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Entrepreneurial Assistance Across the Ocean

An Examination of the Effectiveness
of International Mentoring as a Support Service
for Entrepreneurs in Samoa

A thesis presented in partial fulfilment of the requirements for the
Degree of Master of Philosophy in Development Studies
at Massey University, Palmerston North, New Zealand

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2013

ABSTRACT

Indigenous entrepreneurs play an important role in the economic growth of developing countries but to be sustainable they must balance their business needs with the cultural norms of the local context. Donor countries are increasingly supporting the private sector through business mentoring, however the challenges facing indigenous entrepreneurs are quite different to those experienced by their mentors. This research investigates the value of donor-funded, cross-cultural mentoring through an examination of the Pacific Business Mentoring Programme, a New Zealand initiative in Samoa.

Based on an extensive literature review, this thesis develops a framework to assess the value of a mentoring programme. Semi-structured interviews with 23 entrepreneurs in Samoa reveal their positive and negative experiences with the programme. An online survey of the New Zealand mentors who had worked in Samoa provides further data regarding the perceived strengths and weaknesses of the programme. This information is evaluated against the mentoring framework to assess what worked well and what areas could be improved.

Research findings show that mentoring can provide both business and socio-cultural development outcomes, however economic improvements can be very difficult to attribute directly to a mentoring programme. Several cited benefits of the mentoring programme, such as providing a neutral sounding board and challenging the entrepreneur's assumptions, are difficult to quantify. The majority of entrepreneurs believe that their mentor did not have a good understanding of the local cultural context. Where a mentor's advice conflicted with their cultural practices, the entrepreneur would usually ignore or adapt the advice to reach a compromise. Some cultural practices appear to be detrimental to running a business, however many of these practices add to the resilience of local people as well as having a social function, and should therefore not be undermined.

This thesis concludes that donor-funded business mentoring is a versatile, effective tool for development assistance if mentors are sensitive to the unique challenges of the local context and do not underestimate the abilities of the local entrepreneurs. With careful selection, training and support, mentoring can support indigenous entrepreneurs to improve their business skills while retaining their cultural identity.

ACKNOWLEDGEMENTS

Studying extramurally can feel like a long and lonely task at times but of course, it has only been possible to complete this thesis with the support of many people.

My supervisors, Regina and Glenn have always been just a phone call or email away and their constructive criticisms have been hugely helpful.

Financial support received from Massey University and MFAT was gratefully received and meant I could enjoy the privilege of studying fulltime.

My family has been incredibly understanding as I spent day after sunny day glued to my computer. Extra special thanks must go to my Dad who carefully proof read this thesis during the last weeks of his life. His attention to detail was outstanding.

Of course I could only write this thesis with the input from the entrepreneurs in Samoa and the New Zealand mentors. It was an honour that so many extremely busy people generously gave up their time to meet with me. I have done my best to represent their opinions honestly and fairly.

I definitely struck it lucky by finding the perfect research assistant. Pearl was forever patient and persistent; offering her own pearls of wisdom to guide me through the many interviews in Samoa.

My hosts in Samoa at Taumesina Hideaway provided the perfect student accommodation offering much more assistance and good times than I could ever have expected.

Everyone I met while cycling around Samoa's beautiful islands added to my knowledge and understanding. How lucky was I to carry out fieldwork in such an idyllic corner of the planet!

I am sincerely grateful for all the support I have received.

Fa'afetai tele lava!

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LIST OF ABBREVIATIONS

ADB	Asian Development Bank
BAS	Business Advisory Service
CESES	Confederation of European Senior Expert Services
EBRD	European Bank for Restructuring and Development
GDP	Gross Domestic Product
KPIs	Key Performance Indicators
LDC	Least Developed Country
MDGs	Millennium Development Goals
MFAT	New Zealand Ministry of Foreign Affairs and Trade
OECD	Organisation for Economic Cooperation and Development
PBMP	Pacific Business Mentoring Programme
PIPSO	Pacific Island Private Sector Organisation
PLP	Pacific Leadership Programme
PNG	Papua New Guinea
PSD	Private Sector Development
PUM	Netherlands Senior Experts
SAT\$	Samoan Tala
SES	German Senior Export Service
SBS	Samoan Bureau of Statistics
SDS	Strategy for the Development of Samoa
SHA	Samoa Hotel Association
TAM	Turn Around Management Group
USAID	United States Agency for International Development
UK DFID	United Kingdom Department for International Development
UNDP	United Nations Development Programme
UNECE	United Nations Economic Commission for Europe
WIBDI	Women in Business Development Incorporated

GLOSSARY OF SAMOAN TERMS

<i>Aiga</i>	Extended family
<i>Aumaga</i>	Council of untitled men
<i>Fa'a lavelave</i>	A significant social event such as a wedding or a funeral
<i>Fa'a Samoa</i>	The Samoan way of life
<i>Fono</i>	The council of <i>matai</i> found in each village
<i>Komiti</i>	Village committee
<i>Komiti Tumama</i>	Women's committee
<i>Matai</i>	Family chief
<i>Nu'u</i>	Village
<i>Palagi</i>	European person / Pakeha
<i>Pule</i>	Status
<i>Tautua</i>	Service (e.g. children to parents or villagers to their church)