawley and Sinclair (2003) is that mining companies have a great deal of political power given their importance to the government and this influences their approach to Indigenous stakeholders.

### 2.5 Identity in Networks

The concept of identity in networks can be interpreted in many ways. An identity can describe a person, organisation, group or network, with a great deal of interaction and overlap occurring between the operational levels (Huemer, Becerra & Lunnan 2004). The focus in this instance is organisational identity which was described by Weick (1995) as a collectively held frame through which an organisation’s members make sense of their world. Albert and Whetten (1985) suggest that organisational identity has self-referential meaning and is an entity’s attempt to define itself. An organisation’s identity represents the attributes which its members consider to be fundamental to and distinctive to the organisation (Whetten & Mackey 2002). It also
shows how organisational actors are similar to or different from other network members (Whetten & Mackey 2002). An organisation’s members engage in a process of identity comparison through assessing the level of congruence between their perceptions of the organisations identity and their perceptions of an ideal identity (Foreman & Whetten 2002). Organisational identity is an important concept as it impacts upon the principle that guide a firm’s behaviour as well as the way the organisation interprets the behaviour of others (Gadde & Håkansson 2001).

This research approaches identity from a social constructionist perspective acknowledging identity is constructed through interactions with others (Clarke 2008; Goffman 1959). Through interactions in networks, actors align their internal and external environments which can be understood to be a critical process in respect to organisational development (Anderson et al 2010). This relates to the concept of embeddedness in that it reflects the understanding that firms and the network they operate in are both socially and historically constructed (Halinen & Törnroos 1998). When considered from a network level of analysis, a greater appreciation for the influence of organisational identity on perceptions of competition and cooperation in relationships is possible (Huemer, Becerra & Lunnan 2004).

Organisational identity is interrelated with network structure and process as it captures the perceived attractiveness or repulsiveness of a firm as an exchange partner due to the unique set of connections it maintains (Anderson et al 1994; Hald, Cordón & Vollmann 2009). Firms will develop distinctive capabilities through interactions with its counterparts in the network and this process is considered to create the firm’s identity (Håkansson & Snehota 1989). The concepts of position and identity are understood to be interrelated. Gadde and Håkansson (2001) argue that identity is determined by a company’s position in the network. From this perspective the network position of an organisation is based on the perceptions and actions of other network participants (Gadde & Håkansson 2001). It is a process of social construction that places an organisation in relation to other actors in a network context and is thought to form a framework for agency (Johanson & Mattsson, 1992). This can be understood to reflect of the view that identity is an external construct.
2.5.1 The Identities in Networks Perspective

This research adopts the ‘identities in networks’ perspective which recognises the control an actor has in developing their own identity (Huemer, Håkansson & Prenkert 2009). Organisational identity is not entirely imposed on an organisation from networks and instead, actors do have some control over identity development (Huemer 2013). Identity construction is seen to be based on interplay between an actor’s internal features and its successful control and the features of other actors and their successful influence (Huemer et al 2009). Identity can therefore be understood to be an important dimension of organisational control over key stakeholders (Alvesson & Willmott 2002).

The identities in networks perspective can be considered to link several divergent streams of identity research. In particular, this approach incorporates the thesis – identities are internal and manageable, e.g. Pratt and Foreman (2000) with the antithesis – identity is external and unmanageable e.g. Gadde and Håkansson (2001). The identities in networks perspective is the synthesis of these two broad viewpoints, focusing on the complex interplay between internal control and external influence. The dynamics of this interplay are elaborated further in section 2.5.3.

Similar to our understanding of an individual’s identity, organisational identity is not considered to be a solitary concept. It is possible for different conceptualisations of the central, distinctive and enduring elements of an organisation to exist (Huemer et al 2004; Pratt & Foreman 2000). Snehota (2011) suggests that actors have multiple identities because they are involved in multiple relationships and multiple interactions at one time. Identities intersect with one another and these interactions continuously change over time and are never complete (Weaver 2001). These multiple identities do not necessarily exist in competition with one another, they do not necessarily need to be consciously recognised and they do not need to be universally held by the organisation’s members (Pratt & Foreman 2000).

Alternatively, it is possible for multiple identities to conflict with one another and this may influence members’ identification with the company or even collaboration towards certain goals (Foreman & Whetten 2002). From the perspective that an organisation can have multiple identities, Albert and Whetten (1985) refer to the
concept of ‘hybrid-identity organisations’ that simultaneously have two or more identities which are not normally considered to be complementary. In recognising the plural nature of identity, from an organisational strategy perspective, it is important to effectively manage a company’s multiple identities (Foreman & Whetten 2002).

2.5.2 Identity Construction

The process of forming or shaping an identity by organisational actors can be described as identity work or identity construction. Construction is not performed by an abstract organisational actor but by managers and stakeholders that are linked to the organisation, while they simultaneously construct their own individual identities (Scott & Lane 2000). Actors are considered to be active agents in developing their identity, rather than passively accepting the identity imposed upon them (Clarke, Brown & Hailey 2009). This is not to say that the construction process is independent from the influence of social and institutional structures (Clarke et al 2009). Organisational actors actively engage in identity work while facing discursive pressures from outside and within (Watson 2008).

An actor’s identity is strongly related to the network it is in. The process of construction is influenced by the actor’s network position, their connections and their desired position and connections (Clarke et al 2009). Through identity work organisations communicate their orientations to other firms in the network, as well as the competencies and resources that may allow it to perform a particular role (Anderson et al 1994). The way in which the organisation presents itself is regulated by the collectively held and enforced network norms which exist so to enable effective interaction and the accomplishment of collective goals (Mantere 2013).

Image, which is typically viewed as the outsiders’ view of the firm both influences and is influenced by identity (Gioia et al 2000). Actors project an image and make identity claims as to the central, enduring and distinctive aspects of the organisation (Whetten & Mackey 2002). Managers strategically work to realise the intended or construed images of their companies, which represent the attributes they
hope other actors will associate with the organisation (Brown, Decin, Pratt & Whetten 2006). An individual or organisational actor’s identity can be used to convey legitimacy and authority by showing that it adheres to the shared norms, values and definitions that exist specific to that network (Gadde & Håkansson 2001). Identity is used as a reference point against which actions will be perceived and judged (Ring & Van De Ven 1994).

Power is an important issue as the structural and processural conditions of the actor’s network position will affect how they construct their identity and seek to impress it on other actors (Scott & Lane 2000). Hegemony is perceived to be an important consideration in identity construction as dominant cultural perspectives can heavily influence an individual’s discursive practices (Humphreys & Brown 2002). From a social constructivist perspective it is important to recognise the power imbalances that exist in social networks and how norms and expectations can be informed by certain dominant groups (Humphreys & Brown 2002).

The identities in networks approach builds upon traditional network perspectives that take an ‘outside-in’ view of identity which focuses on the influence of the network (Huemer 2013). While traditional perspectives are still recognised, they are viewed in conjunction with the ‘inside’ identity construction process, assigning increased importance to the role of the firm in identity development (Huemer 2013). While organisations may express an identity consistent with an outside view, it is also trying to control their own identity development (Ellis et al 2012). Huemer (2013) suggests that internal control of identity is sought as a way to influence others and to present the organisation as distinct. This links to the previously discussed argument of Whetten and Mackay (2002) that identity is used to make others aware of the firm and its position in the network, with respect to the distinguishing similarities and differences to others.

Organisational actors continuously engage in forming, repairing, maintaining, strengthening, or revising their identities (Snow & Anderson 1987; Sveningsson & Alvesson 2003). Gioia, Schultz and Corley (2000) argue that identity is a dynamic concept and the notion that it can be either stable or durable is challenged by the continuous influence of the organisation’s members. This view is supported by Snehota (2011) who suggests that identities are variable, fluid and continuously emerging through the process of interaction with others. Clarke et al (2009) present the more
moderate view that identities are neither completely coherent and set, nor completely fluid and fragmented. Recognising that identities are not singular or static concepts, reemphasises their utility as a strategizing tool.

An identity can be considered to be a linguistic accomplishment, authored within discursive regimes that provide an actor with important symbolic resources for identity negotiation (Read & Bartkowski 2000 pp.398). The specific discourses surrounding an entity’s identity actively shape its meaning (Watson 2008). Actors have numerous, diverse discursive resources available to them and they use language as a tool to construct their identity through communication with others (Clarke et al 2009; Ibarra & Barbulescu 2009). This interaction can be considered to be a relational process that is central to understanding the shared construction of network organisational reality (Lowe, Ellis & Purchase 2008). Actors engage in ‘language games’ in which they speak and act in a meaningful and socially appropriate way as governed by shared network rules (Mantere 2013 pp.6). As managers and stakeholders interact, they contest and negotiate meanings which construct organisational identity (Scott & Lane 2000). This construction process is necessary to manage the numerous competing and or contradictory discourses that are available (Watson 2008).

It is important to make explicit the fact that indigenous identity is a concept that is very much dependent on the individual. Attempts to characterise and define Indigenous people according to western notions of identity are criticised for reinforcing colonial and post-colonial dominations (Banerjee 2000). Indigenous groups are not homogenous and there are vast differences within the Australian continent alone (Banerjee 2008). It should not be assumed that indigenous people share the same identity as others and it must be recognised that self-identification makes up a significant aspect (Weaver 2001). The focus of this research is on identity within the context of Indigenous organisations and it is limited to considering interactions at this level, based only on the data collected. When reflecting on indigenous identity it is important to recognise the imposition of Western logics that come from research biases and seek to avoid enforcing them on indigenous people.
2.5.3 Complexity of Identity in Indigenous contexts

The concept of organisational identity is highly relevant to the cross-cultural nature of this research, especially when taking into account the dynamics of relationships between Indigenous and non-Indigenous actors. Indigenous identity is considered to be a complex and often controversial topic for discussion (Weaver 2001). Ellis et al (2012) suggests that organisational settings characterised by a mixture of traditional and Western cultures add a further layer of complexity to the identity development process. Parsons (2008) found that for Indigenous community members engaging with mining companies, indigeneity was a central aspect of describing their realities and was inextricably bound up in identity, land and respect. Such research contexts offer a valuable perspective of identity construction and can provide insight into the way organisations negotiate cross cultural tensions to develop meaning (Ellis et al 2012). Ybema, Vroemisse and van Marrewijk (2012) highlight a need for research that explores identity talk of organisational actors that cross not only organisational boundaries but also social and cultural ones.

Interactions between Indigenous and non-Indigenous people can raise sensitive issues in respect to identity. Ybema et al (2012) highlight critical, power-sensitive postcolonial studies that show how imperial powers use representational strategies to build binary oppositions between the self and other and in doing so diminish the other while empowering the self. These methods ultimately seek to produce and perpetuate power (Ybema et al 2012). Discursive practices can be considered to be acts of knowledge or power that self-privilege and legitimate while marginalising and neutralising alternatives (Foucault 1977). Bruijn and Whiteman (2010) suggest that management studies have often neglected to analyse how companies affect the identity processes of other groups. This is considered to be of particular relevance with respect to stakeholder engagement, as corporate actions can influence the identity processes of stakeholder groups, which can also have repercussions for the relationship dynamics between the parties (Bruijn & Whiteman 2010).

Representations of large non-Indigenous corporations and Indigenous people are often positioned as diametrically opposed, with the former portrayed as progressive and
economically rational and the latter portrayed as traditional and environmentally rational (Huemer & Cox 2007). O’Faircheallaigh (2006) explains that at least in the Australian context, Indigenous people are not fundamentally opposed to mining activity on traditional lands and their values and priorities are not extremely dissimilar to those of non-Indigenous people. Using development to achieve a better life for themselves and their children, is considered to be a fundamental goal of Indigenous people affected by large-scale mining projects (O’Faircheallaigh 2006). While mainstream standards of living are aspired to, especially for those living in poverty, Indigenous people are also intent on retaining their own identity and protect traditional lifestyles (Limerick 2009). The idea that Indigenous people are not culturally suited to entrepreneurial ventures may actually be based on a fundamental misperception held by the dominant cultures (Hindle 2005).

Huemer (2012) identified tensions in the identities of First Nation people participating in mainstream commercial activities. Issues arose with First Nation people engaging with fish farming with non-Indigenous companies as this was inconsistent with cultural maintenance and development (Huemer 2012). The legitimacy of Indigenous identities of participants were brought into question as this was considered to contradict traditional understandings of indigenous identity (Huemer 2012). Interaction with the majority culture is sometimes seen by indigenous people to violate their cultural identity (Foley 2008). This is recognised by O’Brien, Phillips and Patsiorkovsky (2005) who discuss the perceived trade-off faced by Native Americans in retaining culture and social organisation or participating in the broader US society and the global economy. Klyver and Foley (2012) suggest that in order to be racially accepted so as to become embedded in mainstream business networks, Indigenous entrepreneurs may hide their indigeneity or not allow it to be an identifying issue. In contrast, Bruijn and Whiteman’s (2010) study of Latin American tribes suggested that they were able to engage with the market economy and at the same time maintain and reinforce their cultural identity through rituals and kinship structures.

In Australia, issues of Indigenous identities are extremely complex given the history of colonial rule, discrimination policies and attempts at assimilation. As Hollinsworth (1992) explains Aboriginality as a concept did not exist prior to invasion
in 1788 and it has led to an exotic or static representation of Aboriginal culture. The construction of Aboriginality from a colonial perspective in terms of primitiveness or otherness results in what Hollinsworth (1992 pp.139) calls attention to “invidious and invalid comparisons between those described as urban or part aboriginal and those deemed authentic”.

In addition, much of the development discourse used in Australia can be considered to assume that non-Western people aspire to Western models of development and that such progress is inevitable (McKenna 2011). Notions of self-determination are often informed by colonial practices which consider a need to embrace non-Indigenous lifestyles (Banerjee & Tedmanson 2010). These represent important issues that one must remain mindful of when examining cross-cultural relationships in this setting, particularly in respects to how Indigenous identity and development are conceptualised.

As discussed in section 1.2.4, the embeddedness of Indigenous companies within Indigenous networks also influences the norms and values they display in a business context (Hindle & Moroz 2009). Indigenous culture is understood to be a central element of the identity of many Indigenous companies and this has been considered to characterise these companies as unique or distinct from others (Hindle & Moroz 2009; Klyver & Foley 2012). This is evident in the goals and behaviours that Indigenous companies are perceived to display which closely reflect Indigenous cultural norms (Foley 2006; Fuller, Howard & Cummings 2002; Rola-Rubzen 2011).

According to the model of business development being advocated in the case, engagement with the mainstream economy and non-indigenous companies is seen to be critical and this may require compromising those values (Lahn 2012; Pearson & Helms 2013). Foley (2008) discussed the potential loss of links to the Indigenous community and culture for companies that must engage in mainstream business practices that are perceived to clash with Indigenous norms. Indigenous companies must consider the expectations of both cultures simultaneously and determine whether they can be integrated or mutually consistent (Foley 2008; Klyver & Foley 2012).
Hindle and Moroz (2009) draw links between Indigenous entrepreneurship and the previously mentioned concept of hybrid-organisational identity. The authors consider whether at both the philosophical and practical levels, the concept of indigenous contradicts the concept of entrepreneurship (Hindle & Moroz 2009). The contradictions are considered to lie in the preserving Indigenous traditions and the innovation requirements of the entrepreneurial process. Similarly, entrepreneurship is considered to focus on individual profits which are seen to be inconsistent with the community sharing focus inherent in Indigenous culture (Hindle & Moroz 2009). From another perspective, Hindle and Landsdowne (2005) consider Indigenous traditions to be a path to innovation that does not necessarily present a paradox, value sacrifice or a false dichotomy between heritage and innovation. A contextual example of this is the description by Holcombe (2009) of a ‘hybrid economy’ developing in the West Australian Pilbara region, which successfully integrates Indigenous heritage with commercial activity.

2.5.4 Strategic Use of Identity

In recognising that actors in some ways construct their identities to support objectives in an inter-organisational setting, it is necessary to highlight how identity work can be purposefully performed to strategically influence an actor’s position or role. It is understandable that organisations will take strategic action to achieve their network goals, be it achieving legitimacy, forming relationships or securing resources. Actors are able to manipulate organisational identity in consideration of the situation at hand and the network members that will be interpreting the identity (Alvesson & Willmott 2002).

Identities incorporate contrasting positions or antagonisms which can serve as discursive resources to be used to construct identities that are appropriate for different and sometimes competing ends (Clarke et al 2009). As Goffman (1959) suggests, people display different sides of themselves depending on the situations and settings. Strategic activity in this instance, can involve using flexible notions of identity and self-
presentation as a form of impression management (Lowe et al 2012). According to Gioia et al (2000) this shifts the managerial emphasis away from the preservation of a fixed identity to managing flexible identities.

Organisations can strategically construct their identity in a manner that builds support for their legitimacy claims. This is accomplished through maintaining normative and widely endorsed organisational characteristics (Sillince & Brown 2009). According to Scott and Lane (2000) organisational legitimacy represents the generalised perceptions that an organisation is behaving appropriately, in accordance with certain culturally shared definitions of what is appropriate. Organisational legitimacy is linked to reputation, which is based on perceptions of how a firm will behave in a particular situation (Whetten & Mackey 2002). These perceptions are not based on performance or likability but rather predictability (Whetten & McKay 2002). To influence perceptions of legitimacy in networks, actors must maintain alignment between their identity claims, externally perceived images and their acquired reputation (Whetten & Mackey (2002).

Actors often seek to define themselves in accordance to a group connection so that they can be associated with the defining characteristics or ideals of that group (Lowe et al 2012). This is particularly relevant in an Indigenous context, as Indigenous people are strongly linked to specific geographic or cultural groups and this is important for self or community identification (Bruijn & Whiteman 2010). In striving to be identified with a particular group, actors become motivated to achieve group goals, increase preferential treatment of other group members and overall interaction with the group (Scott & Lane 2000).

In seeking to strategically align with a group, identity construction will involve accentuating the in and out group similarities and differences (Scott & Lane 2000). This involves drawing out imagined boundaries between the ‘us’ and the ‘them’, drawing on concepts such as unity, power, superiority and respectability to separate the groups (Ybema et al 2009). Weaver (2001) suggests that identity construction is based upon power and exclusion, in that someone must be excluded for an identity to be meaningful. Parsons (2008) found that Indigenous identity was used by Indigenous community members as a way to differentiate themselves from non-Indigenous people. Within groups, homogeneity is not sought and instead there is a constant interplay of
allegiances to other groups and institutions, with different actors prioritising different projected identities for different situations according to their aims (Goffman 1961).

It is possible to develop an understanding of how identities are constructed by examining interaction processes including management talk (Ellis et al 2012). Managers develop identity narratives which describe the representations of themselves in relation, how they view others and more implicitly how others view them (Ybema, Vroemisse & van Marrewijk 2012). Sillince and Brown (2009) showed the ways in which police department rhetoric presented the organisation as identifying as part of the community in some situations and as distinct from the community in others depending on the circumstance. This shows how identity can be strategically constructed to support multiple legitimacy claims when subjected to contradictory demands (Sillince & Brown 2009).

Examples from the social identity complexity literature suggest that people with complex identities can emphasise one particular group affiliation depending on the situation at hand (Roccas & Brewer 2002). This is consistent with the view of Huemer (2013) that the multiple contextually adapted features of actors allow them to better cope with location specific demands and satisfy the expectations of heterogeneous stakeholders. The strategic decisions to manage identity are influenced by social, economic and political factors (Weaver 2001).

2.5.3.1 Identity Construction Strategies

Perspectives which recognise the potential for multiple organisational identities to coexist also recognise the potential for these identities to be managed. Indeed, this is seen by Pratt and Foreman (2000) to represent a key strategic decision for an organisation’s managers. As identity is tied to interpretations, management of identity in this instance does not suggest that it can be completely controlled but rather strategically influenced (Pratt and Foreman 2000).

Managers must consider the plurality and synergy of each identity as well as the consequences they present in each situation (Pratt & Foreman 2000). Strategic identity
work is seen as critical to resolving contradictions and conflicts between competing or unaligned organisational identities (Foreman & Whetten 2002). As stated by Pratt and Foreman (2000 pp.23) “organisations with too few or too highly related identities may have difficulty in meeting the needs of their members while in contrast, organisations with too many or too highly unrelated identities can become ineffective due to the competing demands this presents”.

Pratt and Foreman (2000) develop a classification scheme for identity management responses to the plurality and synergy of multiple identities. The four categories of responses included in the scheme exemplify the strategic use of identities by actors. As Huemer, Håkansson and Prenkert (2009) suggest, this approach to identity construction contrasts with network perspectives as it is firm-centric and assumes the actor has control of the process. In summary the four responses are: 1) Compartmentalisation – where an organisation preserves all of its identities separately and does not seek to attain any synergy between them; 2) Deletion – whereby managers seek to limit organisational identities by ridding itself of one or more of them; 3) Integration – which occurs when managers seek to fuse multiple identities together to form a distinct new whole; 4) Aggregation – through which all identities are maintained and the organisation seeks to forge links between them so as to exploit synergies (Pratt & Foreman 2000). In addition, managers concurrently face strategic decisions relating to the management of each individual identity. Huemer (2004) suggests managers also have the option of maintaining, nurturing or preserving identities that are perceived to have strategic value.

Hindle’s (2005) discussion of hybrid-identity theory in the context of indigenous entrepreneurship incorporates two broad strategies to foster coherence among incompatible identity elements. The first strategy involves varying the relative power invested in each identity claim (Hindle 2005). This is contextualised as the pursuit of business models which prioritise indigenous tradition over profits or alternatively those that prioritise economic factors over tradition (Hindle 2005). The second strategy involves varying the level of integration between the identity claims, which can be considered similar to the previously mentioned strategy of integration put forth by Pratt and Foreman (2000). Hybrid type organisations are understood to face more challenging
and critical decisions than other organisations when it comes to managing identities given the potential for identity crises and instability to occur as a consequence of mismanaged identity work (Whetten 2006). Investigating the ways in which conflicting identity claims can be successfully managed or indeed mismanaged is of critical importance to the overall understanding of how hybrid organisations function (Whetten 2006).

While managing multiple identities is possible within a strictly Western business context, this may be more difficult in Indigenous contexts. Parsons (2008) found that indigeneity was an important aspect that Indigenous managers relied upon to describe their realities, deviating from expected Indigenous identities, even only in some situations, may compromise the actor’s overall legitimacy. This increases the importance of being perceived to effectively manage identity construction. Indigenous managers may have personal experience in managing multiple social identities and may apply this to their business.

Weaver (2001) suggests that culture is but one facet of identity and that it is managed in a similar way to other facets. Individuals who experience bicultural identities for instance, manage conflict between their social identities by inhibiting one when the other is active (Hugenberg & Bodenhausen 2003). It is possible for individuals to navigate multiple, even conflicting identities by switching cultural frames of references based on their interpretation of situational cues (Benet-Martinez & Haritos 2005). At a macro-level, it may be possible to bridge differences between Indigenous and western corporate culture but it requires institutional support and long term development of bicultural leaders and bicultural verification standards (Bruijn & Whiteman 2010).

### 2.6 Conclusion

Industrial networks are complex systems with many interrelated elements operating at different levels. This underlines the multitude of ways organisational strategies can be explored from network perspectives and the opportunities to develop a better understanding of how these different layers interact. Through taking an integrated
approach to network analysis, combining features from IN, SN and Entrepreneurship perspectives, an appropriate theoretical framework has been developed specific to the research questions presented in section 1.4.

As discussed previously, firms are not able to engage in strategic behaviour unrestricted by the network, while the network itself is not beyond the influence of the firm (Johanson & Mattsson 1992). In contrast the concept of nets have been described as ‘designed’, ‘orchestrated’ and ‘managed’ (Dhanaraj & Parkhe 2006; Möller & Svahn 2003). There is a clear lack of theoretical development into how such degrees of actor control are possible at the net-level. The ways in which actors influence structures and processes in nets, remains an area that has received little attention. Through analysing the focal net with the conceptual tools that have been outlined in this chapter it is possible to investigate the research question at hand: How do net actors strategically influence structures and processes to achieve their objectives?

Similarly, the discussion of organisational identity from a network perspective highlights the complex nuances of identity construction. On one hand, organisational identity is heavily influenced by the network and the network is considered to restrict and inform the identity construction process (Clarke et al 2009). On the other hand the identities in networks perspective adopted by this research, recognises the role actors have in actively constructing organisational identity (Huemer et al 2009). This suggests there is potential for actors to strategize through their identity work and influence their role and position in the network. The links have not been made clear however and there is a need to build upon this perspective of organisational identity. In particular, this research focuses on identification amongst Indigenous companies and how this forms an integral part of identity work. Providing insights into “how the identity work of Indigenous actors influence and get influenced by their identity in network(s)?” contributes to the understanding of the interaction between actor and network.
Chapter Three

Methodology

This chapter outlines the philosophical approach of the research and details the research method used to investigate the research question. The choices of approaches and methodology are presented and justified with respect to the literature and the contextual appropriateness. This chapter will be discussed as follows: firstly the research paradigms will be discussed, followed by a reflection on conducting research with Indigenous participants. This will be followed by an outline of the methodological approach taken, including identifying the case study parameters and the data collected. The thematic and discursive approaches to the analysis will be discussed and finally the relevant ethics considerations will be highlighted.

3.1 Justification of Paradigm

Research is heavily influenced by the ontological position of the researcher. Like all humans, researchers have their own perspectives which they have developed through a process of socialisation occurring over the course of their life (Creswell & Miller 1997). In the case of researchers, their approach to scholarly research and understanding is directly influenced by standards in the field of study, past research and the perspectives of academic advisors. The research tools and procedures that are used in research are inextricably embedded within the researcher’s world view and their ways of knowing that particular world (Denzin & Lincoln 2005). Within the discipline of organisational and management research it is recognised that there is no single agreed ontological or epistemological paradigm (Tranfield & Starkey 1998).

As explained by Denzin and Lincoln, (2000 pp.157) paradigms are “a basic set of beliefs that guide action”. There are three central concepts that form the basis of the research paradigms being discussed: ontology, epistemology and methodology. As
explained by Corbetta (2003) these concepts ask three questions relating to **Essence** – Does (social) reality really exist?; **Knowledge** – Is it knowable?; **Method** – How can we acquire knowledge about it?

### 3.2 Ontological Considerations

Ontology focuses around the question of the nature of reality. It considers the existence of a world of real and objective social phenomena, autonomous from the human mind and independent from the interpretation given to it by the subject (Corbetta 2003). Ontology is tied to the philosophical questioning of existentialism and whether things that exist in the mind also exist in reality (Corbetta 2003). In relation to the research process, ontology affects the researcher’s perception of others and their interaction with the world, questioning whether they are independent observers or involved actors (Whitehead & McNiff 2006). Different research paradigms maintain different notions of reality. As an example, naïve realism is the idea that reality is both real and knowable, while critical realism functions on the basis that while reality is real, due to the influence of humans in research it is only knowable in an imperfect and probabilistic manner (Corbetta 2003).

The research is approached from a constructivist ontological position. The constructivist perspective takes the position that meaning does not exist in a passive and dormant state within objects waiting to be discovered, but is rather created as individuals interact with and interpret these objects (Crotty 1998). While a pure constructivist position may exclude the existence of an objective world, this research takes a more moderate position, looking away from the question of whether an objective world exists external to individual constructions, as it is understood that only individual constructions are able to be known (Corbetta 2003). The moderate constructivist position has been described as rejecting positivist notions of universal truths but accepting the possibility of specific local, personal and community forms of knowledge (Järvensivu & Törnroos 2010).

Another way of considering the ontological position of the research is as social constructionist. Social constructivism is a typical approach taken by those engaging in
qualitative research (Creswell 2013). In addition, social constructionism is considered to underpin the majority of discourse analytical approaches, including that which is taken in this research and explained in section 3.10.2 (Jorgensen & Phillips 2002). Järvensivu and Törnroos (2010) argue that moderate constructivist positions are better able to take into account the multiple constructed, community bounded realities that are inevitably involved in all case studies.

### 3.3 Epistemological Considerations

Epistemology focuses on the relationship between the observer and the reality observed (Corbetta 2003). It represents the process of understanding what is known and how that knowledge is acquired (Whitehead & McNiff 2006). Following on from ontological considerations, Corbetta (2003) states that if the notion of the existence of the social world as a separate entity is accepted, then the aspiration to reach and understand it in a detached and objective manner, without the fear of altering it during the cognitive process, will be legitimised. This outlook is consistent with a positivist approach to research. The epistemological stance of the researcher will influence the methodology chosen. In the case of this research, it is believed that complete detachment of the researcher from the subject is not an achievable reality and may not even be considered appropriate to create the understanding needed to acquire the knowledge being sought. The researcher is part of the research instrument, they are engaging with participants through interviewing and they have an influence on the inductive analysis (Creswell 2012).

The approach to this research is geared towards an interpretivist epistemological position. Individuals create multiple and varied subjective meanings of their experiences and the researcher should seek to understand the complexity as opposed to narrowing down and aggregating the meaning (Creswell 2013). As Creswell (2013) suggests, the qualitative researcher places emphasis on the participant’s views and in order to do this, they will collect personalised and contextualised information. This is consistent with the critical and post-colonial approach of this research which intends to uncover and present
the worldviews of the participants rather than enforce those of the dominant society. The constructivist approach places much emphasis and value on understanding community based knowledge (Järvensivu & Törnroos 2010).

In following this epistemological tradition, the researcher acknowledges the presence of bias in the research. The information that has been retrieved through the research process has been influenced by the presence of the researcher during data collection and the contact between researcher and participant. As knowledge has been co-created, interactions between researcher and participant have shaped each other’s perspectives (Reason & Rowan 2001). Knowledge is also bound by the time and context in which it was recorded (Hudson & Ozanne 1988). As it is not possible to fully align with the participant’s version of reality, the findings presented in this document represent the researcher’s interpretation of reality.

### 3.4 Considerations for Conducting Indigenous Focused Research

The researcher acknowledges that the worldviews of Indigenous people may be different to those of other cultures and also that Indigenous perspectives are diverse and that each individual has the right to self-determination and freedom of expression. The implications of historical and in particular colonial dynamics were also recognised along with their impact on conducting research with Indigenous people. The research sought to be founded on respect for the rights of Indigenous participants, which included the right to full and fair participation in all processes, projects and activities that impact on them, as well as the right to control and maintain their culture and heritage. Great emphasis was placed on engaging in a research style which captured the lived experiences of the Indigenous participants and recognised Indigenous knowledge systems and protocols (Russell-Mundine 2007). Great emphasis was placed on the benefit of the research to the Indigenous people and companies involved. This represents an aspect of research which Banerjee (2000) points out as often being overlooked.
The researcher was conscious of the responsibilities that arise when conducting research involving Indigenous people. As the researcher was non-Indigenous, this presented an added challenge to the research process and necessitated continuous re-evaluation and reflection of the position of the researcher. In being mindful of the issues that this may cause, the research took guidance from Indigenous advisors, both academic and non-academic, the Indigenous participants involved in the research and also numerous published guidelines. In seeking to conduct research in a culturally appropriate and respectful manner a much more holistic and broader approach was taken than traditional Western-orientated processes. In addition to the data collected and analysed in this document, the researcher undertook activities and programs to increase skills, experience and understanding of Indigenous Australians. This included participating in the network through part-time employment to gain exposure to the industry practices and experience interacting with Indigenous SMEs in this setting.

The literature review also indicated that contextually similar research was conducted using comparable research methods. Foley (2006) used a multiple case study approach based on ongoing qualitative interviews in studying Indigenous entrepreneurs. Limerick (2009) also took a case study approach to study Aboriginal council success factors, incorporating interviews, focus groups, observation and document analysis to understand the research problem. Woodward (2008) utilised semi-structured interviews, participant observation and document analysis in developing a case study of social networks in an Indigenous land management organisation context. Woodward was also contacted by the researcher for advice early on in the process and her insights were a valuable contribution to the research design. These studies all take a similar qualitative, case study based approach to research in Indigenous business contexts, despite focusing on different types of organisations in different parts of Australia. These approaches can be considered to be appropriate in such settings and provide the opportunity for greater participant inclusivity and more in depth data collection to capture the richness of the context.

These considerations had a large bearing on the ontological and epistemological stance of the research and the participatory methodological approach chosen. Pursuing an abductive approach allowed for the theories to be influenced by the participants and
this interaction was maintained throughout the entire process. Contact with participants
did not end once data had been collected and in all instances the researcher sought to
maintain communication. The style of interaction between researcher and participant
was largely driven by the participant and they were given the opportunity to enter into
the project if they saw value, as well as determine the length, number and content of
interviews (Putt 2013).

3.5 Qualitative Methodology

In selecting an appropriate methodological approach, multiple factors are
required to be taken into account such as the contextual setting, existing literature and
the research problem at hand. In considering these factors, it was determined that a
qualitative approach was most appropriate in this instance.

The contextual setting of this research that was explained in Chapter One
introduces the complex nature of the research in that it involves Indigenous people, is
cross-cultural and there is a scarcity of existing literature available. In acknowledging
the epistemological position outlined in section 3.3, a qualitative methodology would
most adequately display cultural sensitivity in allowing for greater participant
involvement, while also achieving the rigour required to draw meaningful conclusions
from the investigation. In a contextually similar example, Foley (2008 pp.206)
determined that “given the low number of Indigenous entrepreneurs and the specialised
methodology required to identify them and gain research response, quantitative research
was not rigorously effective”. Qualitative methods of enquiry are favoured for research
involving Indigenous people as it they promote inclusivity and confront the problems
associated with academic exclusivity and western dominated ideologies (Greenhill &
nascent scholarly field and while this may be a limitation to the growth of the discipline,
it is indicative of the current developmental status of the field and necessary for
substantive and formal theory development.
A primary motivation behind conducting qualitative research is that in the case of understanding humans, there is a necessity for communication and interaction to understand thought and explain actions (Myers 2013). The qualitative researcher studies things in their natural settings, they attempt to make sense or interpret the phenomena (Denzin & Lincoln 2005). Qualitative methods provide the researcher the opportunity to understand complex processes within their socially embedded context and develop theory grounded in the experiences of those living and creating the phenomena (Shah and Corley 2006). Qualitative approaches are better positioned to capture the complexity of business network settings (Halinen & Törnroos 2005; Piekkari, Plakoyiannaki & Welch 2010). Similarly the research needs to incorporate the different worldviews held by the diverse mixture of actors within the network (Halinen & Törnroos 2005; Piekkari, et al 2010).

The research goal of understanding a particular phenomenon from the respondent’s perspective and within the social and institutional context is considered difficult to achieve through quantifying textual data (Kaplan & Maxwell 1994). Curran et al (1993) argue that as networks and networking are considered to be a cultural phenomenon, then qualitative approaches are most applicable. Greater understanding can be achieved by focusing on the content of relationships based on motivations, expectations, norms, perspectives and desired outcomes of the individuals in the network (Curran et al 1993). The research question necessitates rich, deep, process-based network information that captures the dynamics of relationships and therefore a qualitative approach is determined to best able to provide such data (Coviello 2005).

Qualitative methodologies are common across the relevant network approaches that were presented in section 2.1 and would best allow for the application of an integrated approach. Easton (1995) highlights the ability for qualitative analysis to handle the complex and dynamic nature of networks due to the fact that similar contexts are commonly studied using qualitative methods (see Ellis et al 2012; Huemer 2012). This allows for a richer analysis of ties and the content that is communicated between actors (Jack 2005). The IN approach has been perceived to have made great advances through methodological approaches and this should be drawn upon more widely in other perspectives (Jack 2010). Even the SN perspective which typically takes quantitative
approaches to research evolved from qualitative studies and is still considered to provide a contribution to advancing the field (Heath, Fuller & Johnston 2009). Carpentier and Ducharme (2005) described the use of qualitative methods in SNA as a viable way to explore concepts which are difficult to quantify such as culture, reciprocity and social regulation. Hoang and Antoncic (2003) make a plea for more qualitative network research so as to increase knowledge in the early organising process and the development of networks.

This research was driven by an abductive approach. Dubois and Gadde (2002 pp.554) label this approach as ‘systematic combining’, characterised by continuous movement between the empirical and model world. Through the systematic combining process, the theoretical framework, empirical observations evolve simultaneously and interactively (Dubois & Gibbert 2010). Through this approach, both the case study and the existing theory played a role in developing of the final theoretical and managerial conclusions of the research.

Abductively developing a research framework involves the researcher retaining, revising, removing and adding elements throughout the comparative process (Uzzi 1997). Continuously going back and forth between empirical observations and theory is seen as useful to expand the understanding of both empirical and theoretical phenomena and is particularly useful in discovering new relationships and variable (Dubois & Gadde 2002). In line with the argument put forth by Järvensivu and Törnroos (2010), the research process was not considered to be purely abductive, but rather abductive overall. The use of deductive and inductive approaches varied depending on the stage of the research with some stages heavily orientated towards one over the other (Dubois & Gibbert 2010). The abductive nature of this research is noted through the continuous matching between theories and realities and the direction and redirection of the study (Dubois & Gadde 2002). The dynamic combination of induction and deduction through reinterviewing and revising sensemaking views of participant is considered to be the basis of theory building in industrial marketing settings (Woodside 2010). Anderson et al (2010) utilise an abductive approach in studying the entrepreneurial development process and determined it was appropriate way to generate an interpretive framework for understanding the research case.
3.6 Case Study Analysis

The empirical approach of this research is based upon the development of a case study of the Western Australian mining industry. This particular empirical setting was selected as it features many of the network concepts which are of interest to this study as well as being an interesting setting in which to explore the issue of identity. This case study setting therefore satisfies the theoretical demands of the research,

The use of case studies in empirical research is well established and there has been particular emphasis on this methodology in network research (Araujo & Easton 1996). The case study method as defined by Yin (2003 pp.23) is “an empirical enquiry investigating a contemporary phenomenon within its real-life concept, especially when the boundaries between phenomenon and context are not clearly evident”. An alternative definition of case study analysis focuses on the investigation of a system bounded by time and place or a single or multiple case(s) over time, through in-depth data collection involving multiple sources of information rich in context (Creswell 2012).

The case study method has been shown to be the most popular research method amongst qualitative industrial marketing researchers (Easton 2010; Piekkari, et al 2010). The preference towards this methodological approach is due to its inherent flexibility that suits the complex, evolving relationships within the network context (Dubois & Araujo 2004). Halinen and Törmroos (2005) upon analysing the strengths of case method in business network research came to the conclusion that case strategy is the most suitable for the study of business networks. Easton (2010) also provides similar justification for conducting case research in industrial marketing settings, contrasting the difficulties of access and complexity of structures in comparison to consumer markets.

One of the specific strengths of the case study method is its potential to capture the dynamics present within the studied setting (Eisenhardt 1989). This feature of the case method can be considered to result in a deeper understanding of the studied phenomenon. This is due in part to the underlying idea of presenting a multi-sided view of the situation from an up close position that then enables rich description (Easton
Case studies allow for the study of contemporary phenomena in situations where it is difficult to separate the network from the context and when the in-context analysis is considered critical to properly understanding the dynamics involved (Halinen & Törnroos 2005, Yin 2009). Many scholars agree that case research is particularly appropriate in new situations where very little is known about the phenomenon and/or situations where current theories seem inadequate (Easton 1995; Eisenhardt 1989; Yin 2009).

In their review of case study research in the area of industrial networks, Piekkari et al (2010 pp.113) identify features that can be considered to be best practice. The Piekkari et al (2010) study was used to reflect on the quality of this research study and provided guidance on the design and analysis. The features are listed below with reference to this research study.

Table 3.1 Best Practice Case Study Research Standards

<table>
<thead>
<tr>
<th>Best Practice Case Study Feature</th>
<th>Achieved?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primarily theory building case studies. The authors provide a linkage between their research effort and theory.</td>
<td>✓</td>
</tr>
<tr>
<td>The selection of case study phenomena is based on the rationale of purposeful sampling.</td>
<td>✓</td>
</tr>
<tr>
<td>These case studies include different sources of data, namely in-depth interviews, observation, archival records.</td>
<td>✓</td>
</tr>
<tr>
<td>The selection of interview respondents ensures that data is collected from actors with different perspectives with respect to investigated phenomena (e.g. employees, management, internal and external actors of a firm etc.).</td>
<td>✓</td>
</tr>
</tbody>
</table>
The authors explain the process of data analysis; more sophisticated methods of data analysis are employed: pattern matching and constant comparison of findings with theory.

The coding process is often conducted using specialised software such as Nudist, NVivo or Decision Support Analysis software.

Findings are presented using: within and/or cross case study analysis, case history analysis, thematic analysis, comparison between theory and data.

The authors apply triangulation techniques (data, between method and investigator triangulation) and possibly seek respondent validation on case study findings and reports.

| The authors explain the process of data analysis; more sophisticated methods of data analysis are employed: pattern matching and constant comparison of findings with theory. | ✓ |
| The coding process is often conducted using specialised software such as Nudist, NVivo or Decision Support Analysis software. | ✓ |
| Findings are presented using: within and/or cross case study analysis, case history analysis, thematic analysis, comparison between theory and data. | ✓ |
| The authors apply triangulation techniques (data, between method and investigator triangulation) and possibly seek respondent validation on case study findings and reports. | ✓ |

This study can be considered consistent with the recommendations for case study research outlined by Yin (2009). As will be shown throughout the dissertation, this research can be considered to achieve each of the points mentioned and is in line with the best practise standards of the discipline.

Halinen and Törnroos (2005) highlight the important challenge of identifying and delimiting network boundaries when researching networks. Given the nature of network connections, the case setting can be seen to extend without limit through relational connections between companies and therefore putting any boundary in place would be considered arbitrary (Easton 1995). Nevertheless, delimitation is important for analytical purposes as it allows for the appropriate balance of depth and breadth of information. As this research is focused at the net level, it may be considered to take the micronet-macronet perspective of delimiting the case network suggested by Halinen and
Törnroos (2005). This approach centres on the perspectives of focal actors within a focal net, but incorporates information about other connected actors within the net. It has been recognised as being valuable in studying the mechanisms of change in a network setting (Halinen & Törnroos 1998). The boundary is therefore determined by the network horizons of the focal actors (Anderson et al 1994). This strategy allows for greater participant involvement as it incorporates the perspectives of Indigenous focal companies and is therefore consistent with the ideal an inclusive, culturally appropriate methodology.

Easton (2010) emphasises that the sampling mode is a key defining property in that it is a sample of one. The case is the unit of analysis and therefore it must stand on its own to offer a deep and comprehensive understanding (Easton 2010). The unit of analysis for this research is at the net-level. The case study is therefore of the net as determined by the focal actors participating in the study and confirmed through triangulation with other sources. This is indicative of the single instrument case study as mentioned in Stake (2010). The case study can be identified as the net of companies with interests in Indigenous businesses development in the West Australian mining industry. The selection of case study phenomena is based on a purposeful sampling rationale that was considered by Piekkari et al (2010) to be best practise. As was highlighted in Chapter One, the West Australian mining industry is extremely active in the area of engaging Indigenous businesses and mining companies have taken innovative steps to form commercial contracts with Indigenous–owned companies. As the unit of analysis, explored from two levels, the net and the organisational units, this case provides insight into an interesting phenomenon from a structure and process perspective and will make a contribution to the literature.

3.7 Criteria for Focal Company Selection

In following the strategy for purposeful sampling as suggested by Patton (1990), specific criteria for participant selection were developed. The initial focus was on Indigenous owned businesses to understand the setting from an ego-net perspective and
determine the perceived boundaries. As such, the criteria was targeted towards identifying appropriate Indigenous businesses for the study. As will be explained in section 3.8, the criteria used for selecting participants from non-Indigenous companies was different and based on their various capacities of involvement in Indigenous business development in Western Australia.

The first criterion was that they be an Indigenous-owned small business. The definition of Indigenous-small business is that which is used by the Australian Taxation Office: a non-employing or employing business with less than twenty employees; at least one-half Indigenous owned and managed; not part of an Aboriginal corporation incorporated under the Corporations (Aboriginal and Torres Strait Islander) Act (CATSI) (2006) or a state association act. The 50% Indigenous ownership criterion is also used by Indigenous business representative bodies such as Supply Nation (Supply Nation 2013). As in Foley (2006), the common law definition of Australian Aboriginality was applied. That is that ‘An Aboriginal or Torres Strait Islander is a person of Aboriginal or Torres Strait Islander descent who identifies as an Aboriginal or Torres Strait Islander and is accepted as such by the community in which he [or she] lives’ (ALRC 2013). Being a Traditional Owner acknowledged on a registered Native Title claim was not a criterion for selection in the research, although several participants were. This has important implications with regards to this particular net context and is therefore described in latter sections.

The second criterion was that the companies were for-profit entities. The focus of this research is on the commercial business development model within the mining industry and therefore the market orientation of the companies was an important factor. As Foley (2006) identifies there is a clear distinction between commercial privately-owned ventures and community-based ventures. The former operates in a market economy while the latter is typically not-for-profit, is subject to tax concessions and can be a registered charity (Stanley 2002). There has been less attention given to the understanding of for-profit Indigenous businesses and this represents a major research gap that needs to be filled (Foley 2006).

The third criterion was that the companies had to be actively involved in the Western Australian mining industry. As this was the focal net of the study, it was
important that the companies have relationships to other companies within the net. The qualifying factor that guided participant selection was that companies had to receive at least some direct revenue from the mining and resources industry. Exceptions were made in two instances where companies had previous commercial relationships and were actively looking to find new ones.

### 3.8 Participant Recruitment

As the research took a micronet-macronet approach (Halinen & Törnroos 2005), participant recruitment methods varied depending on the type of respondent. Initially, several Indigenous-owned organisations in the mining sector were approached through referrals from contacts during the initial phase of informal interviews with relevant individuals within the industry. The research recognises the polyphonic nature of organisational views and acknowledges individual respondents’ views may not be representative of the organisation (Hazen 1993). For this research, the focal Indigenous companies were small and interviews were conducted with the managing director or owner. For this reason, the worldviews of the owners and managers interviewed are more likely to represent the dominant discourse of the company (Kornberger, Clegg & Carter 2006).

In acknowledging the challenges of conducting Indigenous focused research as a non-Indigenous person, referrals were important as they provided some degree of legitimacy for the researcher. A challenge of participant recruitment in this context was that many organisations, especially those which were government funded, could not release any contact details of Indigenous companies they are involved with. An additional challenge was that databases and registers of Indigenous businesses in Australia are not well developed or utilised and therefore it is difficult to identity Indigenous businesses through these means.

If identified companies fit within the selection criteria outlined in section 3.7 they were contacted via phone or email to gauge their interest in participating in the research project. If they accepted they were sent a summary research proposal to further
explain the aims of the research and the requirements and rights involved in participation. Emphasis was placed on whether the research would be of benefit to the participating company or individual and given the inclusive research approach selected, participants could shape the research to their own needs or interests. This is in line with Banerjee’s (2000) argument that research should be wary of benefiting only the non-Indigenous parties involved. Interviews were then arranged with the organisation representative(s) at a location and time convenient for the respondent. Measures were taken to maintain contact with all participants post-data collection, such as follow-up interviews were conducted to present findings and a report was produced which was tailored to the specific company’s situation (an example can be found in Appendix item Four). Allowing interviewees an opportunity to review any drafts and provide feedback is considered to be good practice in case study methodologies (Beverland & Lindgreen 2010).

In line with the micronet-macronet approach, a snowballing technique was used to identify Indigenous or non-Indigenous companies in the net that the focal companies had a relationship with. This method could be considered to be consistent with the name generator method identified in Burt (1984) which seeks to develop a network picture. As interviews were less structured this was not applied in the strictest sense, however the interviews did elicit names of network members and then upon completion of the interview, the respondent was asked whether they were comfortable recommending any network partners to participate in the research. In instances where names were provided, the individual or company was contacted in a similar method to what was mentioned previously.

In order to develop a comprehensive understanding of the net, other organisations that had some involvement in the net but did not necessarily have direct connections with the focal companies were also included in the sample. This is consistent with the idea of elite interview research (Marshall & Rossman 1989). Including these types of respondents in the study provided a great benefit based on the specialised expert knowledge they had of the Indigenous business development context. It was important to include a diversity of perspectives, especially from organisations that are not connected through commercial relationships. Good case studies often select
interview respondents that offer a variety of perspectives on the investigated phenomena (Piekkari et al 2010). These respondents were typically from government funded or other community organisations involved in Indigenous business development. These organisations were identified through suggestions by respondents, personal contacts or through web based searches. Companies were contacted via phone or email, sent information of the research and then asked to be involved.

The following table outlines the sample of companies included in the analysis of the focal net. These have been organised into four broad headings representing the type of company. The table serves as a brief summary while a more comprehensive table including organisational and participant descriptions is presented in Appendix item one. Please note that these only represents the focal companies for which in-depth formal interviews were conducted and as explained in section 3.7 a wider sample were included in the informal interview stage.

Table 3.2 Participant Information

<table>
<thead>
<tr>
<th>Participant Type</th>
<th>Companies</th>
<th>Respondents</th>
<th>Interviews</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indigenous SMEs</td>
<td>9</td>
<td>11</td>
<td>14</td>
</tr>
<tr>
<td>Mining Companies</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Non-Indigenous Contractors</td>
<td>2</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Development Organisations</td>
<td>5</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>20</strong></td>
<td><strong>24</strong></td>
<td><strong>27</strong></td>
</tr>
</tbody>
</table>
3.9 Data Collection

The data collection process of the research consisted of a mixture of formal and informal interviews and secondary data analysis. These methods allowed for the development of a comprehensive case study of the focal net and are considered to be central to the development of a case study (Creswell 2013; Yin 2009). The data collection methods selected represents those which are most appropriate to produce quality data given the research problem and context.

3.9.1 Interviews

In-depth interviews are regarded as the most fundamental qualitative research method and the appropriate tool to gain insights into opinions and belief about a matter or situation from the respondent's perspective (Easterby-Smith, Lyles & Tsang 2002). The research used a combination of formal and informal interviews to gain an understanding of the net under investigation.

2.9.1.1 Informal Interviews

Informal interviews were an important aspect of the data collection process and can be considered in line with approaches taken by similar studies such as Jack (2005). A total of thirty-six informal interviews were conducted, primarily in the research phase prior to that of the formal interviews and included some respondents that did not later take part in the formal interviews. These interviews were more casual and therefore unstructured and unrecorded, although the researcher took detailed notes on the content. As much of the sampling was reliant on the snowballing method, it was important for the researcher to gain context specific information and to form relationships that could facilitate the formal interview stage. In addition, often informal interviews were conducted with Indigenous company representatives prior to formal interviews to develop a level of familiarity and understanding of the issues of interest to the participant, so that subsequent interviews could be of greater value to both parties.
The logic behind these interviews was to gain an understanding of the network context, to identify potential focal companies and to inform the formal interview protocols. In some instances observations during meetings and business networking events was also possible and led to further informal conversations. Such events which could be considered to be beyond the control of the researcher, generated new questions and unanticipated data that contributed greatly to the development of the research framework and the researcher’s overall understanding of the context (Dubois & Gadde 2002). All Indigenous participants were contacted at later stages of the research when preliminary findings were available to discuss the findings and gather their perceptions on their accuracy or relevance to their own situations.

2.9.1.2 Formal Interviews

The formal interviews were in-depth and conducted with participants that were present in the focal net. A total of twenty-seven in-depth interviews were conducted with participants throughout the data collection process. The number of interviews reflected what was required to detail the multiple perspectives of the net and reach a point where saturation of information was determined to have been achieved (Eisenhardt 1989; Perry 1998). Järvensivu & Törnroos (2010) suggest that in the industrial network setting, the need to capture multiple perspectives is of particular relevance and importance. Unlike other methodologies, case study research does not and should not depend on the number of interviews for its epistemological justification (Easton 1995).

The interviews were semi-structured to allow for a balance between being too narrow and prescriptive on one hand and too unfocused and broad on the other. In all instances the interviews were tailored as close as possible to the context of the participant, so as to remain focused on what is important or interesting to that particular respondent (Stake 2010). This also allowed for the research to be more inclusive and informant-driven, providing an opportunity for the participant to discuss issues that they saw as important. The use of open-ended questions adds to the value of that can be derived from the discourse analysis as it allows participants to answer in whatever terms they prefer (Schiffrin, Tannen & Hamilton 2001). The interview protocol (Appendix
Item Five) was used as a guide only to inform the general format of the interview. This was consistent with the types of questions used by Davidsson and Honig (2003) in their study of entrepreneurs. Eisenhardt (1989) suggests that flexibility is required to obtain information which the interviewee may be unaware of and add to the richness of the data collected.

In order to allow for the most flexibility and adaptability as possible to the interests of participants, interviews were carried out in locations suggested by the participants and ranged from in their office, cafés and even on work sites. This is in line with the recommendation that interviews are conducted in the comfort of respondent’s normal environment (Weiss 2008). In two instances, interviews were conducted over the phone due to the location of the individual at the time and logistical constraints prohibiting a face-to-face interview. One of these interviews was a follow-up to a previous face-to-face interview. In addition to this, in two instances interviews were conducted with more than one person at the behest of respondents. This decision was left up to the respondents and allowed them to decide how best to represent the company. Interviews lasted between 45 and 90 minutes based on the time that the respondent had available and the point where sufficient information had been received. In four instances, follow-up interviews were conducted to elaborate upon and provide updates to information received in the initial interviews. Each of these interviews were recorded and transcribed to allow for detailed thematic and discourse analysis upon the conclusion of the interview.

3.9.2 Interview Transcription

All formal interviews were digitally recorded. The audio files were then uploaded to a computer and then imported into the Audacity program for playback. As some interviews were conducted in noisy locations, the Noise Removal feature of Audacity was used to attenuate any constant background noise and make playback clearer.
The average length of the formal interview recordings was 51 minutes. This varied between 10 minutes (a brief follow-up interview over the phone) and 90 minutes. Often, the entire interview was not recorded as the researcher endeavoured to build a relationship with the interviewee prior to moving into discussions relating to the research topic. This ensured that interviewees were more comfortable with the interviewer and the recording of the discussion.

Transcription was completed manually by the researcher. This involved listening to the audio recording and transposing the interview through a word processor. Several steps were taken to ensure accuracy of recording. This included frequently stopping and replaying the recording to clarify the correct wording in the initial draft copy, replaying the entire interview to make alterations to the draft transcript and seeking clarification from respondents if any phrases were unclear. Transcript length varied between 12569 words and 1403 words. The average length was 7103 words.

3.9.3 Secondary Data

Secondary data was also analysed to allow for triangulation of the data. Information both in material or virtual form that was determined to be of relevance to the subject matter was incorporated into the data analysis. Often participants would provide such material during interview sessions or send it to the researcher at a later stage to provide further information. This included material such as corporate flyers, capability statements, media releases, company reports and internal documents. In addition information presented on the websites of Indigenous and non-Indigenous companies, in particular their positioning statements, product and service information or key personnel were also analysed. Several non-Indigenous company respondents provided access to useful secondary data such as tender documents, Indigenous engagement and reconciliation plans, Indigenous business development strategies and contracting guidelines. The collection of secondary data was dependent on the type and source of information.
The incorporation of secondary data into the analysis, balances the form of data available to build the case study. Multiple data sources may contribute to revealing aspects of the phenomenon unknown to the researcher (Dubois & Gadde 2002). More specifically, secondary data can be considered to be more natural as it has not been provoked or stimulated by the researcher (Nikander 2007). Humphreys and Brown (2002) incorporated a wide range of documentation into their analysis of organisational identity as a way to complement in-depth interviews. Including multiple sources of data or interviews adds a degree of triangulation to the data and can be considered to increase the validity of the research (Beverland & Lindgreen 2010; Silverman 2011). Triangulation in this case was achieved through combining the sources of evidence at hand while also shifting between analysis and interpretation (Yin 2009). Yin (2009) suggests that the main advantage of triangulation is the development of converging lines of inquiry.

### 3.10 Data Analysis

A combination of thematic and discourse analysis was used. Utilising multiple methods simultaneously throughout the data analysis process was intended to provide a more thorough and in-depth result. The analytical methods chosen were considered to complement each other and focus on different aspects of the data at hand. To provide a broad generalisation, thematic analysis seeks to look for common themes across the different interviews while discourse analysis seeks to identify underlying meanings within an interview. The analytical methods will now be individually described in detail.

#### 3.10.1 Thematic Analysis

Thematic analysis focuses on identifying and describing implicit and explicit ideas within the data (Guest, MacQueen & Namey 2011). It involves the search for themes that emerge as important to the description of the phenomenon under
investigation (Daly, Kellehear, Gliksman & Daly 1997). In conducting thematic analysis, the researcher seeks to recognise patterns within the data and the emerging themes become the categories for analysis (Fereday & Muir-Cochrane 2006). Themes are established in situ or in other words, within the context of the person, setting or time (Creswell 2012). It has been considered to be the most commonly used method of analysing qualitative data and a powerful way of capturing meaning within textual data (Guest et al 2011).

In order to identify the themes to be analysed, the researcher must codify the data. As Creswell (2012 pp.184) explains, the coding process “involves aggregating the text or visual data into small categories of information, seeking evidence for the code from different databases being used in a study, and then assigning a label to the code”. Coding was facilitated by the use of the QSR*NVivo10 computer software package (e.g. Bringer, Johnston and Brackenridge 2004). The package is a powerful data handling and retrieval tool, however it does not perform interpretive coding or analysis and therefore this key task is left to the researcher. Interview transcripts and secondary data were imported into the software and organised according to the company they were derived from. Coding was initially conducted by the primary researcher and then by external researchers at regular intervals so that codes could be compared and intercoder agreement can be established to increase reliability (Guest et al 2005). Codes were labelled based on an overarching descriptor or even the actual language of the participants (known as in vivo) (Creswell 2012).

The coding process that was undertaken could be described as a mixture of inductive and deductive, which is consistent with the overall abductive research approach. During the data analysis process the researcher went between the literature and the data at regular intervals. The majority of the codes could be considered to have emerged from the data through the coding process however the codes were also influenced by the concepts represented in the existing literature and the researcher’s interpretations of how they are exemplified in the text. It was imperative that codes had explicit boundaries/definitions so that they are not interchangeable or redundant (Guest et al 2005). The codes were also limited in scope so that they had some relevance or explicit focus on the object of analysis reliability (Guest et al 2005). To ensure
thoroughness, the coding process was very cyclical and the researcher continuously and systematically reanalysed the text to refine codes by way of adding, subtracting, combing or splitting the existing codes. Initially a large number of codes were produced and then through data reduction, the number of codes was reduced as they were amalgamated under broader themes. The final codes and their definitions are present in Appendix item Two.

From the list of codes, themes were identified through a process of analysing the coded text to extract salient, common or significant themes. They have been developed based on multiple individual perspectives and are supported by diverse quotations and specific evidence (Creswell 2013). The themes that emerge through this process can be described as broad units of information that consist of several codes aggregated to form common idea (Creswell 2012 pp.186). The codes are connected to show the themes and patterns in the data (Creswell & Miller 1997). These themes form the major findings outlined in the analysis section in Chapters Four and Five.

3.10.2 Discourse Analysis

In support of the thematic analysis, discourse analysis was used to augment the data analysis process and provide further justification for the themes developed. The discourse analysis approach looked beyond the surface of the data in an attempt to interpret the underlying sense-making motives and tensions. It focuses on the ‘thread of languages’ and other related semiotic systems used in a situation (Gee 2013). Language contains cues or clues that allow the listener to make sense of what is being communicated (Gee 2013). Discourse analysis is intended to explicate the dynamics and dilemmas of the respondent’s sensemaking, identify the detail of their practices of categorization, accounting and explaining (Nikander 2007). This analysis method also ‘unpacks’ the discursive constructions of network participants and appreciates how these micro-level practices may help to perform network relations (Lowe, Ellis & Purchase, 2008). Anderson et al (2010) suggest that discourse analysis should be more commonly utilised in research within the context of entrepreneurial networks.
The approach used the concept of the ‘interpretive repertoire’ to facilitate the study of discursive agency on the part of participants. This term is often used in place of discourse as it emphasises that discourses are a resource which can be drawn upon in social interaction (Jorgenson & Phillips 2002). Repertoires are recurrently used systems of terms viewed as building blocks that speakers use strategically in explaining, justifying, excusing, etc. (Potter & Wetherell 1987). They effectively function as ‘scripts’ (Welch & Wilkinson, 2002) that can facilitate and/or restrict actors’ sense-making. Repertoires can be identified through the examination of certain re-occurring words, figures of speech, metaphors and grammar. The process of identifying the repertoires formed the main activity of discourse analysis.

Sentences and in some cases entire paragraphs were allocated to particular repertoires. In order to do this, transcripts were analysed using a rough coding approach which could be considered to be similar to that used in grounded theory (Strauss & Corbin, 1998). The process undertaken was different to traditional grounded theory in this instance, preconceptions and categories from the literature were used in part to inform the codifying process. The approach taken can therefore be described as a combination of a priori codes from prior studies and in vivo codes were derived from the data, but with an emphasis on participant-generated meanings. The researcher compared the coding of initial interview transcripts with those of external researchers to ensure a high degree of inter-researcher consistency.

The discourse analysis was initiated manually, with the researcher identifying points of note in a hard copy version of the data. As in the thematic analysis, coding was also facilitated by the use of the NVivo software. NVivo was used to look for any patterns within repertoire occurrences and capture the linguistic labours of various network actors. The software allowed for pattern searches to be conducted relatively easily via a variety of simple textual and more complex matrix ‘search’ commands.

The results of the discourse analysis have been included in the findings located in Chapters 4 and 5. They have been combined with the results of the thematic analysis and are used to support the claims made. In each instance, the logic behind the discourse analysis has been included in the presentation of the findings, to highlight the linguistic conventions that have been identified as well as how they relate to the overarching
theme. By presenting this in a transparent manner, it is intended to support the credibility of the analysis and make the researcher accountable (Ellis et al 2012).

### 3.11 Ethics Considerations

In acknowledging the responsibilities and privileges that come from researching within an Indigenous context, the researcher sought to uphold the highest standards of ethical considerations throughout the entire research process. In accordance with university research standards, a request for Human Research Ethics Approval was made to the Human Research Ethics Committee (HREC) at the University of Western Australia in February 2012. Official approval was received in March 2012 and ethics clearance was granted for 5 years from the date of notification. An ethical clearance reference of RA/4/1/5233 was assigned to this research project.

The researcher closely followed the approved research protocol throughout the research process. This involved taking an appropriate approach to research involving Indigenous people, much of which has already been outlined in this chapter, for example, in the considerations given to respondent involvement in research design, data collection and analysis. To ensure that the research complied with ethical standards and the approved research protocol, advice was sought from experts in Indigenous research at important intervals in the research process.

Every respondent was advised verbally and in writing of their rights in being involved with this research. This includes the right to withdraw consent at any time without prejudice in any way and to have any records of their participation destroyed upon indication. No one withdrew consent and thus records were retained. Audio recording of interviews were agreed to be stored on a password protected computer and destroyed once transcriptions had been made. It was also made explicit that to ensure anonymity no identifying information would be contained in the transcripts or used in any publications including this dissertation.
Chapter Four

Findings: Focal Net Structure and Process

This chapter presents a discussion of the major research findings in relation to the theme of structure and process within the focal net. The findings in this chapter align mostly with the first research question by considering how the focal net has been influenced in certain ways by the actions of companies participating in the net.

4.1 Overview

In the analysis of business networks it is important to consider the boundaries of the network, so as to establish the unit of analysis. As explained in section 3.7, the unit of analysis in this case is at the net-level. In this instance, the focal net under investigation is that of the companies and organisations involved with Indigenous contracting within the Western Australian mining industry. This net is comprised of heterogeneous actors of various sizes and stages of maturity, involved in the sale of wide ranging goods and services and operating on the basis of diverse motivations and market orientations. As this research is focused on Indigenous–owned companies, the net can be seen to include those companies, as well as non-Indigenous companies that are connected to them either through a direct commercial relationship or more generally through having some involvement in Indigenous business development and support.

This focal net exists within the broader mining industry network however the data collected indicates that the motivations, norms and values that exist within this net can be seen to differ in many respects from those of the broader network. This proposition will now be expanded upon based upon the data from participants and secondary sources. The structural and processural characteristics of the net will be described along with their implications for Indigenous business development.
4.2 The Focal Net

Major mining companies have strategies and policies that seek to encourage Indigenous participation in the mining industry. This is explicitly indicated in the written discourse of the companies and is openly publicised and shared with stakeholders and the general public. These strategies can be broadly categorised as being part of the mining companies’ CSR plans and are aimed at managing their relationships with Indigenous stakeholders, as well as facilitating engagement at various levels of the mining industry. The areas of Indigenous engagement suggested by mining company participants include: education through the endowment of high school and university scholarships; health through sponsoring Indigenous specific health clinics and initiatives and in supporting cultural activities such as art and language projects. The two areas which mining companies seek to directly engage with Indigenous people are through employment and business contracting. Engagement in these areas involves direct participation in the mining industry, thereby incorporating Indigenous people into the supply chain. Both of these areas are seen by many to benefit Indigenous economic development through greater involvement in the mainstream economy.

This research focuses primarily on the Indigenous business contracting strategies employed within the mining industry. Business contracting is closely associated to employment, with business development leading to increased employment opportunities for Indigenous people. These two areas are considered to have different issues and it should also be noted that most major mining companies in the network have dedicated teams for Indigenous contracting and specific policies relating to it.

A map of the net identified in the case is depicted in diagram 4.1. This diagram serves as a visual tool to aid in understanding the organisations included in the case and the connections between them based upon the interview data. This map has not been scaled or arranged to reflect the network positions of the actors, but rather diagrammatically depicted for visual clarity. The colours represent the type of organisation: Blue – Indigenous companies, Green – Mining companies, Orange – non-Indigenous contractors, Purple – Business development agencies. The circles within the
organisations represent the number of interviewees from that company and the numbers represent the number of interviews conducted.

Diagram 4.1

The following section outlines participant perceptions of the net as a subset of the wider mining network. These perceptions can be considered to form the boundaries of the net and describe its relationship with the broader network it is embedded within.

4.3 Net Boundaries

The descriptions of Indigenous business development in participant narratives suggest that this is considered to be a separate network to the mainstream mining network. Participants, from both Indigenous and non-Indigenous companies, considered ‘Indigenous’ or ‘Aboriginal’ business to be a market within itself and drew distinctions between these businesses and non-Indigenous businesses. Common wording that was recognised across participant narratives depicted this network as a unique ‘area’, ‘space’ or ‘niche’ where people ‘go into’ and are seen to be ‘active’ in. This collective discourse
gives the impression that participants consider the Indigenous contracting area to be a separate network of the mining industry that requires different business approaches and behaviours. One Indigenous business owner acknowledged this perceived distinction in describing her company’s relationship with a major mining company. The participant explained that their client did not want them to compete against large mainstream companies and instead put them in a ‘special little box’ so they could still receive contracts. This example gives the impression that Indigenous business contracting is considered to be a distinct area of the mining industry that other non-Indigenous companies cannot compete in, while the word ‘little’ also indicates that the area is a small part of the overall industry.

“We didn’t fit and they didn’t want us to compete with Skilled for example or some of the big companies. But they wanted us to be able to have access to work and so they just thought we will give you your own and they put us in a special little box and I can use you for that” [Participant V.N.]

One Indigenous business owner also distinguished Indigenous contracting as separate from the wider mining industry, by using the words ‘area’, ‘industry’ and ‘sector’. In this example, the participant gives the impression that this segment of the industry had grown in size and can now be considered large enough that it offers the potential for lucrative profits.

“There are enough people in this area, this industry; you can even just about call it a sector now, that people are just making bucket loads of money from it, absolutely bucket loads of money” [Participant M.J.]

Another participant also made reference to what he considered to be an ‘Indigenous industry’ when discussing the contacts that assisted him in forming his company. The participant alluded to the existence of an informal network of individuals who are engaged in Indigenous issues and that these can be drawn on for resources and support.

“Yeah personal network, I have some mates who work in the Indigenous industry in various capacities so it was through personal networks” [Participant H.C.]

On seven occasions, Indigenous businesses or the Indigenous specific contracting opportunities were described as occupying a market niche. The use of the
terminology *niche* provides further indication that some people view this is a distinctive or special area of the mainstream network. A point of interest with regards to the common usage of the term was the example where representatives from two companies with a commercial partnership (Darnipi and Stone Crest Mining) both described the Indigenous company as being in a niche market. This indicates that this terminology may form part of the wider discourse around Indigenous business contracting. It also suggests some form of common position interpretation between these two counterparts.

“*That is it, we are growing but we are trying to keep it stable and keep to our niche, not trying to do everything else […] We made a decision only recently, a commercial decision that we will just stick to the blue chip, the three blue chip that we have and just grow those and stick within our niche area and not try to break*” [Participant V.N.]

“*because Darnipi themselves are actually a niche in the market, you have your major contractors and I’m not familiar with what they focus on, I’m not managing that contract. So you will have this little niche in the market that the majors don’t have time to do that because it is not worth big money to them I suppose, for want of a better description*” [Participant M.C.]

The distinction between the mainstream mining network and the focal net was evident in the discourses used by mining company representatives. The mining company contracting managers assume an advocacy-type role for the net by encouraging others within the company to consider using Indigenous companies for required work. As one contracting manager explained this involves persuading other site-based managers to consider an *alternative* to traditional mainstream contracting. This positions Indigenous companies as being different to mainstream or non-Indigenous companies.

“I *guess and I’m still educating people that do their own purchasing on site that there is an alternative to the mainstream contracting*” [Participant H.B.]

In another instance, the same participant explained that her company’s relationship with Indigenous businesses serves the purpose of supporting the company’s ‘*license to operate*’. In this example, engaging Indigenous businesses is associated with engaging the broader Indigenous stakeholder group as it supports the CSR requirements of the company. This suggests Indigenous contracting has positive influence on stakeholder perceptions of the company. As in the previous quotation, the participant
identifies the relationship her company has with Indigenous companies as being different to that with mainstream companies. In this example however the participant suggests this to be part of the development process and expected Indigenous companies to eventually be treated similarly to non-Indigenous companies.

“I think one day we won’t need a social license to operate and they will just be like any other contractor” [Participant H.B.]

4.4 Indigenous Companies’ Entry into Mining Industry

There was great variety in the manner in which the focal Indigenous companies entered into the mining industry, as well as the reasons for their participation in the focal net. All the participants could be considered to be fairly recent entrants into the industry, with the most experienced company being in operation for only five years. However, many of the owners and managers interviewed had been involved with the industry for much longer in a variety of capacities with other organisations.

Participants from five of the companies interviewed had previously been employed in the industry, either directly for a mining company or for another organisation. These participants therefore were able to benefit from their existing knowledge of the industry and utilise the contacts that they had already established in the development of their organisations. One participant was previously a sole-trader who contracted out to a mining company and used his time there to explore a business plan and establish the relationships which would allow him to set up a company.

“Pete went to work through a labour hire company himself at Western Ridge for Paladio, he started sniffing around and asking questions about what the potential was for a business like Darnipi and he was very warmly received and there was a lot of support for him onsite, certain people tried to encourage him and assist him” [Participant V.N.]
Another participant indicated that she identified a business opportunity through the work she was doing for a mining company and used the competencies she developed in her role to establish her own business.

“So that’s when little bells started to go off and I thought well maybe I should go and start my own Aboriginal labour hire business because then the mining companies would have no choice but to use us” [Participant P.J.]

These participants appeared to identify definite business opportunities and in some cases received contract offers before the formation of their company and thus developed their company for the purpose of fulfilling these opportunities. They were able to rapidly develop and received support from mining companies in building up the systems and meeting the contractual requirements to begin operating. With this in mind, these companies can be understood to have been developed within the net and are forming based on the particular structural and processural environment that exists within it.

Two other participants indicated that they were already operating before entering into the mining industry. Both had similar stories in that they developed their businesses outside of the industry and were later drawn in by the commercial opportunities being offered. The participants had relevant contacts already existing in the industry through which they were able to facilitate entry. In this case it can be considered that the unique environment which exists within the focal net is attractive to companies outside the industry and the opportunities for Indigenous business development are positively perceived. One participant had initially founded his company to meet the needs of the government sector but accredited the successful development of his company to the move into the mining industry.

“I suppose by that stage too Narka’s reputation was growing outside the government sector to the private sector and I have picked up a number of mining companies during that period of time. It is really why the company has grown it is because of my client base, due to the mining, oil and gas sector” [Participant C.K.]

Two other companies that participated in the research were seen to be spin offs of native title claims, where members of traditional owner groups established a private company to engage in commercial relationships with the mining industry. These
companies could also be perceived to have been developed within the focal net given native title negotiations with mining companies were the impetus for their creation. While legally independent organisations, they are more closely associated with their respective traditional owner groups and have used this close relationship to leverage their own positions and attain contract opportunities. One participant did not see her company as a ‘standalone’ entity like that of another related Indigenous company and considered the fact that the owner was a named native title claimant as being critical to the development of the company:

“Because if they were just a standalone business like Northern Fields was, that is why Northern Fields have so many more problems than Jenny’s business. Because Jenny’s cultural awareness business is part of the native title agreement with Stella Gas” [Participant V.M.]

Mining companies were considered by participants to facilitate their entry into the net and acknowledged their support in making that positional change possible. Participants emphasised the power of the mining companies in facilitating entry into the net and that their will to help Indigenous businesses was directly related to their participation in the mining industry. One participant explained how mining companies offered invitations to enter into fixed vendor agreements which guarantee long-term relationships. This type of direct internal support was considered to be necessary for a formal relationship to be initiated.

“At Globus you have to be invited to do work before you can become a vendor. So someone has to essentially say that ‘I want that company to do a job’” [Participant V.N.]

Along with being responsible for establishing an environment within the net which is conducive to the development of Indigenous businesses, mining company contracting managers were often cited as offering invaluable support to overcome the entry requirements and broker the first contract opportunities.

“he has worked so hard and he has been instrumental in us remaining out there. Without Nicholas I have no doubts that Northern Fields won’t be here today” [Participant D.L.]
4.5 Relationship Orientation

An indication of the complexity and diversity of this net was the manner in which participants described their relationships with other actors. The data showed a lack of consistency in the terminology used between participants representing different companies and also within their own responses. Participants’ references to relationships with other actors were categorised under four headings based on emergent themes—strategic, commercial, obligatory and altruistic. These categories were not mutually exclusive and therefore certain quotations could be relevant to multiple categories, such is the complexity or multiplexity of relationships in this network. In acknowledging that partners in a dyadic relationship may have different perceptions of the relationship to one another, it should be noted that these examples may refer to one perspective and that they may also be based on the context in which they are being described.

4.5.1 Strategic Relationships

Through the analysis it was evident that relationships were frequently presented as being of strategic value to one or both actors and this was seen to drive the formation and continuation of the relationship. Strategic relationships were the most commonly referred to form out of the four categories listed, with 104 references being identified in the data, occurring in 28 separate sources. Strategic relationships were interpreted as those which exist to serve another purpose other than simply commercial, a contractual obligation or purely altruistic motivations. Many relationships between Indigenous and non-Indigenous companies were presented as existing to serve primarily strategic motivations which differed to most commercial relationships which exist in the mainstream mining network (e.g. served CSR or native title interests). These strategic relationships may involve different behaviour such as additional support, leniency in expectations and a strong commitment to maintain the relationship. This behaviour was reflected in the narrative of a contracting manager at a non-Indigenous company. The participant recognised the strategic value of relationships with Indigenous businesses.
and modified his approach in order to best support the development of Indigenous businesses and maintain that relationship:

“I said ‘why don’t you, if you have strategic value in having an Aboriginal business and you want them to grow, and you say you do, why don’t you use these form of contracts rather than your stock standard, horrible value, lump sum or schedule of rates contracts?’” [Participant N.T.]

Strategic relationships were perceived by Indigenous company participants as being beneficial to their company as they provided support for their development, were often long-term and may provide them with credibility through their association. An Indigenous company participant referred to an occasion where a major mining company called them in after a subcontracting arrangement with one of their contractors fell through. The mining company brokered an arrangement with another contractor as they didn’t want to lose the Indigenous company from the mine site. This is similar to the behaviour exhibited in the previous quotation where the non-Indigenous partner shows commitment to maintaining the relationship.

“PNC said ‘right’, they told us to come on in and ‘said this isn’t working out with Advantus, we don’t want to lose you’” [Participant D.L.]

These relationships were seen to be of value to the non-Indigenous companies beyond the goods or services provided as they allowed them to highlight their support for the Indigenous community, which was often described as fulfilling their ‘license to operate’. The concept of license to operate featured prominently in the discourses of mining companies and is closely associated with CSR activity and maintaining community support for their activities. In discussing the nature of their relationship with a major mining company, the director of an Indigenous company recognised that the mining company provides such support because it provides them with a positive image.

“I think that they do everything they can to nurture the business to be successful because it shows up well on their books too if the company does well so they try and assist where they can” [Participant V.N.]

Relationships may also be maintained for the strategic value they hold from a network perspective, such as being important links to other actors or facilitating changes
in network position. Given the value placed on Indigenous involvement in contracts, non-Indigenous companies may form relationships with Indigenous companies so that they may have access to more contract opportunities with other mining companies. The position of the Indigenous companies within the net and the close relationship some of them have with the powerful actors, there is an opportunity for other actors to use the Indigenous companies as a bridging tie and improve their overall connectivity and position. One Indigenous company manager considered the relationship they had with a non-Indigenous contractor as providing the partner with the potential to develop their relationship with the client, a major mining company, allowing them to expand onto other sites.

“I guess they also see this as a good opportunity for us to come on board and to work with two Indigenous companies. I think it will give them opportunity to expand onto other sites as well and say this is what we are doing here” [Participant D.L.]

Mining companies perceived that forming relationships with Indigenous companies which had ties to traditional owner (T.O) groups or local Indigenous people was of important strategic value, through supporting other activities such as accessing land for development. T.O groups have some power over the development of mining projects on their lands and their cooperation and approval is necessary for efficient progress. By maintaining a relationship with a company which has ties to a T.O group, the mining company gives the impression that they are supporting the group, thus strengthening their relationship and improving the mining approval process. Connection to a T.O group was seen by one Indigenous company manager as being the part of the motivation for a mining company to seek to maintain their services at a particular mine site.

“what we had to do was move away from one company so that we could maintain work out at PNC, because at the end of the day PNC see a 100% Indigenous company that had ties to the traditional owners out at PNC” [Participant D.L.]

Strategic relationships are often managed at higher organisational levels of mining companies. As one participant explained, this was due to procurement managers, who were generally lower down in the hierarchy, being driven by different objectives such as value for money or service capacity. Commercial relationships with Indigenous companies, particularly those that may have limited capacity due to size or lack of
experience, may not achieve the price or timing targets typically set for those contracts. This participant’s view was that as there was more of a strategic interest in engaging Indigenous companies, the relationships should be managed by the individuals in the company who are driven by more strategic goals.

“engagement with Aboriginal contractors needs to be seen by, at least the bigger companies, as being a strategic decision not a procurement decision. Procurement departments are driven purely by value for money, which is code for the cheapest price you can get the job done at; whereas the engagement with Aboriginal businesses is generally speaking more of a strategic interest to a company’s executive, it is of no interest to the procurement manager who is driven by an operations manager” [Participant N.T.]

4.5.2 Commercial Relationships

Commercial relationships were taken to be those where participants defined a relationship as being primarily based on the exchange of goods or services between two companies. There were thirty seven examples found which reflected this definition. Twenty of the examples were provided by participants from non-Indigenous companies who utilised a commercial discourse to explain their company’s relationship with Indigenous companies. There were still a considerable number of examples which came from Indigenous companies discussing their commercial arrangements with other companies or the services they provide to clients. Participants utilised a commercial discourse to position Indigenous companies as being valuable members of the supply chain and able to provide goods and services on time and within budget. The emphasis of relationships between Indigenous and non-Indigenous companies was used to show that they are not necessarily different to other companies and can be competitive without special treatment. Participant N.H described their relationship with Mulga as fulfilling a commercial requirement. The use of the word ‘simply’ seeks to limit the relationship to the purely commercial sense, the provision of a service, and indicates that there is no other element to their relationship.

“We simply see Mulga as an Aboriginal business providing a service that we know our contractors require” [Participant N.H.]
The description of these relationships as being based on commercial requirements supports the argument for increasing Indigenous participation in the mining industry by presenting Indigenous companies as fulfilling a commercial need in the same competitive fashion as other companies. The following quote from mining company document presents a business case for supporting Indigenous businesses. This example highlights the commercial benefits of contracting Indigenous companies which relate mostly to the assumption that the Indigenous companies are more likely to be locally based.

*Development of Indigenous enterprises makes commercial and social sense, reducing the cost of fly in fly out labour and establishing more stable and better serviced communities contiguous to mining developments; it can help in addressing labour shortages.* [Globus Documents]

### 4.5.3 Obligatory Relationships

Participants also referred to relationships as being obligatory in nature, specifically non-Indigenous companies having obligations to work with Indigenous companies. These obligations varied but references were made to legal obligations such as under native title, obligations to fulfil publicised Indigenous engagement plans or obligations to meet tender/contract requirements in relation to Indigenous participation. Thirty nine examples of *obligatory relationships* were identified in the data, which were comprised of a mixture of participants from Indigenous and non-Indigenous companies. The main difference between the description of obligatory and strategic relationships was that in the former, participants tended to specifically reference a set requirement that formed part of the formal contractual context rather than a requirement to meet more informal expectations or non-specific *license to operate* as was the case for strategic relationships. A mining company contracting manager describes the obligations they place on their contractors to engage with Indigenous companies, through setting spending requirements. The participant uses the words ‘have to’ and ‘need to’ to imply that the relationships are obligatory and must be formed in order to satisfy the targets which his company enforces.
“So our EPCMs have all got targets on their projects that they have to meet and Indigenous engagement and so they have a certain amount that they need to spend, they have to spend on an Aboriginal business” [Participant N.H.]

In explaining his role in handling a contractual issue between a non-Indigenous contractor and their Indigenous subcontractor, the same participant also positioned the relationship as being an obligatory part of the contract. The manager made sure the contractor understood the core values of the mining company with respect to Indigenous engagement but also identified the contractual obligations they had to support Indigenous people. While the participant can be seen to try and align the values of the contractor with that of the mining company, he also tries to alter their behaviour by making reference to the contractual commitments.

“We got them in, the project manager and I spoke to them about Northern Fields and what our core values are around Aboriginal employment and trying to support Aboriginal businesses and how they also have an obligation to support Aboriginal people as part of the conditions of their contract” [Participant N.H.]

Four separate participants made reference to ‘tick-a-box’ requirements in describing obligatory relationships, which refers to requirements for Indigenous participation set in tender documents. This was generally considered to be a negative mentality and was used in describing companies that were dispassionate or seeking to form relationships with Indigenous companies and people for the opportunistic reason of satisfying contract requirements. One participant suggested that another company was not interested in maintaining a relationship with his company as they were not based in an area in which mining companies place requirements for Indigenous participation.

“Palouma have a reconciliation action plan and are committed to help but the reality is that unless it is in the Pilbara where they have to tick the participation box, ESM is not critical to them” [Participant S.P.]

4.5.4 Altruistic Relationships

The fourth category of relationships that were found to exist within the network can be described as altruistic relationships, of which forty five examples were identified. This category was interpreted as being the relationships which participants associated
with goodwill, social conscience, charitable motivations and existing for non-business related reasons. Twenty eight examples were identified in the narratives of non-Indigenous companies. Altruistic type discourses tended to be used to describe the relationship between non-Indigenous and Indigenous businesses, from the perspective of the non-Indigenous business, which may be considered to have post-colonial connotations. Participants suggested that the non-Indigenous business was doing a favour for the Indigenous business and would not provide any benefit in return. These were often linked to tasks that were identified as not being business critical.

There was a common perception amongst participants that relationships with Indigenous companies should not be assessed on their commercial value but rather their contribution to the community. As such these relationships were often discussed through altruistic discourses, utilising phrases such as ‘doing the right thing’, ‘helping out’ or ‘giving’. These relationships were often spoken about in more general terms and there was greater emphasis placed on the benefit it provides the Indigenous community in general rather than a specific company. Participant Y.G suggested that companies such as her own should not be looking to engage with Indigenous people for commercial reasons. In this example the participant distinguishes altruistic motivations by considering ‘doing the right thing’ to not necessarily make good business sense.

"Certainly the likes of the CJMs have undertaken to do their RAP plan not because it is good business sense but because it was the right thing to do" [Participant Y.G.]

A central theme to the way altruistic relationships were discussed by participants, from non-Indigenous and Indigenous companies alike, was the understanding that these relationships were not seen to be business-critical or core focus areas for the mining companies. Contracts could be ‘given’ or ‘handed’ to Indigenous companies at no great consequence, with respect to loss or risk, to the mining company. The key motivation for engaging in these relationships was for supporting the Indigenous companies. Unlike the other forms of relationships which have been discussed, altruistic relationships were presented as having no direct benefit to the non-Indigenous party. These examples reflect peripheral attitudes towards Indigenous businesses, which are not seen as an integral part of the supply chain. An owner of an Indigenous business discussed her understanding that non-Indigenous partners
considered their relationship as non-essential and a low priority. The plans are described as a ‘nice to have’, giving the impression that there is no commitment being made and that the plans can be discontinued with no consequence. She appeared to accept that as a reality of this industry and something she must adapt to.

“there are also some that we engage with that are all wonderful people but they will be very up front and say to us ‘look this isn’t business critical, whether or not we have an Indigenous action plan or an Indigenous engagement plan or a reconciliation action plan or whatever it is, it is not business critical so it is a nice to have, timeframe wise we would like to have it done in three months but if it drags out to 6 or 7 months that is ok’” [Participant M.]

There were also negative perceptions of the altruistic nature of some relationships. A contracting manager from a mid-tier company didn’t see the practice of awarding small pieces of work or short-term contracts for altruistic purposes as being an effective model of Indigenous business development. While acknowledging that some other companies think this way, the participant was critical of this mentality and in describing the contracts as being at ‘rats and mice levels’, he implies that input from the non-Indigenous partner is minimal.

“Yeah they mostly have got rats and mice levels of contracts to dole out, they keep a few small Aboriginal businesses alive, just, but they are never going to grow those businesses or even be sustainable” [Participant N.T.]

4.5.5 Summary

The four relationship categories discussed represent a way to interpret the various relationship orientations identified in participant discourses. From this analysis strategic relationships are the most prevalent and it is clear that relationships within this network often exist to serve purposes other than the direct commercial transaction. This can be considered to be a point which further distinguishes this net from the mainstream network.

What was also apparent in the analysis was that dyadic relationships were conceptualised by participants in multiple ways and therefore the categories used cannot
be considered to be mutually exclusive. The basis of a relationship can change over time and can also serve several purposes at the same time. The data also showed that a relationship can be conceptualised in different ways by the individual partners, e.g. existing for strategic purposes for partner A and for purely commercial purposes for partner B.

**Structural and Processural Net Characteristics**

Having identified actor perceptions of the focal net, the structural and processural characteristics of this net will now be examined. The conditions which exist within the net in regards to promoting the development of Indigenous companies, lead to differences in structure and processes to that of the broader mining network. The structural and processural characteristics are conceptual tools through which to explain the uniqueness of the net and the contextual environment which supports the development of Indigenous businesses.

**4.6 Effects of Indigenous Contracting Policies**

In responding to perceptions of Indigenous people as a disadvantaged group in Australia, mining companies employ certain strategies to encourage the development of Indigenous-owned business. These affirmative action type policies are perceived to make contracting opportunities more accessible. These include requiring a certain percentage of Indigenous employment in contract tenders to encourage subcontracting of Indigenous-owned businesses, favourable weighting for Indigenous-owned businesses in contract evaluations, funding business support programs for Indigenous businesses and actively linking non-Indigenous and Indigenous companies together for partnerships and joint venture opportunities. This was recognised by participants as being positive strategies to overcome the perceived disadvantages attributed to small or newly established businesses.
"What PNC does is they place a high value of contractors bringing on an Indigenous business. I think the problem for small businesses is that in getting work with mining companies, they can't satisfy pre-qualification" [Participant D.L.]

Mining companies recognise the additional benefits created through contracting Indigenous companies beyond the work they perform and seek to place a quantifiable value on that so that it is recognised by others within the network. One mining company contracting manager explained that there are added benefits to contracting Indigenous businesses in that they are more likely to employ other Indigenous people, thus increasing the overall Indigenous workforce. As mining companies are interested in increasing the number of Indigenous employees, they can incorporate that as a factor in the contract evaluation process, which supports Indigenous companies as it becomes a competitive advantage for them.

"Because they bring, not just doing the job and doing it commercially but they bring the fact that they are Aboriginal, a high proportion of their workforce is Aboriginal, so they are bringing along all these other benefits if you like, these other additional things to the table that their competitors is not. And we value that, we put a value on that." [Participant N.H.]

### 4.6.1 Application of Policies

Mining companies can also alter the established policies and procedures for their own benefit. This reflects the varied nature of relationships within this network and in particular the prevalence of relationships formed for strategic purposes. In one example a major mining company had altered their own policies and procedures to create a contracting opportunity for an Indigenous organisation in return for their support in land access negotiations. In this case the need for the support of the Indigenous group was deemed to be large enough by senior members of the company that they intervened to override the contracting policies. This example suggests that Indigenous business contracting can sometimes be used to serve other purposes and that mining companies can influence the conditions that exist in the network to achieve their goals.

"They had all these policies and procedures stuff but when it suited their interest because they wanted Yarra Mine to go ahead, it was a big ticket item for them, all
that was swept aside, ‘we will do this and we will set it up, yes we have got these contracts, all those policies and procedures weren’t a problem […] When the issue is big enough for the organisation to get the attention from someone at the level to make those calls’ [Participant N.T.]

This example highlights the power of mining companies to influence business contracting procedures. It also indicates that business contract opportunities are considered valuable by the Indigenous community and can be used to influence other political matters. The example directly contradicts official company documents that outline the extent to which Indigenous businesses will be supported by the company. These explicit principles indicate that the mining company will not offer direct financial assistance and create artificial contracting opportunities for Indigenous businesses.

*It is important that Indigenous Contracting Businesses understand that whilst Iron Ore is committed to supporting Indigenous Contracting Businesses, it will not underwrite the financial sustainability of any Indigenous Contracting Business through direct assistance or by artificially creating additional Indigenous Contracting Opportunities.* [Globus Document]

While mining companies seek to create an environment that fosters Indigenous business development and can utilise contract opportunities as a bargaining tool in negotiations; they also seek to align processes in the net with those of the mainstream network. This is done to encourage Indigenous companies to eventually compete with other mainstream companies and ensure they develop this capacity to compete. Providing financial support and creating artificial contracts cannot be considered sustainable and creates a reliance on the mining company. This represents norms which the company is attempting to discourage through documents such as this.

### 4.6.2 Influences of Policies on Other Actors

Given the position of the major mining companies within the network and their influence over the structural and processural characteristics of the network, other smaller non-Indigenous companies have also adopted similar policies towards Indigenous businesses. This is recognised by one participant from a major mining company:
“So we give favourable weighting for Aboriginal businesses and we also have non-Aboriginal businesses play their part through having Indigenous engagement strategies, so either helping develop skills through training and employment or subcontracting to aboriginal businesses [and] in some cases mentoring” [Participant H.B.]

Similarly, a manager representing CJM described the effect that their client’s (Paladio) policies have on the way they do business with Indigenous people in the area. The participant claimed that their approach to Indigenous engagement is dictated by the policies of mining company they are working for. This quotation also provides further understanding as to how this is considered a separate ‘space’ and the effect of mining company policy in this example is seen to be limited to interactions with Indigenous people in a particular geographic location. This indicates that smaller companies in the network may apply different approaches based on the policies of a particular mining company and even a particular mine site.

“Paladio made a number of commitments which are coached in their regional standards which they have got, that basically form the framework for any of the major contracting companies playing in this space, certainly it dictates how they do business with Pilbara Aboriginal businesses and traditional owners groups in the areas of their operations” [Participant Y.G.]

There are numerous strategic approaches identified in the data that seek to either encourage companies to contract Indigenous businesses or directly help Indigenous businesses to overcome barriers and win contracts. One contracts manager listed the strategies that his company uses to make contracts more accessible to Indigenous businesses. These strategies sought to address the various difficulties that Indigenous businesses faced in both the tendering and execution phases of the contract.

“Strategies to be adopted to maximise Aboriginal engagement include tendering only to Aboriginal businesses on selected packages, separating portions of work from larger scopes and tailoring these scopes for Aboriginal businesses, positive weighting during tender evaluation towards Aboriginal tenders and Aboriginal engagement and reducing risk exposure to Aboriginal businesses by using schedule of rates in lieu of lump sum pricing” [Participant M.G.]


4.6.3 Influence of Policies on Net Norms

These policies have led to the emergence of a different commercial operating environment within the net in comparison to the broader mining network. By including Indigenous employment targets and favourable weighting for Indigenous content in tender documents, the value associated with Indigenous involvement in contracts is increased. Along with competing on price and quality, firms also compete on the basis of the amount of Indigenous involvement in a tender bid. Within this net, Indigenous involvement in a project or contract, serves the dual purpose of fulfilling contract requirements and creating a positive image for the non-Indigenous organisation; both of which improves their ability to win work. The importance of Indigenous involvement in tender bids was recognised by most of the participants and it appears to be a norm which is embedded in the process of applying for contracts. This was exemplified by one manager of an Indigenous business in explaining their working relationship with a non-Indigenous contractor:

"So if they win work, then we just work underneath them and then it looks good because they have Indigenous workers and they can meet their KPIs because they have a percentage of their workforce that is Indigenous" [Participant D.L.]

An underlying norm of collaboration between competitors was noted within the interview data. Mining company participants spoke about encouraging Indigenous contractors to diversify and seek work with other companies, while some companies funded supplier forums that were open to all companies. Three contracting managers from large mining companies mentioned how they regularly met with counterparts in other companies to discuss strategies and identify Indigenous companies that may be suitable for new contracts. One contracting manager spoke about her involvement in one of these inter-company meetings:

"It is not about Paladio, it is not about PNC, it is about helping the Aboriginal businesses" [Participant H.B.]

The motivations expressed by individuals from mining companies, which will be discussed in greater depth later on in section 5.13, centred around helping the Indigenous businesses develop and putting aside competitive behaviour that exists in
other areas of the industry. This further reintegrates the distinction between this net and the broader mining network which functions as a traditional, competitive market.

The collaborative image of this network was not absolute and was challenged by some participants who linked back to the view of Indigenous partners as a valuable resource. There is a limited amount of Indigenous workers and businesses available within this network and given the amount of Indigenous workers or businesses employed is often tied to KPIs or company strategies, this can become a competitive area in terms of recruitment and retention. One contracting manager presented contradictory statements in speaking of collaborative norms. The participant spoke in one instance of how competitors did not want to share information while in another example he spoke of how he tried very hard not to ‘lose’ an Indigenous contractor to a competitor:

“So I asked these other people, my equivalents at other mining companies, do you have a list of the Aboriginal contractors that you work with? And they said yeah we do but that is confidential information” [Participant N.H.]

“We have got this Aboriginal business that we don’t want to lose, because the risk was Skaf Constructions were going to take them to a different site right, a different client” [Participant N.H.]

4.7 Conceptualising Actor Centrality in the Net

Actor centrality is an important concept as it has implications for the ability for actors to access information and resources and can provide insights into the functioning of the net. In assessing centrality qualitatively it is necessary to consider the net as a whole, and actors’ connectivity with respect to others rather than individual actor positions.

Indigenous companies can be seen to occupy more central positions within the net than would otherwise be the case for non-Indigenous companies of similar size and maturity within the broader mining network. This centrality comparison is based on the
understanding of the processes that are practised within this net. Considering the focus of net strategies towards the development of Indigenous companies, Indigenous companies featured prominently in many of the participant discussions and organisational ties were frequently highlighted. This argument is also supported by the emergent theme that some contracting opportunities are given on the basis of a company being indigenous. This was demonstrated through Indigenous companies exhibiting traits of central actors based largely on high levels of closeness centrality and betweenness centrality. The data indicated that mining companies maintain prominent network positions that are closely associated with their ability to achieve the strategic Indigenous contracting objectives of the net.

4.7.1 Degree Centrality

The major mining companies were considered to be highly central actors based upon the research data. The centrality that they experience is most likely to be based on degree centrality, given their high connectivity and level of involvement in the network activity. Several proxies were used to identify degree centrality in the data in addition to our overall understanding of the mining industry context. Participants referred to relationships, connections and involvement in activity with the major mining companies more than any other actor. This is an indication that the major mining companies are the most connected actors within this network. They appear to be connected to all of the other main actor groups in the net, as Indigenous companies, medium sized contracting companies and development agencies all frequently referred to their interactions and relationships with the major mining companies. This is closely associated to their ability to perform the role of a hub actor in the net and exert significant influence over other actors.

The major mining companies were perceived by participants to be active in facilitating connections between non-connected actors within the net. Multiple examples were identified of mining company contracting managers connecting a non-Indigenous company to an Indigenous company (and vice versa). This appeared in many forms
through setting up meetings, passing on contact details or encouraging engagement. This behaviour indicates that the mining companies are well connected, in order to be able to facilitate these relationships between diverse actors. Their position also provides them with power to influence relationships between companies working for them as shown in the following example of an Indigenous company being told to subcontract to another company at the request of the mining company in order to remain on site.

“we went into a meeting with PNC and they said look if you are going to remain out there then you are obviously going to need to work with a company that is actually experienced in the background that you are going to perform your works in”
[Participant D.L]

The positional centrality of mining companies in this net does not entirely mimic what is generally regarded to be their position within the wider mining network. In the wider network, major mining companies still occupy highly central positions, although as contracting is more hierarchical they do not typically maintain as many close connections with smaller companies. Instead, contracting and the management of contracts is typically delegated to large EPCM companies who then delegate smaller contracts onwards. Within this net the mining companies have active relationships with Indigenous companies of all sizes, while also interacting with non-Indigenous companies on issues relating to Indigenous contracting. This may be considered to be more consistent with the concept of degree centrality.

4.7.2 Closeness Centrality

Closeness centrality was determined based on Indigenous companies appearing to maintain strong ties with the major mining companies who themselves are highly central actors. Indigenous companies have a close relationship with the major mining companies given that they are part of an important stakeholder group which the mining companies have an active interest in supporting. All of the mining companies interviewed referred to contracting managers within their organisation specifically dedicated to Indigenous business contracting and development. In addition, nine of the Indigenous company managers made reference to interacting with the people in these
roles, suggesting the presence of a direct tie. The examples provided of these interactions, indicate these to be strong ties which are highly valued by the Indigenous companies as they are able to draw benefit from the mining companies’ connections.

"Predominantly the work I am involved in is with PNC so I have got direct contact with Nicholas Hughes who is the Senior Indigenous Affairs Officer for PNC so he is kind of like my first point of call if I have any issues or I need assistance or guidance on anything, I can ring him up straight away, organise a meeting with him, go in to see PNC and then what he will do, he’ll have a sit down with whoever is involved" [Participant D.L.]

Some participants used their closeness with the mining companies to their advantage in their interactions with other companies. As one Indigenous company owner explained, she could use the direct ties and strong relationships with individuals within mining companies as a source of backup support when conducting work for another company. This relationship could be relied upon if issues arose, allowing the Indigenous company the option to utilise the mining company’s power to their advantage. The Indigenous companies in these situations do not have to entirely rely on the relationship they have with the company they are contracting with, as they could depend on the ongoing support of the mining company.

"The good thing with Paladio is that we know that their policy is in these situations is if Ronac chose not to pay us, we would go straight to Paladio and they would pay us. They would pay us the money that Ronac was going to get paid and it will come straight to us. So you have always got a fall-back position" [Participant V.N.]

### 4.7.3 Betweenness Centrality

Indigenous companies also display the characteristics of actors with high *betweenness* centrality. This is partially due to their position relative to the major mining companies and the conditions which encourage non-Indigenous companies to have Indigenous partners. Several examples were present in the data where non-Indigenous companies were approaching Indigenous companies to put forward partnership or subcontracting arrangements for tenders. For some non-Indigenous companies, partnerships with Indigenous companies can allow access into relationships with the
major mining companies. The Indigenous companies can thus be perceived to have high betweenness centrality as they are able to facilitate such interactions and maintain some mediating control over the relationship that develops. An example of this type of interaction was identified in the narrative of an Indigenous company owner who was discussing the formation of a partnership with a non-Indigenous facilities management company. The non-Indigenous partner firm in this case sought out the Indigenous company in order to improve their chances of winning a contract with a major mining company.

“They approached us. Actually I was already working with them in the Pilbara region and I actually mentioned to them that we have traditional owner ties in the Pilbara region. So when they were asked to tender and then they started asking me for advice on how to improve their chances” [Participant P.J.]

The above quote also provides an example of the change in tie direction that is brought about by the conditions that exist within the net. In another example, an Indigenous manager was explaining how he perceived his company to be supported by a particular mining company to remain on site. Another contractor was able to access work on site by entering into partnership with the Indigenous company and provide the necessary support to fulfil the contractual requirements.

“We can remain on site now because we are an Aboriginal business and we are being supported by PNC but we need to work underneath a company that can do that” [Participant D.L.]

4.8 Power Dynamics

The role and position of Indigenous companies as a result of the contracting processes has implications for power dynamics within the net. The power balance in business relationships are influenced by the value assigned to Indigenous content in the net, which in some cases may be the difference between winning or losing a contract. Indigenous companies can have greater power in commercial partnerships than would otherwise be available to similarly sized non-Indigenous subcontractors in the wider network. For example, an Indigenous company manager described a situation where the
director of his company had left a previous subcontracting arrangement following a disagreement. He then formed his own company, thus rendering the previous contract invalid. In this instance the contract was reliant on the support of the Indigenous director and following the disagreement he influenced the other Indigenous workers to follow him to another company.

“All the guys who worked on site, the polywelders, and us, pretty much when Charlie decided to walk away from it he created Northern Fields and the contract was no longer valid after that year because there was no Indigenous ownership, they had no Indigenous content.” [Participant D.L.]

The power that Indigenous companies possess also extends to their relationships with mining companies. On multiple occasions participants described the contacts they had within mining companies who they could contact for support or new opportunities. These direct ties to individuals within the mining company were noted by one participant as being uniquely available to Indigenous businesses within this net. This positional power was considered to be based on the value of Indigenous content within this net and is therefore not applicable to non-Indigenous companies.

“So if I was a non-Indigenous business trying to speak to Globus or PNC or anybody else I suspect it would be a lot more difficult because there isn’t that one person who you ring. Ours is an I.T business and so we would try and ring the I.T manager and the I.T manager would say ‘mate, thanks but no thanks, see you later”
[Participant H.C.]

Due to the strategic value of the relationship Indigenous companies are also able to connect to people at higher positions within the mining companies than may otherwise be common in mainstream business networks. This was presented by one mining company contracting manager as a positive development and a sign of the progress that Indigenous businesses were making. Maintaining a relationship with more influential people in the mining companies can be seen to give the Indigenous companies more power, as they can rely on these individuals for support.

“We have some medium to large Aboriginal businesses now that want to talk directly to the CEO and the GMs because that is where they think they should be talking, which is really good.” [Participant H.B.]
In some cases participants from Indigenous companies spoke of their relationship with the mining company, even though they were actually in a contracting arrangement with a mid-tier firm. This gives the impression that the traditional contracting hierarchy is altered in this net. So, while Indigenous companies may actually be working under another contractor, they can sometimes bypass that chain of command and deal directly with the more powerful mining company.

"We haven’t had that experience where we go to work for Paladio and have to report to one of their EPCMs like that, we always just report to Paladio supervisors and superintendents, so it has been pretty cool and we have been lucky like that"
[Participant V.N.]

### 4.8.1 Power Derived from Native Title

Power in this net was also seen to be derived from land access issues concerning traditional lands, namely native title. This can be considered to have implications for relationship power dynamics and can even represent a source of power for Indigenous companies. While the interviewer did not seek to discuss native title or the company’s relationships with traditional owner groups, it was an issue frequently discussed by participants and featured in 22 of the recorded interviews. This was despite all of the focal Indigenous companies being run independently from any native title group. Two of the companies that participated were seen to be the commercial arm of a traditional owner group (despite being privately owned), while another three participants mentioned that at least one of the owners was a traditional owner.

The power to oppose and delay mining development through Native title rights was used by one Indigenous company to push for the mining company to deliver on what they considered to be undelivered promises of commercial contracts. They used the strategy of affecting the mining companies development plans to ensure that they were recognised by the company as an important stakeholder. This resulted in them being invited to speak with upper management to discuss what opportunities could be pursued. Through exhibiting their power, they were able to connect to more influential individuals within the mining company and achieve a desirable outcome. The
participant makes a point of identifying the person they met with as the ‘head honcho’, signifies his importance, while stating that he is meeting with them personally emphasises their position as important stakeholders.

“But now it has got to the point where, and I’m not sure of his title I think he is the head honcho there, he’s meeting with us personally” [Participant V.M.]

That same manager was able to utilise similar tactics to assist another Indigenous company (Northern Fields) in initiating contact with a construction company working for the same mining company. In this case the directors of the Indigenous companies were related and were both members of the traditional owner group with ties to the land the mining company was trying to develop. The manager was able to use the headway she had gained through her negotiations to encourage the mining company to consider offering contract opportunities to the other Indigenous company. The manager of Northern Fields saw the actions of the other manager as being directly related to the construction company getting in contact to discuss potential contracting opportunities on the mine site.

“Really Vanessa was the battering ram that was getting on their case, we weren’t getting any information, really I have been getting no replies, sending emails and getting no replies and then suddenly Vanessa talks to the right people and then one of the construction managers of Bentma gets in contact with me and says ‘if you need anything let me know’” [Participant D.L.]

If companies have members that are associated with a particular traditional owner group, they can be seen to be a key stakeholder for mining companies and as such this may increase the power of their company through the multiplexity of their ties. The power derived from native title can also be utilised in enhancing their network position, effectively embedding them into a particular project as shown in the following example used by the director of an Indigenous business.

“Stateway were convinced by myself to put into their tender a requirement for aboriginal economic participation in the project so a pre tender agreement, anyone that went into the agreement would have to sign an agreement with the Yaraka Group through Gwenalarya” [Participant S.P.]

One owner of an Indigenous company that was not directly linked to a traditional owner group saw the introduction of native title legislation as having a
benefit for Indigenous businesses in general. He explained that while many companies had initially contested native title, it has emerged as a ‘catalyst’ for opportunity creation. This reflects the findings of Crawley and Sinclair (2003) who identified a change in mining companies’ attitudes and approaches to native title since it was first introduced. As the participant suggested, many companies now seek to develop positive relationships with Indigenous stakeholders and this has led to more opportunities being made available to Indigenous businesses.

"Of course during that period of time you had native title and with native title, I honestly believe that it has been the catalyst for opportunities to be created in the Aboriginal business sector. I think in the past, it has been 19 years since native title, I think over the first 10 years there has been a lot of argy-bargy but over the last 8 or 9 years there has been traction in the Indigenous business engagement space.”

[Participant C.K.]

While native title has presented some Indigenous groups and opportunities with power, it is important to also consider the effect it has had on attitudes and approaches to Indigenous engagement as a whole.

**4.9 Cohesion**

The research revealed several insights with respects to the concept of *cohesion*. Based on the data available it is difficult to interpret the level of network density, however the promotion of connections between third parties and an emphasis of cooperative norms are indicative of cohesive network structures as presented in the literature. Within this context, mining companies can be perceived to be increasing cohesion in the net by seeking to increase the overall level of interconnectivity. The major mining companies are actively involved in the relationships between smaller Indigenous and non-Indigenous partners, both in facilitating the initial connection and the ongoing management of the relationship. The contracting policies such as placing a higher weighting on the evaluation of Indigenous involvement in tenders, can be recognised as encouraging these aforementioned relationships. This emerged in the data both in the official policies publicised by the mining companies and in participant
discussions around the nature of relationships between non-Indigenous contractors and Indigenous subcontractors:

‘F3.1 PNC will view favourably commercially competitive genuine joint ventures or partnering charters with Aboriginal Contractors’ [PNC Document]

“so there is a weighting that comes in, so their price can come in 15% more than another contractor but because they have this Indigenous component that another contractor may not have, so they have a better opportunity to win it” [Participant D.L.]

The mining companies also seek to enforce policies by ‘reminding’ contractors of their obligations under their contract commitments to Indigenous organisations and ensuring that these are being carried out. All of the mining contracting managers interviewed, spoke of how this was one of the roles they played and it was their duty to make other companies accountable for their commitments.

“where significant contracts have been awarded to larger non-Aboriginal contracting entities, the likes of the Centuriums’ and the Millers’ and the Dutch Corps’ of the world, it’s our role to ensure […] that their contractual commitments that have been made have been carried through on the ground” [Participant Y.G.]

While mining companies are perceived to enforce the requirements for increasing Indigenous contracting, it is difficult to enforce the quality of the relationships being formed. Smaller companies within the net have been influenced by the policies enforced by the major mining companies and have over time aligned their policies with those of their clients. Participant narratives suggested that these policies have become a network norm and an accepted requirement for doing business in the industry. As a contracting manager from one of these mid-tier companies explained, while these policies were considered relatively new, every company now has some form of policies around Indigenous engagement as they know they will not win work with the major mining companies without one.

“It was pretty new, but now nearly every EPCM has one because it is like a business must if you know what I mean. You have to have some sort of Reconciliation Plan or Aboriginal Engagement Policy otherwise you won’t be able to get work from some of the big mining houses” [Participant M.G.]
The act of connecting other actors together is one method employed in this network to increase interconnectivity, but the mining companies also appear to be interested in ensuring the sustainability of these relationships and more specifically, reducing the reliance they have on the mining company. For example, mining companies seek to promote the value of Indigenous contracting throughout the net and make other actors adopt similar policies and commitments. This behaviour seeks to make partnerships with Indigenous companies a norm of doing business within the net rather than an obligation enforced solely by the major mining companies.

“So we have done it with some of the bigger parcels of work, we have said before you sign the contract, here is an Aboriginal group have a chat about where they can actually help you with scope of works. So it is a little bit of big brother, but there have been no complaints from the contractors because they haven’t really thought of that, it wasn’t really part of their business model to do that but they realise that with us it is” [Participant N.H.]

There was some tension identified in the narratives and some participants did not consider increasing cohesion to always deliver desired outcomes for Indigenous people as mining companies can take a more passive role in certain situations. One participant, N.T, explained that while his company’s client, Globus, was initially very strict and stipulated a required percentage of Indigenous involvement, this was not actively enforced. The mining company was trying to promote cohesion and an alignment of goals relating to Indigenous engagement at the initial stages of the relationship, other goals such as safety and productivity were prioritised ahead.

“Globus for instance, has a contract with Bartons that will stipulate a percentage of Aboriginal employment. They hardly ever check whether that is met or not met and they don’t seem to care whether it is or it isn’t. They care very much about production and safety, so you can have that on one hand” [Participant N.T.]

4.10 Structural Holes

Engagement with the Indigenous community can be considered to be a major issue within the mining industry and this was also indicated by the majority of participants as a priority within the net. From a network perspective, it must be
understood that for this desired engagement to take place, connections between actors within the mining network and actors within the broader Indigenous community network are essential. As the data indicates however, these connections are not easily created and maintained and this is indicative of the presence of a structural hole which may exist in the broader mining network. These structural holes present brokerage opportunities which Indigenous companies can capitalise upon. Indigenous companies can draw value from being active in multiple networks which can positively benefit their business.

The data suggests that Indigenous businesses perform a key role in the net and possess particular competencies that are of value to other companies. This indicates that Indigenous businesses occupy an important structural position which allows major mining companies to achieve their Indigenous engagement strategies. Given that Indigenous people have been recognised as an important stakeholder group by the mining industry, mining companies are interested in bridging this structural hole to facilitate interaction. One participant suggested that while the government and industry are interested in engaging with the Indigenous community, she saw their efforts as ineffective and linked this to not engaging with the right people. The participant recognised the challenges faced by non-Indigenous companies in bridging this gap and she considered the contracted companies to be unable to effectively engage with the community.

“I still think the government is saying they are doing a lot about closing the gap, which they are, but then they are awarding the tenders and the companies that they are awarding these contracts to, are not actually engaging the community or the individuals that they need to engage with” [Participant M.J.]

Indigenous companies can therefore be considered to occupy an important bridging position given the need to bridge the structural hole that exists between non-Indigenous companies and the Indigenous community. Indigenous companies recognised that performing this brokerage role represented the value offered by the company to the mining network. This was reflected in responses from Indigenous managers and in the positioning statements used on company websites:
"Yeah this probably forms part of the capacity, we had good faith in saying we knew that there is a lot of gaps out there across mining and industry players that needed a company like us." [Participant J.K.]

‘Our business model aims to meet an industry need while creating employment opportunities for Indigenous people in the mining sector’ [Darnipi Document.]

### 4.10.1 Bridging Ties to the Community

Interaction between mining companies and the Indigenous community posed challenges on multiple levels. Participants indicated that while many companies are interested in engaging with the Indigenous community, such as through employment, they do not possess the ties within the community to effectively source workers. The owner of an Indigenous labour hire company provided an example of a competitor having to engage her company after being unable to recruit Indigenous workers. In this quotation the participant can be seen to simultaneously be highlighting the inability for non-Indigenous companies to interact with the Indigenous community while simultaneously emphasising her own company’s ability to interact with and source workers from the community.

“They can’t even get Indigenous people, so when they get a contract to provide Indigenous apprentices they actually get them from us” [Participant J.P.]

Given the importance of Indigenous participation in contracts in this net, recruiting Indigenous workers on a permanent or even temporary basis could be considered a critical success factor. In another example the manager of a government Indigenous business support unit described how she is approached by non-Indigenous businesses that need assistance in finding Indigenous workers.

“The people that are generally functioning quite well as a business won’t necessarily come to us for business mentoring or advisory assistance, they will come to us for connections rather than ‘Hi Hayley can you help with a business plan’ it will be ‘do you know where I can get 20 Indigenous employees’” [Participant H.N.]

Indigenous companies can address the disconnect between industry and community given their extensive ties throughout the community and presence in the
mining industry. Indigenous companies may also be seen as more familiar to other Indigenous people and therefore accessible. This capacity allows them to provide a brokerage role for the networks and occupy a bridging position between disconnected actors. The data provides examples of Indigenous companies assisting non-Indigenous companies to fulfil their Indigenous engagement requirements either through recruitment or labour hire and subcontracting arrangements.

“they can win a contract and they can then subcontract work to Northern Fields and then we can provide mentors and Indigenous labour workforce to the construction industry” [Participant D.L.]

The extensiveness of the ties within the Indigenous community was displayed by participants referring to how they recruit Indigenous people to fill vacancies either within their own company or on behalf of other companies. In one example an Indigenous business owner explained how he used the family network of his employees to find relatives that would be interested in work. This was facilitated by the established trust between the company and the employee which ensured that they would only recommend suitable and reliable workers.

“Where possible, if we have got a good worker and they have got a brother, cousin, friend, that network is extremely important for us” [Participant P.D.]

In another case, the director of an Indigenous company could use his position as a well-known and respected person within the Indigenous community to attract potential employees for his business. As was also apparent in other cases, people were aware that he had a company and would approach him for opportunities or referrals.

“He still keeps in contact and sends through references of Aboriginal people that are looking for work that we might be able to source somewhere” [Participant D.L.]

4.10.2 Bridging Ties to Industry

By bridging the structural hole, the Indigenous companies are also able to link members of the Indigenous community with the employment and training opportunities being offered in the mining industry. Participants highlighted the difficulties that many
Indigenous people faced in engaging with the mining industry. These difficulties ranged from not possessing contacts within the industry and therefore not knowing what opportunities exist or who to approach, to cultural differences and lack of experience limiting their ability to form and maintain relationships outside of their community. The strong ties and cultural competency that Indigenous companies were considered to possess, allowed them to work closely with other members of the Indigenous community and perform a mediating role in assisting them enter the industry. This was exemplified by an Indigenous business manager who believed her understanding of Indigenous culture combined with her experience and connections within the industry could be used to help members of the Indigenous community gain employment.

“The Aboriginal community don’t know how to engage with that company because they don’t know how to. So what we do when we go in there is we say yes, I can facilitate this relationship for you and open these doors for you, we can introduce these people to you” [Participant M.J.]

Another Indigenous company had plans to become a business hub which won contracts and then subcontracted to emerging Indigenous businesses. This was later scaled down to a business model whereby they directly employ Indigenous people in various roles on short-term contracts. They perceived their role as interacting with non-Indigenous businesses to win contracts so that they could create employment opportunities for Indigenous people who may be new to the workforce, with a view to them using this experience to apply for more permanent positions elsewhere or even establishing their own company.

“So we are trying to be the stepping stone and manage all of that by ESM getting the contract and then we employ the people. In other words we are managing all the human factor risks of employing aboriginal people.” [Participant J.K.]

This example could also be considered to be consistent with our understanding of a bridging tie. The manager saw her company as a ‘stepping stone’ for Indigenous people to then become a part of the industry and engage with non-Indigenous companies. At the other end of the relationship, the manager saw her company as managing the ‘human risk factors’ involved in employing inexperienced Indigenous people to make the non-Indigenous company more willing to provide the contract opportunity by reducing the risk they would have to take.
Several Indigenous participants explained the advantage that they as Indigenous people have in relating to other Indigenous people and how that puts them in a good position in knowing who to contact and how to recruit workers. One Indigenous company manager recalled a previous role she had with a mining company and how she had great success in recruiting Indigenous workers despite the company previously struggling to do so:

"Before I came along they had a hard time engaging with Indigenous people or where to find them and everything [but] as an Indigenous person we find it quite easy, we don’t even think about it, it’s part of our world you know, our whole being” [Participant P.J]

She considered that she had a better understanding of Indigenous people, which came from being Indigenous herself and this was key to her company’s performance and effective relationship with the Indigenous work candidates they interacted with.

"As an Indigenous person, we live the life that they do, so we understand what all the barriers are and at the same time, the Indigenous people that we are getting jobs for, they can’t really pull the wool over our eyes like they do with other companies because we already understand where they are coming from and I am able to talk directly with them about those kind of things” [Participant P.J]

This was seen to be a competitive advantage for her company over non-Indigenous companies who lacked this intrinsic understanding.

"So these are probably things they you cannot learn about at uni. It is not text book stuff, it comes from an internal knowledge I guess” [Participant P.J]

### 4.10.3 Structural Holes within the Business network

The data indicated several notable examples whereby Indigenous companies encountered difficulties in receiving contracts as a result of their lack of connections within the mining industry. One company found while they were able to meet with major companies who indicated they were supportive and interested in forming a relationship, this rarely led to tangible outcomes such as contract opportunities. The company found it difficult to get these large mining companies to refer them on to
contractors that were awarding the work, while the contracts that they did receive were either piecemeal or short-term.

“Yeah they are not referring us on, they are saying yes, yes, yes, we have been looking for an organisation like you, we are certainly able to deliver against the tendering, what’s in the tender, we have put in expressions of interest, but it is like, that’s where it ends” [Participant J.K.]

Another participant suggested that part of the difficulty in accessing contract opportunities is the size of the Indigenous companies relative to the other companies in the industry. Without possessing ties to influential actors, it may be difficult for small emerging companies to make other larger actors aware of their presence and access information regarding upcoming contracting opportunities.

“And that is part of the challenge, the scale, you find a lot of small guys that want to plug into the supply chain but can’t” [Participant W.F.]

The major mining companies acknowledge that this structural hole exists and that some contractors may struggle to engage with Indigenous companies and workers. Participants provided examples of the leniency and support that is required in enforcing some Indigenous content requirements. One mining company contracting manager referred to the difficulties faced in reaching Indigenous employment targets and recognised that they may not have existing ties into the Indigenous community. His resolution was to connect them with an Indigenous company that had established relationships within the community that could be used to recruit workers. This represents a direct example of an Indigenous company bridging a structural hole.

“A lot of contractors say to me they don’t know how to recruit Aboriginal people, they don’t know where they are, there is a disconnect. So I basically put businesses like Mulga to fill that void” [Participant N.H.]

In the previous example the mining company also played a part in bridging the structural hole by helping to connect two distant actors. This is achieved through the position of mining companies in the net. Indigenous involvement in projects does not only occur through direct employment and can be achieved through subcontracting an Indigenous business. Participant Y.G refers to the relationship she has with a non-Indigenous company looking to fulfil their Indigenous participation requirements:
“I can direct you to a Pilbara Aboriginal business that might meet the needs of your organisation in a subcontracting kind of arrangement” [Participant Y.G.]

Bridging structural ties was also beneficial for the Indigenous actors who may not be well connected throughout the mining industry. Given the mining companies extensive connections within the industry, they are able to learn of opportunities that may arise and assist Indigenous companies in attaining them. One mining company contracting manager described how Indigenous contractors benefited from his company’s size and position in the net by being able to facilitate their connection with other non-Indigenous companies. The structural hole in this instance prevented the flow of information.

“Mulga wouldn’t know about this contractor that needs aboriginal workers because she wouldn’t know who the project manager is. So there is a line of communication if you like, a conduit between the Aboriginal contractors” [Participant N.H.]

4.11 Summary of Net Characteristics

This section has presented some of the major distinguishing characteristics of the focal net. This includes introducing the idea that the case study network can be recognised as a net within the wider West Australian mining network. The net includes companies that have some form of interest in Indigenous business development and are aligned with the net strategy of increasing Indigenous contracting in the mining industry. Participants indicated that they consider this net to have a different operating environment to the broader mining network and suggest the context is perceived to be more favourable to Indigenous business development.

Several conceptual tools where used to identify the distinguishing structural and processural characteristics of the net in comparison to the wider network. The specific policies applied to Indigenous contracting in the net were identified, along with the perceived effects of these policies on the business relationships between the participating actors. The centrality of mining companies and Indigenous companies was conceptualised to consider the implications of central actor positions for the net strategy. Similarly the power dynamics were considered, identifying perceived sources
of power and the influence of macro-environmental factors such as native title legislation. The conceptualisation of cohesion linked the strategic behaviour of the mining companies to the structural development of the net. Finally, an analysis of the concept of structural holes within this context considered the position of Indigenous actors in respect to the Indigenous community and mining industry more generally. The role of Indigenous companies as bridging ties has implications for their organisational development, specifically in terms of identity work and the perceptions of other. This will be discussed further in the following chapter.
Chapter Five

Findings: Indigenous Company Identity

The previous chapter has identified some of the distinctive characteristics of the net in which the focal Indigenous businesses are participating in. The network context has implications for the development of these organisations, as they are actively interacting within this environment to develop their position and role. This is an especially pertinent issue for newly established firms entering into a new network whereby they must prove their legitimacy and value to others, while also showing they align with network norms. Strategizing through identity work is one way in which organisations can influence their interactions with others in the network while developing their position and role.

The question being addressed in this chapter relates to how identity work is performed by the Indigenous actors within this context. The focus of the analysis is therefore the organisational identities of the focal Indigenous companies. The preceding analysis introduces the interpretive repertoires linked to discursive positioning in the focal net. A table of exemplar interpretative repertoires used in the analysis is included in Appendix Three. Within the overarching contextual environment in which the net operates, another layer of identity construction and organisational positioning is identifiable. Two contrasting discourses emerged from Indigenous business managers narratives, one of connection to the Indigenous community (either a specific group or in general) and the other of distance from the Indigenous community, and connection and affiliation with Western business values and practices.
5.1 Tensions within the Focal Net

Much of the identity work and discursive positioning which has been identified within the interview data is linked to actors’ responses to the complex net environment and the tensions that this presents, particularly for Indigenous organisations. In the previous section the unique environmental conditions that distinguish this as a net within the wider mining network have been discussed. The motivations and expectations driving the way mining companies are perceived to influence the net environment, can be considered to conflict at times. This poses a challenge for companies trying to present an identity which satisfies at times divergent expectations.

On one hand, this focal net exists because Indigenous people are considered to be a disadvantaged group that requires special policies and relational approaches to overcome the obstacles that this disadvantage is perceived to present (Tiplady & Barclay 2007). Additionally, Indigenous people are also recognised as important stakeholders for major mining companies and this necessitates specific attention and a need for committed relationships and support. Mining companies have attempted to address these issues by establishing policies and strategies that support Indigenous business development.

On the other hand, Indigenous companies are expected to meet certain standards of performance to maintain commercial relationships with the non-Indigenous mining companies. It may therefore be commercially beneficial for Indigenous companies to disassociate themselves with the image of Indigenous people as a disadvantaged group and lacking in certain capacities. These tensions may present a need for Indigenous companies to show either connection or distance to the Indigenous community and culture, depending on the situation.

5.2 Identifying as an Indigenous Company

Throughout the data, great emphasis was placed on explicit identification as an Indigenous company, both in the narratives of Indigenous business managers and on
company websites and in other business related material. When describing their company, participants frequently used the words Indigenous or Aboriginal as descriptors prior to mentioning the goods or services they provide or type of industry they operate in. The prominence and frequency of the words Indigenous or Aboriginal indicate that this is an important source of company identity and reflects the image that they wish to present to others. In discussions with one Indigenous business owner, the participant described his company as an ‘Aboriginal consulting company’ and as is evident in the selected quotation, he appears to consider this a distinguishing feature of his company and one that may provide a competitive advantage;

“The timing of it was good, there were very few Aboriginal consultancy companies that were delivering this type of product and these types of services”
[Participant C.K.]

Identification as an Indigenous company can show connection to a specific Indigenous group and can highlight an affiliation to the group. Some company names were derived from significant Indigenous cultural terms and elaborate explanations were often provided on company websites. Using culturally significant terms and highlighting their origins provided the companies with connections to the Indigenous culture or in some cases a particular traditional owner group or land. As is shown in the example below, this can be interpreted as a way of emphasising the legitimacy of the company by drawing links to a particular Indigenous group, which in this case was a significant stakeholder in a major mining area. In this instance, the Indigenous manager explained how his company’s name is derived from the traditional owner group that one of the owners was a member of.

“The name Northern Fields was given to the Great Grandfather of Christine Williams, a well-known and respected Yinajin leader, elder and healer from the West Pilbara”
[Participant D.L.]

Companies often featured their Indigenous image prominently in promotional material. In the company descriptions provided on websites and other business related material, reference to being an Indigenous or Aboriginal company was typically made in the opening sentence. This can be interpreted as the focal companies being open about their Indigenous identity and wanting this to represent a key element of their identity. Two focal companies identified as being Indigenous or Aboriginal and also
drawing of this perspective in communicating the value of their services. In both examples, their knowledge of Indigenous people and communities is presented at the general level and can be applied to the client organisation’s specific context.

‘Indigenous Work Futures Pty Ltd (IWF) is an Indigenous labour hire and training company with unique and diverse technical expertise in Indigenous community development’ [IWF website]

‘Narka Consultancy is an Aboriginal owned consultancy firm that offers comprehensive and professional Aboriginal education, training and consultancy services to the business and industry sector, community, private, government and non-government sectors’ [Narka website]

5.3 Indigenous Ownership

An interesting theme that emerged in the analysis of company websites was that emphasis was placed on the percentage of Indigenous ownership and also acknowledging that the company was Indigenous ‘owned and operated’. This can be interpreted as seeking to show legitimacy as an Indigenous business by offering evidence that the company is not just Indigenous in name. As previously discussed, partnering with Indigenous businesses within this net is valued so it is in the companies’ best interests to prominently display their Indigenous ownership to attract other companies. One company’s website also included the region they operated in the description of their business. This could perhaps relate to the added benefit of being a local Indigenous company, respective to the potential client’s mining operations, as this was indicated by participants from mining companies as having added weighting in the tender evaluation process.

‘Darnipi Pty Ltd is an Indigenous owned and operated Pilbara Aboriginal Business (PAB) based in Western Australia’ [Darnipi Website]

Companies also used their Indigenous ownership as a source of uniqueness and claimed that they were the only Indigenous company servicing a particular industry segment. This further supports the argument that Indigenous ownership is considered by owners and managers as providing a competitive advantage, hence the promotion of the
Indigenous identity. Managers realise that clients may be attracted by the Indigenous ownership of the company and highlighting the uniqueness may make them stand out with respect to competitors. This was evident in the example taken from the website of an Indigenous company.

‘Being a 100% Indigenous owned and operated private company, it is believed Mulga Personnel is the first business of its type’ [Mulga Website]

Indigenous ownership and control of a company was seen as a motivating factor for some employees to work for a particular company. One participant explained how he changed companies on the proviso that the company he was moving to had 100% ownership. This indicates that organisational Indigenous identity can be attractive to Indigenous employees as well as clients. The participant commented that the company he was working for at the time was not a really Indigenous company because the Indigenous component of the business was just one small part of a greater organisation which was presumably not Indigenous owned.

“he basically said that as soon as I have a position for you, come over and work for a company that is 100% Indigenous owned, whereas before it was just like a small piece holder of maybe about 5 people, so what we were working for before wasn’t really an Indigenous company it was just like an EPCM that provides project management services and it had like an Indigenous arm” [Participant D.L.]

The composition of ownership or control was seen to be a distinguishing feature between companies within this network. Participants often spoke negatively of companies that portrayed an Indigenous identity but were deemed to not be entirely Indigenous as they may have shared ownership with non-Indigenous people/companies or had no Indigenous people in management positions. Three different participants highlighted the fact that the largest Indigenous company in the mining industry was not 100% Indigenous owned and run. As such, the participants subsequently questioned its legitimacy. In the quotations below, participants brought up facts related to the ownership or management of this prominent Indigenous company within the context of presenting their own companies’ legitimacy as Indigenous owned and controlled businesses.
“If you look at something like Garma, it’s owned by Ballards, it’s owned by the Belpo Group and the government owns a piece of it, there is 3 different ownerships. I wouldn’t consider it a 100% Indigenous business.” [Participant D.L.]

“The issue with Garma is there are no Aboriginal people in management [...] you know sitting on the board or in senior management that I can see.” [Participant S.P.]

The participants appear to emphasise these points in a way that distinguishes Garma from their own company. In doing this, the participants are presenting their own understanding and perspectives on what an Indigenous company is. They appear to be engaging in the discussion of what actually constitutes an Indigenous company.

5.4 Formal Affiliation

Affiliation with Indigenous business representative bodies presented another way in which companies within the net displayed their Indigenous identity and connection to the Indigenous community. Several trade organisations exist within Australia that are specific to Indigenous businesses and operate closely with industry and government to provide opportunities for their members. One newly formed national body, the Australian Indigenous Minority Supplier Council (AIMSC), was mentioned frequently by a variety of participants. Several discussions revolved around AIMSC’s certification of Indigenous businesses and how this was an important recognition to have as the organisation was well regarded by several major mining companies. The body’s Indigenous business certification criteria involves having 51% Indigenous ownership, an Indigenous person in charge of management and control, being for profit and located in Australia (Supply Nation 2013). Membership with bodies such as this one was seen to provide Indigenous companies with credibility, as it acted as a formal acknowledgement of Indigenous status by the Indigenous community. In one example, an Indigenous business owner explained how the main benefit provided by their membership with these bodies was credibility and further proof of their Indigenous ownership.
“It is a support mechanism as is IBCA and the Indigenous Chamber of Commerce, it is support in that they provide confirmation of the legitimacy of an Indigenous business as an Indigenous business, particularly AIMSC.” [Participant H.C.]

It appeared that from the participant’s perspectives, one of the key benefits provided by AIMSC was proof of Indigenous ownership and this seemed to be of particular value to the Indigenous companies. As one Indigenous business owner described, her company did not directly benefit from any contracting opportunities through their connection with AIMSC, however the main benefit was seen to be the certification that they could then show to other businesses.

“It just provides an extra bit of credibility so if anyone should ask ‘yes we are an AIMSC business because we are Indigenous owned […] Some of our clients say ‘are you AIMSC certified?’ and I say ‘yeah we are’ but I have not once had business through being an AIMSC member.” [Participant P.J.]

Another Indigenous business manager had a different opinion regarding the value of Indigenous representative bodies to his business. While the participant did not mention anything relating to the credibility his company receives from affiliating with the organisation, he did highlight the benefits it provides as a source of connections to customers. The participant saw the value from a network perspective, in that non-Indigenous companies can approach certain representative bodies to identify potential Indigenous partners.

“So other large companies, if they are unfamiliar with who’s who in the stew they can go to an organisation like that and find out more details about other contractors, other Aboriginal contractors” [Participant S.P.]

Membership with Indigenous business representative bodies is encouraged by major mining companies, many of whom also provide financial support to these bodies. Participants from mining companies explained how they often suggest to Indigenous contractors that they join these organisations and this was also reflected in narratives from Indigenous businesses who recalled on being asked by mining companies whether they were members. This supports the notion that affiliation with these organisations can offer further credibility. One Indigenous business owner reflected on their membership with a particular regional Indigenous representative bodies and how the
decision to join was made to ensure that other companies would consider them to be a local Indigenous company.

"We joined because in order for us to be considered or certified as a Pilbara Aboriginal business, it would be easier if we joined PACA and also I was doing a pre-qualification for Globus and Globus specifically asked if we were a member of PACA […] we felt if we wanted to try and pursue Globus we had better align ourselves with PACA to be considered a certified Pilbara Aboriginal business so to speak"
[Participant V.N.]

There appeared to be some tension in determining legitimacy through affiliation with representative bodies. One participant touched on her dislike for the rigid structures in place that determined which companies were Indigenous and which were not. As a non-Indigenous co-owner of an Indigenous company, she did not feel that her company’s Indigenous identity should be determined by a nominal ownership figure. She also pointed out the fickleness of determining the Indigenous status of a company through these accreditations as the ownership cut-off points varied between organisations and mining companies.

"We cannot be certified under our current ownership structure because I am a 50% owner of the trust that owns the company and you have to be 51% Indigenous owned. So I personally find that a little bit discriminatory against me as Pete’s other half but they make no allowances for that…. I mean even 50% is unheard of. I can’t remember what Paladio’s is, I think Globus is only 25 or something, even the United Nations is only 25%.” [Participant V.N]

These examples showed that Indigenous companies are willing to take action to prove their legitimacy as an Indigenous company, which can be achieved through recognition by certain representative bodies. The fact that accreditation by these representative bodies was highly regarded by most Indigenous companies and mining companies, shows that there is value in maintaining an Indigenous company identity. Such an identity may be viewed favourably by clients or partner companies and can be an advantage for the company in their interactions within the net.
5.5 Benefits of Indigenous Identity in the Focal Net

As previously discussed in section 4.6, the policies and procedures within the focal net can be considered to specifically benefit Indigenous companies. Benefits can be considered in relation to favourable tender conditions, payment schedules, partnering arrangements etc. In addition to these tangible benefits, we can also consider the atmosphere of goodwill towards Indigenous people within the net and the public commitments mining companies have made regarding engagement with Indigenous people. In recognising that there are certain benefits associated with identifying as Indigenous in this net, the focal Indigenous companies must construct their identity in such a manner that allows them to capitalise on these benefits.

Participants acknowledged that there were certain advantages to being an Indigenous company within the industry. An owner of an Indigenous company discussed the ongoing support they received from one of the major mining companies and how they assisted the company to overcome cash flow problems by being flexible with invoicing. While the participant highlighted the quality of their work, suggesting they had been recognised for their performance and were considered a success story, they also contrasted this by indicating they received support from mining companies on the basis of being Indigenous.

"Indigenous contractors and companies like us do get a lot of little perks on the side"
[Participant V.N.]

The participant’s suggestion that extra support is given to all Indigenous businesses within this net, suggests that companies’ status as Indigenous is the basis of receiving the support. In another example, the same participant suggested that the Indigenous identity of the company provided it with a competitive advantage over non-Indigenous companies. The company were given a place on a contracting panel which provided regular work on a mine site, however they experienced challenges interacting with site-based managers. Intra-company tensions arose between managers at the mine site who were content with the existing contracting arrangements with non-Indigenous companies and the managers in the head office who are tasked with increasing the level of Indigenous contracting. As in the previous example, the participant claimed that the
company was competitive and that they were seen as the best candidate given their performance. While the company’s competency was an essential factor in being considered for the panel, the participant also suggests that the Indigenous aspect was a deciding factor in them successfully being accepted onto the panel. The participant simultaneously suggests that the company was competent and the best option for the job, while also acknowledging the influence of their Indigenous identity on the final selection decision.

“The argument would be ‘why do we need to get another company in to do that job, when we already have people to do that job?’ so they had to sort of prove that we were the best for the job and obviously the Indigenous aspect of it would have got through and over the line.” [Participant V.N.]

Some narratives suggest that the positive discrimination policies enforced by mining companies to encourage Indigenous business development are interpreted differently by different people. One participant representing a government agency explained that there was a perception within the industry that Indigenous companies are viewed more favourably and are therefore guaranteed to win contracts in mining areas. She believed that some business owners sought to strategically brand their company as Indigenous and were looking to communicate this fact to potential clients so they could access lucrative contracts. The example used in this instance suggests that the identity of the owner can be overlayed onto the company’s for commercial benefit. The participant seems to imply that Indigenous business owners can choose to play down or amplify their Indigenous identity based on the situation.

“there are a lot of people that call me that have never been loud and proud about being an Aboriginal business owner and now they want to do it. ‘How do I tell everyone that I am an Aboriginal so that I can start getting these contracts up North?’” [Participant H.N.]

The participant went on to provide an example of one particular business that had been operating successfully for many years but had contacted her because the owners were seeking to be explicitly known as an Indigenous company so that they operate in more lucrative mining areas. The individual described in the example supposedly saw identifying as Indigenous as providing a competitive advantage over competing solely on the services they offered. This example draws a clear distinction
between Indigenous and non-Indigenous businesses and again implies that Indigenous companies can choose to operate as one or the other.

“He wants to know how to tell everyone he is Aboriginal. Because he knows he has better chance of getting work in the Pilbara and Kimberley as an Aboriginal business owner than trying to come back as an everyday contractor.” [Participant H.N.]

5.6 Drawbacks to Indigenous Identity in the Focal Net

Despite the numerous benefits (actual or perceived) that favour Indigenous companies within this net, some clear disadvantages were also recognised by participants. While the majority of participants emphasised that there were more positive outcomes from identifying as an Indigenous business, some also reflected on the negative aspects. Common drawbacks to being recognised as an Indigenous company are the negative stereotypes existing in the industry and Australian society at large, associated with Indigenous workers or Indigenous people in general. As participants explained, these stereotypes were sometimes based on previous bad experiences working with Indigenous people, ignorance from not having worked with Indigenous people before or even based on racist beliefs.

One Indigenous company owner explained a range of reasons as to why Indigenous people encounter difficulties engaging with the mining industry. Indigenous companies are stereotyped in the same way Indigenous individuals are and the same prejudices people may hold about Indigenous people are applied to the company as a whole. As the participant explained, these stereotypes can relate to negative perceptions of reliability, punctuality and not having the financial means to complete the job. The participant considered that even though an Indigenous company may have the capacity to provide the service required, they will not be given the initial opportunity and negative assumptions must be overcome before it is possible to engage with clients. Identifying as an Indigenous business in this case may put the company at a disadvantaged position to begin with.
"But they have the capacity for filling the service, but they are not given the opportunity because they are being seen as not good enough or Aboriginal people are being stereotyped [...] if you engage an Aboriginal company, you run the risk of them not being reliable, not being punctual, just not having the funds to be able to purchase the equipment that they need to finish the project and the list just goes on and on and on. There are all these assumptions that you need to deal with in order to get an Aboriginal business engaged." [Participant J.K.]

Respondents suggested that these may be common views shared throughout the industry. In one instance a mining company contracting manager made a comment in regards to Indigenous people entering into business partnerships with non-Indigenous people. The participant, who was Indigenous herself, stated that Indigenous people do not currently have the expertise to independently run a company in this industry but this could be a future possibility. While this statement may refer to the mining companies’ capacity building vision for its Indigenous contractors, it can also be interpreted as reinforcing stereotypes towards Indigenous companies and people by making a general implication that they do not currently have capacity. This broad assumption contradicts other parts of the narrative which discussed successful relationships with independent Indigenous companies.

"Obviously the Aboriginal people don’t have the expertise, but you would like to think that they are developing the expertise [...] we would like to see that the Aboriginal people’s equity increases and so by the end of five years they will be able to own the business and be able to run it as if it is their own business and not need a non-Indigenous partner in the business" [Participant M.C.]

The disadvantages of identifying as an Indigenous company may influence identity work, as the company attempts to overcome negative stereotypes. An example of this was provided by an Indigenous company owner who explained that their contract manager was reluctant to hire the company under the labour hire label due to the negative stigma which existed on site towards Indigenous companies. The negative experiences that site managers had with other Indigenous labour hire companies may influence their relationship with the newly appointed company. This indicates that some individuals within the net may hold views that consider the Indigenous image on a collective level and apply these perceptions to all Indigenous companies.

"Well Heather said that labour hire, they were reluctant to put us under the label of an Indigenous labour hire company because the site managers had often fed back
that they had issues engaging crew through Indigenous labour hire companies. That was part of the reason they didn’t want to put us in that pot. They wanted to keep us separate so we didn’t get tarred with that brush” [Participant V.N.]

One participant had differing views to the identification of a company as Indigenous and did not consider it to have any advantages at all. The participant, who was herself Indigenous and represented a government business development agency, discouraged her clients from branding their companies as Indigenous or actively communicating this identity. She drew a distinction between the identity of the owner and the identity of the business, explaining that she did not consider the ethnicity of the owner to influence the business. The participant believed that actively promoting the business as Indigenous would discourage clients. From her perspective, using an Indigenous branding was not a successful business strategy as it did not allow companies to compete with mainstream businesses. This statement presents an apparent mutual exclusivity between mainstream and Indigenous companies and suggests that the ‘mainstream’ would not engage with an Indigenous business.

“They are not really branding themselves, they are a business and they have Indigenous owners and that is what I always tell people. You are not an Indigenous business; you are an Indigenous owner, because if you go around telling people you are an Indigenous business you might not have people coming to you. So you don’t need to waive the flag around and you need to compete with mainstream, if you are going to keep doing that then you are not going to get the customers.”
[Participant C.Y.]

In another instance the participant qualified her views by explaining that in certain circumstances, such as when the product has a strong cultural focus; it may be beneficial to identify the company as Indigenous. In other cases, such as when the good or service is considered more mainstream, an Indigenous image was considered to actually disadvantage the company by not attracting clients. As in the previous example, the participant thought that if the company was involved in a non-Indigenous specific activity, the company should not compete by emphasising an Indigenous identity. It should be noted that this participant presented her views in more general terms and was not specific to the mining industry. It could be the case that outside the focal net, the advantages of identifying as Indigenous are reduced or not applicable, as the participant suggested.
"It is a cruel market out there and if you are going to have a thing there saying that it is an Indigenous business you are not going to get anything. It is a different story if you are an art gallery or a tourist thing, but if you are a beauty therapist or something like that you don't like to broadcast that because you might not be having anyone and then you have got a debt to pay. You have got to compete with mainstream" [Participant C.Y.]

5.7 Identity as a Traditional Owner Company

Several comments related to the benefits of being an Indigenous company associated with a traditional owner group, relating to the discussion in section 4.10 that Indigenous companies can derive benefits relating to their bridging ties to traditional owner groups. It may also be the case that identification as a traditional owner company may be even more advantageous than identification as a ‘generic’ or non-group specific Indigenous company. This can be claimed through the owners’ membership to a traditional owner group, even though the ownership of the company is legally independent of the group. For some focal companies, the identity of the owner was projected onto their company. This is considered particularly beneficial in situations where the traditional owner group has links to land relevant to mining, thereby positioning them as important stakeholders for mining companies. Identification as a traditional owner company adds another layer of complexity to organisational identity in this net context. Participants from mining companies indicate that they prioritise companies linked to traditional owner groups over other Indigenous companies when presenting opportunities.

"Firstly if there is an opportunity that comes up, that opportunity, we always take to the Native Title group first" [Participant N.H.]

In one specific example, an Indigenous company manager described how their company’s ties to a traditional owner group gave them access to commercial opportunities with a mining company. This occurred even though they did not directly identify as a company belonging to that particular traditional owner group, however the connection one owner had through marriage was sufficient for them to be associated with that group. In contrast to the earlier quote from participant V.N that indicated the
Indigenous identity of the company helped to ‘get it over the line’, this manager used the analogy that his company’s Indigenous identity helped to get their ‘foot in the door’.

“But there is that relationship that comes in you know. We got our foot in the door because one of the directors is married to a traditional owner” [Participant D.L.]

Another company presented a non-group specific Indigenous image however this was altered when referencing an upcoming mining project they hoped to become involved with. The participant categorised her company as a traditional owner business, on the basis that her husband, who co-owned the company, was a member of the traditional owner group which had an agreement with the mining company undertaking the project. As she explained, the agreement with the mining company contained conditions which stipulated a certain percentage of work must be designated for local traditional owner businesses. Given the connection the company had to the group through one owner, they could legitimately claim that the company was a traditional owner company and that entitled them to the contracting priority.

“I think in 2010 they signed off on the land use agreement and as part of that agreement, there is a clause that states that if you are a traditional owner business you actually get priority as long as you meet capacity and there is 5 million dollars a year allocated that has to go to a traditional owner business.” [Participant P.J.]

The participant was able to draw connection to being a traditional owner business as the opportunity presented itself despite normally portraying a more generic Indigenous identity. This indicates both the multilayered nature of identity and its conceptual flexibility as one element can be focused on depending on the situation.

In another example, the same participant demonstrated her connection to a traditional owner group through being officially endorsed as a ‘traditional owner company’ by a mining company seeking to develop land belonging to that group. The participant explained how she took offense at having to prove to the company that she was endorsed by the group, as her husband, a co-owner of the business, was a named applicant on the native title claim. The owner assumed her company would be classed as a traditional owner company given the connection her husband had to the group and did not see the need for recognition to satisfy conditions imposed by the mining company from a Western viewpoint. In the end, the company completed the procedure
that allowed them to be officially recognised. This example shows how identity can be an internally constructed by actors but also the tensions created when this doesn’t align with the interpretation of others within the network.

“they did actually say that we have to be endorsed by the traditional owner group. But I was saying ‘what do you mean we have to be endorsed? We are a traditional owner group, so how do you mean we have to be endorsed? We are. My husband is a named applicant on the claim, how much more endorsed can you be?”
[Participant P.J.]

5.8 Indigenous Image as a Competitive Strategy

The analysis of the advantages of identifying as an Indigenous business within this net has indicated that businesses can utilise this image to their commercial benefit, which plays an important role in their development. Narratives indicate that in some situations, companies actively compete on the basis of their Indigenous identity and engage in identity work to achieve this. One participant explained how his approach to competing for work was dependent on the situation and he would shift between presenting the company as an Indigenous business or a generic I.T business. His view was that he could accentuate one element of the company’s identity, either Indigenous or I.T, based on what the client valued most. In this case identity work is dependent on who the company is interacting with. The participant saw his company’s Indigenous identity as a selling point which in certain situations could give them the competitive edge over non-Indigenous businesses.

“I think in some instances we will be going in as an Indigenous business and competing on the basis of being an Indigenous business and in other instances we will go in as an I.T business and competing on the basis of being an I.T business [...] Whether we want to be perceived as an I.T company or an Indigenous company, I think there is something unique about our story either way” [Participant H.C.]

Another participant had a different experience in identifying as an Indigenous company, despite initially considering promoting an Indigenous identity to offer a strategic advantage. The company did not experience a great deal of success through this strategy and the participant now held the view that competing on the basis of being
an ‘Aboriginal business’ was a mistake. Both managers from this company suggested that while being an Indigenous company may help in making contact with other companies, they found relationships rarely progressed past the introductory stage. They considered the Indigenous identity alone was insufficient to developed commercial relationships with these companies.

“I would probably pick one niche area and go with it. Try to be really good at it and probably not even try to compete on the basis of being an Aboriginal business”
[Participant S.P.]

Three participants, from Indigenous business development roles with mining companies or government agencies, discussed the implications of changing strategy to position a company as an Indigenous company. One participant explained a story of an Indigenous company that was already relatively successful but decided to rebrand themselves as an Indigenous business to take advantage of the perceived Indigenous-specific opportunities that exist in the net. This had positive effects for the company in being awarded more contracts but also negative effects in losing some longstanding contracts.

“We had one Aboriginal business that did a lot of work in town but we didn’t employ them directly as a contractor and they were subcontracting to some of our contractors and they never told them that they were Aboriginal, never. Then they decided to do it, they changed their name to an Aboriginal name, they started promoting themselves as 100% Aboriginal owned and on one hand they got lots of contracts but some of them that they held for quite a long time they lost”
[Participant H.B.]

These participants implied that businesses cannot solely rely on an Indigenous image or branding. The data also suggested that outside of the mining industry, non-Indigenous companies may not currently have favourable policies towards Indigenous businesses and the same level of goodwill may not be present. The advantages for identifying as an Indigenous business may only exist in this net, given the specific contextual environment.
5.9 Perceptions of Relying on Indigenous Identity

While some participants recognised the benefits of having an Indigenous company identity and in some instances it was suggested that companies could strategically leverage off this aspect, this was often not openly admitted. There was an apparent tension in being seen to benefit from being Indigenous. Participants sought distance from this by emphasising their company’s capacity to perform irrespective of their Indigenous image. One participant’s comments summarised this point aptly in acknowledging that being Indigenous had its advantages, but qualified that this is not the main reason for their company’s success which was considered to be based on the quality of their work. The participant downplayed the benefits of being Indigenous by stating that the company did not have to rely on being Indigenous and that it was only leveraged off during difficult times. By qualifying the utility of being Indigenous, the participant is giving the perception that they are not acting in a way that is taking advantage of the favourable conditions specific to Indigenous businesses in the net.

“We don’t leverage off the Aboriginality all the time. We are the business that we are now because of the good work we do. We would like to think you don’t have to use that card, but we do when we have to when things are tough or we are in a bit of strife” [Participant V.N.]

Indigenous businesses constructed their legitimacy in the net beyond the basis of being Indigenous or having ties to the Indigenous community. Many of the participants highlighted their company’s commercial merit and ability to perform at the levels expected of all companies. In seeking to demonstrate that their company does not rely on being Indigenous to participate in the industry, one manager explained that he doesn’t want his company to be ‘pigeon holed’ as an Aboriginal business. His co-owner then added that they aim to be viable on their own without relying on the Indigenous element. This creates the perception that being labelled an Indigenous business may restrict the company to working within this net as companies that relied on the conditions specific to this net may not be viable outside it. This particular dialogue draws attention to the tensions surrounding being perceived to rely on an Indigenous identity to succeed. This also suggests that there is a perception that being categorised
specifically as an ‘Aboriginal business’ implied the company was perhaps unviable
outside of the net and potentially limited the company’s opportunities.

“P.D - Particularly when it is time to ante up and leave, we will sell it. We don’t want
it to necessarily be pigeon holed into an Aboriginal business.

V.N - Exactly, it should be a viable business unto its own state and that is what we
have tried to build I guess”

Being perceived to compete on the basis of being Indigenous was generally not
viewed favourably. Such behaviour was positioned as being advantageous, while in
contrast, Indigenous companies that slowly developed in open competition with other
companies were celebrated. Two participants referred to Indigenous business owners
that they perceived to have developed successful businesses without benefiting from
being Indigenous. Notably, the first quotation utilises the same ‘card’ analogy as was
shown on the previous page. By describing the advantages of being Indigenous as a
card, the participants imply that managers are able to make a conscious choice whether
they access those advantages or not.

“Frank Russel is a great story and Frank did it without anyone saying ‘you are an
Aboriginal man, we will look after you’. He never played that card, he just did the
hard yards and managed to get from one crane to two cranes to four cranes and
managed to get enough work and do a good enough job that he got repeat business”
[Participant N.T.]

The second participant acknowledged that Indigenous companies are viewed
favourably by other companies and that hiring them can help achieve Indigenous
e ngagement targets. This is then contrasted by an example of an Indigenous man that is
hired on the basis of the quality of his work; irrespective of the fact he is Indigenous.
Using examples of successful Indigenous companies serves the purpose of showing that
it is possible for Indigenous companies to be competitive on the basis of quality as
opposed to relying on their Indigenous identity as a competitive strategy.

“If you look at Tony Wells, he is now of such a size, he still picks up contracts from an
Indigenous contracts point of view but he is picking up contracts in his own right
because he is a bloody good operator. Yes he ticks boxes for some companies but they
got him because he is good, not because he is Indigenous. That’s why he is getting the
jobs” [Participant M.B.]
The perception that a company is holding a contract on the basis of being Indigenous does not reflect well on the companies awarding the contracts. In order to attract and maintain support for the Indigenous business development policies, contracting managers within mining companies must show that there is merit to their strategies and that Indigenous companies have the capacity to perform the work. These contracting managers frequently specified that the Indigenous companies working in the industry meet certain industry standards. A contracting manager at a mining company exemplified this sentiment by stating that the Indigenous identity of a company is not a sufficient to win work and companies must also prove that they have the capability to perform the work. This argument appears to defend the position of Indigenous companies and reinforce the value of Indigenous contracting policies.

"We have to be diligent that we are not going to have them just come in and say they are Aboriginal [...] they need to prove they are capable as well. If they are not, then we can't give them the work because they haven't got the capability to perform this work" [Participant M.C.]

Indigenous company participants’ narratives appeared to recognise the negative perceptions associated with relying on being Indigenous to succeed. Participants often qualified that particular opportunities were available to all and made explicit statements that they did not attain a particular contract because they were Indigenous. A statement from an Indigenous company owner reflected on this point by explaining his company’s upcoming participation in a trade show was not attained because they were an Indigenous businesses.

"(we) have the same opportunity that is afforded to anybody else. It wasn't like they came searching for us saying they are searching for Indigenous businesses"
[Participant H.C.]

Narratives reflected upon the desire for Indigenous self-sufficiency, which tied into the discussion around relying on others for support. This sentiment supports the idea that Indigenous businesses should not rely on their Indigenous identity or the favourable condition within the net. One Indigenous business owner considered her company to provide an example to others that Indigenous people can be self-sufficient. This example makes a statement which refutes the prevalent stereotypes that exist of Indigenous people being dependent on support from outside the community.
"It is more of a holistic approach and getting the message out to the Aboriginal community that we can do this for ourselves [...] we don’t have to sit and wait for everyone to do that. We are showing non-Aboriginal people that we are getting out there and giving it a go, we don’t expect everyone else to do it for us"
[Participant M.J.]  

5.10 Displaying Connection to Community

An emergent theme indicated Indigenous company participants frequently discussed their connection to the Indigenous community. This was either discussed in general terms such as showing an affinity to Indigenous people or culture, or in more specific terms such as highlighting ties to particular Indigenous groups. Showing connection to the community can highlight the company’s network position as a bridging tie.

One relevant example of displaying connection at the general level is a quote from an Indigenous business owner who considered being an Indigenous person and part of the Indigenous community to allow her recruitment and labour hire company to better understand the Indigenous people they interacted with. This was presented as a positive attribute of the company in that it allowed for a better relationship with the Indigenous employees they were recruiting, which also led to better performance in terms of providing more job ready employees to clients. The connection the company had with Indigenous people was portrayed as a competitive advantage over similar non-Indigenous companies that might struggle in recruiting Indigenous people for clients without that intrinsic understanding.

“As an Indigenous person we live the life that they do. So we understand what all the barriers are. At the same time, the Indigenous people that we are getting jobs for, they can’t really pull the wool over our eyes like they do with other companies because we already understand where they are coming from and I am able to talk directly with them about those kind of things” [Participant P.J.]

One participant discussed connection to Indigenous culture and community from a more personal perspective. She highlighted her cultural competency in interacting with Indigenous people though a ‘two worlds’ metaphor that distinguished between
Indigenous and non-Indigenous people and also traditional and more modern Indigenous people. The responses highlighted her skill in working as a community liaison for clients by showing examples where she was able to effectively engage with diverse groups of Indigenous people. These examples demonstrated her personal connection to the Indigenous community, which was utilised in her work responsibilities and could therefore also be considered to be a strength of the company.

“So you need to be able to I guess walk in two different worlds and be able to relate to the metropolitan type of Aboriginal person and say ‘this is really going to benefit you and your mob by working with this company’ and then go out to the broader community in Kalgoorlie and say ‘this is why you have to work with these fellas, there is all this stuff that they have done previously and this is what they are now. We have been working with them and doing a lot of education and engagement’” [Participant M.J.]

Given the size of most of the Indigenous companies studied, the focal companies’ connection to the Indigenous community related to the manager or owner’s personal connection. The personal abilities and connections were considered to be strengths or competitive advantages of the company. In many ways personal identity overlapped with the company’s identity. In the previous example, the owner’s personal ability to liaise with diverse community groups, supported claims relating to the value and quality of the company’s services and could be seen to legitimise the company’s position within the industry. The same participant used the ‘two worlds’ metaphor in another sense to describe how her culture represents a mixture of Indigenous and non-Indigenous values. She explained how she has experienced the same troubles as other Indigenous people and remains a part of that culture despite also living a Western lifestyle. This example accentuates the connection the participant has to Indigenous culture, through which she sought to demonstrate her connection to Indigenous people.

“I am living Aboriginal culture but I blend those two worlds because although I live in the suburbs and am Western educated and all those sorts of things, I am still a very traditional person. I have lived through all that crap so that when it all goes pear shaped […] the family obligations and cultural obligations come to the fore” [Participant M.J.]

While the previous examples showed connection at the general level, other examples were more specific where participants discussed connections to people or
traditional owner groups. One of these examples was explained how the owner of an Indigenous business was a traditional owner and that she employed others within the group through her company for certain jobs. The owner’s position as an elder within the traditional owner group gave her the authority to present sensitive cultural awareness information to clients. This sought to affirm the company’s connection to a specific Indigenous community and also show that the company has legitimacy within the Indigenous community. The company’s service offering was directly linked to and only possible due to the cultural connection they had.

“Jenny is an elder, she actually employs Yinajin elders and she employs community members to assist her, because only Yinajin elders can deliver Yinajin cultural awareness. When she brings in other Aboriginals they are well known to her and she does certain delivery parts that only she can do and the others can do the more generic (parts)” [Participant D.L.]

Participants also demonstrated their connection to the Indigenous community by framing their company’s objectives as being driven around supporting a particular group. In explaining how her company was considered to be a traditional owner business, one participant discussed the different approaches the company had between its Perth office and a new office located on traditional lands. There was a distinction made between activity in the Perth office which was described in more procedural terms and the new office which was positioned as having a more involved interest in providing opportunities for members of the local traditional owner group. This statement confirms the ties the company had with that particular group and highlights the commitment it had to supporting that community.

“Yeah so it is definitely not like the Perth office where we can take people and put them into jobs. With the Broome office it is more personal, we do have a vested interest in getting the Balanja people into the opportunities first” [Participant P.J.]

5.10.1 Discursive Connection

Connection to the Indigenous community was not only identified through explicit examples provided by the participants, but was also noted in the participants’ use of language. One Indigenous business owner was explaining a previous role she had
working in Indigenous engagement for a mining company. The participant claimed that as she herself was Indigenous, she had an intrinsic connection to other Indigenous people and could therefore relate better to them. In this example, the participant is showing a connection to Indigenous people and Indigenous culture. It is also interesting to note however, her use of ‘we’ and ‘they’ in the quotation. The use of the words ‘we’ and ‘our’ positions the participant closer to Indigenous people, while she simultaneously distances herself from the company she was working for through the use of ‘they’.

“fairly soon they could tell that I had a better understanding and communication ability I suppose with the Indigenous people they were trying to engage with [...] and as an Indigenous person we find it quite easy, we don’t even think about it, it’s part of our world you know, our whole being” [Participant P.J.]

Another relevant example in which connection could be considered through the participant’s use of language was in an interview with an Indigenous business owner who discussing the need for collective action to support Indigenous people. The participant describes Aboriginal people as a collective group and the use of ‘we’ indicates that she considers herself to be a part of that. She also draws a distinction between the in-group (Indigenous) and the out-group (non-Indigenous) in her statement that Indigenous people need to be more self-sufficient and support their own people. The participant clearly identifies herself in this statement as an Aboriginal person while also showing her connection to the Aboriginal community in a collective sense.

“I believe that we need to support, Aboriginal people need to support Aboriginal people. We have got more people outside of our Aboriginal groups that want to support us than we do in-house so to speak.” [Participant M.J.]

5.11 Distance from Problems Associated with the Indigenous Community

In contrast to discourses which show a connection to the Indigenous community, on occasions participants employed discourses which distanced their company and/or themselves from the Indigenous community. The previously mentioned tensions that exist between displaying legitimacy through connection to the Indigenous community
and showing competency through distance from perceived stereotypes associated with that same community, were visible in the bipolarity of the participants’ discourses.

Some participants identified key issues within the Indigenous community such as welfare dependency or substance abuse and positioned these as issues that the company are seeking to address. This sentiment shows a connection to the Indigenous community by demonstrating that the manager is aware of community needs and that the company is motivated to meet these needs. In analysing the discourses however, it was apparent that the participants were distancing themselves from the problems and the people with the problems. The choice of wording suggests the focus has shifted from Indigenous people as a collective to the specific Indigenous people associated with the problems mentioned. In the following quote, an Indigenous business owner explains how she aims to empower Indigenous people to take up opportunities while at the same time making them accountable for themselves. This is addressing the issues of welfare dependency and disempowerment within the Indigenous community, however the participant, as an Indigenous person herself, presents the issue as a personal problem of those involved rather than a whole of community one.

“(we put the) ownership back on them as the individual and say ‘look, you are an adult if you actually want this job you have to meet us halfway and we will help you in every way we can’. So just making a lot of Aboriginal people accountable for themselves, when a lot of the time the accountability has not been there because someone has said ‘we will do it for you’ or ‘don’t worry, we will do that for you’”
[Participant M.J]

In a similar example, another Indigenous business owner recognised the problems that she has experienced in the community relating to alcohol and substance abuse. The participant uses the words ‘the ones’, ‘they’ and ‘them’ to identify the people she is trying to assist. The problem is conceptualised at the individual level, making it easy to distinguish those that are faced with the problem and those that are not. In doing this, the participant is able to avoid the potential negative associations that come from these problems and the Indigenous identity of herself and her company. The quote below positions the participant as someone who is helping Indigenous people enter the industry and in turn contributing to the Indigenous engagement strategies of mining companies.
“The ones that are left are the ones that are usually unemployable due to drug and alcohol or disability or whatever. Or they don’t want to work in that industry, which is fair enough, it is up to them” [Participant P.J.]

The interviews with Indigenous managers all featured examples where the participants emphasised their competency and capabilities. This is not to suggest this trait is unique to Indigenous managers and similar examples would be expected from most managers discussing their role and activities. One point of interest however, is that the Indigenous managers often showed their capacity or value in supporting other Indigenous people or companies. This appears to suggest there may be issues arising from lack of capacity or work experience within the Indigenous community. By positioning the company on the side of the supporter they are distanced from the problems associated with the receiver of the support. While mining companies dedicate resources to improving various capabilities within the Indigenous community, these examples suggest that participants perceive to be assisting that process themselves and associate with the provider rather than the receiver of support. Their role is constructed as providing linkages back to the other actors, which considered from a network perspective, identifies with a bridging role. In the following example, the director of an Indigenous business highlights the various capabilities and influential ties her company has and explains how they engage in supporting a traditional owner group by helping them develop these capabilities.

“Sam is doing a lot of work in Hedland at the moment doing work with the traditional owners up there in developing their capacity and also their structure, their business model, developing a business plan for them but also at the same time, proving the linkages back to other industry players that can give them the opportunities that they need and hence we are doing that down here” [Participant J.K.]

5.11.1 Discursive Distance

In much the same way as with connection, discursive positioning was used to show distance from the Indigenous community. Participants moved between discourses that showed connection and distance depending on the context. This could be achieved
through simply changing the grammatical tense used from first person to third person. These changes were most commonly identified in instances when participants discussed problems or failures that had occurred or in describing the difficulties that surround Indigenous development at the broader level.

In one example, an Indigenous business director described the failure of a project the company had been working on in collaboration with several smaller Indigenous subcontractors. The participant identifies a reason for the failure being the lack of capacity of some of the subcontractors, however the choice of wording such as ‘these guys’ and ‘their own business’ is noteworthy. This is significant in that it contradicts previous examples where the same participant has described the workers as ‘our guys’ and considered the project to be undertaken under the same company umbrella. In this context, the participant used discursive positioning to show distance.

“That was unsuccessful but Sam could give you more information into that as to why it was. Some of it comes down to the capacity of these guys actually managing their own business” [Participant J.K.]

Another relevant example is in the narrative of an Indigenous business owner explaining the difficulties Indigenous people have in interacting with the ‘corporate world.’ In this example, the participant describes what she considered as a negative aspect of the Indigenous community in the lack of capacity to engage with the mainstream corporate world. The participant, who does consider herself as being able to successfully engage with this world, shows distance to the Indigenous community by speaking about them from an outside position and repeatedly uses the word ‘they’ as opposed to we, which she had previously done when discussing her connection to the Indigenous community.

“…a lack of knowledge of how the corporate world works and thinks and talks and interacts. From what I can see, Indigenous people, they are very much what you see is what you get, so even if they have a brilliant business mind, they might not be able to articulate it properly into a way that the corporate world wants to hear it” [Participant P.J.]
5.12 Alignment with Image of Indigenous Companies

A major recurring theme in the data which distinguished Indigenous companies from others within the network was the business motivations of Indigenous companies tending to be less commercially orientated and more focused on community benefit. This theme was narratives of all Indigenous companies and was not a subject which was explicitly prompted by the interviewer. These motivations were seen by participants from non-Indigenous companies as being a common characteristic of Indigenous businesses. Having a strong community focus is consistent with the Indigenous cultural stereotype of collectiveness and could be considered to form part of the Indigenous identity of a business.

Many Indigenous company participants suggested that creating employment opportunities for other Indigenous people was their main organisational goal. This was considered one of the main reasons for starting up the company and influenced their development strategies which were often aimed at creating as many jobs as possible and ensuring stable, long term tenure for employees. In many instances, successful outcomes were defined based on the number of employment opportunities created. These underlying motivations often influenced the relationship between Indigenous companies and others within the focal net as one participant suggested in explaining his decision to establish a subcontracting arrangement with one company and discontinue the arrangement with another was based on maintaining their employees positions at a particular mine site.

“the most important thing for me and the company is to maintain our employees out on site [...] long term commitment to work. So we need continuity of work and that's why we need to remain out there” [Participant D.L.]

Similar motivations were outlined in the description of Participant P.J’s negotiations with a non-Indigenous company over a potential partnership. The participant firmly expressed that her motivations were driven by creating employment for local Indigenous people rather than potential profits. She considered a 50/50 partnership to involve equal participation in regards to personnel working on the project, which would create a considerable amount of employment opportunities for
Indigenous people. In making this statement, she also sought the need to reject any commercial motivations by specifically stating that she is not interested in a profit split, which would be a considerably easier and a more financially lucrative option for the company.

“They asked me if we can come up with a partnership and I said I am happy to do that but if we go into a partnership it will be a 50/50 split and I am not talking about profits, we are not interested in the profit share, I am talking about 50/50 of the manpower on the ground at any one time” [Participant P.J.]

All Indigenous company managers’ narratives included descriptions of how their companies helped out other Indigenous companies in the network. These examples were usually presented as being altruistic in nature and as not resulting in any direct commercial benefit to their own company. Participant P.D described how he assisted a struggling Indigenous company to get work on site and personally covered the expenses. The participant describes this behaviour as doing the ‘right thing’ which indicates that selfless acts such as these could be considered a norm within the focal net. The action of helping the other company was positioned as being altruistic and directly contradicting economically rational behaviour, giving the impression that the company is not motivated purely by profit.

“There is no incentive, no economic incentive there, other than to do the right thing to assist [...] so I said ‘yeah ok, have it at cost’ in fact we are probably out of pocket because of uniforms, inductions, training and that is not a problem” [Participant P.D.]

Participant M.J described how she doesn’t charge clients a fee for the recruitment of Indigenous employees as she saw this as a potential disincentive to hiring them. She commented that some of her competitors charge higher rates for Indigenous workers given their scarcity and perceived value, however this may lead to clients hiring less Indigenous personnel. As with the previous example, the participant considered her company’s primary motivation to be supporting the community, while also making an explicit statement that they did not have profit driven motivations.

“So by and large for the employment side of the business, we don’t charge a fee. The main aim there is to expose as many Aboriginal people as possible to gain whatever work that their skills determine at the time with the proviso of training them” [Participant M.J.]
In another instance, participant M.J also suggested that these values inform the company’s decisions as to which other companies they can form relationships with. The company will only align with companies that have similar community focused values, even if there were potentially lucrative financial benefits. This indicates that in some cases, in order to adhere to their own established business principles, Indigenous companies may actually sacrifice achieving conflicting capitalist objectives that may be considered normal for non-Indigenous companies.

“One of the very first things I say is, I choose who we engage with and who we don’t, I have turned away some very big corporate clients which is probably not the smartest decision but from an ethical point of view I am very happy with that and so too are my guys because I think that is a bar that we need to set for ourselves” [Participant M.J.]

All Indigenous company participants used this common discourse that sought to affirm their motivations as being socially over financially orientated which acted to show their connection and commitment to the Indigenous community. As the following example of a discussion with an Indigenous business owner suggests, these principles may influence company decision making in multiple ways, from the people they employ to the commercial relationships they engage in. The participant’s narrative emphasises how they seek to make their activity and decision making consistent with their core principles and their intended role. This example alludes to the importance of these principles in presenting the company’s identity as the participant suggests that these community orientated motivations form the rationale behind the company’s existence.

“Yeah because what is the point of being in business if you are not achieving your vision. We are busy trying to keep guys in work but at the same time we are trying not to lose sight of what we are here for. That’s when you get caught up in the money and that is why we don’t want people here that are financially driven because some of the choices we make are not financially driven about the jobs that we take on and the roles that we play.” [Participant V.N.]

Beyond that narrative, these themes indicate how participants construct their company’s identity in relation to this particular image. The community focused image was perceived to be consistent across the narratives included in the research as well as in formal company material. An excerpt from the company website explains that they seek to look after the interests of local communities, presumably those in the areas in
which they operate. From the perspective of discursive analysis, it is important to note that the communities’ interests appear ahead of the requirements of the client, which gives the impression that this is a more prominent interest.

“The core principles of Darnipi are to operate with integrity and supply quality labour while looking after the interests of local communities, our employees, as well as the requirements of the client” [Darnipi Website]

Similar forms of identity construction emerged in all the other Indigenous companies’ narratives. Since many of these themes are consistent across the focal net, the argument can be made that this may represent an accepted element of the Indigenous identity of companies within the net. Participant H.C suggested how this identity can be presented to others within the network. In explaining plans to launch a school program that aimed to get Indigenous children into the industry, the participant recognised the message that this sends to others within the network - that they are committed to supporting both the industry and Indigenous people and are not opportunistic or interested in the business benefits. This appears to be a common expectation of Indigenous businesses within the net and one that the Indigenous businesses themselves seek to fulfil and project to others.

“Yeah we will see what happens and it shows our commitment to the industry and improving the lot of Indigenous people rather than just a business lead to take advantage” [Participant H.C.]

5.13 Focal Net Expectations of Indigenous Companies

The narratives of representatives from non-Indigenous companies suggested they were aware of and recognised the community focused, non-profit driven characteristics of Indigenous businesses. This stereotype was perceived to be a strength of Indigenous businesses and a positive factor which encouraged other companies to support and interact with these businesses. Participant H.B described how she considered the community focus of Indigenous businesses to be an inherent characteristic that came through the owners being Indigenous themselves.
“I think they just tend to do it. More because it is who they are and where they come from. We don’t have any trouble encouraging our Aboriginal businesses to employ or develop or put back socially into a community, it is just what they do” [Participant H.B.]

As that participant went on to outline, there is an expectation that Indigenous businesses will have these motivations and therefore do not need to be formally required to engage with Indigenous people as part of their contractual commitments. The participant appears to be making a generalising statement, as was the case in the previous quotation, leading to the interpretation that she may consider this to be an accepted stereotype of Indigenous businesses in the focal net and not an isolated example.

“They actually get quite offended if they get a contract and then in that contract it has a minimum Aboriginal component in there” [Participant H.B.]

The aforementioned image that exists of Indigenous businesses is strengthened by statements that seek to distinguish between the characteristics or motivations of Indigenous and non-Indigenous businesses. A relevant example of this was identified in an interview with a non-Indigenous employee of an NGO who perceived motivations for starting a business to be very different for Indigenous people than non-Indigenous people. The participant considered that while most Western people were motivated by making money, her experience with Indigenous people and in particular Indigenous women, was that they wanted to improve their community. This example considers the orientations of Indigenous businesses in a positive light.

“I am probably generalising when I say this but can you imagine a young, 25 year old white male coming forward and saying ‘I want to start a business because I want to help my community’? He wants to start a business because he wants to make money. Of course there is nothing wrong with that but that is not what is driving those women. They are coming forward three at a time and saying ‘I want to start this art centre’ and it is all about bettering their community” [Participant E.J.]

The community focused orientation of Indigenous businesses was perceived by many participants to be incongruous with the commercial orientation that was typical of mainstream businesses. As was suggested in the narratives of Indigenous business managers, creating employment opportunities was perceived to be a positive business outcome and a major motivating factor. This was also recognised by non-Indigenous
participants in the focal net, however as one participant suggested, this often came at the expense of other important business practises such as building capital or becoming financially sustainable. In contrast to the previous example, this positions this social orientation of Indigenous businesses as having negative consequences from a Western perspective.

“But their sense of family that was quoted in that instance, that will happen no matter what. They will still employ their brothers and they will still employ their sisters before they will put money in the bank” [Participant H.N.]

This perceived community focused, non-profit motivated image of Indigenous companies was described favourably by non-Indigenous companies in the network. The values that are included in this image directly align with the CSR objectives held by many of the larger non-Indigenous businesses and could help in achieving their objectives relating to Indigenous community engagement. Participant N.T indicated that his company seeks Indigenous partners that have a strong community focus and are not driven by profit, so that they can achieve their objectives. Indigenous people that are mainly motivated by personal wealth are positioned as being opportunistic and do not align with the values which the company aspires for these partnerships to have.

“In Gladstone, there were some Rajunup people who seemed to have the same values that we have, the same desire to grow a business for local people, to give them jobs, to give them preference, to give them training, so to basically put back into the community. You need that otherwise it just wouldn’t work. If their agenda was just for us to get rich, I’m not interested in just helping the individual get rich.” [Participant N.T.]

The analysis outlined expectations that mining companies had of what an Indigenous company is and what they should achieve. Companies that do not fit within that image or fail to meet expectations were criticised and in some cases were considered to be taking advantage of the goodwill provided to Indigenous companies in the net. A mining company contracting manager described her caution of joint ventures that feature an Indigenous partner but do not benefit the Indigenous community. The respondent suggested she considered a business to be Indigenous if Indigenous people were actively involved in its management, while she also expected the company to provide employment and training to other Indigenous people. These expectations of
Indigenous companies align with the mining companies’ strategic objectives to engage with the Indigenous community.

“The reason we are wary of that is that we are getting a lot that are starting up JVs or partnerships. They try to say they are Indigenous and when you question them, the Indigenous person is just lending their name and not making any decisions, they are not employing Aboriginal people, they are not training them, which we have a mandate that we want this” [Participant M.C.]

The examples of the behaviours and motivations included in this section are consistent with the examples provided by Indigenous companies themselves in the previous section. The findings raise an interesting question regarding the concept of identity giving and identity taking. Indigenous companies may behave in a certain way that can be considered to be consistent with their culture and non-Indigenous companies may then develop a particular stereotype based on their interactions with these Indigenous companies. On the other hand, we can also consider the influence of non-Indigenous actors’ expectations of their Indigenous partners and how they through repeated interactions, this can develop into norms within the focal net. Indigenous companies may therefore express certain behaviours and motivations to be consistent with partner expectations and adhere to net norms.

5.14 Distance from ‘Opportunistic’ Behaviour

In outlining the construction of the community orientated and non-profit seeking images which Indigenous companies project and the similarly constructed expectations which non-Indigenous actors have of Indigenous companies, the perceived alignment of net norms and values has been underlined. A certain impression emerges that for Indigenous companies to accept the benefits that exist specifically for them within this focal net, they must be seen to adhere to these norms and meet the expectations of those providing these benefits – the mining companies.

Given that certain behaviours may be perceived positively by the mining companies, behaviour that does not fit with expectations can be viewed negatively. This is particularly pertinent for opportunistic behaviour or taking advantage of the benefits
provided by mining companies. Companies that were perceived to portray themselves as Indigenous to receive competitive advantages, but actually had minimal involvement by Indigenous people were positioned as opportunistic. Participant Y.G described how she evaluates joint venture partnerships to see if they are genuine. She had an expectation that there would be an equitable distribution of the workload and that benefits would be delivered to the community. With expectations such as these, it is understandable that it is important for Indigenous companies show that they support the community.

“\text{I have to say there is a push of these joint venture relationship that looks all glorious from the surface, but as I said you scratch a little deeper and there are a lot of inequities that exist where some commercial relations are purely driven by getting a guernsey to play in this space, where the Aboriginal content being only a miniscule part of it. I kind of liken it to flying the Aboriginal flag with no substance underneath, there is really no benefits both financial or otherwise that have flowed back to the community}” [Participant Y.G.]

These norms were perceived by the participants representing Indigenous companies and drawn upon to show distance from such opportunistic behaviour. Participant M.J described what she saw to be opportunistic behaviour by some Indigenous companies that charge clients exorbitant amounts for recruiting Indigenous workers. The dialogue positioned these companies as taking advantage of mining companies’ desire to hire more Indigenous people by seeking to profit from the demand for Indigenous workers. The participant perceived this to have a negative effect on the community as well as companies may be discouraged from hiring Indigenous workers if the cost is too high.

“A lot of people talk the talk but they don’t walk the walk and because this sector, this Indigenous engagement sector, everyone sees it, sees big dollar signs. That is really where we are at the moment. Aboriginal businesses are saying ‘it is going to cost you $5000 because we need to recruit one person for you’ and you think what the hell, what are they? Painted in gold and diamonds? [...] there are no outcomes, there is no follow up, there is no benefit from that relationship and that respect breaks down, because the Aboriginal organisation knows they can tell this company a whole range of things to get money from them. There is no respect there” [Participant M.J.]

Indigenous companies or individuals that considered the benefits provided by mining companies to be a right, or something which they are owed, were not considered to be operating within the norms of the focal net. The benefits that mining companies
provided were not understood to be unidirectional and some reciprocity was expected within the relationship. This sentiment was discussed by Participant M.B who identified what he saw to be opportunistic behaviour by some Indigenous people that expected guaranteed benefits. Their actions were positioned as being unacceptable and would not lead to a positive relationship between the parties.

“There is no use looking at us all the time to say ‘well it is not happening, it is all your fault’, well – no […] It is that concept of reciprocity and I don’t think it is something that people come to the table and get, they see it as ‘we can get guaranteed positions and guaranteed employment’” [Participant M.B.]

Indigenous participants also sought to distance themselves from other Indigenous people who they perceived to have unfair demands of mining companies. This was apparent in the example provided by Participant V.N of another Indigenous company that unsuccessfully sought funding from a mining company to establish a business. The participant appears to side with the mining company and considered the expectation that funding will be automatically provided to be inappropriate, adding that they too will not provide funding. The expectation that contract opportunities or company funding will be provided on the sole basis of being Indigenous is positioned as being contrary to network norms.

“They are expecting, if they were to set up a business, I think they are expecting Paladio to fund it. They don’t have an office, they don’t have any funds to employ anyone to build a business, so I don’t know exactly why they don’t have funds for that, I’m sure there are funds out there, I don’t know why they don’t have them. Certainly IBA is not going to fund it and Paladio is not funding it, so they don’t have it and we are not going to fund it” [Participant V.N.]

Narratives also highlight other occasions where Indigenous participants appeared to align their views with those of mainstream or non-Indigenous companies and in some cases disagree with the views of other Indigenous people. Positioning the behaviour of Indigenous companies or people that do not fit within network norms, shows distance to these companies/individuals while also showing a connection to non-Indigenous companies. One Indigenous business owner discussed a conversation he had with a non-Indigenous person about a particular employee that expected different standards to be applied because she was Indigenous. He explained how he did not see this expectation to be reasonable and said that there should not be different standards
applied to Indigenous and non-Indigenous people in business. Unlike other examples, this example is directed at the individual rather than the company level, however the sentiment of distancing from behaviour that does not align with Western business principles is similar.

“A major company in Australia hired a new staff member and the national manager said to me, this staff member, he can’t humbug her, he can’t be on her back because Aboriginal people do things differently. I said that is completely absurd, she is an employee of yours, she has to be accountable. There is no Aboriginal and non-Aboriginal when it comes to business” [Participant A.W.]

Participant C.K seemed to disagree with the image that Indigenous people behave in a different way to non-Indigenous people. He explained that he didn’t see the cultural stereotypes of Indigenous people such as collectivism and sharing resources to apply to business. The participant claimed that most of the successful Indigenous business people did not meet this expectation and implied that they were successful because they had knowledge of mainstream business principles. In this narrative, the participant displays distance from Indigenous cultural stereotypes and connection to mainstream business norms.

“There is an expectation that we are a harmonious group in society that will share our knowledge, nonsense! I am very conscious of my intellectual knowledge and this is what business is all about. This is what business acumen is all about […] You start thinking like a business person. Just because we are part of a society, or part of a community where there is an expectation that we will share information, do we? No” [Participant C.K]

5.15 Distance from Opponents of Mining

In some circumstances, the narratives revealed examples of Indigenous participants who distanced themselves from other Indigenous people who did not support the Indigenous engagement practices being used in the mining industry. As the companies themselves had relationships with mining companies and were accepting of the business development models being implemented, this may at times necessitate distancing the company from those opponents. One participant explained that his
company gets a great deal of support from mining companies, however he understood that a traditional owner group who were in dispute with one of the same companies have a different perspective. The participant seeks to show that his views differ from Indigenous people who disagree with mining development and in doing so creates a distance from their views.

“We have found Stone Crest to be very supportive [...] I think the Traditional Owners of Western Point might have a different issue, perspective. Globus, they suffer from their size but generally speaking, we walk in and these larger companies and it is always friendly” [Participant P.D.]

In another instance the same participant explains that while his company has a good relationship with a particular mining company, another Indigenous group have experienced a difficult relationship due to a land dispute. Again, the participant distances the company from that group by explaining they do not share the same view and clearly states that they are ‘not on the same page’.

“They will probably give you a different sort of perspective of dealing with Paladio because it is their Indigenous land use agreement that they are fighting for against Paladio. We feel like we are working with Paladio and I am getting the impression from them that they are not on the same page” [Participant P.D.]

The co-owner of the business followed up that statement by explaining that they do not get involved in these disputes. From the response it can be interpreted that the participants are siding with the mining company by questioning whether the Indigenous group had already been provided with money that had been spent. The company was connected to both parties but clarified that they are commercial relationships and they were not involved in other matters such as land rights. The company is described in the sense of a bridging tie but this is qualified by explaining that it is only related as a peripheral link, which acts to show distance from the matter.

“I do hear negativity in their responses to Paladio, but we don’t know the ins and outs. I know that they were given 300 grand and I don’t know what happened to that but there are two sides to every story. We tend to stay away, we don’t get involved because it has nothing to do with us. We are on the periphery as a link and provide opportunities for their people, that’s all we can do. There is no point getting involved in the land use agreement between them and Paladio, it is not our jurisdiction.” [Participant V.N.]
It is important to acknowledge that these views are presented from the perspective of a company that is actively involved in the mining industry and can be considered to be supportive or at least accepting of the industry. It is necessary to also acknowledge that this participant also expressed disagreement with a major mining company that they did not work for and stated that they would not be interested in working for them. In that regard, while they are participating in the mining industry they are not necessarily accepting of all practices within the network.

5.16 Summary of Indigenous Company Identity

This chapter has presented a different perspective of the focal net from what was discussed in the previous chapter. By considering the ways in which Indigenous companies construct identity, their position and role in the net are better understood. The analysis of the different ways in which an Indigenous-specific organisational identity can be constructed, indicates that Indigenous companies recognise the value of Indigenous content within the focal net and that they actively seek to capitalise on this value through strategic identity work.

The findings suggest that Indigenous companies are aware of the tensions that existed within the focal net regarding the at times divergent expectations of other companies. Through identity work, Indigenous actors are able to satisfy these expectations by balancing discourses of connection to the Indigenous community with those of distance, depending on the situation at hand. In addition, Indigenous actors were active in influencing other actors’ perceptions, which highlights actor involvement in the identity construction process and the ability to influence the net.
Chapter Six

Discussion

The previous chapter has presented the major findings of the research. This chapter will build upon those findings to relate them back to the theoretical discussion and consider the implications in relation to the extant literature. This will provide a comprehensive response to the research questions introduced in Chapter One. A discussion on each research question is presented separately in relation to the relevant findings for each of the major conceptual elements each. A summary to each question follows, combining the key conceptual headings together to form a conclusion to the research questions.

6.1 Research Question One

This section will present findings relating to the research question: ‘How do net actors strategically influence structures and processes to achieve their objectives?’

A central objective of this research is to understand the influences of inter-organisational strategies within a net context. The data analysis suggests that the focal net was perceived by participants as distinct from the wider mining industry network, with the comparative analysis of net characteristics supporting this view. These perceived differences are key to research question one. Of particular interest is how actor strategies relate to the development of the unique structures and processes that characterise the focal net. The findings suggest that to some degree, actor strategies were aligned towards the achievement of common net goal. These strategies both influence and are influenced by the structure and process that exists within the focal net. The proceeding section will explore the ways in which actors’ activities were considered to be aligned towards a net-level goal.
The following discussion will focus on the findings around focal net development; focal net type; norms and the influence of strategic activity on the structural and processural characteristics in relation to the extant literature. This is followed by a summary bringing together all the important findings in relation to the research question.

6.1.1 Net Identification

The case has been conceptualised as a net based on several important findings. A defining issue that characterises the focal net can be understood to be the emphasis on Indigenous business development. As outlined in section 4.2, the focal net was considered to be somewhat unique when compared to the mainstream mining network. Of particular relevance to the issue of net development is the type of actor behaviours and motivations that were perceived to differ from the commercial interactions typical in the mining industry. It is argued that actors within the focal net have some degree of alignment to a common strategic issue of Indigenous business development. This is reflected through the provision of commercial contracts and business support which not only influences individual firm actions but also the overall structure and process of the net. It is noted that the net did not develop through collaboration or co-ordination between the mining companies but rather emerged via each mining company separately exerting influence over other net actors to conform to their position.

The idea of common or complimentary organisational strategies features in several related network concepts. Cooperating companies can purposefully develop common goals and procedures and while remaining separate entities, they collectively seek to achieve said goals (Alajoustijarvi, Möller & Rosenbroijer 1999; Dhanaraj & Parkhe 2006). Similarly, the concept of strategic nets is based on coordinated activity amongst selected firms towards specified goals (Möller & Svahn 2003). Through investigating the ability of actors in influence structures and process, this research builds onto the debate over the potential for actors to exert control within networks. The findings appear to be largely consistent with the understanding that it is possible for
aligned organisational goals to occur, at least amongst small clusters of actors within a net (Möller & Halinen 1999; Ritter, Wilkinson & Johnston 2004). Networks are often considered to be emergent and unintentional, however certain perspectives within the literature also accept the possibility that nets can be engineered through the deliberate actions of certain actors (Möller & Svahn 2003; Doz, Olk & Ring 2000). In this case the questions of interest are - in what ways have the properties of this net been influenced for the purposes of achieving certain goals? and how are the participating actors influenced by the net?

The findings presented in section 4.2 indicated that the focal net was considered to be a part of the broader mining industry network however the analysis also indicated perceptions of boundaries and distinct characteristics. This finding was largely based on the narratives used by participants to describe Indigenous contracting in the mining industry and can be considered a participant constructed boundary. This reflects the sensemaking process undertaken by participants in seeking to identify the boundaries or horizons and to better recognise the actors within and beyond the network (Henneberg et al 2006; Wasserman & Faust 1994). The focal net was distinguished from the mainstream network through participants perceptions that this was a specific ‘area’, ‘industry’ or ‘sector’ and that it was considered in some instances as an ‘alternative’ to mainstream contracting. Included within the focal net ‘circle of identification’ (Ellis & Ybema 2010) were Indigenous companies that explicitly identified as ‘Indigenous’, which served to explain their role and distinguish them from other companies performing similar functions in the industry.

At the same time as recognising the unique characteristics of the focal net in relation to the mainstream network, the focal net can be considered to be situated within the mainstream mining network. The net was perceived as ‘niche’ even though companies provide goods and services that are largely consistent with those offered in the mainstream mining network. From the perspective of the mining companies, they were engaging with Indigenous companies on a commercial level which differed to other areas of Indigenous engagement such as land access negotiations, community education or healthcare support which were not directly related to mining operations. It is also important to recognise that a major reason for considering the focal net as unique
is based on the different strategies employed by the mining companies to facilitate Indigenous contracting in the industry. Indigenous contracting policies are a relatively new concept in the industry and only a very small percentage of the total contracting spend in the mining industry involves Indigenous companies. The focal net can therefore be understood as comprising the relationships which are of relevance to the focal net strategy. Defining the focal net with respect to a particular strategy, suggests that it may reflect aspects of strategic nets or issue-based nets (Brito 1999; Möller & Svahn 2003).

6.1.1.1 Net Type

As discussed in section 2.3.2, strategic nets are intentional structures that firms deliberately design, while issue-based nets are a subset of actors that act collaboratively to influence the overall network (Brito 1999; Möller & Svahn 2003). The relevant point to these definitions is the strategic intent by actor(s) to influence the network and that there is a specific purpose or goal that strategic action intends to achieve. In regards to the former, the major mining companies have engaged in strategic activities to increase Indigenous contracting in the industry, although these activities were notably not co-ordinated collectively (i.e. between the mining companies). These actions primarily involved introducing Indigenous contracting policies and influencing behavioural norms and perceptions and can be interpreted as attempts by mining companies to purposefully influence the role and position of others to achieve a common goal. This notion that mining companies share a common goal, aligns with the strategic or issue-based net concept (Brito 1999; Partanen & Möller 2012). The identified behaviours can be described as strategic, as it is a deliberate and purposeful action to achieve a recognised goal (Möller & Svahn 2003). The strategic actions of mining companies to influence others can also be likened to net management in line with the concept of hub firms (Möller & Rajala 2007).

As the focal net focuses primarily on a communal issue, it could be considered similar to an issue-based net (Brito 1999). Furthermore, it may also be considered a strategic net given it has a recognisable purpose which is achieved through the collective activities of the participating actors (Möller & Svahn 2003). From a CSR
perspective, the focal net emerged as the mining companies’ response to Indigenous stakeholder and legislative pressures. Therefore this is an attempt by some actors to mobilise and coordinate the resources of other actors (Hakansson & Snehota 1995). The focal net is intended to create an environment which facilitates Indigenous business development, primarily through increasing the value of Indigenous content in commercial contracts.

Objectives were not necessarily shared by all actors, however that is not important to the development of a strategic or issue-based nets provided the collective resources and actions of net participants fulfil the net’s purpose (Möller et al 2005). To briefly illustrate this point, Indigenous companies may be active in the net to create employment opportunities for Indigenous people, while non-Indigenous contractors may be active to enhance their chances of winning contracts. Both of these orientations facilitate the achievement of the broader net objective and can therefore be considered to be formed based around the interests of the hub firms (Möller & Rajala 2007).

In considering other aspects of strategic nets, the representation of the case study as a strategic net is less evident. Firstly, it is unclear whether it was the intent of the hub firms to develop a strategic net, or whether it is a product of more general network strategizing. The description of strategic nets suggests that actors deliberately attempt to construct the net (Möller & Svahn 2003). Issue-based nets on the other hand can be informally organised but are still understood to be intentionally developed (Brito 1999). The strategic aim of the focal net was not explicitly identified in the data analysis and it is possible that it is not even recognised as a net by some actors. Net membership consists of actors that are in some way interested in the Indigenous business contracting strategy, however involvement in the net is not restricted or controlled. It could be possible that the focal net is the product of more informal processes of social evolution, evolving from dyadic relationships in a bottom-up manner (Gulati, Nohria & Zaheer 2000). This raises the question of whether a net can be considered to be a strategic net or issue-based net if it has not been strategically orchestrated in a certain way (Dhanaraj & Parkhe 2006).

A second consideration was that the focal net was characterised by powerful hub-type actors taking a leadership role in influencing other actors in a certain way
(Dhanaraj & Parkhe 2006). However, as all mining companies performed that role to varying degrees, this could more closely fit the description of issue-based nets that can be driven by a few highly resourced actors (Brito 1999). While strategic or issue-based nets can be comprised of competitors, there is an underlying assumption that there is at least some level of collaboration or at least coordination of activities (Möller and Halinen 1999). Coordination between mining companies to develop the focal net was minimal and did not go beyond occasional meetings to discuss potential contracting opportunities for Indigenous companies. Further weakening the conceptualisation of the focal net as a strategic or issue-based net, are the contradictions of this collaborative norm, whereby non-Indigenous companies indicated they even competed over Indigenous contractors and did not always freely share information. These perceived behaviours are not consistent with the collaborative and mutually beneficial goals which feature in strategic or issue-based nets (Möller & Svahn 2003). At best the net could be described as being driven by a loosely coupled coalition where firms have complimentary goals but remain independent and unbounded by formal group controls (Dhanaraj & Parkhe 2006).

From this discussion it is clear that the focal net does not closely align with the conceptual understandings of strategic or issue-based nets presented in the literature, however there are several related aspects. Of particular relevance is how the major mining companies have behaved in ways akin to hub firms by influencing the net so as to achieve a particular common goal. While their strategic activities are not identical and do not necessarily appear to be coordinated, they are recognisably similar which results in a greater collective influence on the net. It is recognised that powerful actors have great influence over the network environment and the roles and positions of other actors (Anderson & Fjeldstad 2003; Dhanaraj & Parkhe 2006). The following discussion will elaborate on the effects the strategies have on the structure and processes of the net.

6.1.2 Actions Relating to Net Development

The previous section analysed the role of the large mining companies, drawing comparisons with that of hub firms in developing nets. The data analysis indicates how
the actions taken by mining companies to achieve their strategies of increasing Indigenous contracting have had a profound influence on the structure and processes of the focal net.

As introduced previously in section 1.2.1 the actions of mining companies to facilitate Indigenous business development can be considered to correspond with macro-environmental pressures regarding their relationships with Indigenous communities. Indigenous groups are recognised stakeholders for the mining industry in Australia and they have certain rights and power with respect to mining operations (O’Faircheallaigh 2006; Tiplady & Barclay 2007). Several barriers need to be overcome in order to achieve the strategic objective of Indigenous business development through commercial engagement in the mining industry (ATO 2009; Fuller et al 2002; Hunter 1999). From a CSR perspective, the actions of mining companies to achieve the strategic objective can be viewed as a response to their own need to manage engagement with stakeholders ( Coronado & Fallon 2010). Smaller companies in the mining industry are generally not directly involved with land access issues and do not have the same responsibilities to Indigenous people as organisational stakeholders. The activity highlighted in the case can therefore be understood to be mining companies’ efforts to influence their own position in the network by responding to their own network horizon (Johanson & Mattsson 1992; Möller & Halinen 1999).

The focus of the following sections is the actions of the mining companies and their prominent role in the development of the focal net. Of particular interest with respect to their influence on structure and process, is the introduction of Indigenous contracting policies and the development and regulation of norms within the focal net.

6.1.2.1 Indigenous Contracting Policies

In line with the objective of developing Indigenous businesses, the major mining companies have taken measures to allow more Indigenous companies to access contracting opportunities in the industry. In addition to direct support for the businesses themselves, the mining companies have taken measures to intervene in the existing contracting processes in order to stimulate commercial relationships between Indigenous and non-Indigenous companies in the network. Intervention was considered
necessary as the mainstream mining network contains strict pre-qualification requirements for many contracts. These requirements make business development within the industry difficult as they may act as barriers preventing small or newly established companies from accessing contracts, while also affecting their competitiveness.

The data analysis section showed that the major mining companies have all implemented different policies that seek to overcome the perceived barriers for Indigenous businesses. Methods that were identified in the data were contracts that were selectively tendered to Indigenous businesses only; rescaling, separating or tailoring scopes to make them more accessible to Indigenous businesses; positive weighting during tender evaluation towards Indigenous content in tenders and; reducing risk exposure to Indigenous businesses by using alternative payment structures or upfront capital allowances.

Mining companies are perceived to be exerting their power by changing contracting processes which then influence other actors in the net to improve their Indigenous business engagement. Contracting processes within the focal net are influenced by the variety of different Indigenous contracting guidelines being used. A common approach was to attach a weighting to tenders with Indigenous content – either measured through the number of Indigenous employees involved, the monetary value awarded to Indigenous company or the involvement of an Indigenous partner company. This weighting serves as an incentive for non-Indigenous companies to involve Indigenous companies in their tender application either through a partnership or subcontracting arrangements. Decreases in the competitiveness of the tender due to the size or inexperience of the Indigenous company can be counteracted given their involvement will attract favourable weightings that can offset increases in time or price. As mining companies are in control of the distribution of valuable contracts, their powerful position within the focal net allows them to influence the contracting processes of other actors by re-distributing resources towards those contracts that encourage Indigenous participation (Gadde et al 2003). The long-term sustainability of this model of Indigenous business development may be questioned if the mining companies completely funded and supported the Indigenous companies without
influencing other organisations to adopt similar measures. Influencing other companies
to change their Indigenous engagement processes can be achieved through the mining
companies’ use of their positional power (Brass & Burkhardt 1993). Power in this case
is derived from the dependence that smaller companies have on the mining companies
and their control of key resources in the net (Wilkinson 2002). This can be understood
as changing network contracting processes as a way of mobilising the resources of
others to achieve their own aims (Hakansson & Snehota 1995; Möller & Halinen 1999).

Changing contracting processes can also influence how focal net actors perceive
the ‘value’ of partnering with Indigenous contractors. Changing the value placed on
partnering with Indigenous contractors represents not only a distinguishing feature of
the focal net but it also serves as an indication to actors of appropriate behaviours
(Benassi 1995). Placing a quantifiable value on Indigenous content increases the
attractiveness of Indigenous companies, while also increasing their competitiveness
relative to similar non-Indigenous companies. This in effect alters other actors’
perceptions of Indigenous companies, making them more attractive as an exchange
partner (Anderson et al 1994). Favourable weightings affect network processes as the
decision to contract an Indigenous company can be rationalised based on improving the
competitiveness of a tender rather than being associated with a moral decision. These
mining company policies can influence the strategies of other smaller companies in the
focal net to incorporate similar conditions for Indigenous contracting. These processes
can be institutionalised into net norms which other companies seek to adopt and show
alignment with (Gulati et al 2000, Welch and Wilkinson 2002).

In relation to changes in network structure, the position of Indigenous companies
within the focal net has changed such that they are perceived to be more closely
connected to the powerful mining companies via their CSR processes (i.e.
improvements in perceived centrality). Therefore, non-Indigenous companies perceive
them as possible bridging links into the lucrative contractual opportunities available
from the mining companies, as was shown in the discussion around structural holes in
section 4.10. This supports the view that relationships can not only be considered a
bridge but also a reflector or a projection of the connected relationships and their
inherent resources (Gadde et al 2003). Other companies’ expectations of Indigenous
companies will be influenced by the resources they are perceived to provide access to. The data suggested that the demand for the services offered by Indigenous companies is increased in the focal net and that non-Indigenous companies will compete to be able to partner or contract with them. This demonstrates how an actor’s position can change based on the actions of others (Gadde et al 2003). Such change encourages Indigenous business development and is likely to improve the conditions that non-Indigenous companies include in partnership arrangements so as to increase the attractiveness of their proposals. The data showed that such partnerships included arrangements for training, business development support and even financial incentives. This reflects how the perceptions of the role and position of a focal company that are held by network partners, will determine the way in which they interact and the expectation that they will have (Gadde et al 2003).

**6.1.2.2 Development of Net Norms**

The mining companies seek to influence other focal net actors in such a way that Indigenous business contracting becomes an accepted norm within the net. Indigenous contracting is an emergent area within the mining industry and the findings indicate that some smaller non-Indigenous companies are still unfamiliar with how and why it is important. As mentioned previously, for the focal net objectives to be achieved, it is important that many companies from large EPCMs to smaller non-Indigenous contractors actively participate in Indigenous contracting. This interaction requires some level of common understanding and can benefit from the alignment of actor activities towards the achievement of a common ‘net’ goal (Partanen and Möller 2012). In addition, the development of norms and the governance of these norms can also be considered to support inter-organisational goals as they improve coordination and safeguard exchanges (Jones et al 1997). Part of the strategic actions of the mining companies is therefore directed at influencing net structure and processes.

Behavioural norms in the focal net can be considered to differ to those which operate in the mainstream network in several important ways – influencing perceptions of the value of Indigenous content; influencing interaction with Indigenous partners;
encouraging collaborative behavioural norms; and ensuring behavioural alignment despite differing interests.

Firstly, companies are being influenced to change the way in which they assess Indigenous partner value. An example of this are the previously mentioned Indigenous contracting policies, through which major mining companies are attempting to increase the value of Indigenous companies as a partner to encourage interaction. These policies influence the network theories of other actors, allowing them to develop certain understandings of the focal net. As non-Indigenous companies begin to recognise that Indigenous content is valued within this particular net, they will modify their behaviour to be consistent with the net norms (Benassi 1995; Wilkinson & Young 2002).

Secondly, these norms influence the way in which actors interact with Indigenous partners. Mining companies are perceived to pressure other companies to alter their approaches to contracting away from an emphasis on purely financial or performance based outcomes, towards more strategic commitments to supporting Indigenous business development via mentoring and employment. This change represents a difference in the institutionalised rules and norms that govern appropriate behaviour between the focal net and mainstream network environments (Gulati et al 2000). Such change is achieved through actors influencing their partners in dyadic interactions and is then spread throughout the net through the intricate web of interdependencies (Halinen et al 1999). Mining companies emphasise that other focal net companies need to adopt a strategic approach to Indigenous partnerships, looking beyond the actual commercial arrangement itself to the benefits towards business development and Indigenous engagement. This reflects a degree of consistency with the idea that overcoming the differences between Indigenous and Western corporate culture requires sustained long term support and commitment (Bruijn and Whiteman 2010).

Thirdly, participants’ perceived an underlying norm of collaboration between competitors on the Indigenous business development issue in contrast to their typical competitive relationships. The large mining companies are considered to be competitors in the mainstream network, however given they had similar and complementary strategic aims in this net, Indigenous business development was often described as being somewhat of collective goal. As an example, Indigenous contracting managers
suggested that they would put the interests of their Indigenous contractors first and would even assist them in attaining contracting opportunities with rival companies. This perception represents the type of aspirational behaviour that was reinforced throughout the managers’ narratives, despite the numerous contradictions identified. The reinforcement of collaborative norms in itself is an example of actor strategizing as they seek to show alignment with a particular network value (Scott & Lane 2000). This collaborative norm relates closely to the network objectives, as in order to achieve Indigenous business development goals, non-Indigenous companies are required to take a different approach to contracting and commercial relationships than they would otherwise. This model of business development relies on companies accepting higher costs and greater effort in the short term so that Indigenous companies can eventually become sustainable. As the focal net is dependent on the shared resources of multiple actors and is threatened by short-term opportunistic behaviours, the development of collaborative norms within the net is of critical importance. Reinforcing collaborative norms increases the degree of mutual identification with shared goals and reduces the likelihood of opportunistic behaviour (Kauffeld-Monz 2009).

Fourthly, not all focal net actors aligned with the changing of behavioural norms. Some participant narratives (section 6.1.2) indicated that companies or individuals did not align their actions with net norms. Therefore, behavioural norms are not yet embedded within the focal net highlighting that norm development processes are continuous and dynamic (Halinen et al 1999). This supports the idea that actors can engage in their own strategic behaviour to resist change (Abrahamsen et al 2012). For example, some non-Indigenous companies were considered to display a lack of understanding of Indigenous contracting (e.g. tick-a-box mentality) and other behaviours were considered to be opportunistic as they benefited the individual over the collective net objectives. Despite the strong influence of mining companies, norms are not necessarily able to be easily institutionalised and other actors will not necessarily act in alignment with those norms. Tensions like this reflect the development of norms through actor interactions over time (Håkansson & Snehota 2006). Concepts such as tie modality (Gulati et al 2000), idea logics (Welch & Wilkinson 2002) or macrocultures (Jones et al 1997) are all considered to be the accumulation of multiple actor views through continuous interactions. This also reemphasises the point that actors cannot
control networks and that any form of influence will be mediated by the independent will of other actors (Möller et al 2005).

6.1.3 The Influence of Strategic Activity on Net Structure and Process

Participants perceived the strategic actions taken by mining companies to facilitate their Indigenous business development objectives have influenced focal net structure and processes. The focal net structure and processes have developed in a way that can be seen to overcome some of the barriers of Indigenous business participation in the mining industry, so as to allow for Indigenous companies to access contracts. Several relevant conceptual tools were used to characterise the focal net. The findings identified in section 4.7 will now be discussed in reference to their connection to the net strategy.

6.1.3.1 Centrality

The findings suggest that the strategies have some influence on actor centrality, an aspect of focal net structure. Although positional centrality was not ‘measured’, this discussion focuses on the qualitative conceptualisation of centrality as connection to other actors. The discussion focuses on how the mining companies needed to develop a higher level of degree centrality to influence the implementation of their strategies; how the Indigenous companies improved their closeness centrality in relation to mining companies and how non-Indigenous companies perceived the Indigenous companies in relation to betweenness centrality.

Firstly, mining companies’ occupied more central focal net positions given their connections to numerous other actors. In the mainstream mining network, contracting is more hierarchical and mining companies mainly interact with large EPCM contractors, meaning very few relationships with smaller organisations. Within the focal net, mining companies were considerably more involved in Indigenous contracting interactions and actively support or influence partnerships between third parties. This could be
interpreted as mining companies maintaining more direct ties, which is structurally represented by them having higher degree centrality (Wasserman & Faust 1994). The greater degree centrality allows mining companies to better support Indigenous contracting as they could provide Indigenous companies with better access to suitable partners. The greater central position allows mining companies the opportunity to act as a hub firm and coordinate the activities of others in line with the ‘net’ objectives (Dhanaraj & Parkhe 2006). In order to effectively influence other actors to align with their Indigenous contracting strategies, persistent action by the mining companies was required to convince others of their intended direction and manage expectation and responsibilities (Håkansson & Ford 2002). Increasing degree centrality was therefore a way to increase the effectiveness of the implementation of their strategic goals (Gadde et al 2003).

Secondly, Indigenous companies were perceived to have strong relationships with key personnel in the major mining companies, thus giving them greater closeness centrality. As the mining companies were extremely well connected and highly active in the focal net, the Indigenous companies were able to use this connection to access other actors, thus reducing the distance between Indigenous companies and other companies. This is consistent with the concept of closeness centrality. Greater centrality improves the position of Indigenous companies, allowing them to better access to resources than would otherwise be the case for a similarly sized company in the mainstream network. This is considered to be very important for the enterprise development process (Hoang & Antoncic 2003). Closeness centrality is generally associated with greater freedom from the control of others, as it implies an actor can access other actors without relying on intermediaries (Rowley 1997). In this case however the closeness centrality of Indigenous companies is reliant on the connections of selected mining companies and it is too simplistic to suggest that this form of centrality would necessarily provide greater freedom.

Thirdly, non-Indigenous companies perceived the Indigenous companies’ strong relationship with mining companies from the perspective of betweenness centrality i.e. as being a path to accessing potential relationships with the mining companies. This is consistent with the idea that actors occupying positions high in betweenness centrality
can be perceived to function as intermediaries for indirect relationships (Marsden 2002). Given the incentives for non-Indigenous companies to enter into contracting relationships with Indigenous partners, from a structural perspective, the Indigenous companies could often be seen to lie on the shortest path to accessing mining company contracts. Betweenness reflects the actor’s ability to facilitate interaction between the nodes it links (Marsden 2000). The close relationship Indigenous companies have with mining companies influences the ways in which other actors perceive their role. This serves as an example of how an actor’s position is affected by the structure of connections that it maintains and the resources which they are perceived to control (Anderson et al 1994; Johanson & Mattsson 1992).

6.1.3.2 Cohesion

Cohesion, a structural characteristic, refers to the extent to which groups of actors in a network are interconnected (Wasserman and Faust 1994). It is of particular relevance to the research question as cohesiveness is strongly associated with socialising behaviour and the development of norms, trust and regulation (Haythornthwaite 1996). In this case the interest in cohesion is not related to measurement but rather the emergent theme of how the strategic actions of mining companies sought to increase cohesion within the focal net. Activities for trying to increasing cohesion included (1) the implementation of Indigenous contracting policies and (2) the efforts of mining company managers to facilitate commercial relationships between Indigenous and non-Indigenous companies.

The effects of these sorts of activities are increased connections between actors in the net and an increase in overall cohesion. This can be considered to be important for the net purpose as for Indigenous contracting to be successful, it must be practiced by many companies and develop into a net norm. Indigenous business development also requires greater resource commitment from companies than would otherwise be the case in mainstream contracting routines. Cohesion increases through the increasing of relationship bonds between all focal net actors, including EPCMs/non-Indigenous contracting firms and Indigenous SMEs via Indigenous contracting policies.
From a strategic perspective, this supports the development of common goals between actors and encourages commitment to achieving these goals (Partanen and Möller 2012). Mining companies have well developed Indigenous contracting policies and were shown in the data to maintain a large number of direct ties with Indigenous companies, however by increasing the cohesiveness of the net, they can reduce the reliance on themselves. Increased cohesion in this regard is a sign that the values of Indigenous business development are being accepted beyond the mining companies. As more companies are open to partnering with Indigenous companies, it will ultimately increase the number and diversity of contracting opportunities available. As mentioned previously, this can be considered important to the strategy as for this to be a sustainable model of business development, other companies in the network must engage in indigenous contracting.

6.1.3.3 Structural holes

From a network structure perspective we can consider this distance between the mining network and Indigenous communities to be representative of a structural hole between two distant networks (Burt 1992; Hoang & Antoncic 2003). For example, mining company participants indicated that engaging with Indigenous people was a challenge, particularly in regards to the recruitment and retention of Indigenous workers. On the other hand, Indigenous participants also suggested that Indigenous people found it difficult to access employment opportunities in the mining industry and preferred to work for an Indigenous company. It can be argued that the focal net strategy has led to the possibility of improving effective connections between the mining industry and Indigenous communities to overcome the perceived structural hole if the implementation of Indigenous business development strategies is to be successful. The existence of a structural hole is based on actors perceiving the disconnection between clusters as an opportunity for connection (Haythornthwaite 1996). The opportunity for bridging a hole must therefore be perceived to be of some value (McEvily & Zaheer 1999). In this instance the focal net strategies have not necessarily altered the structure but rather actors’ interpretations of the structure, in such a way in that recognises this key structural hole.
As described in section 4.10 the emergence of structural holes as a theme relates to the perceived position of Indigenous companies as a bridge between the mining industry and the wider Indigenous community. Through the strategic actions of mining companies, the value of Indigenous content increases, creating more brokerage opportunities for actors that are in a position to bridge the disconnect between the separate clusters (Gargiulo & Benassi 2000). Indigenous companies can have extensive ties, established trust and an understanding of the Indigenous community network, which acts to their advantage in developing bridging positions. As discussed previously bridging ties serve as a valuable link to accessing resources in economic, professional, and social circles not otherwise accessible to a firm (McEvily & Zaheer 1999). Establishing a bridging position can help strengthen an Indigenous company’s relationship with mining companies, especially given the underlying CSR pressures (Leonard & Onyx 2003).

Bridging positions can facilitate or limit the flow of resources or information and can therefore be considered to be a source of power in situations where others have a dependence on that link (Krackhardt 1995). This is therefore an important factor for understanding the strategizing of Indigenous companies in respect to their role and position (Johanson & Mattsson 1992). Indigenous companies must convince other actors of their capacity to bridge holes and the value this presents to their partner. This supports the ideas of Abrahamson et al (2012) who identify the importance of shared role interpretations and consider their development to occur through mutual understanding and interaction.

Structural holes were also identified in section 4.10 as being present between the Indigenous companies and other actors in the focal net (i.e. not necessarily only mining companies). Participants gave examples of non-Indigenous contracting companies finding it difficult to connect with Indigenous companies as they lacked knowledge and connections. This represents one of the barriers preventing the engagement of Indigenous companies in the industry and thus limits Indigenous business contracting. The major mining companies sought to occupy bridging positions with respect to facilitating the connection between Indigenous and non-Indigenous companies. Bridging this structural hole facilitates the net objectives by connecting two broadly
grouped clusters of actors that have no existing forms of connections (McEvily & Zaheer 1999). The mining companies in effect perform a mediating role, which is considered to be important for newly established businesses such as the focal Indigenous companies that lack extensive ties in the industry (Aaboen et al 2013).

6.1.3.4 Relationship Orientations

Two important findings in the analysis of relationship orientations outlined in section 4.5, were that far more references to strategic type relationships were made in comparison to other types and secondly, only a small proportion of the relationships were discussed in terms of their commercial value. Behavioural norms encouraged non-Indigenous companies to focus less on cost and efficiency goals when partnering with Indigenous businesses and consider the other values they bring to the relationships. This reflects the distinctions participants drew between the relationships that exist in the focal net and those in the mainstream network and the link to mining company CSR policies rather than procurement policies.

Many relationships were considered to have a strategic orientation which was characterised as valuing aspects other than the actual product or service being provided. These relationships relate to the strategies of the mining companies to influence the perceived value of Indigenous content in the net. Relationships between Indigenous and non-Indigenous companies were considered in terms of the benefits other than commercial value, such as the CSR value or increase in Indigenous employment. This is consistent with the understanding that companies engage in networks to achieve their own strategic needs and will be motivated by the benefits available in a particular network (Corsaro et al 2012). The activities of mining companies in the focal net can be understood to have influenced the net structure and processes in such a way that relationships with Indigenous companies may be valued differently to those with non-Indigenous companies providing similar services. This relates to the idea that network position is based on the perceptions and actions of other network participants (Håkansson & Snehota 1989). This also shows how the specific conditions that exist in this net which increase the value of Indigenous content, influences the position and role of Indigenous actors (Johanson & Mattsson 1992).
The characterisation of relationship orientations in the net indicate that it is rather unique to what is expected in traditional industrial network settings. The lack of emphasis on the commercial value of relationships benefits the development of Indigenous companies as it can overcome the fact that these companies may be more expensive or less efficient in the short term. There was an understanding among many participants that in order to develop Indigenous businesses, commercial relationships must have different characteristics to what is common elsewhere in the industry. This links to the prevalence of strategic relationships which were considered to have a long-term orientation, offer greater business development support and more appropriate contractual arrangements for Indigenous companies. Strategic rather than commercially orientated relationships can be considered to reflect the net objectives as they support a network environment which is more conducive to Indigenous business development.

### 6.1.3.5 Power

The strategic actions taken by actors to increase the value of Indigenous content in the focal net have influenced various interactions processes between actors. In particular, the perceived change in Indigenous companies’ power differential is linked to these strategic activities. Contracting processes have been influenced by Indigenous business development policies and therefore the ways in which contracts are developed and managed can be considered to differ to that of the mainstream mining network. Despite Indigenous companies often being in a position where they require additional support or alternative arrangements from other companies to participate in certain projects, they were often recognised as having more power relative to their commercial role in partnerships. This alludes to the concept of atmosphere in relationships which is based on the balance of power and dependence existing between the companies (Håkansson 1982). This was reflected in the focal net by Indigenous companies often having the balance of power in certain partnerships as the contract was dependent on their involvement, thus supporting the understanding that power is not necessarily inherent in one’s network position (Ford et al 2011).

The theme of power was also of interest from a structural perspective in examining the level of engagement between Indigenous companies and mining
companies. The data suggested Indigenous companies maintained direct access to key individuals in the mining companies that specialised in Indigenous contracting and could assist them in finding opportunities or providing other forms of support. This was noted as not being possible for similarly sized non-Indigenous companies in the mainstream network where stricter hierarchies are enforced. Indigenous companies were considered important to the collective net objectives and as there were relatively few operating in the industry, maintaining the relationship was of great value to the mining companies. The relatively low number of Indigenous companies supports Möller and Svahn (2003) suggestion that actors that command resources through which they can carry out activities that are considered valuable, rare, inimitable or non-substitutable, hold powerful positions in strategic nets.

Another structural source of power relates to the strong ties identified between Indigenous companies and the broader Indigenous community or specific traditional owner groups, which carry legitimacy and have a large effect on the information being adopted by the receiver (Brass & Burkhardt 1993). As this was of great value to mining companies, Indigenous companies were able to leverage power from their political embeddedness in native title networks (Halinen & Tornroos 1998). Ties between mining companies and Indigenous companies were often multiplex, which could mean that commercial contracts would sometimes influence and be influenced by other areas of engagement with Indigenous communities. Multiplexity has been strongly associated with the concept of embeddedness (Ferriani et al 2013; Granovetter 1985; Uzzi 1996). The layered nature of exchange between Indigenous companies and mining companies would mean the commercial interactions could be influenced by other contexts such as native title (Ferriani et al 2013). Similarly to how mining companies could include contracting opportunities to gain support for land use agreements, some Indigenous companies used ties to traditional owner groups to benefit commercially. Power in this instance was present based on the particular set of relationship ties that Indigenous companies possessed (Brass & Burkhardt 1993).

From a process perspective, the analysis suggested that the development of contracting policies was not done purely for the purposes of Indigenous business development but was also utilised by mining companies to influence other interactions
they had with Indigenous people. In one particular example, a mining company circumvented their own policies and procedures to provide contracts directly to an Indigenous business as part of a benefits package in exchange for mine site development approval. In another instance, a mining company contracting manager indicated that new contracts were first offered to native title groups first before being opened up to Indigenous companies more broadly. Policies were applied flexibly and selectively by the mining companies and would be manipulated at times to serve other purposes. This relates to Mitchell, Agle and Webb’s (1997) suggestion that managers differentiate among stakeholders based on their power, legitimacy and urgency.

The power derived by Indigenous companies from outside the focal net is significant as it indicates that the mining companies are not in complete control over the net and Indigenous companies also have the potential to influence the structure and processes as well. This conforms to the perspective that networks are complex and no one actor can be in complete control of others actors or even their own position and outcomes (Ford et al 2011). The data analysis provided examples of companies owned by traditional owners that could use the relationships they had with mining companies in native title contexts, to create contracting opportunities for their businesses, through both cooperative and coercive means. On the reverse side, one participant suggested that because his company could not derive power from native title, they found it difficult to establish connections with mining companies. Leveraging power through native title was therefore not a universal ability of Indigenous companies. It depended on the particular mining company they were interacting with, the particular traditional owner group they had ties to and the ongoing circumstances regarding native title and land access issues. The potential power of Indigenous companies can be considered to depend on the relationship portfolio of the individual company (Brass & Burkhardt 1993).

6.1.4 Research Question One Summary

This case has presented an example of how structure and process can be strategically influenced within a net to achieve organisational objectives. This is a significant contribution to the network literature as it provides an empirical example of
the ability of actors to exercise a degree of control over their network through collaborative strategic actions, despite no formal coordination and differing motivations.

In addressing this research question, specific attention has been provided to the role of mining companies as hub firms, able to exert significant influence over other actors in order to develop conditions within a net favourable to achieving their strategic goals. The alignment of strategies by the mining companies can be interpreted as being based on the similar macro-environmental pressures they faced with respect to Indigenous stakeholder engagement. Through the similarity of their goals, mining companies ultimately devised similar strategies to achieve their individual goals and overcome the existing industry and contextual barriers to Indigenous contracting. This is consistent with the view that a firm’s strategies are dependent on those of related actors (Håkansson & Ford 2002). While not strictly creating a strategic or issue-based net, the focal net has developed in such a way that produces similar effects. The collective actions of mining companies to introduce Indigenous contracting policies and influence net norms can be described as effective in respect to developing Indigenous businesses. The strategic actions, although not formally coordinated, had a profound collective effect on the net, which demonstrates the mutual benefits that can occur through complementary strategies (Anderson & Narus 1990).

While the focus of this section has largely been on the strategic action of mining companies, given the level of impact their activities are understood to have had, it is important to also recognise the role of other smaller companies in achieving these objectives. To create an environment suitable for Indigenous business development is important that a variety of other smaller companies in different positions and roles actively participate in Indigenous contracting. The success of mining companies as hubs influencing the development of the focal net requires some alignment amongst all actors participating in the net (Möller & Halinen 1999). The smaller actors in the focal net reacted to changes such as those in respect to contracting procedures and took decisions to conform to affect their own positional circumstances (Håkansson et al 2009).

The influence of certain strategic actions have led to the development of a net within the broader industry network, which allows for an environment more conducive to Indigenous contracting than what exists in the mainstream mining contracting
network. As was shown in the analysis and the proceeding discussion, the position and role of Indigenous companies has been influenced by these strategic actions with respect to their centrality, connectivity, bridging roles and relationship dynamics with other actors. The cumulative effects of the changes to the structures and processes created an environment conducive to the emergence and growth of Indigenous companies. From an entrepreneurship perspective, the focal net improves the Indigenous companies’ abilities to develop useful connections, build legitimacy, access resources and establish a role which is valued by other actors. These factors are all considered to facilitate the business development process (Jenssen & Koenig 2002; Hoang & Antoncic 2003). The focal net can therefore be considered to provide a more favourable environment to encourage Indigenous business development and serves as an entry point into the wider industrial network.

This research adds to our understanding of the interaction between different network levels. More specifically it suggests that actors can maintain some control in a network, at least within smaller subsets of actors (Möller & Halinen 1999; Ritter, Wilkinson & Johnston 2002). In effect, this research has given an example of how nets develop in networks but also the ways in which actors seek to manage nets. While similar network contexts have previously been identified in respect to strategic nets, this case study offers a different understanding of network strategy. In a network where powerful actors maintain complementary goals, they are able to collectively influence the development of a net in a mutually beneficial way that achieves their objectives (Anderson Håkansson and Johanson 1994). In addition, this case study demonstrates how network strategy can exist without an organised coalition of actors being guided by explicit objectives and governance practices.

### 6.2 Research Question Two

The second research question is primarily focused at the actor level and concerns the strategic activities of Indigenous companies in the focal net. As Indigenous businesses were intended to benefit from the strategic actions of the mining companies,
it is therefore important to include analysis at the actor-level to capture their perspective. This section will therefore analyse the effects of such a network context and the strategic activity of certain actors on Indigenous businesses. Particular emphasis was placed on the sensemaking process undertaken by the Indigenous business managers, questioning how identity work processes are influenced by the focal net context and also how identity work was used to influence their network role and position. This contributes to the multi-level understanding of the focal net by investigating how actors interact in these network conditions but also how their interactions shape these network characteristics.

The following section addresses the second research question presented in Chapter One: *How does the identity work of Indigenous Actors influence and get influenced by their identity in network(s)*?

### 6.2.1 Constructing an Indigenous Company Identity

An emergent theme in the analysis of identity construction among Indigenous companies was an emphasis on the Indigenous cultural aspect of the organisations’ identities. The analysis throughout chapter 5 featured numerous narratives of how companies construct an Indigenous organisational identity through the narratives used by managers and the company interface presented in websites and promotional material. A heavy emphasis was placed on identifying as an Indigenous company and it was considered to be one of the prominent distinguishing characteristics. The Indigenous aspect can therefore be understood to be a fundamental or central element of the focal companies’ identities (Whetten & McKay 2002). Indigenous identity and indigeneity is a complex subject, linking to broader contextual issues discussed in section 2.5.2. As such there are multiple perspectives of this subject and identity work may in turn be recognised in many different forms. These findings are based on the researcher’s interpretations of identity work. The identity work discussed by participants has is presented under four main headings below.
Firstly, identity work is performed to distinguish the organisation and emphasise differences to other network actors (Whetten & McKay 2002). Some Indigenous companies sought to distinguish themselves from ‘everyday contractors’ in the mining industry and highlight the fact that they were Indigenous. Identity is used to communicate a company’s orientation to other network members, as well as the particular resources and competencies it possesses to fulfil a particular network role (Anderson et al 1994). This was important for companies that specialised in Indigenous–specific services, such as Indigenous labour hire or Indigenous cultural awareness training. In these organisations, it can be considered that identifying as Indigenous would support perceptions of the quality of the services, suggesting that the company had the required status or knowledge to perform such work (Whetten & McKay 2002). Companies that did not exclusively specialise in Indigenous-specific services however, indicated it was important to emphasise that while they may perform the same services as other contractors, they may perform a different network role and offer unique value to the focal net. This offering is especially important within the context of the focal net described in section 6.1.1, whereby Indigenous content in contracts was explicitly valued. Identity is influenced by role interpretations and an aspect of identity work can be interpreted as a process in which a company creates or shapes common understandings of its role with others (Abrahamsen, Henneberg & Naudé 2012).

Secondly, identity work involved attaining formal certification by a recognised Indigenous industry body. Accreditation by certain associations was highly regarded by Indigenous companies and mining companies alike and was used by other focal actors to determine whether a company was Indigenous and/or as a resource to identify potential Indigenous partners. From an entrepreneurship perspective this is important as it allows a new venture to gain legitimacy through their association with already established and respected network members (Khoury et al 2013; Sillince & Brown 2009). This association influences other actors’ perceptions regarding risk and accreditation can to some extent show that they adhere to the norms shared in the network (Scott & Lane 2000).
Thirdly, identity work may also emphasise links to a traditional owner group, typically through the membership of one or more of the company owners. While all participant Indigenous companies were independently owned and run, identifying as a traditional owner company highlighted legitimacy by showing clear affiliation with a recognised group. Being recognised as a traditional owner company is likely to add weight to their stakeholder legitimacy claims with mining companies and influence the mining company’s perceptions of the relationship as demonstrated in section 5.7 (Coronado & Fallon 2010). Constructing a company identity through its connection with a Traditional Owner group provides added ‘capital’ as partners can recognise the value of the relationships that the company possess in respect to other matters such as Native Title (Anderson et al 2006).

Fourthly, emphasising ownership arrangements, specifically that the company is Indigenous owned and/or run. Ownership substantiated claims of being Indigenous and was frequently communicated to others. Section 5.3 shows how some participants in the sample distinguished their companies from others that were not 100% Indigenous owned, to highlight their own legitimacy and question others. This behaviour is consistent with the drawing of boundaries associated with group affiliation so as to define the group and the requirements of membership (Scott & Lane 2000; Ybema et al 2009; Ellis & Ybema 2010). As Weaver (2001) suggests, identity work is based upon power and exclusion, in that someone must be excluded for an identity to be meaningful. Developing boundaries also touches upon a deeper contextual issue in Australia of what it means to be Indigenous and who controls the definition (Banerjee & Tedmanson 2010). This is a highly contentious and divisive issue and is especially difficult for non-Indigenous people to understand, which in some ways reflects why it was important in this context (Hollinsworth 1992; Weaver 2001).

In summary, Indigenous company identity can be interpreted as a natural reflection of the owners and managers who were Indigenous themselves and may project that onto their company. Identity relates to Parsons’ (2008) findings that indigeneity represented a central aspect of the way Indigenous community members described their realities and was inextricably bound up in identity, land and respect. While organisational identity is a collectively held frame used in sensemaking, it is
constructed by the organisation’s managers and stakeholders, while they simultaneously construct their own individual identities (Scott & Lane 2000; Weick 1995). As the focal companies were relatively small, the collective frame for understanding organisational identity would be based on comparably fewer individual views and the dominant self-identity of the owner was intertwined with that of their company. This highlights the relevance of the embeddedness concept and the importance of the societal factors in the construction of identity (Gadde et al 2003; Halinen & Tornroos 1998). Identity is not based solely on external factors however, which leads on to a discussion of the role of the actor in identity construction and how this process is used strategically by companies.

### 6.2.2 Strategizing in Identity Construction

Indigenous companies were actively engaging in identity work and different approaches were taken to achieve different organisational objectives. This is consistent with the understanding of strategizing through identity construction. Identity work can be seen to be performed in a strategic manner to support the organisation’s identity claims (Whetten 2006). This strategic identity work seeks to influence the perceptions of other network actors and in doing so affects the network position of the focal firm (Håkansson & Ford 2002; Gadde et al 2003). The case data also supports the idea of ‘organisational identity in networks’ by suggesting that there is some internal control over the development of its identity, as shown in the examples of managers taking deliberate actions to engage in identity work (Huemer, Håkansson & Prenkert 2009; Huemer 2013).

The analysis presented in section 5.8 suggests that Indigenous companies may recognise the benefits of being perceived as Indigenous and act strategically to obtain certain benefits. In this instance, network actors can be understood to be interpreting the network characteristics and applying meaning they develop to their identity work (Andersen et al 1998; Gadde et al 2003). Companies within the focal net have certain perceptions as to the value of partnering with an Indigenous company, which was
reflected in the identity work of the focal Indigenous companies which sought to fulfil expectations of value. Examples of this were the ways in which companies emphasised the Indigenous aspect of their business or other aspects depending on the partner or situation. The analogy used in section 5.9 that the Indigenous identity could be played as a card, draws attention to the flexibility of Indigenous company identity and suggests that companies may strategically decide in what situations to apply it.

Strategic actions were taken to identify with a particular group and manage the perceptions of other actors so that they also recognised that group association (Lowe et al 2012). Through constructing an Indigenous organisational identity, the focal companies could communicate their value to others and increase their perceived attractiveness as an exchange partner (Hald, Cordón & Vollmann 2009). This relates to the concept of strategizing in that it represents activities at the actor level to influence other actors (Håkansson & Ford 2002). As discussed in the previous section, a major theme emerged around the definition of Indigenous businesses being assessed through ownership or management percentages. Companies actively participated in constructing the idea of what constitutes Indigenous businesses. The actions by companies to affiliate with certain industry bodies reflected the need to manage the perceptions of others and align organisational identity with the broader understandings of indigineity that these industry bodies represented. The identity work of the focal companies seeks to influence their network position by influencing the perceptions of the other actors in the net (Abrahamsen et al 2012).

Networks represent a complex and dynamic concept that does not support static and solitary interpretations of identity (Snehota 2011). As discussed in section 5.6, an Indigenous-centric identity was not always beneficial for companies and so identity work was adapted to the partner or opportunity. This reflects the relational nature of identity construction and a need to recognise the views of the exchange partner (Anderson et al 1994). Indigenous participants were aware that there were potential negative consequences from being perceived to rely on being Indigenous to access contracting opportunities. Mining companies emphasised that they expected Indigenous companies to be capable to perform the work and that they wanted them to develop the capabilities to eventually compete in the mainstream network. The findings suggest
Indigenous actors sought to manage the perceptions of others by emphasising their indigenous identity in some situations and emphasising their technical capacities in others. This is consistent with the view that identity is a flexible notion that the actor can adapt when required (Gioia et al 2000, Lowe et al 2012).

Klyver and Foley’s (2012) suggestion that in order to be racially accepted Indigenous companies hide their indigeneity or do not allow it to be an identifying issue; underlines the important of network context. While conditions in this focal net made an Indigenous-focused company identity favourable in many circumstances, the same was not true for the network context studied by Klyver and Foley (2012). This accentuates the idea that companies will engage in identity work that reflects the network they are interacting with. If an environment can be developed which values diversity, in this case Indigenousness, Indigenous companies will not necessarily seek to align their identity to that of the dominant culture.

6.2.2.1 Responding to Focal Net Tensions

Much of the identity work and discursive positioning which has been identified within the narratives is linked to actors’ responses to the complex focal net environment and the tensions that this presents. This section will discuss the tensions while the discursive techniques used to manage these tensions will be presented in the next section. Focal net-level strategies can lead to conflicting expectations of the role and position of Indigenous companies. Identities incorporate contrasting positions or antagonisms which can serve as discursive resources to be used to construct identities that are appropriate for different and sometimes competing ends (Clarke et al 2009). This poses a challenge for companies trying to present identities which can satisfy such contrasting expectations. The managerial focus can therefore be understood as directed towards balancing flexible identities (Gioia et al 2000).

Indigenous companies may need to prove their legitimacy as Indigenous so as to be considered eligible for the benefits from participating in the focal net, developed to give due recognition of Indigenous people as important stakeholders for major mining companies. Therefore, Indigenous companies attract specific attention from mining companies who provide support to Indigenous business development, which is
embedded in this contextual dynamic. As discussed in section 1.2.3, Indigenous companies are perceived to face contextual and institutional disadvantage which may prevent their engagement with the mining industry. The policies and strategies introduced by mining companies to enable Indigenous contracting have been established in recognition of these barriers. This supports the idea that convincing other actors of a focal company’s position represents a major element of strategy in networks (Abrahamsen et al 2012).

The tensions develop as Indigenous companies are expected to meet certain standards of performance to maintain commercial relationships with the non-Indigenous mining companies. Perceptions that Indigenous people are in need of support suggests that they may not be capable of fulfilling the expectations of companies in a commercial setting. Indigenous companies must therefore disassociate themselves with the image of Indigenous people as a disadvantaged group and lacking in certain capacities. This is not done by refuting the existence of such problems but by distinguishing themselves from the group that is perceived to be affected by these problems. There is therefore a need for Indigenous companies to show both connection to the Indigenous community and culture, but also a distance, depending on the situation.

Another emergent theme relating to the tensions in the focal net was the connotations surrounding the perceived reliance on being Indigenous. Perceptions that a company was relying on being Indigenous to succeed were not viewed favourably. This included perceptions of behaviour suggesting that opportunities were guaranteed rights or that Indigenous companies did not have to meet certain standards to participate in the industry. This was contrasted by perceptions of Indigenous companies that succeed without benefiting from being Indigenous were celebrated. The narratives suggested mixed experiences with the use of Indigenous identity as a competitive strategy indicating that it may have certain drawbacks as well.

Like all organisations, participant indigenous companies maintain multiple identities that simultaneously exist and intersect with each other (Pratt and Foreman 2000). It is possible for multiple organisational identities to conflict with each other, necessitating identity management strategies (Foreman & Whetten 2002). The aforementioned tensions could possibly be understood by considering Indigenous
companies to be hybrid-identity organisations, whereby the tensions relate to inconsistencies between two conflicting identities (Albert & Whetten 1985; Hindle & Moroz 2009). This is based on the assumption that ‘Indigenous’ and ‘business’ identities are incompatible, although the data in this instance does not suggest this to be the case (Hindle & Moroz 2009). These findings can be considered to align with prior research that does not consider Indigenous people to be incompatible with entrepreneurial ventures (Bruijn & Whiteman’s 2010; Hindle 2005; Huemer & Cox 2006). What this does emphasise however, is that it is critical for companies to strategically manage their identities so as to negotiate any perceived conflicts between certain aspects that form these identities (Foreman & Whetten 2002).

6.2.3 Identity Work through Discourses of Connection & Distance

Indigenous actors appear to construct identity in such a way that can demonstrate both connection and distance in order to successfully interact within this particular network and satisfy divergent demands. This is based on a major theme identified in the data relating to how Indigenous company managers drew on two contrasting sets of repertoires, one of connection to the Indigenous community and the other of distance from the Indigenous community and affiliation with Western business values and practices. This can be considered to be similar to the understanding of identity work presented by Sillince and Brown (2009) and Clarke et al (2009), which shows that identity can be strategically constructed to support multiple legitimacy claims when subjected to contradictory demands.

The aforementioned findings support the idea that the actor must engage in the continuous discursive construction and reconstruction of their network position (Abrahamsen et al 2012). Being able to successfully manage these conflicting demands is critical to the success of the organisation, as actors must maintain alignment between their identity claims, their projected images and their acquired reputation (Whetten & McKay 2006). This highlights the complexity of this strategic task as the actor may
have a shifting interpretation of their position and must develop different representations of their position based on which actor they are engaging with (Johanson & Mattsson 1992). By exploring the contextual circumstances surrounding discursive shifting or layered identity work, it is possible to better understand the nuances of identity construction and how synergies and conflicts can develop in parallel (Huemer 2012).

6.2.3.1 Discursive Practices for Connection

Indigenous participants have sought to show organisational connection to the Indigenous community either to a specific group or in a more general sense in the following two ways:

Firstly, managers discursively positioned themselves or the company as a whole as being part of the Indigenous community and used language such as ‘we’, ‘our’ or ‘us’ to emphasise this connection. The discourses of connection distinguished between the in-group (Indigenous people) and the out-group (non-Indigenous people), positioning the company within the Indigenous community. Ybema et al (2009) describe this behaviour in terms of drawing out imagined boundaries between the ‘us’ and the ‘them’, drawing on concepts such as unity, power, superiority and respectability to separate the groups. By positioning the company as being part of the Indigenous community, the managers are able to show that they have an intrinsic understanding of Indigenous people and culture that comes from being Indigenous themselves. This acts to accentuate the in and out group similarities and differences (Scott & Lane 2000). This was often used to imply a certain competitive advantage over non-Indigenous companies that would not have such understanding.

Secondly, it was also done through showing that the company has extensive links to the community. Participants used examples which showed how they had extensive ties within Indigenous communities through kin based or cultural relationships. This links the organisation to the important and extensive cultural networks that Indigenous individuals are embedded in (Martin & Finlayson 1996). As shown in section 5.10, certain quotes also alluded to the strength of these ties, being based on high levels of trust and understanding that could not be replicated by other
companies. This suggests a competitive advantage in allowing other network partners a path to access the community, which in most cases was linked to strengths in connecting with Indigenous workers. The Indigenous participants were supporting perceptions that they occupied a position which bridged a key structural hole (as discussed in section 4.10) and that they could play a network role in liaising with Indigenous people on behalf of others. Such a position was understood to be a basis for power within the focal net. If this link was perceived to be of strategic value to other network actors, it will influence their relationship with the focal company (Kapelus 2002; Gadde et al 2003). The discourses of connection represent the identity management strategy that Pratt and Foreman (2000) refer to as aggregation. In this case multiple identities are seen to be maintained and the organisation seeks to forge links between them so as to exploit synergies (Pratt & Foreman 2000). The connections and competencies the company has through being Indigenous are considered to be of benefit in a business sense.

6.2.3.2 Discursive Practices for Distance

The data analysis also revealed how Indigenous company managers would contrast discourses of connection with those of distance. There are numerous examples where Indigenous participants would use language to distance themselves or their company from the broader Indigenous community, specific groups or certain problems within the community.

Firstly, examples displayed the same use of language as in those where the manager was emphasising connection. In certain contexts, the participants used words such as ‘they’ or ‘them’ and would speak of Indigenous people as ‘those guys’ or ‘these guys’. In many cases, the participant would conceptualise the issue at the individual or group level, so that potentially negative stereotyped associations are not connected to Indigenous people in general or their particular company. In these examples, the participants were positioning themselves as an outsider, speaking about Indigenous people rather than as an Indigenous person themselves as in the examples which show connection.
Often, the contexts in which distance was sought related to perceptions of particular problems associated with Indigenous people in Australia. These included issues such as welfare dependency, unemployment or substance abuse problems that are considered to be broader contextual problems (DIA WA 2005; Jordan & Marvec 2010). In the examples identified, the participant positions their company as the provider of support to those affected by the problems rather than the receiver of support and are not part of that particular group themselves. This shows strategic action to influence the actor’s position in the network (Johanson & Mattsson 1992). Similarly to discourses of connection, those of distance are being used to affirm the company’s position as a bridging tie to the Indigenous community, however rather than emphasising this as a competitive strength based on access; it is being used to avoid potential negative associations. The strategic identity work acts to align the perceptions of others with the desired position or identity of the company (Håkansson & Ford 2002; Harrison, Holmen & Pedersen 2010). In regards to identity management strategies the distancing discourses can be considered to represent more of a compartmentalisation of identities, as they are preserved separately with no attempt at creating synergies (Pratt & Foreman 2000).

Secondly, discursive distance from the Indigenous community also has the effect of positioning the Indigenous company to be part of the mining industry, rather than outside it. This may be considered to be a way in which Indigenous companies show alignment with the values and common goals of the focal net and that they can meet the requirements and expectations placed on all companies participating in the wider mining industry. The paradox of connection and distance is similar to the tension identified by Huemer (2012) with Indigenous groups embracing a role in Western economic systems that appear to conflict with the perceptions of the roles associated with Indigenous communities. As in the case studied by Huemer (2012) the layered nature of organisational identity permitted cultural identity to be retained despite apparent contradictions in the commercial activities undertaken. The examples of discursive connection and distance show that alignment with external expectations does not necessarily result in an organisation compromising the core values at the centre of their identity. Perceptions of cross-cultural tensions, even if they do not match personal realities, will influence the way in which Indigenous companies are viewed by other
actors (Hindle 2005). This closely relates to another aspect of the identity construction process by considering the influence of the network (Clarke et al 2009).

6.2.4 Influence of the Focal Net on Identity

This section discusses the influence of focal net behavioural norms on the identity work of indigenous participants. As discussed in section 2.4.5, networks develop behavioural norms and complex informal systems which regulate the behaviour of actors (Gulati et al Zaheer 2000; Jones et al 1997; Welch and Wilkinson 2002). The acceptability or even the potential of an actor’s behaviour is also influenced by the complex portfolio of dyadic ties which it possesses (Halinen et al 1999). This is not a uni-directional interaction and the network both influences and is influenced by actor behaviour (Gulati et al 2000). Thus, perceptions of the network will influence the strategic choices actors make in relation to accepting or changing their network role and position.

A perceived behavioural norm is that Indigenous companies have a strong focus on outcomes which benefit their community and should actively strive to employ Indigenous people and develop social initiatives within the Indigenous community. This norm is in part based on the perceptions of Indigenous companies held by other actors that have developed through previous interactions and more generalised stereotypes. The norm is supported by a number of Indigenous company participants that also share this view. These strong social motivations were considered to be a distinguishing feature of Indigenous companies and linked to Indigenous cultural norms. Many participants suggested that Indigenous companies would automatically behave in this manner and do not require encouragement from others. The social orientation of Indigenous companies was considered by some participants to be incongruent with profit-seeking orientations that are typical of companies in the mainstream network or even Western approaches to business more generally. The pursuit of social objectives was perceived to negatively impact on a company’s ability to achieve profitability objectives or in some cases even threatened the sustainability of the company.
Following from the above paragraph, Indigenous companies were expected in most instances to maintain a community-focused orientation and avoid more profit-driven behaviour. Indigenous companies in the focal net that did not seek to deliver benefits to their community or that sought to accumulate individual wealth were positioned as being opportunistic and not in line with the net norms. These companies were not considered to be attractive partners as they did not support the broader CSR objectives of mining companies to deliver certain benefits to the Indigenous community. While the net strategy was aimed at developing Indigenous businesses, there was an expectation that these businesses would also play a particular role in facilitating Indigenous engagement more widely. These expectations may be regarded as undertones to the focal net which, while not explicitly discussed, represent an important aspect of net dynamics. Key to understanding network agency is analysing how role interpretations are viewed and shared by other actors in the network (Abrahamsen et al 2012). At the aggregate level these can be considered to contribute to the development network norms as suggested by the narratives in section 4.6.

Indigenous companies that displayed behaviour consistent with the above mentioned expectations could in some senses be viewed as displaying conforming strategic behaviour (Håkansson et al 2009). Indigenous companies placed emphasis on generating employment for Indigenous workers and these outcomes was often positioned as coming at the expense of profit or stability. Indigenous participants described how they had supported other Indigenous companies or community ventures, with no commercial reason attached. These behaviours can be considered a form of strategizing as identity can be used to convey legitimacy and authority by showing that the company adheres to the shared norms, values and definitions that exist specific to this particular net context (Gadde & Håkansson 2001). This is not to overlook the potential for community-focused orientation to also be influenced by cultural characteristics and norms that exist in Indigenous networks (Foley 2008; Fuller et al 2002; Rola-Rubzen 2011). The focus on strategizing within in the focal net is the manner in which these orientations where discussed and integrated into organisational identity.
Also some participants from Indigenous companies seek to distance themselves from the perceived opportunistic behaviour of other Indigenous companies who were operating solely for personal profit, not benefiting the wider Indigenous community and/or had unrealistic expectations of what mining companies should provide. As noted in section 5.15, some Indigenous managers also distanced themselves from Indigenous people that were critical of mining companies or mining in general, in effect showing support for the mining companies and the mining industry. It can be argued that there is an expectation that Indigenous companies participating in the focal net support the overall engagement model being advocated by the mining industry. As expectations are communicated on a dyadic level, relationships increase inter-actor familiarity as they progress and this shapes the expectations each has of the other (Håkansson and Snehota 2006). Through identity work, Indigenous companies are able to influence the perceptions of other actors and thereby influence their role and position in the net. The examples show strategizing through conforming, as Indigenous actors meet the accepted net expectations of their particular position and seek to construct an identity accordingly (Håkansson et al 2009).

One Indigenous participant contrasted the existing stereotype by suggesting that although Indigenous people are considered a ‘harmonious group’, in reality Indigenous companies behave like all other companies and are also motivated by self-interest (see section 5.1.4). Thus, emphasising the importance of how an actor’s behaviour is perceived by others, rather than the accuracy of those perceptions. Actors can influence other actors’ perceptions of themselves so that they are consistent with a particular identity that they have constructed. Less powerful actors also engage in strategizing of their own, thereby attempting to influence as well as being influenced (Håkansson & Ford 2002). Indigenous companies are not only influenced by the focal net, through strategizing they were also able to influence the net. The analysis showed how the repertoires used by Indigenous managers influence other actor’s perceptions regarding the value of Indigenous content and the forms of engagement that are considered to be appropriate. This reflects the nature of networks in that action at the actor level can influence factors at the network level (Håkansson & Snehota 1995).
Chapter Five have shown that Indigenous actors are actively involved in identity work and that they are able to strategize through this construction process. In considering net-level influences on actor identity, it is evident that identity construction is not an independent or unconstrained process. This interplay reflects the understandings of the ‘identities in networks’ perspectives that identity is a balance of actors’ internal features and their successful control against the features of other actors place on them (Huemer et al 2009). It is difficult to discern the level of influence the net had on the identities of the Indigenous companies but it can be argued that to some extent it limits individual actors’ abilities to strategize. Focal net norms are also reinforced by both Indigenous and non-Indigenous actors and there appears to be an alignment of expectations. This offers some insight into the question asked by Huemer (2009) concerning the ways in which MNCs and Indigenous people’s identities are transformed during interactions. From a stakeholder perspective this suggests that corporate strategy does impact on Indigenous identity and therefore this should be factored into the strategy development process. In cross-cultural interactions involving indigenous people, this has deep consequences for both indigenous groups and corporations (Bruijn & Whiteman 2010). From a entrepreneurship perspective, it is also important to consider the effects of the net on the development of new ventures (Anderson et al 2010).

6.2.5 Research Question Two Summary

This discussion has presented the ways in which the participant Indigenous actors strategize through their identity work. The findings align with the understanding that organisations are actively participating in identity work and identified ways in which identity could be managed to react to and influence different situations. The discursive analysis suggested that the focal Indigenous companies constructed repertoires of connection and distance as a way to negotiate the different expectations that existing in their immediate network context. This interplay was considered to reflect the identities in networks perspectives of organisational identity by showing how
organisations actively interacted with their network thorough identity work (Huemer et al 2009).

The research question also considered the connections between the focal net and identity work. Participant narratives suggested that the net context is taken into account by actors in their identity work and their interpretations of the contextual environment influence the ways roles and positions are constructed. The focal net itself can be considered to influence the process of identity work which was reflected in the examples indicating acceptance of certain net norms or the perceptions that other actors held of the company. By taking into account the interplay between the net and organisational identity, the network environment an actor is embedded in can be understood to influence the way in which it develops. The managerial implications for this point are important considering the net objectives of Indigenous business development and will be discussed further in section 7.2.
Chapter Seven

Conclusion

This section will reintegrate the major findings of the research and clarify the theoretical and managerial contributions. In addition, the limitations of the research will be discussed as well as suggestions for future research.

7.1 Theoretical Contribution

This research provides a valuable contribution to the understanding of strategy in networks, an area that Baraldi et al (2007) suggest needs more attention. The concept of strategy in network research represents an area of great interest and the network perspective can be considered to offer a different understanding from that of the dominant strategic management literature as outlined in Gadde et al (2003) and Baraldi et al (2007).

The case study shows the potential for a small number of highly prominent and influential firms to engage in mutually beneficial strategic activity, while also performing a hub role to align the resources and activities of other actors towards a particular strategic net objective. This represents a divergence from prior understandings of inter-organisational strategy in that the focal net emerged through diverse strategic activities and was not explicitly developed in partnership nor any formal development between the actors involved. In addition while some collaborative behaviour was identified in regards to the issue of Indigenous business development, strategies were developed with relatively little inter-firm coordination between the mining companies. This research therefore presents a view of how firms’ behaviour can be organised towards a particular objective without necessarily being recognised as a strategic or issues based net (Brito 1999; Möller & Svahn 2003).
The focus on the influence of strategic behaviour on network structure and process provides a unique contribution as to the macro effects of strategy in networks. This adds to the discussions regarding actors’ capacity for strategic management in a network by highlighting the ways in which an actor’s strategic actions can be considered to ‘design’ or ‘orchestrate’ a net. While it remains true that no firm can be in complete control of its network, it may be possible for a firm to exert influence over counterparts at the net-level which has effects on the structures and processes. This supports the understanding that change in networks is achieved through an actor’s relationships (Halinen, Salmi and Havila 1999). The integrated network approach taken by the research was able to draw attention to how the purposeful influence of structures and processes within the focal net were associated with the achievement of the Indigenous business development objective. The relevant structural and processural elements in this instance were centrality, cohesion, structural holes, relationship orientation and power. This provided multiple perspectives through which strategic action within the focal net can be understood.

The research has shown how Indigenous organisations strategize through their identity work and in doing so influence their network role and position, thus representing an original contribution. The discursive level of identity analysis undertaken contributes to the gaps in understanding identity management processes (Pratt & Foreman 2000). Moreover, this research can be considered to contribute to the understanding of identities in networks perspective, by focusing on the dynamic interplay between internal control and external influence (Huemer, Håkansson & Prenkert 2009). The identity work identified in the case presents examples of how firms can negotiate the challenges presented by competing or contradictory expectations and how multiple identities can be managed to allow the organisation the required identity flexibility. Identity work at the actor-level links to the focal net strategies as was shown in the way Indigenous companies recognise the value of Indigenous content in the focal network and seek to develop their role and identity to derive commercial benefit from it.

By showing how indigeneity is represented in the identities of Indigenous companies, this research contributes to the understanding of how outward connections are made to external sources during identity work (Watson 2008). In particular, the
identity work captured in this study draws attention to the ways in which participants engage with the tensions between Indigenous/organisational identity constructions in different situations. By adopting an organisational identity in networks approach, this research contributes to the conceptual growth of this perspective (Huemer 2013). The focus on the use of language in organisational identity work helps with understanding the links between network, actor and micro-levels of processes of social construction (Mantere 2013). This adds to the depth in which organisational identity in networks can be understood and identifies examples of managerial strategizing through identity. The discursive analysis of the manager’s identity work serves as a way to ‘unpack the construction process and appreciate nuances that may otherwise be overlooked (Lowe, Ellis & Purchase, 2008).

Finally, this research provides a valuable situated contribution. This is the first such study of Indigenous business development in the Western Australian mining industry, a network context that is taking an innovative approach to Indigenous engagement. Approaching the topic of Indigenous business development from a network perspective represents a significant contribution to the field. As Hindle and Moroz (2009) suggest, Indigenous entrepreneurship research is emerging as a distinct sub-discipline of entrepreneurship and particular attention must be paid to the specific contextual environment. The network perspective captures the external factors influencing Indigenous entrepreneurial processes, which is critical to understanding the contextual barriers and opportunities. An example of this contribution is that the research has been able to consider the effects of MNCs actions on the identity processes of Indigenous stakeholders (Bruijn & Whiteman 2010).

### 7.2 Managerial Implications

This research presents several valuable contributions to the understanding of Indigenous businesses. The selection of this particular case for analysis captures a timely representation of Indigenous business development in the West Australian mining industry. This industrial setting is considered novel given the innovative
methods companies are undertaking to engage Indigenous contractors and the ways Indigenous companies are actively shaping this process. This builds on previous research regarding Indigenous entrepreneurship or business contexts whereby Indigenous groups are present as significant stakeholders (Crawley & Sinclair 2003; Coronado & Fallon 2010; Foley 2006; Hindle & Moroz 2009; Huemer 2010).

In terms of the managerial implications for Indigenous businesses, this research draws attention to the connection between organisational strategy and the networks companies are embedded in. A relevant finding of the research can be considered to relate to the perceived value of Indigenous businesses in the focal net. To varying degrees the focal Indigenous companies recognised this value and incorporated that into their strategic activities, particularly in respects to identity work which was elaborated upon in depth in this research. It is important for managers to understand the characteristics of their firm’s network context, to recognise the motivations and expectations other companies have for forming a relationship. In recognising these network characteristics, companies can develop strategies to leverage power from certain connections and optimise the benefit from these interactions.

Indigenous company managers in this network context must also be conscious of the ways in which this focal net is unique to other industrial networks that may not value Indigenous content in the same way. While it may be beneficial to develop the business in a particular way to capitalises on the specific policies and conditions in the mining industry, this may not be beneficial outside the industry. Companies must consider what implications this has for their flexibility to pursue other commercial areas or whether they can sustain this dependence on the mining industry. In order to diversify, companies may need to emphasise other aspects of their business such as quality or reliability rather than their Indigenous identity. At the same time, it may be necessary to communicate the value of Indigenous companies to others outside the industry.

This research also provides a timely critique of the model of Indigenous business development currently being practised in the Australian mining industry. The findings suggest that the strategies employed by the major mining companies are having some positive effects in terms of increasing the prevalence of Indigenous contracting in the
industry and engaging more members of Indigenous communities. With that being said, questions still remain regarding the effectiveness of this model in achieving long term goals of encouraging Indigenous companies to participate in the mainstream industry and reduce dependence on alternate contracting policies. The data suggests that the focal network acts in a way akin to a net within the mining industry and that much of the success is due to the environmental conditions which are conducive to Indigenous business development. The case study shows the many ways in which the net context differed to that of the wider industry network. If mining companies are committed to realising their goals there is a need for long terms strategies that encourages Indigenous businesses to develop greater resilience and the capacity to diversify into other commercial areas. This research raises important questions as to the sustainability of this model, which must be addressed if Indigenous contracting in this form can continue long-term.

A final managerial implication raised by this research is the need to consider the broader implications of the interactions between Indigenous companies and large mining companies. While the research has not been directly focused on issues relating to CSR, it has still emerged as a major theme and must therefore be taken into account. Indigenous companies had multiplex ties with mining companies and in some instances their relationships to traditional owner groups benefited the companies commercially. The interrelatedness of networks suggests that it is naïve to consider this industrial network to be separate to native title networks. The implications that these relationships present for native title rights and land access negotiations must be taken into account by all parties. The role of the Government in relation to interactions between Indigenous people/companies and large mining companies must be questioned, considering they were largely absent from this area. While this is essentially a commercial arena, there are undeniably broader social implications which may impact on the Government’s other responsibilities. The strategic significance of these relationships from a CSR perspective should also be recognised by Indigenous companies and it may affect the sustainability of their contracts and have broader implications for their communities (Esteves & Barclay 2011; Kapelus 2002).
7.3 Limitations

There are several limitations to this research which must be recognised. These limitations will be discussed in this section along with the implications.

Firstly, a major limitation relates to the generalisability of this research given the methodological approach taken. The case study is based on the West Australian mining industry which as discussed previously in Chapter Four, has been identified as displaying some unique characteristics. It may be difficult to generalise the findings to international settings that have different dynamics and histories of interaction between large companies and Indigenous people. Similarly, other regions or industries in Australia will have different environments and Indigenous groups are not homogenous (Banerjee 2008).

The case study itself can be considered to be limited in the sense that it represents a snapshot of the network at one time. As in Abrahamsen et al (2012), the managerial perceptions and discourses captures reflect only the period in which the research is confined to. Due to time constraints, it was not possible to collect longitudinal data and for most respondents, interviews were only conducted once. It was therefore difficult to incorporate time as a factor into the analysis. This limits the understanding of the development of the case network (Andersen et al 2010).

The case study sought to develop a multi-level (actor and net) understanding of the whole network and as such given the limited resources available, it was not possible to consider dyadic relationships in great depth. In some situations it was not possible to include data from both parties in a relationship or focus on the specific details of a particular relationship. In addition, with the exclusion of secondary data, the data was qualitative in nature and therefore respondent biases must be considered.

A final limitation associated with the research is the bias presented by having a sole researcher acting as interviewer, transcriber, coder and interpreter. This is recognised as being a constraint of doctoral research and other research of similar scale (Perry 1998). The objectivity of the researcher may be considered a limitation although the role of the researcher fits within the epistemological position of the study as outlined
in section 3.3. This impact of this limitation was reduced through the use of external researchers during the coding process (Guest et al 2005). Similarly the abductive process research process ensured that the researcher’s interpretation was cross-referenced at regular intervals with the literature (Dubois & Gibbert 2010). This supported the understanding of the case and allowed for additional concepts within the case to be considered. Finally, the researcher was non-Indigenous which could be a factor affecting the interaction with Indigenous participants and the interpretation of data.

### 7.4 Future Direction

The research topic has offered valuable theoretical and managerial contributions. The exploratory nature of the research presents multiple opportunities for future research to build upon the highlighted contributions and develop further understanding in this area. Some suggestions for future research will be presented in the following section.

One potential avenue for future research could be to expand upon the investigation of the focal network to include a longitudinal case study. If a longer time frame and continued organisational access can be arranged, respondents can be contacted at regular intervals to update their company’s situation and discuss changes in the relationships they have with others. This would benefit our understanding of the network by monitoring its development and taking into account the changes that occur. From a managerial strategy perspective, this will allow for better insights into the effects of strategic action in the network over a period of time. It will also enable a better critique of the Indigenous business development approach being taken by the major mining companies and provide insights into the success and sustainability of certain strategies. The inclusion of historical secondary data could also be useful in expanding the case study, so as to increase the timeframe being investigated.

It will be worthwhile to replicate this network approach in other settings where similar objectives regarding Indigenous engagement with non-Indigenous companies are occurring. Within Australia, similar forms of interaction are taking place in different
regions and in different industries. The Western Australian mining industry has some unique contextual characteristics given the current resources boom and the Native Title environment, however similar approaches are being taken in other areas and it is worthwhile investigating the similarities and differences. In addition to the Australian context, as discussed in section 1.2.1, there are many countries around the world that are currently presented with issues surrounding indigenous groups interacting with MNCs. In contexts where Indigenous people are engaging with the mainstream economy, it is valuable to consider a network perspective to incorporate the environmental constraints and opportunities that are presented.
References


Allbrook, M., & Jebb, M. A. (2004). Implementation and Resourcing of Native Title and Related Agreements. Research Unit, National Native Title Tribunal


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## Appendix One: Table of Participants

<table>
<thead>
<tr>
<th>Participant Company</th>
<th>Type</th>
<th>Ownership</th>
<th>Organisational Representatives(s) [Pseudonym]</th>
</tr>
</thead>
<tbody>
<tr>
<td>A [Northern Fields]</td>
<td>Small Indigenous EPCM company. Based in Perth. Currently involved in subcontracting engineering and labour hire services on regional mine sites. 12 full-time employees. Operating for 2 years.</td>
<td>100% Indigenous</td>
<td>Operations Manager, Indigenous Male, 30s. Works in the company full time in both office and site based roles. [D.L]</td>
</tr>
<tr>
<td>B</td>
<td>Indigenous labour hire company. Director is a Traditional Owner. Based in a regional town but with an office in Perth. Company focuses on providing employment for members of the same group in the local area. 4 full-time staff. Operating for around 3 years.</td>
<td>100% Indigenous</td>
<td>Manager, Non-Indigenous Female, 40s. Works full-time in the company. [V.M]</td>
</tr>
<tr>
<td>C [ESM]</td>
<td>Mainly a labour hire company, however also offers Indigenous business development and Aboriginal heritage planning and management services. Based in Perth. 6 Directors and temporary staff depending on project. Operating for 3 years.</td>
<td>Predominantly Indigenous Owned</td>
<td>Director, Indigenous Female, 40s. Works part-time for the company. [J.K]</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Director, Non-Indigenous Male, 50s. Director of both companies along with other business interests. Works part-time in each company.[S.P]</td>
</tr>
<tr>
<td>D [Gwenalarya]</td>
<td>Labour hire company based in a regional town. The private company arm of local Traditional Owners in partnership with a non-Indigenous person. Work is sporadic and so the directors work in the company part-time and up to 10 other staff are employed on short terms contracts. Operating for 3 years.</td>
<td>Predominantly Indigenous-owned</td>
<td></td>
</tr>
<tr>
<td>E [Mulga]</td>
<td>Recruitment and labour hire company. Has one main office in Perth and another new office in a regional town. Approximately 15 full-time staff. Operating for 4 years.</td>
<td>100% Indigenous-owned</td>
<td>Owner and Director, Indigenous Female, 40s. works in the company full time. [P.J]</td>
</tr>
<tr>
<td></td>
<td>Company Name</td>
<td>Type of Services</td>
<td>Location</td>
</tr>
<tr>
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</tr>
<tr>
<td>F</td>
<td>IWF</td>
<td>Recruitment and Indigenous community consulting services. Initially based in Perth and subsequently moved to a regional town. 2 full-time staff and 3 consultants on casual arrangements. Operating for 3 years</td>
<td>100% Indigenous-owned</td>
</tr>
<tr>
<td>G</td>
<td>Narka</td>
<td>Indigenous community consulting and cultural education services. Based in Perth. Employs 2 full-time staff and several casual consultants. Operating for 8 years.</td>
<td>100% Indigenous-owned</td>
</tr>
<tr>
<td>H</td>
<td>Darnipi</td>
<td>Construction and labour hire services. Based in a regional town and providing services in other regional towns and mine sites. Employs over 30 tradesmen and labourers, approximately 35% are Indigenous. 5 full-time office staff. Operating for 4 years.</td>
<td>50% Indigenous-owned</td>
</tr>
<tr>
<td>I</td>
<td></td>
<td>Newly established I.T services company based in Perth. 4 part-time employees, each having alternative business interests. Operating for 6 months.</td>
<td>Predominantly Indigenous-owned</td>
</tr>
<tr>
<td>K</td>
<td>PNC</td>
<td>Major mining company based in Perth and mining in regional areas of Western Australia. Over 2500 employees.</td>
<td>Non-Indigenous</td>
</tr>
<tr>
<td>L</td>
<td></td>
<td>Indigenous business support organisation. Based in Sydney with offices around Australia, including a major centre in Perth and smaller offices in regional areas of W.A. Not-for-profit organisation that receives financial support from mining companies.</td>
<td>Non-Indigenous</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Major mining company based in Perth and mining in regional areas of Western Australia and off shore. Approximately 3000 employees.</td>
<td>Non-Indigenous</td>
<td>Indigenous engagement manager, Indigenous Female, 50s [M.C]</td>
</tr>
<tr>
<td>---</td>
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</tr>
<tr>
<td>M</td>
<td>[Stone Crest]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>Government Indigenous business support agency. Federally funded and operating around Australia including a major centre in Perth and smaller offices in regional areas of W.A.</td>
<td>Non-Indigenous</td>
<td>Indigenous business support officer, Indigenous Female, 50s [C.Y]</td>
</tr>
<tr>
<td>O</td>
<td>Government business support agency with an Indigenous arm. State funded and operating around Western Australia with the head office in Perth.</td>
<td>Non-Indigenous</td>
<td>Indigenous business support officer, Non-Indigenous Female, 30s [H.N]</td>
</tr>
<tr>
<td>P</td>
<td>Business support agency, funded by the Federal Government. Focused on business support and training for clients in conjunction with unemployment benefits. Clients are mainly Non-Indigenous but with a significant Indigenous business minority.</td>
<td>Non-Indigenous</td>
<td>Business support officer. Non-Indigenous Female, 30s [P.C]</td>
</tr>
<tr>
<td>Q</td>
<td>Major multi-national mining company. Based interstate with a major office in Perth. Operates globally but has major mining interests in Western Australia. Over 40000 employees worldwide.</td>
<td>Non-Indigenous</td>
<td>Indigenous Affairs manager, Non-Indigenous Male, 60s [M.B]</td>
</tr>
<tr>
<td>S</td>
<td>Large multinational EPCM company. Australian owned with a large office in Perth. Operates in multiple locations around the world including Perth and regional areas of Western Australia Approximately 7500 employees</td>
<td>Non-Indigenous</td>
<td>Contracts manager. Non-Indigenous Male, 50s [M.G]</td>
</tr>
</tbody>
</table>
## Appendix Two: Narrative Theme Table

<table>
<thead>
<tr>
<th>Narrative Themes</th>
<th>Sub-codes</th>
<th>Theme Description</th>
<th>Exemplar Narratives</th>
<th>No. Participants/No. References</th>
</tr>
</thead>
<tbody>
<tr>
<td>Referring to focal net and network</td>
<td></td>
<td>Focal net as being an alternative or separate to the mainstream mining network.</td>
<td>“I guess and I’m still educating people that do their own purchasing on site that there is an alternative to the mainstream contracting” [Participant H.B]</td>
<td>14</td>
</tr>
<tr>
<td>Indigenous focal net entry</td>
<td></td>
<td>Circumstances of Indigenous companies becoming active in the focal net.</td>
<td>“so that’s when little bells started to go off and I thought well maybe I should go and start my own Aboriginal labour hire business because then the mining companies would have no choice but to use us” [Participant P.J]</td>
<td>32</td>
</tr>
<tr>
<td>Relationship descriptors</td>
<td>Altruistic</td>
<td>Relationship descriptions that include goodwill, social conscience, charitable motivations and existing for non-business related reasons.</td>
<td>“Certainly the likes of the CJMs have undertaken to do their RAP plan not because it is good business sense but because it was the right thing to do” [Participant Y.G]</td>
<td>20</td>
</tr>
<tr>
<td>Relationship descriptors</td>
<td>Commercial</td>
<td>Relationship descriptions that include the exchange of goods or services between two companies.</td>
<td>“We simply see Mulga as an Aboriginal business providing a service that we know our contractors require” [Participant N.H]</td>
<td>16</td>
</tr>
<tr>
<td>--------------------------</td>
<td>------------</td>
<td>---------------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------</td>
<td>----</td>
</tr>
<tr>
<td>Obligatory</td>
<td>Relationship descriptions that include legal or policy obligations.</td>
<td>“So our EPCMs have all got targets on their projects that they have to meet and Indigenous engagement and so they have a certain amount that they need to spend, they have to spend on an Aboriginal business” [Participant N.H]</td>
<td>16</td>
<td>39</td>
</tr>
<tr>
<td>Strategic</td>
<td>Relationship descriptions that include strategy or value.</td>
<td>“I said ‘why don’t you, if you have strategic value in having an Aboriginal business and you want them to grow, and you say you do, why don’t you use these form of contracts rather than your stock standard, horrible value, lump sum or schedule of rates contracts?’” [Participant N.T]</td>
<td>28</td>
<td>104</td>
</tr>
<tr>
<td>Structure/Centrality</td>
<td>Degree</td>
<td>Narratives including the concept of multiple relationships</td>
<td>“So we have done it with some of the bigger parcels of work, we have said before you sign the contract, here is an Aboriginal group have a chat about where they can actually help you with scope of works. So it is a little bit of big brother, but there have been no complaints from the contractors because they haven’t really thought of that, it wasn’t really part of their business model to do that but they realise that with us it is” [Participant N.H]</td>
<td>12</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Closeness</td>
<td>Linking of Indigenous companies with mining companies directly</td>
<td>“The good thing with Paladio is that we know that their policy is in these situations is if Ronac chose not to pay us, we would go straight to Paladio and they would pay us. They would pay us the money that Ronac was going to get paid and it will come straight to us. So you have always got a fall-back position” [Participant V.N]</td>
<td>21</td>
<td>81</td>
</tr>
<tr>
<td>Structure/Centrality</td>
<td>Betweenness</td>
<td>Use of Indigenous companies to access mining contracts or mining companies</td>
<td>“They approached us. Actually I was already working with them in the Pilbara region and I actually mentioned to them that we have traditional owner ties in the Pilbara region. So when they were asked to tender and then they started asking me for advice on how to improve their chances.” [Participant P.J]</td>
<td>19</td>
</tr>
<tr>
<td>Structure//Cohesion</td>
<td>Increasing focal net interconnectedness</td>
<td>“So it is a win-win. It can be a win-win for everyone. Now out of that relationship, they have now spun out and set up a traffic management business and we have helped get them a contract with one of our contractors. So it is all linked” [Participant N.H]</td>
<td>10</td>
<td>30</td>
</tr>
<tr>
<td>Structure//Structural Holes</td>
<td>Perceptions of disconnection between two different actor groups</td>
<td>“I still think the government is saying they are doing a lot about closing the gap, which they are, but then they are awarding the tenders and the companies that they are awarding these contracts to, are not actually engaging the community or the individuals that they need to engage with” [Participant M.J]</td>
<td>19</td>
<td>51</td>
</tr>
<tr>
<td>Bridge to Community</td>
<td>Indigenous company linking to community</td>
<td>“They can’t even get Indigenous people, so when they get a contract to provide Indigenous apprentices they actually get them from us” [Participant M.J]</td>
<td>14</td>
<td>54</td>
</tr>
<tr>
<td>Bridge to Industry</td>
<td>Comments relating to Indigenous bridging tie to community</td>
<td>“The Aboriginal community don’t know how to engage with that company because they don’t know how to. So what we do when we go in there is we say ‘yes, I can facilitate this relationship for you and open these doors for you, we can introduce these people to you’” [Participant M.J]</td>
<td>19</td>
<td>68</td>
</tr>
<tr>
<td>Processes//Power</td>
<td>Indigenous Company</td>
<td>Influence/ use of power by Indigenous companies – excluding native title</td>
<td>“All the guys who worked on site, the polywelders, and us, pretty much when Steve decided to walk away from it he created Northern Fields and the contract was no longer valid after that year because there was no Indigenous ownership, they had no Indigenous content.” [Participant D.L]</td>
<td>18</td>
</tr>
<tr>
<td>Processes//Power</td>
<td>Indigenous Company /related to Native Title</td>
<td>Influence/ use of power by Indigenous companies –that incorporate Native Title or Traditional Owner groups</td>
<td>“Of course during that period of time you had Native Title and with Native Title, I honestly believe that it has been the catalyst for opportunities to be created in the Aboriginal business sector. I think in the past, it has been 19 years since Native Title, I think over the first 10 years there has been a lot of argy-bargy but over the last 8 or 9 years there has been traction in the Indigenous business engagement space.” [Participant C.K]</td>
<td>25</td>
</tr>
<tr>
<td>Processes//Power</td>
<td>Mining Company</td>
<td>Influence/use of power by mining companies.</td>
<td>“We haven’t had that experience where we go to work for Rio and have to report to one of their EPCMs like that, we always just report to Rio supervisors and superintendents, so It has been pretty cool and we have been lucky like that” [Participant V.N]</td>
<td>21</td>
</tr>
<tr>
<td>Processes//Collaboration</td>
<td>Descriptions of collaborative processes</td>
<td>“At Globus you have to be invited to do work before you can become a vendor. So someone has to essentially say that “I want that company to do a job”” [Participant V.N]</td>
<td>23</td>
<td>86</td>
</tr>
<tr>
<td>Processes//Strategy</td>
<td>Descriptions of strategizing</td>
<td>“I would probably pick one niche area and go with it. Try to be really good at it and probably not even try to compete on the basis of being an Aboriginal business” [Participant S.P]</td>
<td>16</td>
<td>31</td>
</tr>
<tr>
<td>Mining Company support</td>
<td>Type of support</td>
<td>Descriptions of mining companies’ support for Indigenous contracting and the focal-net in general</td>
<td>“So we give favourable weighting for Aboriginal businesses and we also have non-Aboriginal businesses play their part through having Indigenous engagement strategies, so either helping develop skills through training and employment or subcontracting to Aboriginal businesses [and] in some cases mentoring” [Participant H.B]</td>
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<td></td>
</tr>
<tr>
<td>Indigenous-specific Support</td>
<td>Support specifically provided to Indigenous companies</td>
<td>“We will give them a helping hand to start with, I would say that. We could potentially be spending a little bit more money beyond the market value initially to help them get set up but I think that is the right thing to do anyway but initially they will be more expensive and we will carry that” [Participant H.B]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indigenous company identity work</td>
<td>Identity work which referred to being Indigenous or any Indigenous aspect</td>
<td>‘Indigenous Work Futures Pty Ltd (IWF) is an Indigenous labour hire and training company with unique and diverse technical expertise in Indigenous community development’ [IWF Website]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indigenous company identity work</td>
<td>Ownership</td>
<td>Indigenous identity work based on ownership</td>
<td>‘Narka Consultancy is an Aboriginal owned consultancy firm that offers comprehensive and professional Aboriginal education, training and consultancy services to the business and industry sector, community, private, government and non-government sectors’ [Narka website]</td>
<td></td>
</tr>
<tr>
<td>Indigenous company identity work</td>
<td>Formal affiliation</td>
<td>Indigenous identity work based on formal affiliation</td>
<td>“It just provides an extra bit of credibility so if anyone should ask ‘yes we are an AIMSC business because we are indigenous owned [...] Some of our clients say ‘are you AIMSC certified?’”</td>
<td></td>
</tr>
</tbody>
</table>
and I say ‘yeah we are’ but I have not once had business through being an AIMSC member.” [Participant P.J]

<p>| Links to Traditional Owners | Identity work relating to links to Traditional Owner groups | “But there is that relationship that comes in, you know, we got our foot in the door because one of the directors is married to a traditional owner, so we kind of got our foot in the door there.” [Participant D.L] | 25 | 113 |
| Benefits of Indigenous identity | Benefits of being perceived as an Indigenous company | “Indigenous contractors and companies like us do get a lot of little perks on the side” [Participant V.N] | 21 | 91 |
| Negatives of Indigenous identity | Disadvantages of being perceived as an Indigenous company | “It is a cruel market out there and if you are going to have a thing there saying that it is an Indigenous business you are not going to get anything. It is a different story if you are an art gallery or a tourist thing, but if you are a beauty therapist or something like that you don’t like to broadcast that because you might not be having anyone and then you have got a debt to pay, you have got to compete with mainstream” [Participant C.Y] | 19 | 48 |
| Motivation | Employment | Objectives relating to providing employment | “the most important thing for me and the company is to maintain our employees out on site […] long term commitment to work. So we need continuity of work and that’s why we need to remain out there” [Participant D.L] | 19 | 68 |
| Doing good | Objectives relating to being good for the community | “Yeah so it is definitely not like the Perth office where we can take people and put them into jobs. With the Broome office it is more personal, we do have a vested interest in getting the Balanja people into the opportunities first” [Participant P.J] | 10 | 15 |</p>
<table>
<thead>
<tr>
<th>Motivation</th>
<th>Non-profit Objectives not being related to profit</th>
<th>“There is no incentive, no economic incentive there, other than to do the right thing to assist […] so I said ‘yeah ok, have it at cost’ in fact we are probably out of pocket because of uniforms, inductions, training and that is not a problem.” [Participant P.D]</th>
<th>11</th>
<th>18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining Company</td>
<td>Objectives relating to the mining companies</td>
<td>“Firstly if there is an opportunity that comes up, that opportunity, we always take to the Native Title group first” [Participant N.H]</td>
<td>33</td>
<td>150</td>
</tr>
<tr>
<td>Connection to community</td>
<td>Discursive link to Indigenous community</td>
<td>“fairly soon they could tell that I had a better understanding and communication ability I suppose with the indigenous people they were trying to engage with […] and as an Indigenous person we find it quite easy, we don’t even think about it, it’s part of our world you know, our whole being” [Participant P.J]</td>
<td>11</td>
<td>23</td>
</tr>
<tr>
<td>Distance from community</td>
<td>Discursive distance to Indigenous community</td>
<td>“The ones that are left are the ones that are usually unemployable due to drug and alcohol or disability or whatever or they don’t want to work in that industry, which is fair enough, it is up to them.” [Participant P.J]</td>
<td>11</td>
<td>20</td>
</tr>
<tr>
<td>Opportunistic behaviour</td>
<td>Free ride native title Perceptions of companies or individuals unfairly relying on ties to Native Title matters to get work</td>
<td>“There is no use looking at us all the time to say ‘well it is not happening, it is all your fault’, ‘well no’, it is the same with education and it is that concept of reciprocity and I don’t think it is something that people come to the table and get that, they see it as we can get guaranteed positions and guaranteed employment” [Participant M.B]</td>
<td>10</td>
<td>21</td>
</tr>
<tr>
<td>Unfair JV</td>
<td>Referring to opportunistic behaviour by individuals with regards to unfair joint ventures</td>
<td>“I have to say there is a push of these joint venture relationship that looks all glorious from the surface but as I said you scratch a little deeper and there are a lot of inequities that exist where some commercial relations are purely driven by getting a guernsey to play in this space where the Aboriginal content being only a miniscule part of it and I kind of liken it to flying the Aboriginal flag with no substance underneath, there is really no benefits both financial or otherwise that have flowed back to the community” [Participant Y.G]</td>
<td>12</td>
<td>24</td>
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<tr>
<td>---</td>
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</tr>
<tr>
<td>Indigenous Company capacity</td>
<td>Competency</td>
<td>Indigenous companies’ capacity to perform work</td>
<td>“We have to be diligent that we are not going to have them come in and say they are Aboriginal […] they need to prove they are capable as well. If they are not, then we can’t give them the work because they haven’t got the capability to perform this work.” [Participant M.C]</td>
<td>18</td>
</tr>
<tr>
<td>Personal</td>
<td>Indigenous individuals or managers capacity to perform work</td>
<td>“Pete went to work through a labour hire company himself at Western Ridge for Paladio, he started sniffing around and asking about what the potential was for a business like Pindari and he was very warmly received and there was a lot of support for him onsite, certain people tried to encourage him and assist him” [Participant V.N]</td>
<td>11</td>
<td>23</td>
</tr>
<tr>
<td>Indigenous Company capacity</td>
<td>Not just because Indigenous</td>
<td>Company’s position being based on their capacity rather than being Indigenous</td>
<td>“If you look at Tony Wells, he is now of such a size, he picks up contracts from an Indigenous contracts point of view but he is picking up contracts in his own right because he is a bloody good operator and yes he ticks boxes for some companies but they get him because he is good, not because he is Indigenous, that’s why he is getting the jobs.” [Participant M.B]</td>
<td>11</td>
</tr>
<tr>
<td>Position warranted</td>
<td>Perceptions of the Indigenous company’s position being</td>
<td>“Frank Russel is a great story and Frank did it without anyone saying ‘you are an Aboriginal man, we will look after you’. He</td>
<td>19</td>
<td>72</td>
</tr>
</tbody>
</table>
never played that card, he just did the hard yards and managed to get from one crane to two cranes to four cranes and managed to get enough work and do a good enough job that he got repeat business” [Participant N.T]

<table>
<thead>
<tr>
<th>Rhetoric</th>
<th>Engagement</th>
<th>Corporate rhetoric relating to engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>“Of course during that period of time you had Native Title and with Native Title, I honestly believe that it has been the catalyst for opportunities to be created in the Aboriginal business sector. I think in the past, it has been 19 years since Native Title, I think over the first 10 years there has been a lot of argy-bargy but over the last 8 or 9 years there has been traction in the Indigenous business engagement space.” [Participant C.K]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rhetoric</th>
<th>Opportunities</th>
<th>Corporate rhetoric relating to opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>It is important that Indigenous Contracting Businesses understand that whilst Iron Ore is committed to supporting Indigenous Contracting Businesses, it will not underwrite the financial sustainability of any Indigenous Contracting Business through direct assistance or by artificially creating additional Indigenous Contracting Opportunities. Globus Document</td>
</tr>
</tbody>
</table>

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Appendix Three: Table of Exemplar Interpretive Repertoires

<table>
<thead>
<tr>
<th>Interpretive repertoire</th>
<th>Example of talk</th>
<th>Level of analysis</th>
<th>Social construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Alternative network</td>
<td>“We didn’t fit and they didn’t want us to compete with some of the big companies. But they [mining firms] wanted us to be able to have access to work and so they just thought, ‘We will give you your own’ and they put us in a special little box and said, ‘I can use you for that’” – Indigenous business owner</td>
<td>Network identity</td>
<td>Creation of ‘special’ sub-network</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Identity in networks</td>
<td>Attribution of motive &amp; agency to mining firms</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Identity in networks</td>
<td>Assignment of identity to Indigenous SMEs</td>
</tr>
<tr>
<td>2. Network theory (or logic)</td>
<td>“There are enough people in this area, this industry; you can even just about call it a sector now, that people are just making bucket loads of money from it, absolutely bucket loads of money” – Indigenous business owner</td>
<td>Network identity</td>
<td>Recognition of sub-network as ‘sector’</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Network identity</td>
<td>Normalization of network behaviors</td>
</tr>
<tr>
<td>3. Obligatory relationships</td>
<td>“So they have all got targets on their projects that they have to meet for Indigenous engagement and so they have a certain amount that they have to spend on an Aboriginal business” – Third party contracting manager</td>
<td>Network identity</td>
<td>Network underpinned by type of relationship</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Identity in networks</td>
<td>Characterizing of mining firms’ strategies</td>
</tr>
<tr>
<td>4. Exchange relationships</td>
<td>“We simply see Oasis as an Aboriginal business providing a service that we know our contractors require” – Mining company manager</td>
<td>Network identity</td>
<td>Network underpinned by type of relationship</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Identity in networks</td>
<td>Mining firms’ claimed strategizing</td>
</tr>
<tr>
<td>5. Indigeneity as competitive strategy</td>
<td>“In some instances we will be going in as an <em>Indigenous business</em> and competing on that basis, and in other instances we will go in as an <em>I.T. business</em> [...] Whether we want to be perceived as an I.T. company or an Indigenous company, I think there is something unique about our story either way” – Indigenous business owner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Claims of connection</td>
<td>“As an <em>Indigenous person</em> we live the life that they [Aboriginal workers] do, so we <em>understand</em> what all the barriers are. And [...] we already understand where they are coming from and I am able to talk directly with them” – Indigenous business owner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Claims of distance</td>
<td>“Some <em>Aboriginal businesses</em> are saying, ‘It is going to cost you $5000 because we need to recruit one person for you’ and you think, ‘What the hell, what are they? Painted in gold and diamonds?’ [...] Respect breaks down, because the <em>Aboriginal organization</em> knows they can tell this company a whole range of things to get money from them” – Indigenous business owner</td>
<td></td>
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</tr>
</tbody>
</table>
Appendix Four: Ethics Approval

Associate Professor Sharon Purchase
UWA Business School
MEDP: M293

Dear Professor Purchase

HUMAN RESEARCH ETHICS APPROVAL - THE UNIVERSITY OF WESTERN AUSTRALIA

How network structure affects knowledge transfer within indigenous entrepreneurial networks

Student(s): Daniel Sekgosi - PhD - 10535385

Ethics approval for the above project has been granted in accordance with the requirements of the National Statement on Ethical Conduct in Human Research (National Statement) and the policies and procedures of The University of Western Australia. Please note that the period of ethics approval for this project is five (5) years from the date of this notification. However, ethics approval is conditional upon the submission of satisfactory progress reports by the designated renewal date. Therefore initial approval has been granted from 30 March 2012 to 01 April 2017.

You are reminded of the following requirements:

1. The application and all supporting documentation form the basis of the ethics approval and you must not depart from the research protocol that has been approved.
2. The Human Research Ethics Office must be approached for approval in advance for any requested amendments to the approved research protocol.
3. The Chief Investigator is required to report immediately to the Human Research Ethics Office any adverse or unexpected event or any other event that may impact on the ethics approval for the project.
4. The Chief Investigator must inform the Human Research Ethics Office as soon as practicable if a research project is discontinued before the expected date of completion, providing reasons.

Any conditions of ethics approval that have been imposed are listed below:

Special Conditions

None specified

The University of Western Australia is bound by the National Statement to monitor the progress of all approved projects until completion to ensure continued compliance with ethical standards and requirements.

The Human Research Ethics Office will forward a request for a Progress Report approximately 60 days before the due date. A further reminder will be forwarded approximately 30 days before the due date.

If your progress report is not received by the due date for renewal of ethics approval, your ethics approval will expire, requiring that all research activities involving human participants cease immediately.

If you have any queries please do not hesitate to contact the Human Research Ethics Office (HREO) at hreo.research@uwa.edu.au or on (08) 6488 3703.

Please ensure that you quote the file reference - RA:4/1/5233 - and the associated project title in all future correspondence.

30 March 2012
Appendix Five: Report to Participants (Sample)

Overview of Preliminary Findings

PREPARED FOR XXXX 19 JULY 2013

Indigenous Business Development - a Network Study of the Western Australian Mining Industry

Daniel Schepis, University of Western Australia Business School

schepd01@student.uwa.edu.au

This document is intended to provide an overview of preliminary findings to the organisations that participated in the research. Please note that this work has not yet been completed and that some points may be subject to change upon further analysis and critique. At this point in time I would appreciate any feedback that you may have and your input would be very valuable in shaping the final dissertation and subsequent publications. I have attempted to put together this document in a way that is most relevant to the participant organisations but more theoretically focused papers are available if you wish to read them.

Project Background

This research project sought to develop a better understanding of Indigenous Businesses Development and after an initial period of analysis, the Western Australian Mining Industry was chosen as a case study due to the emphasis put on Indigenous engagement and employment and business development programs. While Indigenous businesses were central to the study, the researchers wanted to add value by taking a network perspective and looking at the broader industry, including other non-Indigenous companies of all sizes that may be involved in this area. This level of analysis has not been done before and there are great insights to be learned about the relationships between companies in this industry, the effects this has on network structure and process and implications for business development and the wider community.
## Research Method

<table>
<thead>
<tr>
<th>Research Overview</th>
<th>60+ Interviews</th>
<th>50 Respondents</th>
<th>33 Organisations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Data Collection</td>
<td>Field Trips</td>
<td>Observation</td>
<td>Notes</td>
</tr>
</tbody>
</table>

## Interviews Analysed

<table>
<thead>
<tr>
<th>Participant Type</th>
<th>Participants (Companies)</th>
<th>Interviews</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indigenous SMEs</td>
<td>11 (9)</td>
<td>14</td>
</tr>
<tr>
<td>Mining Companies</td>
<td>4 (4)</td>
<td>4</td>
</tr>
<tr>
<td>Non-Indigenous Companies</td>
<td>3 (2)</td>
<td>3</td>
</tr>
<tr>
<td>Development Orgs</td>
<td>6 (5)</td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td>24 (20)</td>
<td>27</td>
</tr>
</tbody>
</table>

## Company Connections

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Companies are shown based on relationships, commercial or otherwise as discussed in the interviews. This graph is arranged for visibility and does not reflect network positions. Blue – Indigenous Owned Companies, Green – Major Mining Companies, Orange – Major Contracting Companies, Purple – Business Support Organisations.

Data Analysis

Interviews were transcribed and then deidentified. The text was then uploaded into NVivo analysis software and analysed using Thematic Coding – identifying common themes in the data across respondents and Discourse Analysis – looking within an interview transcript at the use of language such as the choice of words, word order, changes in subject matter etc. Other information such as company documents or website information was used to support the analysis. A collaborative process using external researchers ensured the analysis method was clarified and verified between researchers.

Preliminary Findings
Some findings have been summarised below. They have been presented in a user friendly way, however if you are interested in discussing this in greater depth or find out about the theory behind these findings, please ask.

**Network Structure and Processes**

- All of the *Major Mining Companies* in the network have Indigenous engagement plans and from that strategies targeting Indigenous contracting but different approaches were identified between companies. Some common strategies include dedicated Indigenous contracting managers, contract spending targets, encouraging subcontracting and joint ventures and in some cases favourable weighting to Indigenous businesses in contracts, flexible payment terms and training support.
- This has created somewhat of a sub-network of the mining industry that features different motivations, norms and values. Companies may behave differently as the goal may be to develop Indigenous businesses or recruit more Indigenous workers.
- Major mining companies are attempting to promote the value of Indigenous businesses as an industry wide norm and encourage smaller companies to engage with Indigenous companies. This is to support the development of Indigenous business by providing more opportunity and also spread the responsibility to others in the network.
- The way business relationships were described in the data varied greatly. These were broadly classified into the 4 groups as follows:
  - Strategic (104 mentions); Altruistic (45); Obligatory (39); Commercial (37). Companies mostly refer to the strategic value in relationships.
- Given these network conditions, the value of Indigenous businesses is therefore increased. From a business network perspective, this leads to a different network structure and process.
  - Indigenous companies can be seen to be more central.
  - Have a greater level of power relative to size.
  - May be approached by larger firms and can directly connect with major mining companies.
  - Increase in range may open up new opportunities.
  - Mining companies try to promote network cohesion so there is less reliance on them to provide opportunities and enforce rules.
- Indigenous companies play an important network role as a bridging tie between the mining industry and the wider Indigenous community. This works both ways and can help Indigenous people access opportunities in the mining industry and help mining companies achieve their strategic engagement goals.
Identity in the Network

- A theme emerged regarding displaying an Indigenous company image. All of the companies that participated emphasised this point and there is great value in doing so. This was done through:
  - Highlighting the ownership
  - Formal affiliation (AIMSC, PACA)
  - Showing connection to the Indigenous community
  - Alignment with an image of being more community focused and non-profit driven in business style.
- The Indigenous image of a company is a source of competitive advantage and is used to show legitimacy and worth in the network.
- The non-Indigenous companies in the study have developed expectations for Indigenous companies to behave like this.
- There was also a tension identified in showing distance from some of the problems in the Indigenous community and aligning with an image of business competence and commercial value. The participants therefore presented different sides depending on the situation. There was also distance shown to companies that are perceived to be opportunistic or relying on being Indigenous to get contracts, this was often spoken about negatively.

Managerial Implications

The main outcome of this research is to provide a different perspective and to stimulate discussion. We can look at Indigenous business development and engagement strategies from a network perspective and it can show the different motivations and approached that exist amongst different business. It is important to recognise the value of Indigenous businesses, the role they play and the expectations other companies have of them. They represent a critical link between the mining companies and the Indigenous community and bring strategic value beyond the immediate service being provided. For Indigenous businesses, being aware of their position in this network and the ability to leverage off this, can help them in their interactions with other companies.

The fact that this is somewhat of a sub-network and many companies are motivated by strategic reasons should lead us to question how good this model is at developing independent, competitive Indigenous companies in the long run? Also the fact that for most mining companies this is part of their corporate social responsibility, can we rely on them to act in the best interests of these companies if they are considering their commitment at a strategic level and can walk away? Also, if we take a more critical view, what are the implications for Indigenous community groups when we consider this activity is also tied to land access issues, we have seen examples of positive outcomes in this area used to justify other controversial actions in other areas.
Appendix Six: Sample Interview Protocol

Interview with members of focal organisation

- Introduction
- Brief Explanation of research topic
- Discuss their position and role within the organisation
- What are the objectives your organisation?
- What do you feel are positive outcomes from mining agreements and royalties?
- Which other organisations does your organisation interact with regularly?
- Who (within this network) do you go to for advice? Vice versa Who initiated contact?
- Who (within this network) do you go to for help with a particular problem? Possible problems include understanding incorporation requirements, financial, investment, technical. [Network structure, knowledge transfer] Can you give an example? {Vice Versa}
- Do you feel there are any particular knowledge gaps in your organisation? Areas for improvement? How are they approaching this?
- What sort of information is exchanged? How important is that information? What is it used for? Have they been given knowledge that is difficult to understand and what did they do about this?
- Do you rely on them to perform specific tasks than you need? Do they rely on you?
- Describe the relationship between you and each of the other organisations. Possible themes – power, trust, reliability, friendship, kinship
  {Also longitudinally, past to present and thoughts on future}
- In your opinion do any of these outside organisations help to improve your organisational capacity or performance.