

MANAGEMENT APPROACHES OF  
FIRST NATIONS BUSINESSES IN SASKATCHEWAN

College of Graduate Studies and Research

Doctor of Philosophy

Individual Interdisciplinary Studies

University of Saskatchewan

Doyle D. Anderson

Copyright, Doyle D. Anderson, 2009. All rights reserved.

## PERMISSION TO USE

In presenting this thesis in partial fulfillment of the requirements for a postgraduate degree from the University of Saskatchewan, I agree that the Libraries of this University may make it freely available for inspection. I further agree that permission for copying in any manner, in whole or in part, for scholarly purposes may be granted by the professor or professors who supervised my thesis work or, in their absence, by the Head of the Department or the Dean of the College in which my thesis work was completed. It is understood that any copying or publication or use of this thesis or parts thereof for financial gain shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to the University of Saskatchewan in any scholarly use which may be made of any material in my thesis. Requests for permission to copy or make use of material in this thesis in whole or in part should be addressed to:

Chair, Interdisciplinary Committee  
Interdisciplinary Studies  
College of Graduate Studies and Research  
University of Saskatchewan  
Room C180 Administration Building  
105 Administration Place  
Saskatoon, SK S7N 5A2.

## ABSTRACT

This study is a comparative analysis of the level of high-involvement management (HIM) in a group of First Nations businesses in Saskatchewan and a matched sample group of non-Aboriginal businesses in Saskatchewan. The level of high-involvement management in the businesses was measured using an existing survey questionnaire based on one developed by Long (2001). This questionnaire is targeted to both managers and employees in each company. The researcher hypothesized that the level of high-involvement management in the First Nations businesses would be higher than that in the non-Aboriginal businesses. The rationale for this hypothesis was that the First Nations businesses would exhibit a cultural effect that would make the management of the businesses congruent with the traditional high-involvement organizational approach of the Plains Cree and Assiniboine First Nations in Saskatchewan prior to their confinement to reserves. This research has demonstrated that the management approach of First Nations companies is not more high-involvement oriented than a matched sample of non-Aboriginal businesses using a high-involvement management scale. Several techniques were utilized to try to identify a cultural effect. Means testing, correlation analysis, and multiple regression analysis were all utilized to try to identify a cultural effect, all to no avail. Only when the data was analyzed based on various other dimensions were significant differences identified between First Nations and non-Aboriginal firms in terms of high-involvement management. Even in these cases, the differences are the opposite of that which was hypothesized for this study. In each of these cases, First Nations firms were significantly lower in high-involvement management than non-Aboriginal firms. Management and employee responses to the research instrument were shown not to be significantly different. Possible explanations for these results are discussed.

## ACKNOWLEDGMENTS

I am a member of the Red Pheasant First Nation with kinship ties to the Mosquito Grizzly Bear's Head Lean Man First Nation. This lineage has served to motivate me to undertake this project and to pursue a career in Aboriginal business education. My background as a military officer, environmental engineer, engineering manager, management consultant, and entrepreneur provided me with experience in a variety of organizational settings. This experience has contributed to my deep interest in organizations and in management approaches that increase organizational effectiveness.

A number of educators in my life contributed to this project. I would like to thank Dr. Richard Long for helping to ignite within me a fascination with organizations and high-involvement management practices. The knowledge he shared with me and the interest that this knowledge created in me have helped me to follow what I consider to be the ultimate career path for me. His mentorship has been an important guidepost in my life. Richard Missens helped me to catch a vision of the power and importance of Aboriginal business education to the future of Native people. This vision has served to provide me with a deep sense of meaning in my professional life since my first associations with him. His invitation to enter the world of Aboriginal business education opened the door to professional fulfillment in my life. I would like to thank Dr. Jim Miller for helping me learn more about who I am through his guidance in my study of the Aboriginal history of Saskatchewan. Dr. Danny Musqua also helped me understand more about myself and my heritage through his mentorship and First Nations cultural teachings. Dr. Larry Sackney shared with me his love for organizational theory and his encouragement to press on at a time when it was sorely needed. Dr. Joe Garcea fulfilled the role

as chair of my committee and his leadership, organizational skills, and encouragement played a key role in helping me complete this project. Dr. Richard Appleman was an inspiration in my life many years ago as he modeled for me what a professor should be. Finally, I would like express my appreciation to Dr. Bill Stratton for his encouragement of my Aboriginal business education interests and for his assistance in completing this project under difficult circumstances.

I would like to thank the many individuals in my personal life who have helped to prepare me for this undertaking and who have assisted me during the course of this project. First, I am deeply indebted to my wife, Pauline Anderson, for her support as I changed my career direction to do the work that I have come to value most. Her support and encouragement over the 23 years of our marriage have helped me to become a better person. My children, Donald, Naomi, Olivia, Elise, Dallin, and Dieter have likewise provided support and meaning in my life. My parents, Don and Rose Anderson, have always encouraged me to honor, respect, and embrace my heritage and to serve others. These teachings have blessed my life in innumerable ways. My late grandmother, Emily Benson, was a Cree woman from Red Pheasant First Nation. Her love and wisdom helped me to learn what it means to be an Indian. My uncle, George Benson, is a hero to me because of his experiences as a First Nations war veteran, but more importantly because of the battles he has won since he returned from war. He taught me through words and deeds that although making positive changes in our lives and in the world is difficult, it is possible and it is worth the effort. My late uncle, Solomon Stone, taught me about the strength, courage, and compassion of my Assiniboine people through stories and through his example in my life.

The ten years that I spent in Saskatchewan pursuing graduate studies, teaching and mentoring Aboriginal people in business education, assisting First Nations people in economic

development and governance projects, and running a First Nations business provided me with a unique perspective from which to undertake this project. I observed the power of First Nations business education first hand as I worked as a consultant to First Nations in economic development and governance projects. Often, I found that key players in First Nations economic development and governance were my former Aboriginal business students. I also had the opportunity to observe the organizational practices and structures of the wide variety of First Nations business and government organizations that I served. This experience helped to facilitate a high participation rate of First Nations businesses in this study and to inform my interpretation of the study results.

I am grateful for the opportunity I have had to complete this study. This research is an important step in my life's journey. I look forward to extending my study and understanding of First Nations business organizations as my journey continues.

# CONTENTS

<b>Permission to Use .....</b>	<b>i</b>
<b>Abstract.....</b>	<b>ii</b>
<b>Acknowledgments .....</b>	<b>iii</b>
<b>Table of Contents .....</b>	<b>vi</b>
<b>List of Tables .....</b>	<b>viii</b>
<b>List of Figures.....</b>	<b>x</b>
<b>Chapter 1. Introduction and Research Question .....</b>	<b>1</b>
1.1 Introduction.....	1
1.2 Research Objectives.....	3
1.3 Importance and Contribution of Research .....	3
<b>Chapter 2. Theoretical Framework and Literature Survey.....</b>	<b>5</b>
2.1 Theoretical Framework.....	5
2.2 Existing Research Literature .....	20
2.2.1 The Evolution of Modern Organizational Management Approaches.....	21
2.2.2 Elements of High-Involvement Management.....	25
2.2.3 Other Perspectives Related to Involvement-Oriented Management.....	28
2.2.4 Organizational and National Culture .....	29
2.2.5 Traditional Plains Cree and Assiniboine First Nations Organization .....	32
2.2.6 Contemporary Aboriginal Management Models .....	35
<b>Chapter 3. Methodology.....</b>	<b>37</b>
3.1 Sample and Data Collection.....	37
3.2 Variable Measures and Research Instrument.....	44
3.3 Analytical Techniques .....	47
3.4 Ethics Committee Approval.....	48

<b>Chapter 4. Results.....</b>	<b>49</b>
4.1 Management Data Analysis .....	49
4.1.1 Means Testing of HIM Scores .....	49
4.1.2 Correlation Analysis of HIM Scores.....	53
4.1.3 Analysis of Components of HIM .....	56
4.2 Employee Data Analysis.....	60
4.2.1 Means Testing of HIM Scores .....	60
4.2.2 Correlation Analysis of HIM Scores.....	63
4.2.3 Analysis of Components of HIM .....	66
4.2.4 Multiple Regression Analysis of Factors Predicting HIM.....	69
4.2.4.1 Multiple Regression Analysis of Entire Employee Data Set.....	70
4.2.4.2 Multiple Regression of Non-Aboriginal and First Nations Data Subsets.....	70
 <b>Chapter 5 Conclusions and Implications .....</b>	 <b>77</b>
5.1 The Role of Institutional Forces .....	79
5.2 Cultural Forces and First Nations Industrialization .....	88
5.3 Contingency Theory.....	96
5.4 Applying the Management Approach Change Model .....	97
5.5 A Pendulum Effect in Management Approach Evolution .....	103
5.6 Limitations of Research .....	105
5.7 Implications for Practice .....	106
5.8 Future Research .....	107
 <b>References .....</b>	 <b>108</b>
 <b>Appendices</b>	
 <b>A Survey of the Management Approaches of First Nations and Non-Aboriginal Businesses in Saskatchewan.....</b>	 <b>114</b>
 <b>B Standard Clarifications for Questions in Section B of the High-Involvement Management Survey.....</b>	 <b>122</b>
 <b>C Consent Form.....</b>	 <b>124</b>



## LIST OF TABLES

2.1	Distinguishing characteristics of three organizational management approaches .....	13
3.1	Participant companies listed by business sector .....	39
3.2	Comparisons of sample characteristics, non-Aboriginal firms and First Nations firms....	40
3.3	Ownership/management characteristics of First Nations firms .....	42
3.4	Questions from Section B of the survey and the components of high-involvement management they are designed to measure.....	45
3.5	Dependent and contextual variables.....	46
4.1	Comparisons of high involvement management score means, management data set .....	50
4.2	Comparisons of high involvement management score means by business sector, management data set .....	52
4.3	Means, standard deviations, and intercorrelations, management sample .....	54
4.4	Comparisons of job scope subscale means, management data set.....	57
4.5	Comparisons of coordination subscale means, management data set.....	57
4.6	Comparisons of leadership/decision-making subscale means, management data set.....	58
4.7	Comparisons of control subscale means, management data set .....	59
4.8	Comparisons of communication subscale means, management data set .....	59
4.9	Comparisons of management and employee mean scores on the high-involvement management scale .....	62
4.10	Comparisons of high-involvement management score means, employee data set .....	62
4.11	Comparisons of high-involvement management score means by business sector, employee data set .....	63
4.12	Means, standard deviations, and intercorrelations, employee sample .....	64
4.13	Comparisons of job scope subscale means, employee data set .....	67

4.14	Comparisons of coordination subscale means, employee data set .....	67
4.15	Comparisons of leadership/decision-making subscale means, employee data set .....	68
4.16	Comparisons of control subscale means, employee data set .....	68
4.17	Comparisons of communication subscale means, employee data set.....	69
4.18	Multiple regressions predicting high involvement management, employee data set .....	71
4.19	Bivariate predictors of high-involvement management, non-Aboriginal and First Nations firms, employee data set.....	72
4.20	Multiple regressions predicting high involvement management, non-Aboriginal employee subsample .....	74
4.21	Multiple regressions predicting high involvement management, First Nations employee subsample .....	74
4.22	Multiple regressions predicting high involvement management including ownership/management characteristics, controlling for hospitality sector, First Nations employee subsample .....	75
5.1	Pre-industrial and colonial effects on East Asian business systems .....	91

## LIST OF FIGURES

2.1.	A model for change in First Nations organizational management approach.....	10
2.2.	Organizational culture change model .....	14
5.1	Management approach change model incorporating institutional and cultural forces .....	99

# CHAPTER 1

## INTRODUCTION AND RESEARCH QUESTION

### **1.1 Introduction**

Aboriginal communities in Canada are faced with high levels of poverty and dependence, and these problems will be compounded without a substantial increase in economic development activity among Aboriginal people. The Report of the Royal Commission on Aboriginal People (1996) emphasized the need to build a sustainable economic base for Aboriginal people or face the rapidly escalating costs of supporting a perpetuating cycle of poverty and dependence in Aboriginal communities. Aboriginal business development is needed to address this growing problem, and activities and initiatives that will increase the effectiveness of Aboriginal business management will be a key factor in reducing the economic and social costs of Aboriginal underdevelopment.

Although Aboriginal business is a major source of hope for alleviating poverty in Aboriginal communities, little is known about contemporary First Nations management approaches. Knowledge of the management approaches utilized by First Nations businesses has the potential to increase the effectiveness of First Nations business management and increase the success rates of new and existing Aboriginal businesses. This study was designed to determine whether or not First Nations business management is significantly different than non-Aboriginal business management, as some Aboriginal management commentators suggest (e.g., Chapman, McAskill, & Newhouse, 1991). If it were determined that contemporary First Nations businesses are organized in a manner consistent with the traditional organizational approaches of their

ancestors, this knowledge would be valuable. This result could point to culturally consistent organizational structures and management practices as a strategic competitive advantage for First Nations business management practitioners.

This study assessed the management approaches of a group of contemporary First Nations businesses in Saskatchewan and compared this to the management approaches of non-Aboriginal businesses of similar size operating in the same markets. This information on the management approaches of contemporary First Nations businesses in Saskatchewan was also compared to the traditional organizational approach of a prominent First Nations group in Saskatchewan, the Plains Cree and Assiniboine First Nations. The rationale for the regional focus of the project is that the diversity of First Nations cultures makes it difficult to generalize across the entire country regarding First Nations culture and organization. A regional comparison between the management approaches of contemporary Aboriginal businesses and the traditional organizational approaches of prominent First Nations groups in the same specific region was judged to be more likely to reflect a connection between current management approach and traditional First Nations organizational approach.

The level of employee involvement in the management of each of the businesses was assessed, particularly in terms of the amount of power, information, knowledge, and rewards that are shared throughout the organization rather than being concentrated at the management level. The extent that a “high-involvement” management approach (Lawler, 1992), as opposed to a “control-oriented” management approach, exists in the businesses participating in the study was measured using a survey research instrument designed for this purpose. This study was designed to determine whether or not a link exists between contemporary management approaches of First Nations businesses and traditional organizational approaches of First Nations in the area. Such a

link would shed light on the link between organizational culture and the traditional culture of First Nations people. This research was undertaken to make a meaningful and practical contribution to the emerging discipline of Aboriginal business management.

## **1.2 Research Objectives**

The traditional organizational approach of the Plains Cree and Assiniboine First Nations was a very involvement-oriented approach, with shared decision-making, extensive information and knowledge sharing, and a reward system that ensured that rewards were shared throughout the community (see Mandelbaum, 1940; Denig, 2000; Anderson, 2003). The overall goal of this research was to determine whether or not the high-involvement organizational form characteristic of these First Nations is reflected in contemporary First Nations businesses to a greater degree than in similar non-Aboriginal businesses. The central research question addressed in the study is: Are the management approaches of First Nations businesses more involvement-oriented than those of similar non-Aboriginal businesses?

## **1.3 Importance and Contribution of Research**

This research study is intended to contribute to expanding the body of knowledge in the study of management approach, Aboriginal management, and organizational culture. While Aboriginal economic development research is contributing considerable knowledge regarding emerging economic development approaches (e.g., Anderson, 1998; Elias, 1991; Cornell & Kalt, 1993; Notzke, 1994), much less is known about the internal management of contemporary Aboriginal businesses. Empirical data regarding the relationship between the traditional organizational approaches of a group of Aboriginal people in a specific region and the

management approaches of contemporary Aboriginal businesses in the same specific region would provide an important contribution to our understanding of the relationship between traditional First Nations culture and the organizational culture of contemporary First Nations businesses. Empirical research into the relationship between the management approaches of contemporary First Nations businesses and a matched sample of non-Aboriginal businesses operating in the same industries and markets would facilitate greater understanding of the factors influencing the selection of management approaches for First Nations businesses. This study was undertaken to make such contributions.

The elements and dimensions of management approach and organizational culture described in the study are discussed within the context of historical accounts of the First Nations people in this specific region and the historical evolution of management approaches in the larger society. The research into the actual management approaches and cultural dimensions manifested by contemporary First Nations businesses in this particular region was undertaken in an effort to provide an enhanced theoretical and practical basis for the effective management of emerging and existing First Nations businesses.

## CHAPTER 2

### THEORETICAL FRAMEWORK AND LITERATURE SURVEY

#### **2.1 Theoretical Framework**

The theoretical framework for this project is based on an analysis of changes in organizational management approach. This framework is centered around changes that have occurred in the organizational approach of the Plains Cree and Assiniboine people over time, the forces that have contributed to these changes, and the contemporary evolution of First Nations management approaches in Saskatchewan. These changes and change mechanisms are represented in the organizational management approach change model developed for this project and presented in this framework discussion.

Once treaties were signed in Saskatchewan and reserves established for the treaty First Nations in the region, a once independent and enterprising group of First Nations people, the Plains Cree and Assiniboine, experienced a major change in their organizational approach. These changes were directly related to the disappearance of the primary source of food and sustenance of the Plains Cree and Assiniboine First Nations, the bison. The Plains Cree and Assiniboine went from organizing in a very effective involvement-oriented fashion in their traditional life on the plains to being governed and to eventually governing in a very control-oriented manner after their freedom was restricted and bureaucratic control systems were imposed upon them by government agents. The organizational management approach of some of these First Nations people later changed even further to more closely resemble a pre-bureaucratic “monarchical” organizational model (Weber, 1947).

In recent years, many First Nations people have embraced a return to their traditional culture and world view. No longer confined to reserves or prohibited from practicing their traditional spirituality or participating in other cultural activities, many First Nations people are experiencing a cultural renaissance. As they return to a greater focus on their traditional cultural perspectives and world view, their mode of organizing may be changing as well. It is suggested that the return to traditional basic assumptions regarding life may be exerting an influence on values, which would in turn influence the visible manifestations of culture, including organizational approaches, of many First Nations people. This organizational change process is described in greater detail later in this section. It was hypothesized that this phenomenon is currently being manifested in First Nations businesses. If First Nations businesses reflect the traditional organizational approach of the Plains Cree and Assiniboine, whose traditional territories extend across a large part of what is now Saskatchewan, they would adopt a high-involvement management approach. The Plains Cree and Assiniboine people are representative of a large number of Saskatchewan First Nations people. The Plains Cree are related to the Woodland Cree of the central and northern forests, and the Plains Cree and Assiniboine shared a way of life with other plains First Nations people of Saskatchewan.

The Plains Cree and Assiniboine First Nations, two nations so closely allied that they have been cited as examples of “ethnic fusion” (McMillan, 1988), underwent substantial change in organizational approach following contact with European people. They assumed a prominent role in the western Canadian fur trade and demonstrated high levels of adaptability and effectiveness in that trade. As stated earlier, at the time of contact with Europeans and for many years afterward, these First Nations people utilized a high-involvement organizational approach characterized by extensive sharing of rewards, group decision-making, and widespread

dissemination of information and knowledge. Because of their high-involvement organizational approach, the Plains Cree and Assiniboine demonstrated a remarkable ability to adapt and prosper in the rapidly-changing business environment of the western Canadian fur trade. Following their first contact with representatives of fur trading companies, these First Nations transitioned rapidly from roles as subsistence hunters to fur trappers to inland merchants and later to provisioners in the fur trade (Carter, 2006). As they assumed the role of merchants to the First Nations located further inland, they moved onto the plains and adopted the plains way of life. An organizational model that facilitated effective and extensive dissemination of power, information, knowledge, and rewards throughout the organization allowed the Plains Cree and Assiniboine to adapt, innovate, and prosper in a very unstable and challenging environment.

Although there are debates as to the extent of government impact on First Nations during the early reserve period, there was certainly an impact on Plains Cree and Assiniboine organization. After the Plains Cree and Assiniboine were confined to reserves, their traditional high-involvement organizational approach was in some cases replaced by a bureaucratic organizational approach. For some, their organizational approach was subsequently replaced by a pre-bureaucratic “monarchical” organizational approach. While they had previously enjoyed an autonomous life, a series of policies was enacted by the government that would result in the loss of nearly every semblance of autonomy that these First Nations people possessed. These policies, although in many cases designed to bureaucratically protect the interests of the First Nations, in many cases actually robbed the Plains Cree and Assiniboine of one of their greatest possessions - their independence.

These First Nations people were confined to small reserves and were economically marginalized. Although their agricultural operations were frequently among the most successful

in the region, restrictive bureaucratic policies that required the permission of a government agent to consummate market transactions opened the door for abuses of power. The government agents, often under pressure from non-Aboriginal settlers, frequently made decisions that were not in the best interests of the First Nations farmers. The First Nations farmers were therefore not able to reap fair rewards for their work. The disconnect between effort and outcomes that resulted from the subversion of First Nations agricultural activities by government administrators contributed to the increasing economic dependence of the Plains Cree and Assiniboine on government assistance.

Another destructive policy imposed upon these people was the requirement for First Nations people to obtain a written pass from the government agent to be able to leave their reserves. This resulted in further abuses of power. This policy was particularly onerous, considering the policy of residential school education for First Nations children. The ability of First Nations parents to visit their children in distant residential schools was restricted, and the children were taught to reject their culture and traditional way of life in favour of Euro-Canadian culture. These children often succumbed to diseases for which they had no immunities while attending these residential schools (see Tobias, 1991; Miller, 2000).

Yet another shift away from the traditional high-involvement organizational approach was the change in governance approach that occurred during this period of oppression. Rather than traditional involvement-oriented leadership, the federal government attempted to impose a bureaucratic system of governance on First Nations. In the dependence relationship with the government, the role of leaders in many First Nations shifted away from the traditional entrepreneurial focus of the Plains Cree and Assiniboine to a role as administrators acting under the direction of government administrators to administer band activities and resources provided

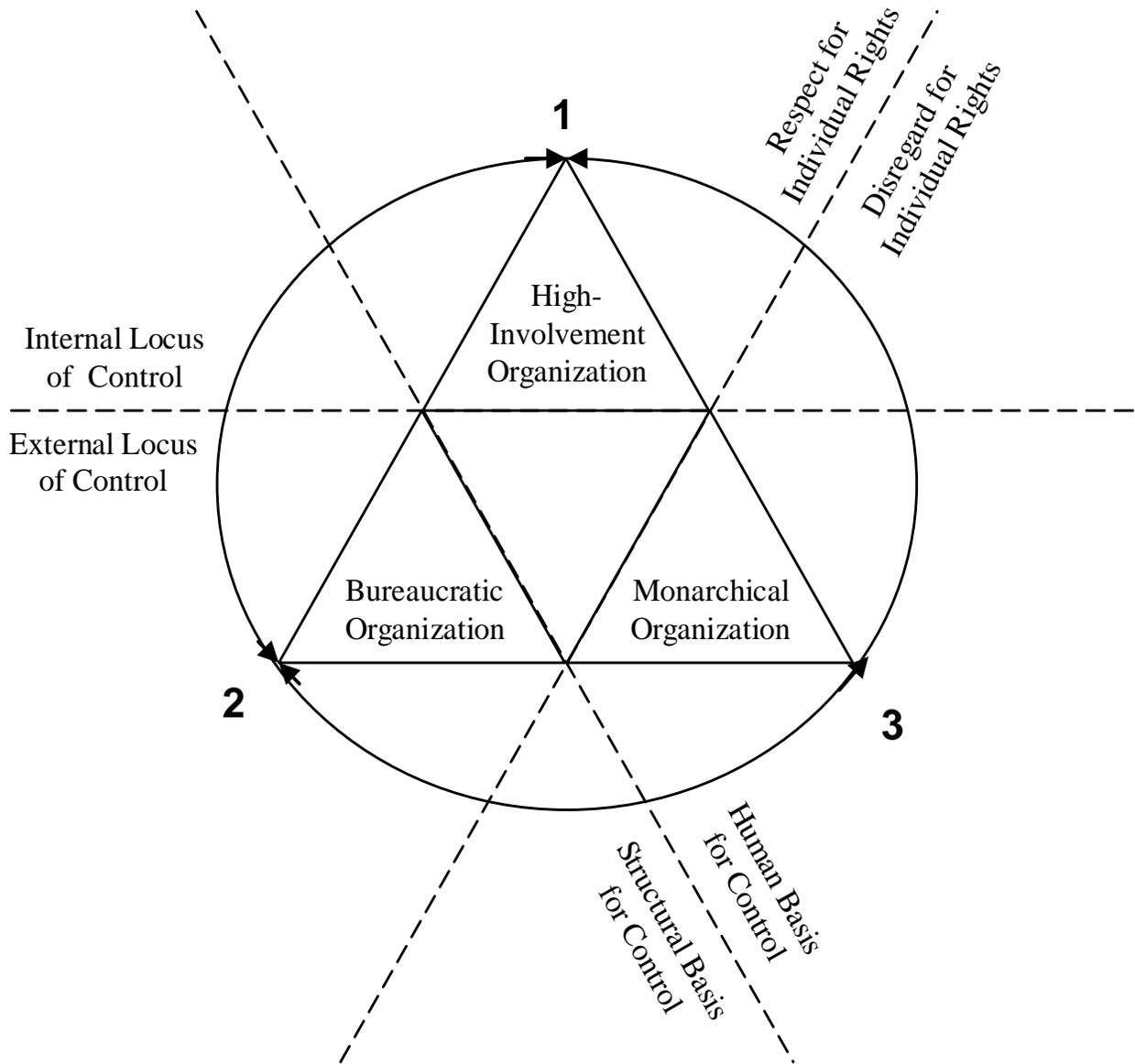
by the government. Their traditional form of organization required a leader who was a servant of the people although kinship ties were important. The bureaucratic chief and council system established by the government required no such servant role of leaders, and reduced the traditionally high levels of involvement by community members in the decision-making and operations of the organization. This bureaucracy was an alien system of organization and was not easily adopted by the Plains Cree and Assiniboine. (Carter, 2006; Cuthand, 1991; Cardinal, 1991; & Tobias, 1991).

Considering the dependence relationship between First Nations and the government, alternatives to this alien bureaucratic organizational approach were very limited. Some First Nations organizations chose to adopt the pre-bureaucratic “monarchical” organizational approach, with its propensity toward unfairness, arbitrariness, and nepotism (Weber, 1947). The bureaucratic organizational approach was designed to improve upon the monarchical model by addressing these problems with the pre-existing monarchical organizations through structural means, so the transition to the monarchical organizational approach by some First Nations represented a further regression in organizational approaches. Like the monarchs who were able to channel power and resources arbitrarily to serve their own interests, some Native community leaders began channeling power and resources within their communities in an unfair and traditionally inappropriate manner (Jorgensen, 2008). The pre-bureaucratic British management system that was “...beset by the evils of nepotism and unsystematic thought...” (Guillen, 1994) was developed in the same nation that colonized Canadian First Nations.

A conceptual framework model representing the change in organizational approach experienced by the Plains Cree and Assiniboine First Nations is presented in Figure 2.1. This model represents the regression and alienation experienced by these First Nations during their

**Figure 2.1.**

*A model for change in First Nations organizational management approach*



period of oppression, which is generally that time period since the establishment of reserves. This model also represents a process for achieving positive change in organizational approach among contemporary First Nations organizations.

The central elements of the model are the three organizational approaches: the high-involvement, bureaucratic, and monarchical organizational approaches. The high-involvement management approach described in the model is based on Lawler (1992), and the bureaucratic and pre-bureaucratic monarchical organizational approaches are based on Weber (1947). These approaches are represented by three triangles in the model.

Distinguishing characteristics of the three organizational approaches are represented by three dashed lines bisecting the diagram. The distinguishing features include: 1) internal vs. external locus of control, 2) respect vs. disregard for individual rights, and 3) human vs. structural basis of control. The key distinction that distinguishes the high-involvement organizational approach from the other two approaches is the distinction between the internal and external locus of control. It is individual autonomy and self-management that provides the opportunity for high levels of involvement by organizational members. High-involvement organization members are controlled from within themselves, while members of bureaucratic and monarchical organizations are controlled by structural control systems and autocratic leaders, respectively. A second distinction between organizational approaches represented by a dashed line in Figure 2.1 is regard for individual rights. While high-involvement and bureaucratic organizations are established with a mandate for respecting and defending individual rights and fairness, monarchical organizations often function with a disregard for individual rights and fairness. A third distinguishing feature of organizational approaches represented in Figure 2.1 is the basis of the control systems used by the organization. The basis for control in a bureaucratic

organization is structure and rules. There is a human basis for control in high-involvement and monarchical organizations; however, the high-involvement organizational approach is based on democratic human control while the monarchical organizational approach is based on autocratic human control. Table 2.1 presents the distinguishing features of each of the three organizational approaches.

The processes involved in moving from one organizational approach to another are represented in the model by arrows in the circle connecting the organizational approaches. An organizational culture change occurred as the Plains Cree and Assiniboine regressed from a high-involvement organizational approach to a bureaucratic approach and then to a monarchical organizational approach. An organizational culture change must likewise occur to move in the opposite direction. These changes are represented by the arrows in Figure 2.1.

Schein (1985) presented a model for organizational culture and organizational culture change that is relevant to the experience of the Plains Cree and Assiniboine. This model was elaborated by Hatch (1993), who discussed the culture change forces in greater detail. An adaptation of this model is depicted in Figure 2.2. Schein defines organizational culture as:

a pattern of basic assumptions – invented, discovered, or developed by a given group as it learns to cope with its problems of external adaptation and internal integration – that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems. (p. 9.)

Schein identifies three levels of organizational culture: 1) basic assumptions, 2) values, and 3) artifacts. Basic assumptions are often taken-for granted, and these assumptions concern such things as humanity's relationship to nature, the nature of reality and truth, the nature of human nature, the nature of human activity, and the nature of human relationships. These basic

**Table 2.1** Distinguishing characteristics of three organizational management approaches

Organizational Management Approaches	Internal vs. External Locus of Control	Respect vs. Disregard for Individual Rights	Structural vs. Human Basis for Control
High-Involvement Organization	Internal	Respect	Human (Democratic)
Bureaucratic Organization	External	Respect	Structural
Monarchical Organization	External	Disregard	Human (Autocratic)

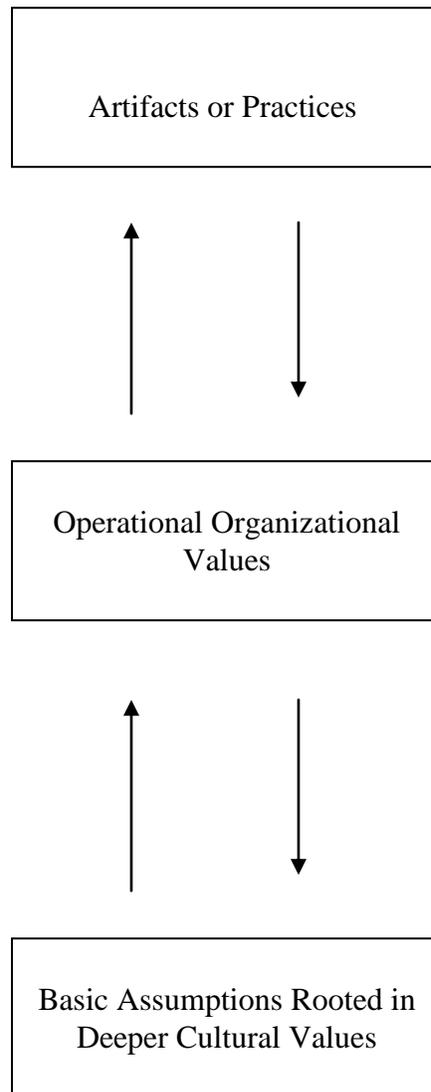
assumptions form the basis for values. Organizational members generally have a greater awareness of values than assumptions. In Schein's model, values form the basis for artifacts, which comprise the visible level of culture. These artifacts may include technology, art, behaviour patterns, and other visible aspects of an organization's culture. Cultural influence can be exerted in two directions. Assumptions influence values, which in turn influence artifacts. Conversely, artifacts can be introduced from outside of the organization, and can influence organizational values. These new values, when accepted and internalized, can likewise exert an influence on basic assumptions.

Culture change processes played a role in the negative changes in the organizational approaches of the Plains Cree and Assiniboine. These processes may also play an important role in reversing that trend and moving back toward the more traditional high-involvement organizational approach. Analysis of the processes involved in changing organizational approaches is presented in the subsequent discussion.

Some researchers have stated that national culture has a greater impact on employees than organizational culture (e.g., Daft, 2001; Hofstede, 2001). Hofstede and Hofstede (2005)

**Figure 2.2**

*Organizational culture change model*



Based on a model developed by Schein (1985) and elaborated by Hatch (1993)

further states that distinct ethnic or linguistic groups, which would include Saskatchewan First Nations, are even more influential than nations in determining an organization's culture.

Because of the well-established and effective pre-colonial society that existed in First Nations communities, the national level of analysis (at the level of the First Nation) is appropriate for Canadian First Nations business. In the case of contemporary First Nations businesses in the Canadian prairie region, organizational members have Canadian nationality. In addition, many First Nations organizational members have a strong First Nations cultural affiliation. This First Nations cultural affiliation has a strong influence on these individuals. This cultural influence would be expected to encourage First Nations businesses to pattern their organizations after the traditional high-involvement organizational model.

Negative changes in organizational approach resulted from the subjugation of the Plains Cree and Assiniboine. The change from high-involvement to bureaucratic organization is represented in Figure 2.1 by the counterclockwise arrow from the high-involvement to bureaucratic organizational approach. In this case, artifacts or practices imposed upon First Nations by the federal government had an impact on the First Nations organizational approach. The values of autonomy, independence, and innovation were impacted in this process and a dependence mentality became established over time. An alien system built upon a different set of basic assumptions was imposed upon the Plains Cree and Assiniboine by the government and this process had a negative impact on the traditional Plains Cree and Assiniboine organizational approach. In the move from the high-involvement to the bureaucratic organizational approach, a major shift occurred as the organization moved across the boundary between internal locus of control and external locus of control. Where the First Nations were once autonomous and independent, the reserve period brought with it dependence and external control exerted by the

federal government. Without this internal locus of control, the traditional high-involvement organizational approach was no longer sustainable. In this transition, another line of distinction was crossed. The structural basis for control under the bureaucratic organizational approach began to replace the human democratic basis for control inherent in the high-involvement organizational approach within the organization. A system of rules and administrative structure in many cases replaced the internal commitment to organizational success that had traditionally served to control Plains Cree and Assiniboine First Nations people.

In responding to the imposition of an alien bureaucratic system, the options for First Nations were limited. Without autonomy and independence, returning to the traditional high-involvement organizational approach was not possible. The role of many leaders shifted from proactively addressing challenges and exploiting opportunities presented by the environment to reactively administering the limited resources provided by the government. In the process, some First Nations rejected aspects of the system of bureaucratic controls and, prevented by circumstances from returning to the traditional high-involvement organizational approach, began a shift towards the pre-bureaucratic “monarchical” organizational approach, with its propensity toward inequity, nepotism, and arbitrariness. Those First Nations that began the transition from the bureaucratic to the monarchical organizational approach adopted some aspects of a different set of basic assumptions. The organizational practices of some corrupt government administrators began to be imprinted upon some First Nations. Self interest began to take precedence over the traditional focus on communal interest. In this transition, the line was crossed in Figure 2.1 between the bureaucratic preservation of individual rights to the monarchical disregard for individual rights. The line between a bureaucratic structural basis of control and the monarchical, autocratic human basis of control was also crossed by those First

Nations that chose to pursue this course. The First Nations that chose the monarchical organizational approach bore little resemblance organizationally to their effective, innovative, and entrepreneurial predecessors that utilized the traditional high-involvement organizational approach.

Today, the challenge for many First Nations business organizations is to organize effectively to take advantage of market opportunities, to create new opportunities, and to overcome challenges presented by the environment. For many, significant change in organizational approach is required to achieve these objectives. For First Nations people whose background is influenced by the monarchical organizational model, the transition directly to the high-involvement organizational approach will require substantial change. The change will represent a shift to a more traditionally appropriate organizational approach, but the inertia created by living for years under the monarchical organizational model will be difficult for some to overcome. (Jorgensen, 2008; Smith, 2000). In organizations whose members are highly entrenched in the monarchical approach, artifacts, values, and basic assumptions will need to be replaced with artifacts, values, and assumptions that are consistent with the traditional high-involvement organizational approach. In organizations whose members are less entrenched in the monarchical organizational approach, the traditional set of basic assumptions will influence values, which will in turn result in the creation of artifacts that are consistent with the traditional high-involvement organizational approach. The move directly from the monarchical to the high-involvement organizational approach requires crossing the line between an external locus of control and an internal locus of control. This transition from monarchical to high-involvement organization represents a shift from the monarchical disregard for individual rights and fairness

back to the high-involvement emphasis on respecting and preserving individual rights and equity.

The change from monarchical to bureaucratic organization, depicted by the counter-clockwise arrow from Point 2 to Point 3 in Figure 2.1, represents a shift from one organizational approach that is alien to the traditional Plains Cree and Assiniboine organizational model to another alien organizational model. While it entails a move from disrespect for individual rights to greater respect for individual rights, it still falls well short of achieving the innovation and effectiveness that is inherent in the traditional high-involvement organizational approach. This change represents a shift from the autocratic human basis for control of the monarchical approach to a bureaucratic structural basis for control, but falls short of achieving the democratic human basis for control that was a hallmark of the traditional Plains Cree and Assiniboine First Nations high-involvement organizational approach. This bureaucratic organizational approach is being adopted by many First Nations organizations, and consistent with the contingency approach (Donaldson, 1995), in settings with stable production processes and a stable environment, it may function effectively. However, the bureaucratic organizational approach is inferior to the high-involvement organizational approach both in terms of its cultural fit with First Nations people and its effectiveness in dealing with unstable environments and work processes (Lawler, 1992). In the contemporary business environment, First Nations businesses are often faced with a high degree of uncertainty and variation in work processes and environmental conditions. They require more than the bureaucratic organizational model that was previously imposed on First Nations people by the government can offer.

The shift from a monarchical to a bureaucratic organizational approach involves introducing practices and structures from the bureaucratic organizational system into the

organization, which may influence the organization's values. The acceptance of new values which then exert influence on basic assumptions is less likely. This is because the alien bureaucratic system must unavoidably confront traditional cultural assumptions that are contrary to the underlying assumptions of the bureaucratic approach. When non-Aboriginal management of a First Nations business implements bureaucratic practices that are consistent with their own non-Aboriginal basic assumptions and values, basic assumptions and values consistent with the bureaucratic approach influence the values and practices of organizational members. However, this is limited and counterbalanced by the substantially different assumptions and values of traditional First Nations culture held by many of the First Nations organizational members.

The change from a bureaucratic to a high-involvement organizational approach represents a change from an externally-imposed alien organizational approach to a traditionally appropriate approach that is consistent with the traditional Plains Cree and Assiniboine organizational model. Referring again to Figure 2.1, the transition from the bureaucratic to the high-involvement organizational approach involves a shift from an external locus of control to an internal locus of control. This is a critical shift, and one that is difficult to achieve. Organizational members must exercise high levels of self-direction and self-control rather than being subject to the external structural controls imposed under the bureaucratic organizational approach. This is the shift from "Theory X" to "Theory Y" management, as described by McGregor (1960). Another line of distinction is crossed in this change process, as the organization makes the transition from the bureaucratic, structural basis for control to the high-involvement management approach and its human, democratic basis for control. In the shift from a bureaucratic to a high-involvement organizational approach, traditional First Nations cultural assumptions influence organizational values which in turn influence artifacts, or the visible level of organizational culture. In this

case, these proactive change processes move an organization toward the traditional high-involvement management approach.

Research results that indicate that the organizational approaches of First Nations businesses are more high-involvement oriented than the non-Aboriginal businesses participating in the study would indicate a movement toward high-involvement management in the model depicted in Figure 2.1. This movement toward high-involvement management would be influenced by one or more of the forces described above and would occur more likely in the clockwise than the counter-clockwise direction in Figure 2.1.

First Nations businesses have the potential to serve as catalysts for positive change in other First Nations organizations and institutions. If the high-involvement management model were introduced through businesses in First Nations communities dominated by the bureaucratic and monarchical management approach, these high-involvement businesses may exert a positive influence on other organizations and institutions in these communities.

## **2.2 Existing Research Literature**

This review explores the literature in high-involvement management, organizational culture, contemporary Aboriginal management, and traditional Plains Cree and Assiniboine organization. The review begins with an overview of the evolution of organizational management approaches and the research and theory that forms the basis of the high-involvement management approach. The elements of Lawler's (1992) high-involvement management approach are then presented, along with additional involvement-oriented organizational dimensions developed by other researchers and a discussion of research regarding the incidence of high-involvement management and its impact on organizational performance.

An overview of various organizational culture perspectives is presented next, followed by an overview of the model for organizational culture change presented in the foregoing discussion and a discussion of national culture and its relationship to organizational culture. The traditional Plains Cree and Assiniboine organizational model is then explored in terms of its involvement orientation. Contemporary Aboriginal management models are likewise explored.

### **2.2.1 The Evolution of Modern Organizational Management Approaches**

Modern organizational management has undergone an evolutionary process, from the initial dominance of a control-oriented management model to the recent emergence of a more involvement-oriented model. The different management approaches are based on at least three distinctly different sets of basic assumptions about human nature and the nature of organizations. Miles and Snow (1978) present a typology that reflects these different management approaches and the different basic assumptions upon which these approaches are based. These approaches in the order of their development are: 1) the traditional or “classical” management approach; 2) the “human relations” approach; and 3) the “human resources”, “industrial humanism”, or “high-involvement” approach. This discussion is presented within the context of the contingency approach and its emphasis on finding the best management approach for each particular situation (Donaldson, 1995). The Miles and Snow management approach typology and some background into each of the approaches are presented below.

During the last part of the nineteenth century and the first few decades of the twentieth century, the first of these modern management approaches, the “classical” approach, also known as scientific management, was dominant. This approach was based upon the assumptions that people inherently avoid work, that income is of primary importance to workers, and that there

are few workers who are capable of creativity, self-direction, and self-control in work. Work, under this management approach, requires extensive supervision, rules, and other forms of worker control.

From the 1920's into the 1950's, the second management approach began to assume a prominent role in organizational management. This "human relations" approach to management was based on a different set of assumptions. These assumptions focused on workers' social needs as a prime motivating force in the workplace. Basic to the human relations management approach are the assumptions that people want to feel important, they seek a sense of belonging and recognition, and they consider social rewards to be more important than economic rewards. With this management approach, workers are provided with a sense of belonging in the workplace and they are allowed limited self-control on routine tasks. The human relations management approach seeks to create a workforce that will cooperate with management rather than resisting authority.

Since the 1950's, a third management approach has gained greater acceptance in the field of organization studies. This high-involvement management approach is based on a set of basic assumptions that are significantly different than either of the previous two approaches. High-involvement management is characterized by the following, as described by Miles and Snow (1978):

Assumptions:

1. Work is not inherently distasteful.
2. People want to contribute to meaningful goals which they have helped establish.
3. Most people can exercise far more creative, responsible self-direction and self-control than their present jobs demand.

Policies:

1. The manager's basic task is to make use of his "untapped" human resources.
2. The manager must create an environment in which all members may contribute to the limits of their ability.
3. The manager must encourage full participation on important matters, continually broadening subordinate self-direction and control.

Expectations:

1. Expanding subordinate influence, self-direction, and self-control will lead to direct improvements in operating efficiency.
2. Work satisfaction may improve as a "by-product" of subordinates making full use of their resources. (p. 123.)

This high-involvement management approach is focused on self-control rather than external control among organizational members. The first two approaches, the classical and human relations approaches, focus on external member control through formal authority. The assumptions upon which the high-involvement management approach is based allow for a much greater level of involvement by the organizational members in decision-making and management of the organization. This involvement, rather than authoritarian control and economic and social rewards, provides the basic motivation for the members of a high-involvement organization.

Maslow (1954) developed a hierarchy of basic human needs that motivate individual behaviour, and this hierarchy is fundamental to involvement-oriented management. Under Maslow's framework, the highest order of human needs is self-actualization. Self-actualization "refers to man's desire for self-fulfillment, namely, to the tendency for him to become actualized in what he is potentially." (p. 46) This desire is consistent with the motivational basis of involvement-oriented management.

Argyris (1964) criticized the human relations management approach and its proposition that "management, with the help of certain gimmicks, can make the employee happy." He stated that, "The door to happiness for every individual is locked from the inside." Argyris proposed "group-centered leadership", a high-involvement organizational approach, as a viable and

effective alternative to the classical or the human relations management approaches. He explained that, "...effective leadership behaviour is 'fusing' the individual and organization in such a way that both simultaneously achieve self-actualization." (p. 211)

McGregor (1960) likewise advocated an involvement-oriented management approach over a control-oriented approach. The control-oriented management approach, which he calls "Theory X Management", is based on a set of basic assumptions including:

1. The average human being has an inherent dislike of work and will avoid it if he can.
2. Because of this human characteristic of dislike of work, most people must be coerced, controlled, directed, threatened with punishment to get them to put forth adequate effort toward the achievement of organizational objectives.
3. The average human being prefers to be directed, wishes to avoid responsibility, has relatively little ambition, wants security above all. (p. 33-34)

McGregor's (1960) involvement-oriented approach, which he calls "Theory Y Management", is based on a very different set of basic assumptions regarding human nature. These assumptions are:

1. The expenditure of physical and mental effort in work is as natural as play or rest.
2. External control and the threat of punishment are not the only means for bringing about effort toward organizational objectives. Man will exercise self-direction and self-control in the service of objectives to which he is committed.
3. Commitment to objectives is a function of the rewards associated with their achievement.
4. The average human being learns, under proper conditions, not only to accept but to seek responsibility.
5. The capacity to exercise a relatively high degree of imagination, ingenuity, and creativity in the solution of organizational problems is widely, not narrowly, distributed in the population.
6. Under the conditions of modern industrial life, the intellectual potentialities of the average human being are only partially utilized. (p. 47-48)

His Theory Y assumptions about human nature are integral to the high-involvement management approach.

## 2.2.2 Elements of High-Involvement Management

Lawler (1992) outlined the basic elements and characteristics of a high-involvement organization. Like McGregor, Miles and Snow, and others, Lawler emphasizes the fundamental importance of basic assumptions about human nature in establishing an involvement-oriented management approach. He suggests that:

The fundamental difference between the control-oriented approach and the involvement-oriented approach concerns how work is organized at the lowest level of the organization. Companies using the control-oriented approach assume that work should be simplified, standardized, and specialized and that pay incentives should be used to motivate individuals to perform their tasks well. In essence, the thinking and controlling part of work is separated from the doing of the work. Employees are expected to perform well because they know what is expected of them, they are able to do it, and they are supervised closely to ensure that they perform as instructed.

The involvement-oriented approach relies much more on self-control and self-management. Typically, work is organized to be challenging, interesting, and motivating. Individuals at all levels in the organization are given power to influence decisions. They are given information about the organization's operations and performance, and they are trained so that they can operate with a good understanding of the business. If the smoothly-running assembly line is the best image for the control-oriented approach, then the small business unit that controls its own fate and involves everyone in the business is the best image for the involvement-oriented approach.

The key assumption in the involvement-oriented approach is that if individuals are given challenging work that gives them a customer to serve and a business to operate, they can and will control their own behavior.

...the involvement-oriented approach strives to develop employees who are responsive to change and in many cases, self-programming.

...individuals can be trusted and motivated to perform well if they are given interesting and motivating work; in essence, work is natural and people want to perform well.

(p. 28-30)

The primary elements of Lawler's (1992) high involvement management approach involve expanding power, information, knowledge, and rewards throughout an organization rather than concentrating these commodities at the management level. The expansion of power

includes participative decision-making processes and group-based workplace problem-solving. Expanding information requires improving communication upward, downward, and laterally between individuals and work units. The expansion of knowledge requires a substantial investment in employee training and professional development as well as the facilitation of peer training. Expanding rewards means ensuring that the benefits of improved performance are shared with those who are responsible for this success, in the form of profit-sharing, employee ownership, and related processes.

Other than power, information, knowledge, and reward expansion, Lawler (1992) suggests that several other organizational characteristics are important aspects of a high involvement organization. These include 1) size, 2) vertical and horizontal structure, 3) task/technology, 4) people, 5) speed, and 6) innovation. Pfeffer (1994) presented a similar framework for high-involvement management that is consistent with the elements and characteristics of Lawler's high-involvement management approach, with the addition of a dimension of "overarching philosophy".

Regarding size, Lawler (1992) suggests that:

As a general rule, small is beautiful when it comes to employee involvement.

...The smaller the organization, the easier it is to create a setting in which everyone gets all the necessary information about the organization, understands how the organization functions, can influence decisions, and can share rewards.  
(p. 60)

Lawler suggests that even larger organizations can be structured to seem smaller. Vertical structure refers to: 1) the levels of management or "tallness" of an organization and 2) the span of control or number of subordinates for which each supervisor is responsible. A high-involvement organization requires a flatter organization with fewer levels of management and a larger span of control than are typical with a control-oriented management approach.

Selecting the appropriate task/technology is another important success factor in developing a high-involvement organization. In high-involvement management organizations, work must be designed to be intrinsically motivating. Assembly line and continuous process technologies are not particularly well-suited to the high-involvement management approach. Custom production technologies are better-suited to high-involvement management.

Lawler (1992) emphasized the importance of hiring the right kind of people for a high-involvement organization. These people are:

...motivated by intrinsic rewards such as challenging work, feelings of accomplishment, and personal accomplishment. The approach also often requires individuals who have relatively strong social needs because the work in involvement-oriented organizations often is done in teams. In addition, organizations using the approach typically need individuals who are capable of self-management and have relatively high levels of self-discipline.

...High involvement management places substantial demands on employees in terms of their ability to solve problems, contribute to group discussions, and, of course, perform a wide array of technical work-related activities that contribute to the organization's basic effectiveness. (p. 53)

The level of skill in the workforce can be a limiting factor in the degree of high-involvement management that is possible. The speed and innovation dimensions require that the high-involvement organization be capable of responding quickly to meet the demands of rapidly changing business environments, and be able to develop innovative approaches to deal with these changing demands.

*Research on the impact of involvement-oriented management.* In his study of U.S. corporations, Osterman (1999) found that the proportion of corporations that have adopted involvement-oriented management practices increased substantially between 1992 and 1997. Osterman refers to involvement-oriented management practices as "high-performance work practices", and includes among these self-managed work teams, job rotation, quality circles/off-line problem solving groups, and total quality management. Applebaum, Bailey, Berg, and

Kalleberg (2000) and Betcherman, McMullen, Leckie, and Caron (1994) determined that high-involvement management has a positive impact on organizational performance in studies of U. S. and Canadian corporations, respectively. Although Wright, Gardner, Moynihan, and Allen (2005) question whether high-involvement management practices cause increased business performance, they do indicate that high-involvement work practices are part of “high performance” organizations.

### **2.2.3 Other Perspectives Related to Involvement-Oriented Management**

Covey (1992) developed a management approach he termed “principle-centered leadership” that is consistent in many ways with Lawler’s high-involvement management approach. What Covey’s approach adds is an overarching set of principles that provide a basis for organizational management.

Using this paradigm, we manage people by a set of proven principles. These principles are the natural laws governing social values that have characterized every great society, every responsible civilization, over the centuries. They surface in the form of values, ideas, ideals, norms, and teachings that uplift, ennoble, fulfill, empower, and inspire. (p. 179)

As stated earlier, Pfeffer includes “overarching philosophy” in his list of involvement-oriented management practices. Covey similarly makes guiding principles the primary focus of his involvement-oriented management approach.

Leadership qualities are an important success factor for high-involvement organizations. Leaders who can foster involvement and innovation are necessary for developing and sustaining a high-involvement organization. Collins (2001) studied U.S. companies that were able to make the shift from good performance to sustained outstanding performance. He identified leadership

qualities as an essential factor contributing to this sustained improvement. Collins' "Level 5 Leadership" characteristics are consistent with successful high-involvement management.

Level 5 leaders channel their ego needs away from themselves and into the larger goal of building a great company.

...Level 5 leaders look out the window to apportion credit to factors outside themselves when things go well (and if they cannot find a specific person or event to give credit to, they credit good luck). At the same time, they look in the mirror to apportion responsibility, never blaming bad luck when things go poorly.  
(p. 21, 35)

In addition to guiding principles and leadership, learning capacity is another key dimension of high-involvement organization. Mitchell and Sackney's (2001) learning community model facilitates the learning capacity development necessary for a high-involvement organization. The learning community model is focused on developing personal, interpersonal, and organizational learning capacity within an organization. At the personal level, individuals develop the ability to critically evaluate their own beliefs and knowledge gaps. At the interpersonal level, members of a learning community are able to effectively communicate and collaborate in solving problems and innovating. At the organizational level, a learning community fosters an environment where power, information, knowledge, and rewards are shared and expanded throughout the organization. This learning community is consistent with the high-involvement management model and enhances the adaptability and innovative capability of a high-involvement organization.

#### **2.2.4 Organizational and National Culture**

Martin and Frost (1996) discuss the different perspectives that have developed in the field of organizational culture. They define the integration, differentiation, fragmentation, and post-

modernist perspectives. The integration perspective regards organizational culture as “an internally consistent package of cultural manifestations”. The differentiation perspective emphasizes the diversity among subcultures within the organization. Martin and Frost describe the fragmentation perspective as representing the view that lack of consistency, lack of consensus, and ambiguity are essential to an accurate conceptualization of organizational culture. A hybrid of the integration, differentiation, and fragmentation perspectives that recognizes the manifestation of elements of each of these three perspectives in an organization’s culture is also presented by Martin and Frost. This final perspective, the post-modernist perspective, “...draws attention to disorder and offer(s) a multiplicity of contradictory interpretations. ...no longer are we discussing ways to ‘penetrate the front’ of cultural members and get closer to some truth; now truth is impossible to represent.” (p. 612)

Schein’s (1985) model of organizational culture, as discussed in the foregoing theoretical framework discussion, follows the integrationist view. In his model, Schein proposes that organizational culture is comprised of three levels. The most basic level of culture is basic assumptions. The second level of culture is values and the third level is artifacts and creations. Basic assumptions are often taken for granted, and they often influence an organization’s values. The organization and its members generally have a greater awareness of values than basic assumptions. An organization’s values often influence the visible artifacts of an organization’s culture. Artifacts may in some cases influence values, and values may also influence basic assumptions. High-involvement management requires that an organizational culture that fosters involvement be established and maintained. As discussed earlier, the Schein model is useful for conceptualizing the forces at work in changing and maintaining organizational culture.

Hofstede (2001) developed a model of national culture dimensions that identifies basic differences between cultures. The national culture dimensions, developed primarily from Hofstede's international study of differences in national cultures conducted in the 1970's, include: 1) power distance, 2) uncertainty avoidance, 3) individualism vs. collectivism, 4) masculinity vs. femininity, and 5) long-term vs. short-term orientation to life and work. Although it is not the sole determinant, national culture does influence organizational culture to some degree. Hofstede found the national culture dimensions for countries to be consistent over the 30-year period following his original work. Although First Nations people in Canada are Canadian, many have a strong cultural affinity to the traditional cultures of their First Nations.

Ouchi (1981), in his research on the Japanese approach to management, found that Japanese management systems are significantly different than traditional American management systems. He suggests that their management system, which is consistent with their national culture, is a major reason for their superior performance in the post-World War II Era when compared to American companies. Although he proposes a "Theory Z" organization that incorporates some of the characteristics of the Japanese organizational model as a potential source of competitive advantage to many American companies, he acknowledges that trying to import the Japanese model in its entirety is neither possible nor desirable. The entire Japanese model would be inconsistent with American national culture. Ouchi emphasizes that a fit between national culture and an organization's management system is a key success factor for contemporary business organizations. One statement clearly articulated his perspective on this matter:

...let us acknowledge that management style and organizational form are nothing more nor less than one aspect of the larger organization of a society. Our ultimate goal shall be to understand how the structure of society and the management of organizations can be coordinated. (p. 10)

This research study was designed to expand our understanding of how First Nations society and the management of First Nations businesses can be effectively coordinated.

### **2.2.5 Traditional Plains Cree and Assiniboine First Nations Organization**

The traditional Plains Cree and Assiniboine First Nations organizational model is similar in many respects to the contemporary high-involvement management approach. The Plains Cree and Assiniboine, two closely allied First Nations, were a highly adaptive and innovative people, and their organizations demonstrated a strong involvement orientation in an era when control-oriented management was the norm.

The Plains Cree and Assiniboine shared and expanded power, information, knowledge, and rewards throughout their organizations. Denig's (2000) account of an Assiniboine council held to determine whether or not the tribe would accept the peace offering of the Crow Nation demonstrated the extent of power dissemination throughout the organization. Although the leading chief strongly advocated accepting this peace offering, his son and the majority of other men in the council rejected this proposal. The leading chief immediately acknowledged the preference of the majority of other leading men in the Assiniboine Nation and agreed to reject the Crows' peace offering without further discussion.

The Plains Cree and Assiniboine had a well-developed internal communication system both for routine daily life, for important decision-making, and for dangerous situations. (See Milloy, 1988; Denig, 2000). In daily life, a camp crier served the purpose of a newspaper, regularly making his rounds and publicizing news regarding hunting plans, warfare, and other important events. In important decision-making, councils were held in which leaders and other

respected individuals were encouraged to express their opinions and make recommendations. A system of signals was used to communicate in dangerous situations.

The Plains Cree and Assiniboine also had a well-developed and extensive training system for knowledge expansion. Boys and girls were taught, through childhood games and other hands-on learning methods, important skills that would be necessary for their future survival and success. Young adults were also taught important skills and knowledge through a well-developed system of mentorship and field training exercises. (Kennedy, 1972; Denig, 2000; Milloy, 1988).

Rewards were liberally shared throughout traditional Plains Cree and Assiniboine First Nations. This emphasis on sharing was a key to their adaptation and survival.

To have was to share. Sharing, an economic necessity in the Woodland Cree environment, was a well-rewarded virtue in the Plains Cree world of buffalo plenty. Within the circle of tents that marked a band at rest was a system of re-distribution which blunted the material consequences of an individual's failure in trade or the hunt, ensured the care and training of the young, and eased the burden of sorrow, the inescapable consequence of war and old age. (Milloy, 1988, p. xiv)

Consistent with other dimensions of high-involvement management, the Plains Cree and Assiniboine functioned in relatively small operational units, as members of bands within larger tribal nations. They had a flat organizational structure. In terms of task/technology, organizational members focused on a variety of tribal activities rather than being focused in narrow specializations. Their work activities were often intrinsically motivating. The rigors of the Plains Cree and Assiniboine traditional lifestyle provided a wide range of task variety. The organizational members were suited to and expected a high level of involvement in the management of the organization. They were able to work independently and solve problems effectively, simply by virtue of their lifestyle and background. The Plains Cree and Assiniboine

demonstrated a high degree of innovation and adaptability as they embraced new economic roles in the fur trade and actually adopted a new culture as they moved from the woodlands out onto the plains. They demonstrated a remarkable ability to innovate and to adapt to new, uncertain, and ambiguous situations very quickly (Ray, 1988; Mandelbaum, 1940; Milloy, 1988; Denig, 2000; Van Kirk, 1988).

A set of guiding principles or overarching philosophy that provided direction for Assiniboine organization was described by one researcher, Friesen (1995), as consisting of several elements. These include: 1) a belief in connectedness, 2) respect for and obeisance to the universe, 3) being rather than doing, 4) the primary importance of family, 5) sharing, and 6) government by consensus.

Leadership that fosters involvement existed among the Plains Cree and Assiniboine (Funk, 1908; Mandelbaum, 1940; Milloy, 1988; Denig, 2000; Kennedy, 1972). Authoritarian and selfish leadership was not acceptable to these people, as can be seen by Mandelbaum's (1940) account of the counsel given to a future chief by Plains Cree Elders:

It is not an easy thing to be chief. Look at this chief now. He has to have pity on the poor. When he sees a man in difficulty he must try to help him in whatever way he can. If a person asks for something in his tipi, he must give it to him willingly and without any bad feeling. We are telling you this now because you will meet these things and you must have a strong heart. (p. 222)

Denig (2000) described the involvement orientation of the Assiniboine:

No man's rule over them is absolute; their government is pure democracy. Their consent to be governed or led by any man is voluntarily given and likewise withdrawn at the discretion of the person.

...In case of a treaty either with whites or with Indians of other nations, the leading chief's voice would have no additional weight because he is in that position. He would be allowed to state his opinions with others of the same standing as men in the same band, but nothing more. (p. 41)

The traditional Plains Cree and Assiniboine organizational model resembled very closely the contemporary high-involvement management model.

### **2.2.6 Contemporary Aboriginal Management Models**

Although the relationship of traditional First Nations culture to the management approaches of contemporary First Nations businesses has received limited attention from organizational researchers, a few scholars are turning to traditional Aboriginal practices and organizational approaches for insights into the most effective ways to manage contemporary Aboriginal organizations. Chapman, McCaskill, and Newhouse (1991) presented an Aboriginal management scheme that they believe has broad applicability to Aboriginal organizations. The elements of this Aboriginal management scheme include 1) group orientation, 2) consensual decision-making, 3) group duties, 4) holistic employee development, and 5) Elder involvement. This scheme was developed using a very small research sample size, based largely on research conducted with the management of two Aboriginal organizations in southern Ontario. While the Chapman, McCaskill, and Newhouse framework proposes an Aboriginal management scheme that they suggest is somewhat generalizable across Aboriginal groups, there are significant regional and tribal variations among Aboriginal cultures that must be carefully considered in Aboriginal business development (Cornell & Kalt, 1993). Despite the small sample size and although the diversity of Aboriginal cultures brings the generalizability of such an Aboriginal management scheme into question, the work of Chapman, McCaskill, and Newhouse is useful in highlighting the potential differences between Aboriginal and non-Aboriginal management schemes.

Crowshoe and Manneschmidt (2002) have undertaken a similar effort to apply traditional Aboriginal organizational practices to contemporary organizational settings. Their decision-making and mediation process based on traditional Blackfoot organizational structures and practices has been utilized successfully by a number of Aboriginal organizations. While the Crowshoe and Manneschmidt framework is focused on decision-making and mediation processes, however, there is a need for a more comprehensive management framework that addresses the overall leadership and management functions of the organization.

The work of these researchers demonstrates the relevance of traditional Aboriginal organizational structures and principles in the management and leadership of contemporary Aboriginal organizations. Research with a regional focus and which deals with a comprehensive management framework will make an important contribution to Aboriginal business management knowledge. This study assesses the extent to which the high-involvement management approach, a comprehensive management framework consistent with the traditional organizational approach of two of the most prominent First Nations groups in what is now Saskatchewan, is reflected in the management of contemporary First Nations businesses operating in Saskatchewan today.

## CHAPTER 3

### METHODOLOGY

The intent of this survey-based study was to ascertain differences in management approaches between First Nations and non-Aboriginal companies and to explore the potential for expanding the generalizability of the study findings. The First Nations and non-Aboriginal companies were hypothesized to be different with respect to high-involvement management. To ascertain differences in management approaches, a paired sample of First Nations and non-Aboriginal companies from similar industries was established to control for industry differences. A tested instrument was administered to employees and management/ownership of the paired companies to assess the current state of affairs regarding the companies' respective management approaches.

The researcher in this study is a member of the Red Pheasant First Nation. He has extensive experience working with First Nations people and communities in business education, natural resource development, and economic development. This background provided the researcher with the requisite cultural knowledge and sensitivity to work effectively with the First Nations businesses and First Nations people that participated in this study.

### **3.1 Sample and Data Collection**

The companies participating in this study consist of a sample of twenty First Nations companies and a matched sample of twenty non-Aboriginal companies operating in a variety of industries in Saskatchewan. Each of the non-Aboriginal businesses in each business sector category was matched as closely as possible to one of the First Nations businesses in that

category in terms of business size and customer base. Initially, eleven business categories were established with an objective of including three First Nations companies and three non-Aboriginal companies in each industry for a total of 66 participant companies. Despite the very high response rate of over 50 percent in many industries, the limited number of First Nations companies in the province resulted in a total pool of 40 participant companies. To achieve an adequate sample size in each of the categories, the initial 11 business categories were amalgamated into three categories (industrial, professional, and hospitality) for the final analysis. The participant companies are presented in Table 3.1.

A variety of information regarding the participant companies was collected during the course of the study. A comparison of sample characteristics for the First Nations and non-Aboriginal participant companies is presented in Table 3.2. The characteristics are listed by the management or employee data sets. For this study, a standard of  $p \leq 0.10$  was used as the indicator of significant difference. The two sample characteristics that are significantly different between the First Nations firms and the non-Aboriginal firms are years in business ( $p = .009$ ) and employee years with the organization ( $p = .006$ ). The relatively recent emergence of the First Nations business economy in Saskatchewan would help to explain the significant difference between the First Nations firms and non-Aboriginal firms in terms of these two characteristics.

The First Nations companies participating in the study possessed a variety of ownership/management characteristics. Several firms are joint ventures or partnerships with non-Aboriginal partners. Several others are acquisitions or partial acquisitions of pre-existing non-Aboriginal firms with the former owners on contract to the new First Nations-owned entity. All of the First Nations participant firms possess a competitive advantage because they are

**Table 3.1** *Participant companies listed by business sector*

Business Sector	First Nations Participant Companies	Non-Aboriginal Participant Companies
Industrial	Northern Resource Trucking Limited Partnership	Titan Transport Ltd.
	West Wind Aviation Limited Partnership	Transwest Air
	Woodland Cree Logging Limited Partnership	Os-Arc Enterprises
	Robwel Contractors Limited Partnership	Thyssen Mining
	Dwight's Trenching 101022403 Ltd.	Thompson-Jonsson Trenching
	General Plumbing, Heating, and Electrical 1993 Ltd.	POW City Mechanical
	Law-Sel Construction Services	Home Hardware Building Services
	AC Realty Limited Partnership	Humboldt Lumber Mart Ltd.
Professional	Packham Avenue Dental	McEowen Dental Clinic
	Canada North Environmental Services Limited Partnership	Golder Associates
	First Nations Bank	FirstSask Credit Union
	Peace Hills Trust	TCU Financial Group
	First Nations Insurance Services Ltd.	Butler Byers Insurance Services Ltd.
	MGM Communications	The Marketing Den
Hospitality	Cree-Way Gas	Husky Travel Centre
	English River Travel Centre	Buddies Pizza and Confectionary
	Kihwi Restaurant	Taunte Maria's Mennonite Restaurant
	Prince Albert Development Corporation	Dimension 3 Hospitality Corporation
	Gold Eagle Casino	Casinos Regina and Moose Jaw
	Chitek Lake Indian Development Company	Pike Lake Provincial Park

**Table 3.2** Comparisons of sample characteristics, non-Aboriginal firms and First Nations firms

	N	Mean, Entire Sample	S.D., Entire Sample	Mean Non- Aboriginal Score	S.D.	Mean First Nations Score	S.D.	t Value	Significance p
<u>Management Data Set:</u>									
1. Number of Employees	40	104	167	139	210	69	102	1.34	.193
2. Years in Business	40	22.18	19.57	30.28	23.91	14.08	8.74	2.85	.009
3. Percent with University Degrees	40	16.82	23.45	19.35	24.53	14.30	22.67	.68	.503
4. Percent Part-Time	40	21.68	27.56	22.95	30.54	20.40	24.97	.29	.774
5. Percent Casual	40	10.90	20.70	11.70	26.65	10.10	12.9	.24	.810
6. Percent Female	40	46.92	31.76	51.50	30.23	42.34	33.36	.91	.368
7. Management Years with the Organization	40	12.97	10.07	15.34	12.03	10.60	7.18	1.51	.140
<u>Employee Data Set:</u>									
1. Gender	120	.57	.50	.62	.49	.52	.50	1.10	.273
2. Employee Years with the Organization	120	6.82	6.74	8.51	7.90	5.13	4.84	2.83	.006
3. Presence of Participatory Mechanisms	120	.53	.50	.60	.49	.45	.50	1.65	.102

N = 20 for both the non-Aboriginal and First Nations subsets of the management data set

N = 60 for both the non-Aboriginal and First Nations subsets of the employee data set

Aboriginal businesses. In many of these firms, the senior manager/executive is a First Nations person. These characteristics are shown in Table 3.3.

Data collection occurred during site visits to those businesses selected to participate in the study. Survey questionnaires were completed with or by the researcher during in-person interviews with both a management participant and up to three employee participants from each business. Two individual interviews were completed by telephone. The researcher offered to help the participants complete the survey questionnaire if needed and provided standard clarifications for each question as required (see Appendix B).

The selection of a management participant from each business was made through consultation with the chief executive or the designee of the chief executive. If the chief executive was not available to participate in the study, a member of the senior management team designated by the chief executive was asked to participate. The chief executive or an individual designated by the chief executive was asked to provide a list of the employees in each major job category in the business from which the researcher selected three employee participants. A concerted effort was made to try to include workers representative of the major job categories in the organization in the group of employee representatives selected to participate in the study. To address potential literacy problems among study participants, each was offered the opportunity to complete the study with the researcher reading and explaining each question.

One unexpected observation regarding the limits on sample size for this study was that for at least one type of company no non-Aboriginal companies are operating in Saskatchewan. Among those companies that provide catering and facilities management services for remote mine sites in the north, every major company operates either as an Aboriginal-owned company or as an Aboriginal joint-venture business. This is a result of political pressures on the mining

**Table 3.3** *Ownership/management characteristics of First Nations firms*

Company Name	Joint Venture/ Partnership	Buyout/Partial Buyout of Non- Aboriginal Firm with Former Owner on Contract	First Nations Senior Manager
Northern Resource Trucking Limited Partnership	X		
West Wind Aviation Limited Partnership	X	X	
Woodland Cree Logging Limited Partnership			
Robwel Constructors Limited Partnership	X		
Dwight's Trenching 01022403 Ltd.		X	
General Plumbing, Heating, and Electrical 1993 Ltd.		X	
Law-Sel Construction Services			X
AC Realty Limited Partnership	X		
Packham Avenue Dental			X
Canada North Environmental Services Limited Partnership			
First Nations Bank	X		X
Peace Hills Trust			
First Nations Insurance Services Ltd.			X
MGM Communications		X	
Cree-Way Gas			
English River Travel Centre			X
Kihiw Restaurant			
Prince Albert Development Corporation			
Gold Eagle Casino			X
Chitek Lake Indian Development Company			X

industry to include northern Aboriginal people in northern mining development projects. In this business category, finding a First Nations/non-Aboriginal company match was not possible, so this company type was not included in the data set. A further related challenge in data collection is the fact that many non-Aboriginal companies have First Nations employees and may have First Nations managers. This was not addressed in the data collection process for this study.

The data collection phase of this project was extremely challenging. The data collection activities that were initially expected to last several weeks required well over a year to complete. Difficulties were encountered with both First Nations and non-Aboriginal companies during data collection. The limited number of First Nations companies was the major obstacle. When only four or five First Nations companies exist in the province in a specific industrial category, securing the participation of three of the companies required a great deal of patience, perseverance, and persistence. Literally hundreds of telephone calls and e-mails were required to achieve the minimum target sample size of twenty matched pairs of companies. Due to companies' busy schedules and other commitments, often many months of follow-up were required to include participant companies in the study. In a number of cases, companies that committed to participate in the study were unable to follow through and participate. These challenges applied to both First Nations and non-Aboriginal companies. "Survey fatigue" and work overload were the most common reasons cited for non-participation. Lack of interest by non-Aboriginal companies due to the project's focus on helping First Nations people did not seem to be a factor at all.

## 3.2 Variable Measures and Research Instrument

The research instrument used in this project was developed by Long (2001). The instrument has been used for this type of research extensively and has been accepted in peer-reviewed journals as reliable and valid (Long, 2001; Long & Shields, 2005a, 2005b, and 2008), with a Cronbach's Alpha reliability coefficient of 0.84. Survey-based studies are common in the management approach research literature (Osterman, 1999; Applebaum, Bailey, Berg, & Kalleberg, 2000; Betcherman, McMullen, Leckie, & Caron 1994). The Long instrument is a Likert-scale survey instrument designed to measure the level of high-involvement management in a business and it includes several introductory questions regarding general characteristics of the business. The survey items are designed to assess each organization's level of high-involvement management across the following five organizational dimensions: 1) job scope, 2) coordination, 3) control, 4) communication, and 5) leadership/decision making. The research instrument for the study is presented in Appendix A. The list of 20 questions in Section B of the questionnaire and the dimensions that they are designed to measure are presented in Table 3.4. Management participants in the study completed Sections A1 and B of the questionnaire and employee participants completed Sections A2 and B of the questionnaire. A list of standard clarifications for the questions in Section B of the research instrument that were used during data collection is presented in Appendix B.

In addition to the dependent variable, high-involvement management, three contextual variables were identified for analysis (see Table 3.5). The first was Aboriginal/Non-Aboriginal companies, as defined by the Contracts Canada (see Appendix A). The second was First Nations ownership/management characteristics. The third contextual variable identified for analysis was business category (industrial, professional, and hospitality). The dependent variable, high-

**Table 3.4** *Questions from Section B of the survey and the components of high-involvement management they are designed to measure*

---

Job scope

- B1. Most jobs in this organization require a high level of skill, knowledge, and ability to accomplish them.
- B2. Most jobs in this organization are narrow in scope with a very limited range of duties and responsibilities. (reverse-scored)
- B3. For most jobs in this organization, individuals have considerable latitude in planning and organizing their work activities.
- B4. Most jobs in this firm are highly repetitive. (reverse scored)

Coordination

- B5. In this organization, there is a strict hierarchy of authority that is almost always followed. (reverse-scored)
- B6. Coordination of work activities is carried out mainly by managers/supervisors. (reverse-scored)

Leadership/Decision Making

- B7. In this organization, even small matters have to be referred to someone higher up for final decision. (reverse-scored)
- B10. When decisions are made in this organization, there is usually a significant amount of participation by employees.
- B16. The *main* role of a supervisor at this firm is to ensure that employees are doing their jobs. (reverse-scored)
- B17. The *main* role of a supervisor at this firm is to facilitate and support employees in carrying out their assigned duties.

Control

- B8. There are a great many rules in this organization. (reverse-scored)
- B9. In this organization, rules are considered largely unnecessary, since employees will act responsibly even without them.
- B13. Management believes that because most employees are committed to and enjoy their jobs, they will work effectively even without supervision.

Communication

- B14. In this organization, communication flows freely up, down, and across the organization.
  - B15. In general, management believes that it is not necessary for employees to have any more information beyond that required to perform their jobs. (reverse-scored)
-

**Table 3.5** *Dependent and contextual variables*

---

Dependent variable

High-involvement management

(Determined using scale developed by Long, 2001)

Contextual variables

1. Aboriginal/non-Aboriginal companies

(Determined using the Contracts Canada definition of Aboriginal businesses)

2. First Nations ownership/management characteristics

(Determined by the researcher)

3. Business category

(Determined by the researcher)

---

involvement management (HIM), was measured using the high involvement management scale in the research instrument. The first contextual variable, Aboriginal/non-Aboriginal company status, was measured using the research instrument as well, using the Contracts Canada definition of an Aboriginal business included in the research instrument. The second contextual variable, First Nations ownership/management characteristics, was measured using the information in Table 3.3. The third contextual variable, business category, was measured using the categories (industrial, professional, and hospitality) and the researcher's knowledge of each participant company.

### **3.3 Analytical Techniques**

The data were analyzed using multiple statistical procedures. A variety of multivariate analytical techniques was used to identify possible relationships between the variables under study. Means testing was used to compare the total high-involvement scores for the matched samples of First Nations and non-Aboriginal businesses across a variety of dimensions, including Aboriginal/non-Aboriginal ownership, business sector, and First Nations ownership/management characteristics.

To analyze employee-level perceptions and effects, a multiple regression was performed with a variety of employee-level and company-level variables included in the surveys. To identify possible differences in the predictors of high-involvement management between the non-Aboriginal and First Nations firms, a bivariate correlation analysis was first performed. In analyzing the results, multiple regression analysis was first applied to the employee data set, and then separate analyses were conducted for the First Nations and non-Aboriginal portions of the employee data set. The purpose of this analysis was to use multivariate analysis to first identify factors that predict HIM, and then to examine whether these factors differed in First Nations firms in comparison to non-Aboriginal firms. The use of multivariate analysis allows a more accurate analysis of relationships than is possible with bivariate analysis only. The level of significance in all cases was  $p \leq 0.10$ .

### **3.4 Ethics Committee Approval**

This project was reviewed and approved on ethical grounds by the University of Saskatchewan Advisory Committee on Ethics in Behavioural Science Research. All project participants were advised of the purpose of the study and their rights regarding participation in the study, including the right to withdraw from the study at any time without penalty. After this explanation was provided to the participants, they were asked to read and sign a letter of consent to their participation, which they did. This letter of consent is presented in Appendix B.

## CHAPTER 4

### RESULTS

This chapter provides analysis of the questionnaire data that was collected from managers and employees of 20 First Nations firms and a matched set of 20 non-Aboriginal firms. To address the central research question for this study – whether high-involvement management (HIM) within First Nations companies is higher, on average, than within comparable non-Aboriginal companies – a variety of means comparisons, bivariate analyses and multiple regression analyses were performed.

This chapter is divided into two main sections. The first consists of means comparisons and correlation analysis for the management data set. The second consists of means comparisons, correlation analysis, and multiple regression analysis for the employee data set. Multiple regression analysis was first applied to the employee data set as a whole, and then separate analyses were conducted for the First Nations and non-Aboriginal portions of the employee data set. The purpose of this final analysis was to check for differences between the two sets of firms in the factors that predict the levels of high-involvement management in firms.

#### **4.1 Management Data Analysis**

##### **4.1.1 Means Testing of HIM Scores**

Table 4.1 presents the results of a t-test performed on the management data set. As can be seen from the first row in Table 4.1, the mean level of HIM was actually lower in First Nations firms than in non-Aboriginal firms, although the difference is not statistically significant ( $p \leq 0.10$ ).

**Table 4.1** *Comparisons of high involvement management score means, management data set*

	N	Mean Non-Aboriginal HIM Score	Mean First Nations HIM Score	t Value	Significance p
1. Entire Management Data Set	40	4.36	4.06	1.42	.163
2. Excluding First Nations Firms with Former Owners on Contract	32	4.31	3.94	1.59	.121
3. Excluding First Nations Joint Ventures / Partnerships with Non-Aboriginals	30	4.36	3.96	1.58	.125
4. Excluding First Nations Firms with Non-Aboriginal Senior Managers	14	4.46	3.98	1.39	.205

Note: For each First Nations firm that has been excluded from analysis, the matching non-Aboriginal firm has also been excluded.

As Table 4.1 also shows, this means test was also conducted for three subgroupings of firms, based on ownership/management characteristics. The intention was to isolate the First Nations cultural effect in the means test. For example, four of the firms in the First Nations group are buyouts that continue to be managed by their non-Aboriginal owners, as earlier described in Table 3.3. This may have had the effect of reducing the sharpness of the independent variable (i.e., First Nations vs. non-Aboriginal ownership) in capturing true differences between First Nations and non-Aboriginal firms. If inclusion of this group of firms in the First Nations sample was masking differences between First Nations and non-Aboriginal firms, we should have seen larger differences in HIM between the First Nations and non-Aboriginal firms when these firms were excluded from this analysis. Note that the matching non-Aboriginal firm for each of these excluded First Nations firms was also excluded. Table 4.1 shows that the divergence between the non-Aboriginal and First Nations HIM scores increases marginally from the entire sample to the subgrouping (an increase from .30 to .37), but that the difference in means using this subgrouping is not statistically significant.

The second subgrouping is one in which First Nations joint ventures and partnerships with non-Aboriginals were excluded from the analysis. Including these firms may have had the effect of reducing the sharpness of the independent variable. In joint venturing and partnering with non-Aboriginal people or organizations, First Nations may have adopted more of the management approach of the non-Aboriginal partners. Five First Nations firms and their corresponding non-Aboriginal firms were excluded in this subgrouping. Table 4.1 shows an increase in the divergence between non-Aboriginal HIM scores and First Nations HIM scores from the means test on the entire management data set (an increase from .30 to .40), but again, the difference was not statistically significant.

The third subgrouping was formed by excluding the 13 First Nations firms and their corresponding non-Aboriginal firms in which the senior manager is a non-Aboriginal person. Non-Aboriginal senior managers may also have the effect of reducing the sharpness of the independent variable because these managers may imprint the organizations with their management approach. Table 4.1 shows an increase in the divergence between non-Aboriginal and First Nations HIM mean scores from the entire management data set (an increase from .30 to .48), but once again, the difference is not statistically significant.

Thus, while sharpening the independent variable did increase the differences in mean HIM scores, none of these differences reached statistical significance. However, the effect of using subgroupings was to reduce the sample size, which in turn reduced the possibility of a difference in means achieving statistical significance.

The purpose of Table 4.2 was to continue to search for significant differences in high-involvement management between First Nations and non-Aboriginal firms. This time, the basis for the subgroupings used was business sector (industrial, professional, and hospitality). The

**Table 4.2** *Comparisons of high involvement management score means by business sector, management data set*

	N	Mean Non-Aboriginal HIM Score	Mean First Nations HIM Score	t Value	Significance P
1. Entire Management Data Set	40	4.36	4.06	1.42	.163
2. Industrial Business Sector	16	4.33	4.23	.35	.733
3. Professional Business Sector	12	5.08	4.33	2.99	.014
4. Hospitality Business Sector	12	3.69	3.57	.40	.701

companies and their respective business sectors are presented in Table 3.1 in Chapter 3. The intent was to determine whether business sector affects the differences in mean HIM scores between First Nations and non-Aboriginal firms. Overall, it would have been expected that the professional businesses would have the highest level of high-involvement management due to the high level of knowledge and discretion required of their employees, while hospitality firms would have the lowest level of high-involvement management due to the lower level of knowledge and discretion required of their employees. Industrial firms would likely fall somewhere in between. As Table 4.2 shows, this pattern did prevail in both the First Nations and non-Aboriginal data sets.

Table 4.2 also shows that HIM is significantly lower in First Nations firms than in non-Aboriginal firms in the professional business sector, while the First Nations and HIM scores in the other two business sectors are almost identical to each other. The divergence in HIM scores between business sectors is 1.39 among the non-Aboriginal businesses and .76 among First Nations business sectors. A barrier may exist among First Nations firms that prevents even the professional firms from achieving high levels of high-involvement management. The institutional imprinting of a more control-oriented, blue-collar management approach by the

management elite of First Nations business may be one cause for this result, as will be further discussed in Chapter 5. This would be consistent with a blue-collar or “lunch-pail” model of management if this model has an influence on First Nations businesses.

#### **4.1.2 Correlation Analysis of HIM Scores**

In addition to means testing to determine if ownership and business sector are associated with a significant difference in HIM scores between the First Nations firms and non-Aboriginal firms, a bivariate correlation analysis was performed on the management data set to try to identify other relationships that may affect the results. Trying to understand the various factors affecting high-involvement management provides context for the role First Nations management may play. The results of this analysis are presented in Table 4.3.

The primary finding in the correlation analysis was that First Nations ownership is negatively correlated to high-involvement management ( $r = -.23$ ,  $p = .163$ ), but, consistent with the results of means testing, this relationship is not significant. Several other factors were significantly correlated with high-involvement management, as shown in the high-involvement management column in the correlation matrix. The factors most highly correlated with high-involvement management were professional business sector ( $r = .49$ ,  $p = .001$ ) and hospitality business sector ( $r = -.58$ ,  $p \leq .001$ ). These relationships are consistent with the high-involvement management literature.

**Table 4.3** Means, standard deviations, and intercorrelations, management sample

	Mean	S.D.	1	2	3	4	5	6	7	8	9	10	11
1. High Involvement Management	4.21	.67											
2. Size (Number of Employees)	104	167	-.32*										
3. Years in Business	22.18	19.57	.30†	.01									
4. Percent with University Degree	16.82	23.45	.29†	-.18	.11								
5. Percent Part-Time	21.68	27.56	-.42**	.06	-.16	.11							
6. Percent Casual	10.90	20.70	-.17	-.01	-.10	.24	.59***						
7. Percent Female	46.92	31.76	.00	-.04	-.05	.31*	.41**	-.26					
8. Management Years with the Organization	12.97	10.07	.42**	-.07	.72***	.19	-.22	-.03	-.22				
9. Industrial Business Sector	.40	.50	.08	-.04	.03	-.41**	-.44**	-.18	-.84***	.12			
10. Professional Sector	.30	.46	.49***	-.20	.25	.53***	-.31†	-.27†	.43**	.15	-.54***		
11. Hospitality Sector	.30	.46	-.58***	.24	-.28†	-.10	.77***	.46**	.47**	-.27†	-.54***	-.43**	
12. Ownership (Aboriginal/Non)	.50	.51	-.23	-.21	-.42**	-.11	-.05	-.04	-.15	-.24	.00	.00	.00

N= 40 † p<.10, \* p<.05, \*\* p<.01, \*\*\* p<.001

Professional firms would be expected to be positively correlated to high-involvement management. Professional people likely need more scope in their jobs, and therefore a greater level of involvement in the management of their firms, due to the nature of their work. This result is also consistent with the results presented in Table 4.2. Conversely, hospitality firms would be expected to have a negative correlation with high-involvement management due to the nature of their work.

Several other variables were also significantly correlated with high-involvement management. The most significant of these was percent part-time employees ( $r = -.42, p = .008$ ), followed by size ( $r = -.32, p = .043$ ), and then by years in business ( $r = .30, p = .056$ ) and percent of employees with university degrees ( $r = .29, p = .074$ ). It would be expected that the percent of part-time employees would have a negative correlation with HIM, since part-time employees are less likely to have the relationship necessary to achieve a high level of involvement in the management of the company. Size would likewise be expected to have a negative correlation with HIM, because a high level of employee involvement in the management of the firm may become more difficult as firms get larger. The percent of employees with university degrees would also be expected to have a positive correlation with HIM due to a greater expectation for involvement that may exist among university graduates. The positive correlation between the number of years in business and HIM could be related to the greater stability that firms enjoy over time. First Nations firms are generally newer and often struggling for survival. A more control-oriented management approach could reasonably be expected in this environment.

### 4.1.3 Analysis of Components of HIM

So far, our analysis of the management data set indicates that while HIM scores are lower in the First Nations firms than in non-Aboriginal firms, this difference is statistically significant only in professional firms. However, high-involvement management consists of five components – job scope, coordination, leadership/decision-making, control, and communication. It is conceivable that mean scores in First Nations firms may differ from those in non-Aboriginal firms for some of these components but not others. Therefore, means testing of each component and using the same ownership/management characteristic subgroupings would help to sharpen the independent variable. This analysis is shown in Tables 4.4 to 4.8.

Table 4.4 shows no significant difference in means between First Nations and non-Aboriginal firms for job scope. Jobs seem to be designed similarly in both the First Nations and non-Aboriginal firms.

But the story is different for coordination, as Table 4.5 shows. The non-Aboriginal coordination score is shown to be significantly higher ( $p=.058$ ) than the First Nations coordination score (higher mean scores indicate a high HIM score for each subscale). When First Nations joint ventures/partnerships with non-Aboriginals were excluded from the analysis, this finding also occurs ( $p=.067$ ). This indicates a lower degree of coordination by employees and a higher degree of coordination by hierarchy in First Nations firms than in non-Aboriginal firms.

Table 4.6 shows another significant difference between First Nations and non-Aboriginal firms, this time for leadership/decision-making. First Nations firms exhibit significantly lower scores on leadership/decision-making than non-Aboriginal firms ( $p=.065$ ), a finding that holds true for the entire management data set, as well as for each of the three subgroupings (at  $p=.049$ ,

**Table 4.4** *Comparisons of job scope subscale means, management data set*

	N	Mean Non-Aboriginal Job Scope Score	Mean First Nations Job Scope Score	t Value	Significance P
1. Entire Data Set	40	4.21	4.39	-.57	.571
2. Excluding First Nations Firms with Former Owners on Contract	32	4.39	4.19	-.62	.544
3. Excluding First Nations Joint Ventures / Partnerships with Non-Aboriginals	30	4.25	4.30	-.13	.898
4. Excluding First Nations Firms with Non-Aboriginal Senior Managers	14	4.29	4.25	.07	.948

Note: For each First Nations firm that has been excluded from analysis, the matching non-Aboriginal firm has also been excluded.

**Table 4.5** *Comparisons of coordination subscale means, management data set*

	N	Mean Non-Aboriginal Coordination Score	Mean First Nations Coordination Score	t Value	Significance P
1. Entire Management Data Set	40	3.30	2.70	1.95	.058
2. Excluding First Nations Firms with Former Owners on Contract	32	3.25	2.78	1.44	.161
3. Excluding First Nations Joint Ventures / Partnerships with Non-Aboriginals	30	3.27	2.57	1.91	.067
4. Excluding First Nations Firms with Non-Aboriginal Senior Managers	14	3.21	3.00	.40	.695

Note: For each First Nations firm that has been excluded from analysis, the matching non-Aboriginal firm has also been excluded

**Table 4.6** *Comparisons of leadership/decision-making subscale means, management data set*

	N	Mean Non-Aboriginal Leadership/Decision-Making Score	Mean First Nations Leadership/Decision-Making Score	t Value	Significance P
1. Entire Management Data Set	40	4.49	3.80	1.90	.065
2. Excluding First Nations Firms with Former Owners on Contract	32	4.64	3.78	2.05	.049
3. Excluding First Nations Joint Ventures / Partnerships with Non-Aboriginals	30	4.37	3.57	1.87	.072
4. Excluding First Nations Firms with Non-Aboriginal Senior Managers	14	4.82	3.68	1.81	.095

Note: For each First Nations firm that has been excluded from analysis, the matching non-Aboriginal firm has also been excluded.

p=.072, and p=.095). Power in the First Nations firms is apparently being concentrated at the top of the organizations rather than disseminated throughout lower levels of the organization, according to the managers participating in the study.

The control subscale scores for First Nations firms participating in the study were lower than those of non-Aboriginal firms, as shown in Table 4.7. However, neither the means test for the entire management data set nor the test for any of the subgroupings resulted in a statistically significant difference in control subscale scores between the First Nations and non-Aboriginal data subsets.

The communication subscale is a measure of the nature of communication in a firm. This subscale was designed to determine whether or not communication in a company is characteristic of high-involvement management. The results of this component of the analysis are not definitive. As shown in Table 4.8, the communication subscale scores for First Nations firms

**Table 4.7** *Comparisons of control subscale means, management data set*

	N	Mean Non-Aboriginal Control Score	Mean First Nations Control Score	t Value	Significance P
1. Entire Management Data Set	40	4.22	3.75	1.17	.250
2. Excluding First Nations Firms with Former Owners on Contract	32	4.13	3.50	1.44	.161
3. Excluding First Nations Joint Ventures / Partnerships with Non-Aboriginals	30	4.40	3.64	1.60	.120
4. Excluding First Nations Firms with Non-Aboriginal Senior Managers	14	4.48	3.57	1.23	.243

Note: For each First Nations firm that has been excluded from analysis, the matching non-Aboriginal firm has also been excluded.

**Table 4.8** *Comparisons of communication subscale means, management data set*

	N	Mean Non-Aboriginal Communication Score	Mean First Nations Communication Score	t Value	Significance P
1. Entire Management Data Set	40	4.90	4.75	.47	.163
2. Excluding First Nations Firms with Former Owners on Contract	32	4.97	4.63	.91	.372
3. Excluding First Nations Joint Ventures / Partnerships with Non-Aboriginals	30	4.70	4.73	-.10	.924
4. Excluding First Nations Firms with Non-Aboriginal Senior Managers	14	5.00	4.50	.96	.358

Note: For each First Nations firm that has been excluded from analysis, the matching non-Aboriginal firm has also been excluded.

were shown to be lower than those of non-Aboriginal firms, but the difference is not statistically significant. Communication subscale scores for all firms of both types are relatively high.

## **4.2 Employee Data Analysis**

To incorporate the results obtained from the employee survey questionnaire, the same means testing and correlation analyses that were performed on the management data were performed on the employee data. The employee questionnaire contained the same HIM scale as the management questionnaire and some demographic information. The management questionnaire, however, contained extensive company-level information. To facilitate a rigorous analysis of the employee data set, the management data provided for each employee's company was appended onto the employee's data. This resulted in an analysis of 120 cases for the employee data set.

### **4.2.1 Means Testing of HIM Scores**

In organizational research, it is not unusual to find that management and employees have different perceptions of organizational characteristics. Since high-involvement management is normally assessed from the employee perspective, this study also included employee perceptions of HIM. To the extent that management and employee perceptions of HIM differ, this casts doubt on the validity of conclusions based on management perceptions of HIM, such as those presented in Section 4.1. Therefore, an important first step in the analysis of the employee data set was to determine the degree of concordance between management and employee perceptions of HIM.

Table 4.9 compares the mean HIM scores for the employee data set to those of the management data set. As can be seen, the differences are slight and far from statistically significant. Indeed, within First Nations firms, the management and employee means are identical. Overall, these results indicate a very high concordance between managers and employees about the degree to which HIM exists within their firms.

Table 4.10 displays the results of means testing, comparing HIM scores in First Nations and non-Aboriginal firms, for the entire employee data set and for the three subgroupings used in Section 4.1. The means test for the entire sample indicates no significant difference between the non-Aboriginal and the First Nations firms in HIM, although, as with the management data set, the HIM score is slightly lower in the First Nations firms. Of the three ownership/management subgroupings, only excluding former owners on contract yielded a significant difference ( $p=.059$ ), unlike the management data set, with First Nations firms significantly lower on HIM than non-Aboriginal firms.

It seems likely that former owners often manage no differently than they did before the firm became First Nations-owned. Therefore, when these firms were removed from the analysis, some of the non-Aboriginal influence on the firms was removed, and a clearer distinction between non-Aboriginal and First Nations firms resulted. Although the difference in means (.30) between First Nations and non-Aboriginal firms is actually smaller than that found in the management data set (.37), statistical significance is achieved because of the larger number of cases in the employee data set. The legacy of the previously non-Aboriginal firms seems to be a legacy of greater high-involvement management.

Table 4.11 compares HIM scores of non-Aboriginal and First Nations firms, broken down by business sector. As can be seen, the level of high-involvement management in First

**Table 4.9** *Comparisons of management and employee mean scores on the high-involvement management scale*

	N	Mean Management HIM Score	S.D.	Mean Employee HIM Score	S.D.	t Value	Significance p
1. Entire Employee Data Set	120	4.21	.663	4.17	.744	-.653	.515
2. First Nations Companies	60	4.06	.559	4.06	.737	.000	1.000
3. Non-Aboriginal Companies	60	4.36	.727	4.27	.743	-.846	.401

**Table 4.10** *Comparisons of high-involvement management score means, employee data set*

	N	Mean Non-Aboriginal HIM Score	Mean First Nations HIM Score	t Value	Significance p
1. Entire Employee Data Set	120	4.27	4.06	1.55	.125
2. Excluding First Nations Firms with Former Owners on Contract	96	4.28	3.98	1.91	.059
3. Excluding First Nations Joint Ventures / Partnerships with Non-Aboriginals	90	4.24	3.99	1.62	.121
4. Excluding First Nations Firms with Non-Aboriginal Senior Managers	42	4.22	4.06	.70	.491

Note: For each First Nations firm that has been excluded from analysis, the matching non-Aboriginal firm has also been excluded.

**Table 4.11** *Comparisons of high-involvement management score means by business sector, employee data set*

	N	Mean Non-Aboriginal HIM Score	Mean First Nations HIM Score	t Value	Significance P
1. Entire Employee Data Set	120	4.27	4.06	1.55	.125
2. Industrial Business Sector	48	4.20	4.29	.52	.607
3. Professional Business Sector	36	4.61	4.37	1.09	.285
4. Hospitality Business Sector	36	4.03	3.45	2.41	.023

Nations firms is significantly lower than that of non-Aboriginal firms in the hospitality sector. This result differs from that found in the management data set, where First Nations firms were significantly lower in HIM than non-Aboriginal firms in the professional sector.

#### **4.2.2 Correlation Analysis of HIM Scores**

As with the management data set, a bivariate correlation analysis was performed on the employee data set to try to identify relationships that may be useful in interpreting the results of the study. The results of this bivariate correlation analysis are presented in Table 4.12. The primary finding in the correlation analysis of the employee data is that First Nations ownership is negatively correlated to high-involvement management ( $r = -.14$ ,  $p = .125$ ), but not significantly.

Several factors are significantly correlated with high-involvement management, as shown in the high-involvement management column in Table 4.12. The factor most highly correlated with high-involvement management is hospitality business sector ( $r = -.38$ ,  $p \leq .001$ ). This

**Table 4.12** Means, standard deviations, and intercorrelations, employee sample

	Mean	S.D.	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. High-Involvement Management	4.17	.744														
2. Size (# Employees)	104	165	-.23†													
3. Years in Business	22.17	19.41	.21*	.01												
4. Percent with University Degree	16.83	23.25	.07	-.18†	.11											
5. Percent Part-Time	21.67	27.33	-.22*	-.06	-.16†	.11										
6. Percent Casual	10.90	20.51	-.16†	-.01	-.10	.24**	.59***									
7. Percent Female	46.92	31.50	.02	-.05	-.05	.31**	.41***	.26**								
8. Management Years with the Organization	12.97	9.98	.14	-.07	.72***	.19*	-.22*	-.03	-.22*							
9. Industrial Sector	.40	.49	.09	.03	.03	-.41***	-.44***	-.18†	-.84**	.12						
10. Professional Sector	.30	.46	.29**	-.20*	.25**	.53***	-.31**	-.27**	.43**	.15	-.54***					
11. Hospitality Sector	.30	.46	-.38***	.24**	-.28**	-.10	.77***	.46***	.47**	-.27**	-.54***	-.43***				
12. Gender	.57	.50	.07	.07	.08	-.18*	.14	.05	.51**	.02	-.49***	.28**	.24**			
13. Employee Years with the Organization	6.82	6.74	.10	.12	.48***	.02	-.12	-.08	-.08	.38***	.11	.08	-.20*	-.13		
14. Participatory Mechanisms	.53	.50	.14	.14	.04	.16†	-.20*	-.02	.06	.11	-.08	.26**	-.18	.01	.21*	
15. Ownership (Aboriginal/Non)	.50	.50	-.14	-.21*	-.42***	-.11	-.05	-.04	-.15	-.24**	0.00	0.00	0.00	-.10	-.25**	-.15

N =120

† p<.10, \* p<.05, \*\* p<.01, \*\*\* p<.001

relationship is consistent with the high-involvement management literature. Hospitality firms would be expected to have a lower level of high-involvement management due to the less-skilled and repetitive nature of their work. This result is consistent with the results presented in Table 4.11. Several other variables are significantly correlated with high-involvement management. The most significant of these is professional business sector ( $r = .29, p = .001$ ), which would be expected due to the nature of the work in professional firms. Years in business is positively correlated with HIM ( $r = .21, p = .023$ ). Percent part-time ( $r = -.22, p = .014$ ), percent casual ( $r = -.16, p = .083$ ), and size ( $r = -.23, p = .010$ ) are negatively correlated with HIM. Overall, the results are quite similar to those for the management data set presented in Table 4.3, except for two variables. Percent with university degree was significantly correlated with HIM in the management data set ( $r = .29, p = .074$ ), but not in the employee data set ( $r = .07, p = .469$ ). With the management survey respondents, the perception that more knowledge-oriented businesses would have a more high-involvement management approach may have prevailed, while the employees' experiences in these businesses may have been otherwise. Management years with the organization was likewise significantly correlated with high-involvement management in the management data set, while it was not significantly correlated with HIM in the employee sample. With regard to this variable, the managers' own experience was likely coloring his response in favor of greater HIM corresponding with longer management tenure with the organization. However, the employees' HIM scores were not correlated with their managers' years with the organization.

### **4.2.3 Analysis of Components of HIM**

As was done for the management data set, means comparisons of the five components of high-involvement management were performed for the employee data set, and the results are presented in Tables 4.13 to 4.17. Table 4.13 shows, as with the management data set, no significant difference in job scope was detected between non-Aboriginal and First Nations firms.

Table 4.14 shows no significant differences between non-Aboriginal and First Nations subsamples for coordination. This is inconsistent with the result of the management data set, which showed that coordination for First Nations firms was significantly less high-involvement than non-Aboriginal firms when joint ventures/partnerships with non-Aboriginals were excluded from the test.

Table 4.15 shows that leadership/decisions-making was significantly less high-involvement for First Nations firms than for non-Aboriginal firms. Of the means test of the entire sample and three subgroupings of the employee data, only the subgroup excluding First Nations firms with non-Aboriginal senior managers did not show a significant difference. This is noteworthy, since employees and managers strongly agree that in terms of leadership/decision-making, non-Aboriginal firms are significantly more high-involvement than First Nations firms.

Table 4.16 presents the results of a means comparison performed on the control subscale for the employee data set. As when this means test was performed on the management data set (Table 4.7), no significant differences were identified.

A means test of the communication subscale for the entire employee data set (see Table 4.17) did not result in a difference between the First Nations and non-Aboriginal firms that is statistically significant. However, when excluding the First Nations joint ventures and partnerships with non-Aboriginals, non-Aboriginal firms were shown to exhibit significantly

**Table 4.13** *Comparisons of job scope subscale means, employee data set*

	N	Mean Non-Aboriginal Job Scope Score	Mean First Nations Job Scope Score	t Value	Significance P
1. Entire Employee Data Set	120	4.61	4.51	.60	.549
2. Excluding First Nations Firms with Former Owners on Contract	96	4.44	4.43	.05	.957
3. Excluding First Nations Joint Ventures / Partnerships with Non-Aboriginals	90	4.42	4.39	.13	.896
4. Excluding First Nations Firms with Non-Aboriginal Senior Managers	42	4.44	4.32	.40	.688

Note: For each First Nations firm that has been excluded from analysis, the matching non-Aboriginal firm has also been excluded.

**Table 4.14** *Comparisons of coordination subscale means, employee data set*

	N	Mean Non-Aboriginal Coordination Score	Mean First Nations Coordination Score	t Value	Significance P
1. Entire Employee Data Set	120	3.25	3.18	.33	.744
2. Excluding First Nations Firms with Former Owners on Contract	96	3.33	3.01	1.33	.187
3. Excluding First Nations Joint Ventures and Partnerships with Non-Aboriginals	90	3.26	3.23	.08	.935
4. Excluding First Nations Firms with Non-Aboriginal Senior Managers	42	3.52	3.02	1.20	.237

Note: For each First Nations firm that has been excluded from analysis, the matching non-Aboriginal firm has also been excluded.

**Table 4.15** *Comparisons of leadership/decision-making subscale means, employee data set*

	N	Mean Non-Aboriginal Leadership/Decision-Making Score	Mean First Nations Leadership/Decision-Making Score	t Value	Significance P
1. Entire Employee Data Set	120	4.44	4.11	1.89	.062
2. Excluding First Nations Firms with Former Owners on Contract	96	4.45	4.01	2.18	.032
3. Excluding First Nations Joint Ventures / Partnerships with Non-Aboriginals	90	4.40	3.96	2.19	.031
4. Excluding First Nations Firms with Non-Aboriginal Senior Managers	42	4.16	4.17	-.01	.989

Note: For each First Nations firm that has been excluded from analysis, the matching non-Aboriginal firm has also been excluded.

**Table 4.16** *Comparisons of control subscale means, employee data set*

	N	Mean Non-Aboriginal Control Score	Mean First Nations Control Score	t Value	Significance P
1. Entire Employee Data Set	120	4.16	3.80	1.40	.164
2. Excluding First Nations Firms with Former Owners on Contract	96	4.13	3.50	1.44	.161
3. Excluding First Nations Joint Ventures / Partnerships with Non-Aboriginals	90	4.19	3.96	.86	.390
4. Excluding First Nations Firms with Non-Aboriginal Senior Managers	42	4.33	4.17	.39	.700

Note: For each First Nations firm that has been excluded from analysis, the matching non-Aboriginal firm has also been excluded.

**Table 4.17** *Comparisons of communication subscale means, employee data set*

	N	Mean Non-Aboriginal HIM Score	Mean First Nations HIM Score	t Value	Significance P
1. Entire Employee Data Set	120	4.60	4.24	1.48	.142
2. Excluding First Nations Firms with Former Owners on Contract	96	4.68	4.30	1.39	.168
3. Excluding First Nations Joint Ventures / Partnerships with Non-Aboriginals	90	4.61	4.03	2.09	.040
4. Excluding First Nations Firms with Non-Aboriginal Senior Managers	42	4.33	4.21	.25	.800

Note: For each First Nations firm that has been excluded from analysis, the matching non-Aboriginal firm has also been excluded.

greater high-involvement orientation to communication. No such significant difference was shown to exist in the communication subscale for the management data set. When comparing these results to the results of the communication subscale means test for the management sample (Table 4.8), it is clear that managers rated the flow of communications in their firms higher than their employees did. This could be expected, with managers feeling well-informed and feeling that communication is effective, while employees recognize communication problems and struggle to gather information.

#### **4.2.4 Multiple Regression Analysis of Factors Predicting HIM**

In this section, multiple regression analysis is first applied to the employee data set, and then separate analyses are conducted for the First Nations and non-Aboriginal portions of the employee data set. The purpose of this analysis is to use multivariate analysis to first identify

factors that predict HIM, and then to examine whether these factors differ in First Nations firms in comparison to non-Aboriginal firms. The use of multivariate analysis allows the identification of relationships that might otherwise be masked by variables that covary with the variables of interest, and to control for variables that might be causing spurious relationships between variables, if analysis were restricted to bivariate analysis only.

#### **4.2.4.1 Multiple Regression Analysis of Entire Employee Data Set**

Table 4.18 shows a negative beta coefficient for the First Nations ownership variable and HIM ( $\beta = -.11$ ,  $p = .322$ ), but this coefficient is not statistically significant. This is very similar to the correlation coefficient for this variable ( $\beta = -.14$ ,  $p = .125$ ) determined in the bivariate correlation analysis presented in Table 4.12. Table 4.18 highlights the importance of the hospitality sector in predicting low scores in high-involvement management. Hospitality business sector is the only variable that is a statistically significant predictor of high-involvement management ( $\beta = -.56$ ,  $p = .014$ ) in the multiple regression of the entire employee sample. Consistent with the results from Table 4.11, on average, firms in the hospitality business sector are seen to have significantly lower levels of high-involvement management than other firms in the overall employee data set.

#### **4.2.4.2 Multiple Regression of Non-Aboriginal and First Nations Data Subsets**

To identify possible differences in the predictors of high-involvement management between the non-Aboriginal and First Nations firms, a bivariate correlation analysis was first

**Table 4.18** *Multiple regressions predicting high involvement management, employee data set*

	Beta Coefficient	Standard Error	Significance
1. Size (# Employees)	-.16	.000	.145
2. Years in Business	.04	.006	.796
3. Percent with University Degree	-.12	.004	.331
4. Percent Part-Time	.13	.005	.447
5. Percent Casual	-.02	.004	.836
6. Percent Female	.21	.005	.274
7. Management Years with the Organization	.02	.011	.892
8. Professional Business Sector	-.05	.332	.821
9. Hospitality Business Sector	-.56	.362	.014
10. Gender	.11	.154	.280
11. Employee Years with the Organization	-.01	.011	.948
12. Participatory Mechanisms	.09	.141	.343
13. Ownership (Aboriginal/Non)	-.11	.159	.322
R <sup>2</sup>	.254	.681	.002

F-statistic = 2.773      N=120

performed. As shown Table 4.19, four significant predictors of high-involvement management are identified for non-Aboriginal firms and seven significant predictors are identified for the First Nations firms. Of these significant predictors, three are held in common by both the non-Aboriginal and First Nations firms: number of employees (negatively related to HIM), professional business sector (positively related to HIM), and hospitality business sector (negatively related to HIM). The fourth significant predictor of high-involvement management

**Table 4.19** *Bivariate predictors of high-involvement management, non-Aboriginal and First Nations Firms, employee data set*

	Non-Aboriginal		First Nations	
	Coefficient	Significance	Coefficient	Significance
Size (# of Employees )	-.24	.065	-.39	.002
Years in Business	.26	.049	-.02	.899
Percent with University Degree	-.05	.698	.17	.208
Percent Part-Time	-.20	.130	-.28	.031
Percent Casual	-.13	.332	-.28	.032
Percent Female	.12	.372	-.11	.419
Management Years with Organization	.11	.409	.13	.340
Industrial Sector	-.08	.543	.26	.046
Professional Sector	.31	.018	.28	.033
Hospitality Sector	-.22	.093	-.55	.000
Gender	.09	.495	.03	.844
Employee Years with Organization	.11	.409	.13	.340
Participatory Mechanisms	-.08	.543	.33	.011
Joint Ventures / Partnerships with Non-Aboriginals	n/a	n/a	.18	.165
Former Owners on Contract	n/a	n/a	.22	.099
First Nations Senior Manager	n/a	n/a	.00	.999
Non-Aboriginal / Non-Owner	n/a	n/a	-.17	.186

Note: N=60 for non-Aboriginal subsample and N=60 for First Nations subsample.

for the non-Aboriginal firms is years in business (positively related to HIM). One reason that years in business was not significantly related to HIM in First Nations companies could be that First Nations companies overall are too new to be able to discriminate between newer and more established companies.

The four remaining significant predictors of high-involvement management for the First Nations firms are percent of part-time employees (negatively related to HIM), percent of casual employees (negatively related to HIM), presence of participatory mechanisms (positively related to HIM). The relationship of all three of these variables to HIM are as would be expected from the literature. Why the relationships between these variables and HIM were not significant for the non-Aboriginal subsample is unclear.

In order to determine the relative importance of the predictors, a multiple regression was performed on each of the data subsets. The results associated with these analyses are presented in Tables 4.20 to 4.22. The results of this regression for the non-Aboriginal data subset is presented in Table 4.20. The variables included in this table were identified by distilling the larger variable list to those that seem to be the most important. As is shown in Table 4.20, size ( $\beta = -.26, p = .070$ ) is the only significant predictor of high-involvement management among the non-Aboriginal firms when multiple regression analysis is performed.

The same analysis process was performed on the First Nations data subset and the results are presented in Table 4.21. This multiple regression indicates that the only significant predictor of high-involvement management in the First Nations data subset is hospitality business sector ( $\beta = -.65, p = .028$ ).

**Table 4.20** *Multiple regressions predicting high involvement management, non-Aboriginal employee subsample*

	Beta Coefficient	Standard Error	Significance
1. Size (# Employees)	-.26	.000	.070
2. Years in Business	.13	.005	.389
3. Percent Part-Time	-.44	.009	.225
4. Percent Casual	.15	.007	.538
5. Industrial Sector	-.23	.239	.156
6. Hospitality Sector	.03	.453	.909
R <sup>2</sup>	.174	.712	.106

F-statistic = 1.858      N=60

**Table 4.21** *Multiple regressions predicting high involvement management, First Nations employee subsample*

	Beta Coefficient	Standard Error	Significance
1. Size (# Employees)	-.06	.001	.735
2. Years in Business	-.05	.010	.660
3. Percent Part-Time	.19	.007	.402
4. Percent Casual	-.07	.007	.564
5. Industrial Sector	-.01	.208	.938
6. Hospitality Sector	-.65	.457	.028
R <sup>2</sup>	.346	.629	.001

F-statistic = 4.665      N=60

**Table 4.22** *Multiple regressions predicting high involvement management including ownership/management characteristics, controlling for hospitality sector, First Nations employee subsample*

	Beta Coefficient	Standard Error	Significance
Hospitality Sector	-.55	.20	.001
First Nations Joint Ventures / Partnerships with Non-Aboriginals	.00	.21	.996
First Nations Firms with Former Owners on Contract	.09	.23	.490
First Nations Firms with Non-Aboriginal Senior Managers	.15	.19	.235
R <sup>2</sup>	.323	.628	.001

N=60

Another analytical procedure that is performed to try to identify predictors of high-involvement management in firms is a multiple regression of the ownership/management characteristics on HIM of the First Nations firms, controlling for the hospitality business sector variable. The results of this procedure, presented in Table 4.22, show that none of the First Nations ownership/management variables are significant predictors of HIM.

A final regression was performed to analyze the relationship between years in business and HIM for First Nations companies. The results of the correlation analysis shown in Table 4-19 show that “years in business” is positively related to HIM in the non-Aboriginal sample but not the First Nations sample. Performing a multiple regression of First Nations firms with HIM controlling for “years in business” showed a relationship between “years in business” and HIM for First Nations firms, albeit a non-significant relationship. In this multiple regression, the relationship between First Nations firms and HIM ( $\beta = -.23$ ,  $p = .163$ ) was shown to be stronger than the relationship between First Nations firms and HIM, controlling for years in

business ( $\beta = -.12$ ,  $p = .496$ ). Because First Nations firms are significantly younger than non-Aboriginal firms, restricted range could be lowering the possibility of finding a significant relationship between “years in business” and HIM for First Nations firms.

## CHAPTER 5

### CONCLUSIONS AND IMPLICATIONS

The central objective of this study was to determine whether or not a significant difference exists in the level of high-involvement management between First Nations organizations and non-Aboriginal organizations in Saskatchewan. A number of means tests, correlation analyses, and multiple regression analyses were employed on the management data set and the employee data set in the attempt to achieve this objective.

The mean high-involvement score for the participant companies in this study was very similar to the high-involvement score from a study that analyzed a larger sample of 225 Canadian firms that used the same high-involvement research instrument (Long and Shields, 2005a; Long and Shields, 2005b; Long and Shields, 2008). The mean HIM score from the larger sample of Canadian firms using this research instrument was 4.16, compared to the mean employee HIM score of 4.17 for this study. This result is one indication of validity for this study.

Overall, this study found no significant difference between First Nations and non-Aboriginal firms in the level of high-involvement management. Only when the data was analyzed based on various additional dimensions were significant differences identified between First Nations and non-Aboriginal firms in terms of high-involvement management. In each of these cases, First Nations firms were significantly lower in high-involvement management than non-Aboriginal firms, although this cultural effect is likely moderated by the younger age of First Nations firms, as noted in Section 4.2.4.2. One of the initial propositions in this study was that since First Nations people traditionally utilized a high-involvement organizational approach,

contemporary First Nations businesses would reflect this high-involvement tendency. The results of this study clearly show that this is not the case. Several possible explanations exist for this result of the study.

At first glance, one of the most reasonable explanations for the management approach of First Nations businesses being less high-involvement oriented than the non-Aboriginal businesses would seem to be the colonization and cultural assimilation of First Nations people. If Native people in Saskatchewan have been culturally assimilated to a large degree, it would stand to reason that the dominant management approach of the Native people would be much like the dominant management approach in the mainstream Saskatchewan business community. In fact, the more control-oriented management approach of the colonizer could be adopted to a greater degree by First Nations organizations due to the extent of the colonization process. However, this simple explanation is incomplete.

Colonization has indeed altered the management approach of First Nations organizations in Saskatchewan. Traditionally, the Saskatchewan Plains Cree and Assiniboine First Nations that are discussed in this study exhibited a high-involvement organizational approach. Early in the reservation period, Saskatchewan First Nations people were faced with a very control-oriented management approach as wards of the state in a regime whose objective was to culturally assimilate First Nations people into Canadian society. After their confinement to reserves, the First Nations people became dependent on government assistance, and the traditional high-involvement management approach was replaced by dependency and acceptance of a more control-oriented organizational approach. Cornell and Kalt (2003) described this loss of autonomy regarding organizational management:

One of the unfortunate consequences of a century of federal control of Indian nations is a legacy of institutional dependency, a situation in which tribes have had to rely on someone else's institutions, someone else's rules, someone else's models, to get things done. (p.196)

Today, Saskatchewan First Nations businesses are managed in a manner that is more control-oriented than the traditional organizational approach of many Saskatchewan First Nations people. But the colonizing, assimilating influence of the Canadian government on the tribes of Saskatchewan after they were placed on reserves is only part of the explanation of this outcome. Other factors and circumstances have influenced and continue to influence the evolution of management approaches of contemporary First Nations businesses in Saskatchewan.

## **5.1 The Role of Institutional Forces**

Taking an evolutionary view of management approaches, firms require a certain amount of structure, or bureaucracy, to be able to have the stability to implement high-involvement management practices. First Nations firms are relatively new compared to their counterpart non-Aboriginal firms, and the results of this study show that they are lagging behind non-Aboriginal firms in the development of high-involvement management. However, they are not far behind the non-Aboriginal firms, with few significant differences existing in the level of HIM between the First Nations and non-Aboriginal firms overall. Institutional forces play a part in the evolution of management approach in First Nations firms, which have evolved to a point of being virtually the same as non-Aboriginal firms in HIM.

First Nations management professionals are typically trained in mainstream educational institutions where dominant management approaches and paradigms are emphasized. Many of those with management experience have typically gained that experience in non-Aboriginal contexts. As First Nations companies seek management approaches and strategies for success,

they have traditionally looked to existing models from the mainstream non-Aboriginal business community. Regarding these types of institutional influences on the structure and management of organizations, Scott (2003) states that:

Organizations receive support and legitimacy to the extent that they conform to contemporary norms – as determined by professional and scientific authorities – concerning the “appropriate” way to organize. These beliefs are so powerful that organizations that conform to them receive public support and confidence even in situations where no specific technical advantages are obtained. (p.137)

Meyer and Rowan (as cited in Scott, 2003) state that:

Many of the positions, policies, programs, and procedures of modern organizations are enforced by public opinion, by views of important constituents, by knowledge legitimated through the educational system, by social prestige, by laws, and by the definitions of negligence and prudence used by the courts. Such elements of formal structure are manifestations of powerful institutional rules which function as highly rationalized myths that are binding on particular organizations. (p. 137)

Many of the First Nations businesses that participated in this study have been subjected to considerable institutional pressure to organize and manage in the same manner as non-Aboriginal businesses. All 20 of the First Nations participant companies in this study enjoy a First Nations competitive advantage (e.g., contracting preferences, tax advantages, or preferential gaming agreements). Many of the First Nations partners or owners have looked to their non-Aboriginal partners, managers, and/or former owners for direction in how to organize and manage to exploit First Nations competitive advantages. The prevailing view among many First Nations may be that their businesses must be run in exactly the same manner as non-Aboriginal businesses to be successful.

The study of the adoption of management approaches by companies in different countries is relevant to this study on the adoption of management approaches by contemporary First Nations businesses. One study of the adoption of management approaches in different countries

that is particularly relevant to this research was conducted by Guillen (1994). In a multi-national comparative study of the adoption of organizational paradigms in the U.S. and three European countries, he proposed seven factors that influence the adoption of organizational models or paradigms (i.e., management approaches). Of these seven, three are organizational problems: 1) structural-economic changes, 2) international problems or opportunities, and 3) labor unrest; and four are organizational solutions: 4) business elite mentalities, 5) professional groups, 6) state actions, and 7) workers' responses. These factors shed light on potential factors influencing the First Nations participant companies in this study in their choice of management approaches.

Guillen identifies structural-economic changes as the first of these factors. This includes bureaucratization, separation of management from ownership, increases in size and complexity, and within-firm diversification of product lines. Guillen presents two examples of structural-economic changes impacting the adoption of management approaches that are particularly interesting and relevant to this project. These examples both involve Germany. In the first, close personal contacts between AEG executives and General Electric executives helped to guide the process of reorganization at AEG. First Nations businesses likewise are guided in the structure and management of businesses by their close contacts with non-Aboriginal partners and managers. The second example involves the presence of U.S. multinational firms in Germany, which made imitation of U.S. management approaches more likely to occur. The presence of non-Aboriginal Canadian companies in close proximity to First Nations businesses likewise makes imitation of the non-Aboriginal companies more likely.

The second factor influencing the adoption of management approaches identified by Guillen is international pressures or opportunities, i.e. those resulting from international

economic, political, and military competition or cooperation among nation-states. First Nations companies are certainly experiencing pressures from the Canadian government to address poverty and become more economically self-sufficient. Regarding companies' and societies' typical responses to these pressures, Guillen states:

When economic lags and backwardness become an issue for nation-states, the characteristic response is to imitate organizational models of successful countries.

...international threats decrease the economic and political "slack" of the country, making it very important to achieve technical improvements (including those related to the management of labor) while relegating social-psychological concerns to the background. (p. 24)

Guillen documents other countries' imitation of American management approaches. First Nations companies likewise imitate non-Aboriginal Canadian organizational approaches. The threat of poverty in First Nations communities likely increases the drive to achieve technical improvement through adoption of non-Aboriginal management models and may relegate social-psychological considerations of culturally appropriate organizational management to the background.

Labor unrest, Guillen's third factor, is not currently a factor that significantly influences the adoption of management approaches by First Nations businesses. This could change, however, if the management approach utilized is no longer consistent with the dispositions and expectations of the workforce in First Nations organizations. Labor unrest could become an influential factor under these circumstances.

Business elite mentality is the fourth of Guillen's factors influencing the adoption of management approaches that is relevant to this study. Guillen defines a business elite mentality as:

...enduring modes of thought characteristic of a group or class.

...A mentality is based upon implicit, non-reflective, and subjective assumptions as to how the world works. A mentality may dispose members of a group or class to accept one particular organizational solution over another

..the mentality dominant among a country's managerial elite affects the chances of an organizational paradigm being accepted and implemented. (p. 25)

In the case of First Nations, the managerial elite who influence the management approach adopted by First Nations businesses consist of a variety of groups. These include First Nations community leaders; non-Aboriginal managers; non-Aboriginal partners in First Nations businesses, First Nations intellectuals, and First Nations religious leaders. In Spain, Guillen (1994) found a significant generational influence in business elite mentalities, with the older generation of army officers and engineers responsible for the spread of scientific management in those communities and the younger generation of sociologists, psychologists, and theologians promoting a more involvement-oriented management approach. First Nations community leaders have likewise experienced a generational effect in business elite mentality. During the great wars of the early and mid-twentieth century, many First Nations soldiers gained a new perspective that has impacted the contemporary management of First Nations organizations, including First Nations businesses. Immediately following their confinement to reserves, many First Nations people accepted subservience to the control-oriented management approach of the Canadian government and became increasingly dependent on the government. Although they were exempted from military service, First Nations people volunteered for service in the world wars and Korea at rates considerable higher than the general population in Canada. After serving alongside non-Aboriginal soldiers in war, First Nations people returned to their reserves emboldened with a belief that if First Nations were treated equally on the battlefield, they should be treated equally in society (Harvard, 2008). This cohort of Native veterans aggressively

campaigned for equality and self determination rather than subjugation for their people. They became the leading voices for change in First Nations communities, and their experience with bureaucracy in the military predisposed them to an acceptance of a more control-oriented management style. Businesses in Germany in the early twentieth century were in many cases modeled after the German military (Guillen, 1994). Following the wars, Canadian First Nations organizations, including business organizations, were likewise predisposed to the military organizational model, with its bureaucratic management approach. The priority for First Nations leaders is to get economic development moving and move away from dependence and toward business success. These war veterans were content adopting non-Aboriginal management approaches to accomplish this. In more recent years, community leaders, who are part of the new business management elite for First Nations businesses, are moving back toward traditional culture, and would be more likely to accept a more traditional high-involvement management approach. Non-Aboriginal managers and partners of First Nations businesses are currently a significant part of the business management elite influencing the adoption of management approach of First Nations businesses. These groups undoubtedly influenced the adoption of an organizational approach that is similar to the dominant management approach of non-Aboriginal businesses. First Nations intellectuals, who are emerging as members of the business management elite, encourage adoption of a First Nations management approach that is significantly different than the dominant non-Aboriginal management approach. Many contemporary First Nations intellectuals promote de-colonization and a return to traditional culture, and would encourage adoption of the more culturally-matched high-involvement management approach.

One possible explanation of the results of this study exists that is directly related to First Nations business elite mentalities. It is possible that a blue-collar management approach introduced by influential leaders in First Nations business is placing a “glass ceiling” on the expansion of high-involvement management in the First Nations business community. With an emphasis on developing a responsible workforce, some First Nations business leaders have promoted the view that the key to First Nations business success is to pick up a lunch pail and go to work. This “lunch pail” model of First Nations business development could have the effect of helping to entrench the bureaucratic management approach typical of a traditional factory or industrial environment in First Nations businesses. This could inhibit the development of high-involvement management in these firms.

Another force that is an important part of the business elite mentality in many countries and in First Nations life is religious orientation. Guillen (1994) emphasizes “...the historical significance of religion, a variable often neglected in studies of organizational change.” The British embrace of involvement-oriented management was partially a response to Christian influence. In Germany, Protestant management intellectuals generally supported the scientific management paradigm, while Catholic management intellectuals generally supported a more involvement-oriented management approach. Buddhist or Confucianist management intellectuals supported the importance of intrinsic rewards in work, while many Christian management intellectuals emphasize extrinsic rewards (Guillen, 1994). First Nations religious orientation has the potential to play an important role in the First Nations business elite mentality. Religious practice in Indian Country is changing.

Usually less visible to the casual observer are still vibrant religious practices, many of them long suppressed by federal controls but now resurgent as Indian communities reclaim their own spiritual ways...

...Several significant issues affect the current practice of Native religions. As conscious government policies of cultural assimilation abated in the second half of the twentieth century, the overt practice of Native religions appears to have increased. (Harvard, 2008, p. 286)

Native spirituality is definitely experiencing a resurgence in Saskatchewan, and as First Nations continue to develop the internal capacity to manage and direct businesses, the religious elite mentality will be more likely to encourage adoption of a management approach that is consistent with First Nations traditional culture. This influence would favor adoption of an involvement-oriented management approach.

Guillen's fifth factor affecting the adoption of management approaches is professional groups. He notes that professional managers and their professional organizations often have a significant influence on the adoption of management paradigms. Guillen (1994) describes one way that this influence is exerted:

A cloud of uncertainty frequently envelops the kinds of complicated problems that preoccupy management intellectuals. Practicing managers frequently listen to professionals or use the knowledge generated by them. In a world of unclear cause-effect relationships, managers often resort to imitating the behavior of other domestic or foreign organizations perceived as successful. As a result, their behavior tends to follow a combination of normative, coercive, or mimetic patterns.

...Employers and top managers frequently make decisions based on the judgment of professionals working for the organization, or they have professional training themselves. (p. 21)

Many Native American businesses are managed by non-Aboriginal managers. Many of these managers are members of professional groups that influence the adoption of mainstream management approaches. Native managers, many of whom are trained in non-Aboriginal business schools and some of whom belong to professional business organizations, are also likely to encourage the adoption of popular, dominant management approaches. A relatively

new organization, the Council for the Advancement of Development Officers (CANDO) serves as a professional organization to help increase the effectiveness of those working in Native economic development. Professional organizations like CANDO may encourage the adoption of management approaches that are consistent with traditional Native culture. As managerial capacity-building among the First Nations people in Saskatchewan continues, the currently small proportion of First Nations managers in First Nations businesses will undoubtedly increase. As these First Nations managers take greater responsibility in First Nations businesses and take advantage of training and professional development that is consistent with traditional First Nations culture, they will likely encourage adoption of a traditional, more high-involvement management approach.

The sixth factor that Guillen identifies as influential in the adoption of management approaches is the role of the state. The bureaucratic management approach of the Canadian government has served as a model for Native American organizations since the establishment of reserves. More recently, government assistance for business development has had an influence on the adoption of management approach. Aboriginal Business Canada provides technical assistance to Native businesses in business planning and mentoring, and this technical assistance tends to reflect the dominant business management approach in the society. Government-sponsored business education programs would also be expected to encourage adoption of the management approach dominant in Canadian society.

The final factor in Guillen's framework of management approach adoption is worker response. In the case of contemporary First Nations businesses, workers' responses may play a role in the adoption of management approach. In a backlash that resulted from dissatisfaction with scientific management, more involvement-oriented management approaches were adopted

to replace scientific management by businesses in many nations. This rejection of scientific management in favor of involvement-oriented management was particularly strong in Britain (Guillen, 1994). As Native communities continue to return to more traditional culture, a similar backlash may occur if the existing management approach is not consistent with the culture of Native communities. Accommodation of cultural considerations such as funeral leave for family members other than immediate family members will likely be in greater demand as traditional culture continues to be strengthened in Native communities.

Guillen (1994) explained that in his multi-national study, the differences in adoption of organizational paradigms between countries was related to the different factors influencing adoption in each country. He explains that

It is important to note that countries differ not only in terms of the sequence of organizational outcomes, but also in terms of the process of organizational change itself. Different configurations of problems and institutional factors have operated to produce observed patterns of change. (p. 266)

This would likely be true for the wide variety of different First Nations societies. The configuration of factors in each community helps to determine the adoption of management approaches by First Nations businesses in that community.

## **5.2 Cultural Forces and First Nations Industrialization**

The influence of culture on the adoption of management approaches is extensive, and will undoubtedly play a role in the future evolution of management approaches by First Nations businesses. Because the First Nations economy is emerging, it will likely take time for a definitive First Nations management approach to evolve. The results of this study are not a conclusive picture of First Nations businesses, but rather a snapshot of the management approach

of Saskatchewan First Nations businesses as the First Nations economy evolves and develops. A glimpse of what the future may hold regarding First Nations management approaches may be obtained through considering the potential effect of traditional First Nations culture on the adoption of management approaches.

When a society is colonized and new organizational paradigms are imposed on the people, the pre-colonization cultural characteristics have been shown to continue to exert a very strong influence on the management approach of companies in the colonized country (Whitley, 1992). American Indian organizations have been shown to be more successful when the organization's management approach is consistent with the community's traditional culture (Jorgensen, 2008). Hofstede (2005) emphasizes that management and leadership cannot be isolated from other parts of society.

Schein (2004) indicates that when a person imitates a role model,

...we sometimes can learn things through imitation that do not really fit into our own personality or our ongoing relationships. Once we are on our own and the role models are no longer available, we often revert to our old behavior. (p. 327)

The same can be true of organizations. Saskatchewan First Nations businesses that currently follow non-Aboriginal businesses and managers as role models may have a similar experience. When the management approach "borrowed" from non-Aboriginal businesses and managers does not fit traditional First Nations culture and the role model non-Aboriginal businesses and managers are no longer available, First Nations businesses may revert to the traditional management approach. Indicators of the influence of culture on the adoption of business management approaches point to a future where the management approach of First Nations businesses may be significantly different than the management approach of non-Aboriginal businesses.

Whitley (1992), in a study of business systems in East Asian countries, addressed the impact of the traditional organizational approaches and the colonial/industrialization experiences of these nations on the contemporary business systems, including the dominant management approaches in these nations. In many ways, the colonial and industrialization experiences of these countries are similar to the historical and economic experiences of First Nations in Saskatchewan. A closer look at the evolution of these East Asian business systems yields some interesting insights into the possible future of management approaches of Saskatchewan First Nations businesses.

Whitley (1992) makes a strong connection between pre-industrial societies in several East Asian countries and contemporary business systems in those countries, notwithstanding disruptive colonization and industrialization experiences that have occurred in these countries.

He stated that:

The establishment and continued effectiveness of different kinds of business systems, then, are explicable in terms of their interdependence with dominant social institutions, including established beliefs and values... (p. 85)

Table 5.1 presents a summary of this cultural influence process as reflected in the development experiences of Japan, Taiwan, Hong Kong, and Korea. Organizational characteristics of the pre-industrial society in each of these countries, the effects of colonization on the management approach in the countries, and the effects of pre-industrial society on the management approach of contemporary businesses in each country are presented in this table. The relationship between the traditional culture and the contemporary management approach in each of these countries is clearly indicated in Table 5.1.

First Nations have undergone an experience similar to the experience of these East Asian countries. This shared experience is colonization. Canadian First Nations, whose society was

**Table 5.1** *Pre-industrial and colonial effects on East Asian business systems*

---

Japan

Pre-industrial Society

- Merchants who forged ties with the government
- Superiors who maintained subordinate success through competitive success
- Loyalty to leadership that was transferrable to others
- A cohesive, high-involvement government organization
- Preference for group consensus
- Reciprocity between supervisors and subordinates
- Preference for group consensus and leadership from behind

Effects of Colonization (post-WWII-Allies)

- Strengthening of specialized administrative staff
- Increased government focus on economic affairs
- Economic integration of government with industry
- Land reform, which led to rural democratization and mechanization

Effect of Pre-industrial Society on Contemporary Management Approach

- Mutual employer-employee dependence and delegation to middle management and skilled workers derived from pre-industrial institutions
- A consensual and group-focused form of managerial behavior
- High commitment to employees
- Close ties between business and government

Based on Whitley, 1992.

**Table 5.1 (Cont.)** *Pre-industrial and colonial effects on East Asian business systems*

---

Chinese - Taiwan

Pre-industrial Society

- Very fragmented, non-cohesive village organization
- State opposition to wealth accumulation
- Distrust of government officials
- Monarchy discouraged competent local leadership to maintain power
- Leadership conceived as a matter of manifesting one's moral worth and superiority status, to which obedience is owed
- Low level of trust beyond family boundaries

Effects of Colonization (post-WW II)

- Disruptive history in the last 100 years
- Japanese improvement of education, infrastructure, and agricultural production
- The KMT government was an occupying force with an economic development agenda to legitimize its existence

Effect of Pre-industrial Society on Contemporary Management Approach

- Managerial role and leadership pattern reflects traditional authority relations in Chinese society and their reproduction in Chinese families
- Low trust between superiors and subordinates
- Low trust outside of family relations
- Emphasis of moral superiority of those in authority
- Centralized decision-making
- Weak position of middle managers
- Government exercised considerable control over private firms' opportunity sets through state enterprises, investment incentives, import restrictions, the banking system, and foreign exchange control
- Weak labor movement

Based on Whitley, 1992.

**Table 5.1 (Cont.)**     *Pre-industrial and colonial effects on East Asian business systems*

---

Chinese-Hong Kong

Pre-industrial Society

- Very fragmented, non-cohesive village organization
- State opposition to wealth accumulation
- Distrust of government officials
- Monarchy discouraged competent local leadership to maintain power
- Leadership conceived as a matter of manifesting one's moral worth and superiority status, to which obedience is owed
- Low level of trust beyond family boundaries

Effects of Colonization (British)

- More colonial immersion led to greater imprinting by British management template
- Colonial government led to dependence on colonial power
- Adoption of British accounting systems and educational system

Effect of Pre-industrial Society on Contemporary Management Approach (As British Colony)

- Despite retaining many features of the colonizing society and institutions, businesses maintain many characteristics of the pre-colonial society
- Low levels of commitment to employees
- Managerial role and leadership pattern reflects traditional authority relations in Chinese society and their reproduction in Chinese families
- Low trust outside of family relations
- Leadership conceived as manifesting one's superior moral worth
- Centralized decision-making
- Weak labor movement

Based on Whitley, 1992.

**Table 5.1 (Cont.)**     *Pre-industrial and colonial effects on East Asian business systems*

---

Korea

Pre-industrial Society

- Fragmented, low-cohesion village organization
- Distrust of government officials
- High centralization of power
- Moral worth as the basis of elite legitimacy
- Mixed inter-family coordination
- Low security
- Dependence on capricious central officials and leaders

Effects of Colonization (Japanese)

- Disruptive history over the last 100 years
- Predominance of central power reinforced by Japanese colonialism
- Destruction of decaying political institutions of Yi dynasty
- Instability of indigenous enterprises encouraged close family ties and intensive cultivation of state ties
- Militaristic discipline reinforced traditional Confucian hierarchical authority
- Major urban migration

Net Effect of Pre-industrial Society on Contemporary Management Approach

- Mutual employer-employee dependence and delegation to middle management and skilled workers derived from pre-industrial institutions
- A consensual and group-focused form of managerial behavior
- Low level of commitment to employees
- Strong central, personal owner control
- Low employer-employee commitment
- Authoritarian management

Based on Whitley, 1992.

well-established prior to contact with their colonizing power, experienced significant pressure for change due to several factors during the processes of colonization and the initial stages of industrialization. As a result of these and other institutional factors, First Nations businesses have adopted the management approach of the businesses in the colonizing society, as indicated by the results of this study. First Nations are now undergoing the process of industrialization, albeit not on the same scale as the East Asian countries studied by Whitley. If the pattern observed in East Asia applies to First Nations as industrialization proceeds, the cultural influences of the pre-colonial First Nations societies will eventually manifest themselves in the management approach of First Nations businesses. Although the Asian countries were strongly imprinted by their respective colonizing powers, in the end the business management approach adopted by the colonized society is similar in many ways to its pre-colonial society in each of the four nations studied. First Nations traditional values would therefore be expected to influence the management approach of contemporary First Nations businesses as First Nations business systems continue to evolve.

In Native communities with traditional authority structures that are more centralized, a more control-oriented management approach would be more likely to be accepted and more effective. In communities with traditional authority structures that are more decentralized, a more involvement-oriented management approach would be more accepted and effective.

As the Harvard Project on American Indian Economic Development (2008) concluded after extensive research into the success factors for Native economic development,

International development specialists do occasionally point to the relevance of local conditions and political feasibility as important determinants of what kinds of institutions work in promoting development. Indian Country, however, is demonstrating the critical importance of a broader concept, “cultural match”: there must be consonance (match) between the structure of a society’s formal institutions of governance and economic development and its underlying norms of

political power and authority (culture) for those institutions to function and serve effectively. (p. 125)

If this concept is extended to the management approaches most likely to be successful over the long-term for Native businesses, the most effective management approach for Saskatchewan First Nations is an involvement-oriented management approach.

Hofstede (2005) uses an onion analogy to describe culture. The outer layer of the onion, or cultural practices, can change rapidly. However, the core of the onion, or cultural values, changes very slowly and is very resilient. In the case of First Nations business management approach, the traditional high-involvement management approach is based on the deep layer of cultural values. The more control-oriented, non-Aboriginal management approach that has been shown in this study to be adopted by contemporary First Nations businesses in Saskatchewan at this time is not based on the deep layer of cultural values, but rather represents cultural practices that have been adopted relatively recently. Although the practices of the First Nations businesses have changed, as the rising generation continues to embrace and promote traditional First Nations culture, the high-involvement management approach, which is consistent with First Nations traditional cultural values, will be more likely to be adopted.

### **5.3 Contingency Theory**

A number of factors other than cultural match affect the likelihood of organizations adopting HIM. Structural contingency theory explains that organizational performance is affected by the fit or misfit between an organization's structure and contingency variables such as organizational strategy, size, and task uncertainty (Donaldson, 1995). Lawler (1992) identifies a similar set of contingency variables that includes organizational size, skill level and teamwork orientation of employees, task/technology, and strategy. Structural contingency

theorists assert that contingency variables affect the likelihood of adopting particular management approaches. Certain contingency variables would make the adoption of high-involvement management more or less likely. These variables undoubtedly have an impact on the level of high-involvement management observed in the firms participating in this study.

The three sectors discussed in the study, the professional, industrial, and hospitality sectors, differ with regard to their likelihood of adopting high-involvement management. In general, professional firms would be expected to be more likely to adopt high-involvement management. Employees of firms in this sector are more likely to have advanced education and specialized skills than those of employees in other sectors. The work in these professional firms is also generally more suited to custom production technology than to sequential production (assembly-line) or process (continuous flow) technologies. This custom production technology produces an individual product or service to the specifications of a particular customer. The employee characteristics and production technology of firms in the professional sector are most suited to a high-involvement management. Hospitality firms generally have a lower-skilled workforce and are likely to utilize a sequential production technology. Therefore, hospitality firms would be least likely of the three sectors to adopt high-involvement management. Firms in the industrial sector would be expected to rank somewhere between the professional and hospitality sectors regarding the likelihood of adopting high-involvement management. These differences in fit between HIM and the three sectors were certainly a factor in this study.

## **5.4 Applying the Management Approach Change Model**

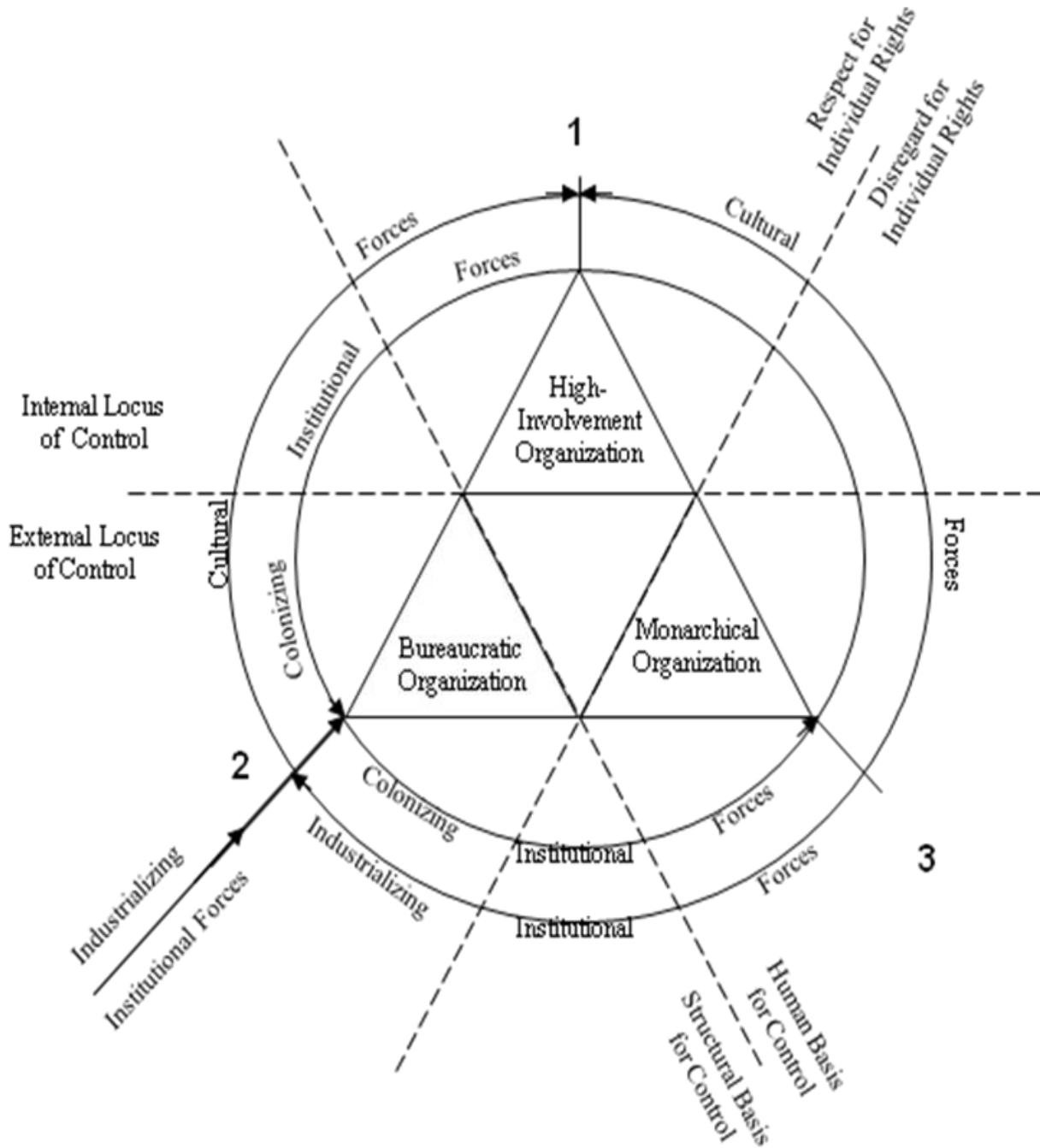
An adaptation of Figure 2.1 presents the management approach change process the First Nations and First Nations businesses have undergone since First Nations people were first placed on

reserves. This diagram, presented as Figure 5.1, also represents the process of management approach change that First Nations businesses may experience in the future. A representation of the institutional and cultural forces that have influenced First Nations organizations since the beginning of the reserve period and that are likely to influence them in the future has been incorporated into the management approach change model presented in Figure 5.1.

As discussed earlier, several institutional factors combined to encourage and reinforce the dominant non-Aboriginal management approach in First Nations businesses. In Figure 5.1, the arrow from the high involvement management approach to the bureaucratic management approach is labeled “colonizing institutional forces”. During this change process, new cultural artifacts or practices were introduced into First Nations organizations by the colonizing government and its agents. These artifacts may have had some degree of impact on the values of First Nations people, but likely very little or no influence on the First Nations’ basic assumptions. During this change process, the First Nations organizations crossed the line from possessing an internal locus of control with the high involvement management approach to possessing an external locus of control in the bureaucratic model. As depicted in Figure 5.1, they also transition from a human democratic basis for control to a structural basis for control. Another situation where colonizing institutional forces influenced the adoption of First Nations’ management approach was when some First Nations moved from the bureaucratic model to the monarchical management approach due to the disruption of their traditional organizational approach and the corruption modeled by some government agents. In this process, the First Nations transitioned from the bureaucratic structural basis of control to the monarchical human autocratic basis for control and from the bureaucratic respect for individual rights to the

Figure 5.1

Management approach change model incorporating institutional and cultural forces



monarchical disrespect for individual rights. The disruption of the traditional high-involvement management approach in the change to the bureaucratic model and then to the monarchical artifacts modeled by some corrupt government agents (Carter, 2006) likely affected the values of the First Nations that adopted the monarchical model. Basic assumptions may even have been affected. This management approach change process is depicted in Figure 5.1.

Industrialization institutional forces also influenced the adoption of First Nations management approaches, as shown in Figure 5.1. During the First Nations business development process, these industrialization institutional forces were exerted in two places in the model. First, for those First Nations that adopted the monarchical management approach, institutional factors encouraged the adoption of a more bureaucratic management approach to facilitate business success. This is shown in Figure 5.1 as the counter-clockwise arrow from the monarchical to the bureaucratic management approach. This change would force First Nations, at least in their business management, to cross the boundary between the autocratic human basis of control and the structural basis of control characteristic of the bureaucratic management approach. The boundary between the lack of respect for individual rights in the monarchical approach and the respect for individuals characteristic of the bureaucratic model was likewise crossed. In this change process, non-Aboriginal business people introduced artifacts or practices of the bureaucratic management approach, but operational organizational values and basic assumptions rooted in deeper cultural values were most likely unaffected in this change from a management approach alien to traditional First Nations culture to another alien approach.

The second instance where industrialization institutional forces had a major impact on the adoption of management approach by First Nations businesses is the case where First Nations retained the bureaucratic management approach after colonization. In this case, the

industrialization institutional forces influenced First Nations organizations to retain the bureaucratic organizational approach to facilitate business success. This process is shown in Figure 5.1 by the long arrow perpendicular to the circles in the figure pointing toward the bureaucratic management approach. The similarity between the current management approaches of First Nations businesses and non-Aboriginal businesses shown in this study would seem to indicate that industrialization institutional forces were successfully employed in First Nations business organizations.

The last two changes in management approach depicted by arrows in Figure 5.1 relate to the future of First Nations business management approaches. The primary forces affecting these potential change processes are rooted in traditional First Nations culture. These forces have been shown to eventually have a significant impact on the post-industrialization management approach in a number of other countries.

Of these two change processes, one is less likely to occur than the other. The process less likely to occur is represented by the counter-clockwise arrow between the monarchical and the high-involvement management approaches. This process is less likely, in part, because of the wide gap that must be bridged in the process. To move directly from point 3 to point 1 in Figure 5.1, the organization must move directly from an autocratic to a democratic basis for control and directly from disrespect for individual rights to respect for individual rights. Another reason that this change is unlikely is that few viable, sustainable businesses will thrive in a monarchical environment. The institutional stability to reintroduce the high-involvement management approach into First Nations communities is not likely to be present in a monarchical society. Without this institutional stability, successful First Nations business development is unlikely. There are many examples of businesses with monarchical management approaches in

Indian Country that failed because they were not sufficiently stable to be sustainable (Jorgensen, 2008). The change from a monarchical to a high-involvement management approach is possible, but to achieve it, the influence of basic assumptions and values consistent with the traditional high-involvement management approach would have to be sufficient to bridge the wide philosophical gap between the monarchical and high-involvement management approaches. The institutional stability required to re-establish the traditional high-involvement management model in First Nations organizations will more likely be found in bureaucratic than in monarchical First Nations organizations.

The more probable scenario for a return to the traditional high-involvement management approach by contemporary First Nations businesses is the move from bureaucratic to high-involvement management. In this change process, represented by the clockwise arrow from point 2 to point 1 in Figure 5.1, the gap to cross is not nearly as wide as the monarchical-to-high-involvement gap. In this process, the structural basis for control would be replaced by a human democratic basis for control. An internal locus of control would have to replace the external locus of control in the bureaucratic model. As First Nations business capacity and traditional cultural solidarity increase and the non-Aboriginal influence on the adoption of management approach declines, the basic assumptions and values of traditional First Nations culture would exert a powerful influence on First Nations businesses in favor of the adoption of the traditional high-involvement management approach. The cultural effect on management approach that was observed in all of the East Asian countries studied by Whitley (1992) is certain to manifest itself in the adoption of management approaches by First Nations businesses as the First Nations industrialization process proceeds. As this cultural effect is manifested, Saskatchewan First

Nations will likely return to the innovative, entrepreneurial model of business success that is their traditional pattern.

## **5.5 A Pendulum Effect in Management Approach Evolution**

One possible model that may explain the results of this study and provide a framework for the future evolution of the First Nations management approach is a pendulum model. This pendulum model provides a representation of the management approach evolution undergone by both non-Aboriginal and First Nations firms. The path of this pendulum could be superimposed on the organizational change model depicted in Figure 5.1. At one extreme position of this pendulum is the high-involvement management approach, and at the other extreme following counter-clockwise around the model is the monarchical management approach. For non-Aboriginal, Euro-Canadian organizations, the pendulum swing began at the extreme position of the monarchical management approach. Over time, a management approach evolution has occurred in this group of non-Aboriginal firms with the monarchical management approach being in many cases replaced by the bureaucratic management approach and then frequently by a more high-involvement management approach. Currently, the overall non-Aboriginal pendulum seems to be at a position somewhere between the bureaucratic and high-involvement management approaches on Figure 5.1.

For First Nations organizations, this pendulum began swinging in the opposite direction. It began at the high-involvement extreme and passed to the bureaucratic management approach position after the signing of treaties and the transition to a reserve-based life. Then, as described in Chapter 2, many First Nations organizations moved to an even less involvement-oriented monarchical organizational approach at the other extreme of the pendulum path. The pendulum

then changed directions, moving to the bureaucratic management approach by First Nations firms, and then beyond that point for some toward a more high-involvement management approach. The First Nations pendulum is lagging somewhat behind the non-Aboriginal pendulum and a bit closer to the bureaucratic approach on the pendulum swing, with one explanation for this lag being the relatively recent emergence of the First Nations economy. A move to high-involvement management requires considerable organizing expertise. The recently-emerging First Nations firms are somewhat behind non-Aboriginal firms in this development process.

The pendulums in this model are not like a typical pendulum, tending to return to the center point. They may or may not continue to move indefinitely toward the high involvement point on the pendulum path. At this point, despite their late start, the First Nations management approach has nearly overtaken the non-Aboriginal management approach in the development of high-involvement management. Due to the cultural influences discussed previously and despite the questions regarding the causal relationship between high-involvement management and organizational performance noted in Section 2.2.2, it is likely that the First Nations pendulum will eventually overtake the non-Aboriginal pendulum and achieve a greater level of high-involvement management than the non-Aboriginal firms. This will represent a better cultural match - a change toward the traditional Plains Cree and Assiniboine First Nations organizational approach.

Hofstede (2005) describes the enduring quality of culture. He states that:

Our societies have a remarkable capacity for conserving their identity through generations of successive members and despite varied and numerous forces of change. While change sweeps the surface, the deeper layers remain stable, and the culture rises from its ashes like the phoenix.

First Nations culture endures and even thrives in adversity. It has survived an extremely traumatic colonization process, and is currently experiencing a resurgence among First Nations

people. The results of this study indicate that contemporary First Nations businesses participating in this study did not reflect a cultural influence in adoption of a management approach at this time. However, the deep layers of traditional First Nations culture remain intact. As the Saskatchewan First Nations business community expands and matures and a new generation of First Nations business leaders continues to emerge, the traditional high-involvement First Nations management approach will likely “rise from its ashes”, and a more vibrant and robust First Nations economy will be the result.

## **5.6 Limitations of Research**

This research is limited by, among other things, the limited number of First Nations companies that currently exist in Saskatchewan at this time. The empirical contribution of this study is based on a very small N, measured at a point in time, in one part of Canada, and involving a First Nations group whose experience may not be comparable to other First Nations cultures.

Another limitation is the fact that many non-Aboriginal companies have First Nations employees and some may have First Nations managers, which clouds the distinction between the First Nations and non-Aboriginal management approaches. As the First Nations human capacity for business management increases and the adoption by First Nations people of traditional First Nations culture increases, First Nations cultural influences may reduce the institutional pressures to conform to mainstream management approaches. Other limitations are the difficulty in communicating the survey information clearly to all study participants and the difficulty in reducing the task of characterizing the high-involvement management of a business to a survey questionnaire.

A significant relationship was not established between “years in business” and HIM for First Nations firms. Because First Nations firms are significantly younger than non-Aboriginal firms, restricted range could be lowering the possibility of finding a significant relationship between “years in business” and HIM for First Nations firms. Finally, although an effort was made to select employees that are representative of the major job categories in each organization, weighting was not done to ensure the representativeness of the sample of employees.

## **5.7 Implications for Practice**

The implications for practice are limited. First Nations firms are shown to be very control-oriented and should certainly consider a more involvement-oriented leadership/decision-making approach. Although the study results indicate similarity between the management approach of First Nations businesses and non-Aboriginal businesses, disregard of cultural dimensions of management in First Nations businesses would not be prudent. As the First Nations business community becomes more established and the First Nations cultural renaissance continues to expand, cultural dimensions of First Nations business management are likely to be more important. The results of this study would indicate that First Nations businesses can effectively adopt the more control-oriented mainstream management approaches initially. However, respect for traditional culture and the higher levels of involvement that characterized traditional First Nations organizations should not be ruled out by First Nations business managers, particularly as the First Nations businesses mature. New businesses created by the younger generation of First Nations business leaders may also be fertile ground for more businesses managed with a greater level of high-involvement management.

## **5.8 Future Research**

Future related research should focus on the evolution in the management approaches of First Nations businesses. Although no significant differences in management approach were identified in this study, as cultural forces are allowed to influence the management approaches adopted by Saskatchewan First Nations businesses, this is likely to change. Research to identify these changes should be undertaken, as should similar studies in different geographic settings across North America.

Future research could also be conducted to search for First Nations companies that have adopted the high-involvement management approach that was characteristic of the traditional Plains Cree and Assiniboine culture. Case studies of these pioneering First Nations businesses would make an important contribution to the body of knowledge of First Nations business management. Assessment of these emerging high-involvement First Nations companies to identify processes and factors that may facilitate a more rapid and effective transition to a “culturally matched” management approach is another important potential area for future research. Additional future research should address the impact of high-involvement management and other management approaches on First Nations businesses.

## References

- Anderson, D. D. (2003). ISO 14000 environmental management systems and Plains First Nations organizations: Are they compatible? *Proceedings of the 2003 Canadian Aboriginal Science and Technology Society Conference*.
- Anderson, R. B. (1998). *Economic development among the Aboriginal peoples of Canada: Hope for the future*. North York, Ontario, Canada: Captus Press.
- Applebaum, E., Bailey, T., Berg, P., & Kalleberg, A. L. (2000). *Manufacturing advantage: Why high-performance work systems pay off*. Ithaca, NY: Cornell University Press.
- Argyris, C. (1964). *Integrating the individual and the organization*. New York: John Wiley & Sons.
- Betcherman, G., McMullen, K., Leckie, N., & Caron, C. (1994). *The Canadian workplace in transition*. Kingston, Ontario, Canada: IRC Press.
- Carter, S. A. (2006). "We must farm to enable us to live": The Plains Cree and agriculture to 1900. In R.C.A. Maaka & C. Anderson (Eds.), *The Indigenous experience: Global perspectives*, (pp. 219-244). Toronto, Ontario, Canada: Canadian Scholars' Press.
- Cardinal, H. (1991). Hat in hand: The long fight to organize. In J.R. Miller (Ed.), *Sweet Promises*, (pp.212-40). Toronto, Ontario, Canada: University of Toronto Press.
- Chapman, I., McCaskill, D., & Newhouse, D. (1991). Management in contemporary Aboriginal organizations. *The Canadian Journal of Native Studies*, 11(2), 333-349.
- Collins, J. (2001). *Good to great: why some companies make the leap... and other don't*. New York: Harper Business.

- Cornell, S. & Kalt, J. P. (1992). *What can tribes do?: Strategies and institutions in American Indian economic development*. Los Angeles: American Indian Studies Center, University of California.
- Cornell, S. & Kalt, J.P. (1998). Sovereignty and nation-building: The development challenge in Indian Country today. *American Indian Culture and Research Journal*, 22 (3), 187-214.
- Covey, S. R. (1992). *Principle-centered leadership*. New York: Fireside.
- Crowshoe, R., & Manneschmidt, S. (2002). *Akak'stiman: A Blackfoot framework for decision-making and mediation processes*. Calgary, Alberta, Canada: University of Calgary Press.
- Cuthand, S. (1991). The Native People of the Prairie Provinces in the 1920s and 1930s. In J. R. Miller (Ed.), *Sweet Promises*, (pp.212-40). Toronto, Ontario, Canada: University of Toronto Press.
- Daft, R. L. (2001). *Organization theory and design (7<sup>th</sup> ed.)*. Cincinnati, OH: South-Western College Publishing.
- Denig, E. T. (2000). *The Assiniboine*. Regina, Saskatchewan, Canada: Canadian Plains Research Center.
- Donaldson, L. (1995). *American anti-management theories of organization: A critique of paradigm proliferation.*, Cambridge, U.K. Cambridge University Press.
- Elias, P. D. (1991). *Development of Aboriginal people's communities*. North York, Ontario, Canada: Captus Press.
- Friesen, J. W. (1995). *You can't get there from here: the mystique of North American Plains Indians culture & philosophy*. Dubuque, IA: Kendall/Hunt.

- Funk, J. (1908). *Outside, the women cried: The story of the surrender by Chief Thunderchild's Band of their reserve near Delmas, Saskatchewan*. Battlefords, Saskatchewan, Canada: TC Publications.
- Guillen, M. F. (1994). *Models of management: Work, authority, and organization in a comparative perspective*. Chicago: The University of Chicago Press.
- Harvard Project on American Indian Economic Development (2008). *The state of Native nations: Conditions under U.S policies of self-determination*. New York: Oxford University Press.
- Hatch, M. J. (1993). The Dynamics of Organizational Culture. *Academy of Management Review*, 18 (4), 657-693.
- Hofstede, G. H. (2001). *Culture's consequences: Comparing values, behaviors, institutions, and organizations across nations* (2nd ed.). Thousand Oaks, CA: Sage Publications.
- Hofstede & Hofstede (2005). *Cultures and organizations: Software of the mind* (2nd ed.). New York: McGraw-Hill.
- Jorgensen, M. (2008). *Rebuilding Native nations: Strategies for governance and development*. Tucson, AZ: The University of Arizona Press.
- Kennedy, D. (1972). *Recollections of an Assiniboine chief*. Toronto, Ontario, Canada: McClelland and Stewart.
- Lawler, E. E. (1992). *The ultimate advantage – Creating the high-involvement organization*. San Francisco: Jossey Bass.
- Long, R. J. (2001). High-involvement management and performance pay in Canada. *Proceedings of the Administrative Science Association of Canada (Human Resources Division)*.

- Long, R. J. & Shields, J. L. (2005a). Best practice or best fit? High involvement management and best pay practices in Canadian and Australian firms. *Asia Pacific Journal of Human Resources*, 43 (1), 52-75.
- Long, R. J. & Shields, J. L. (2005b). Performance pay in Canadian and Australian firms: a comparative study. *International Journal of Human Resource Management* 16 (10), 1783-1811.
- Long, R. J. & Shields, J. L. (2008). From compensation to celebration? Non-cash recognition in Canadian and Australian firms, *International Journal of Human Resource Management*, under review.
- Mandelbaum, D.G. (1940). *The Plains Cree*. New York: American Museum of Natural History.
- Martin, J., & Frost, P. (1996). The organizational culture war games: A struggle for intellectual dominance. In S.R. Clegg, C. Hardy, & W.R. Nord (Eds.), *Handbook of organization studies* (pp. 599-621). Thousand Oaks, CA: Sage.
- Maslow, A. (1954). *Motivation and personality*. New York: Harper.
- McGregor, D. (1960). *The human side of enterprise*. New York: McGraw-Hill.
- McMillan, A. D. (1988). *Native peoples and cultures of Canada*. Vancouver, British Columbia, Canada: Douglas-McIntyre.
- Miles, R. E., & Snow, C. C. (1978). *Organizational strategy, structure, and process*. New York: McGraw-Hill.
- Miller, J. R. (2000). *Skyscrapers hide the heavens: A history of Indian-white relations in Canada*. Toronto, Ontario, Canada: University of Toronto Press.
- Milloy, J. S. (1988). *The Plains Cree: Trade, diplomacy, and war, 1790 to 1870*. Winnipeg, Manitoba, Canada: University of Manitoba Press.

- Mitchell, C. & Sackney, L. (2001). Building capacity for a learning community. *Canadian Journal of Educational Administration and Policy*, 19.
- Notzke, C. (1994). *Aboriginal peoples and natural resources in Canada*. North York, Ontario, Canada: Captus Press.
- Osterman, P. (1999). *Securing prosperity: The American labor market: How it has changed and what to do about it*. Princeton, NJ: Princeton University Press.
- Ouchi, W. G. (1981). *Theory Z: How American business can meet the Japanese challenge*. Menlo Park, CA: Addison-Wesley Publishing Company.
- Pfeffer, J. (1994). *Competitive advantage through people: Unleashing the power of the workforce*. Boston: Harvard Business School Press.
- Ray, A. J. (1998). *Indians in the fur trade*. Toronto, Ontario, Canada: University of Toronto Press.
- Royal Commission on Aboriginal Peoples (1996). *Report of the Royal Commission on Aboriginal Peoples: Vol. 2*. Ottawa, Ontario, Canada: Canada Communication Group – Publishing.
- Schein, E. H. (1985). *Organizational culture and leadership*. San Francisco: Jossey-Bass.
- Schein, E. H. (2004). *Organizational culture and leadership* (3rd. ed.). San Francisco: Jossey-Bass.
- Scott, W. R. (2003). *Organizations: Rational, natural, and open systems* (5<sup>th</sup> ed.). Upper Saddle River, NJ: Prentice Hall.
- Tobias, J. L. (1991). Canada's subjugation of the Plains Cree, 1879-1885. In J.R. Miller (Ed.), *Sweet Promises*, (pp.212-40). Toronto, Ontario, Canada: University of Toronto Press.

Van Kirk, S. (1988). Women in between: Indian women in fur trade society in western Canada.

In R. Fisher & K. Coates (Eds.), *Out of the background: Readings on Canadian Native history* (pp. 150-166). Toronto, Ontario, Canada: Copp Clark Pitman.

Weber, M. (1947). *The theory of social and economic organization*. (A. H. Henderson & T.

Parsons, Trans.). Glencoe, IL: Free Press. (Original work published 1924)

Whitley, R. (1992). *Business systems in East Asia: Firms, markets and societies*. London: Sage

Publications.

## **Appendix A**

### **Survey of the Management Approaches of First Nations and Non-Aboriginal Businesses in Saskatchewan**

The purpose of this survey is to assess the level of employee involvement in the management of First Nations and non-Aboriginal businesses in Saskatchewan. This survey will be used to help determine the management approach most commonly used by First Nations businesses and to help gain a better understanding of how to most effectively structure and manage First Nations businesses.

The survey is being conducted by Doyle Anderson, a graduate student at the University of Saskatchewan, and this project will help fulfill the requirements of his Ph.D. degree program. He can be contacted at (208) 403-8742. The information provided by the individual firms participating in this project will remain completely confidential. The individual questionnaires will never be seen by anyone other than the researcher and his advisory committee and the questionnaires will be held in the possession of the researcher's supervisor for safekeeping. The researcher's supervisor for this project is Dr. Richard Long at the University of Saskatchewan College of Commerce, and he can be reached at (306) 966-8398.

Thank you for your participation in this important business research project.

**SECTION A1**

**YOU AND YOUR ORGANIZATION**

**MANAGEMENT QUESTIONNAIRE**

In order to put your responses in context, the researcher needs to collect some information about you and your organization. Please circle or otherwise indicate the most appropriate response to each of the following questions.

A1. Please indicate the business name normally used by your organization:

---

A2. Which of the following best describes your organization?

- 1) An owner-operated firm
- 2) A publicly-traded company
- 3) A community-owned enterprise
- 4) A privately-owned partnership with non-Aboriginal partner(s)
- 5) A privately-owned partnership with Aboriginal partner(s)
- 6) A community-owned partnership with non-Aboriginal partner(s)
- 7) A community-owned partnership with Aboriginal partner(s)

A3. Which of the following best describes your role within your organization?

- 1) Principal owner
- 2) Part-owner
- 3) Chief executive
- 4) Manager
- 5) Other (please specify job title) \_\_\_\_\_

A4. What is your gender?

- 1) Female
- 2) Male

A5. How many years have you been with the organization? \_\_\_\_\_ years

A6. What is the total number of employees *currently* working for your organization? \_\_\_\_\_

A7. What is the total number of employees working in your organization five years ago (in 2000)? \_\_\_\_\_

A8. Which of the following categories best describes the industry or industries in which your organization operates? (Circle *one or more*, as appropriate):

- 1) Transportation
- 2) Forestry
- 3) Mining and Oil & Gas
- 4) Medical and Legal
- 5) Food Products
- 6) Convenience Stores
- 7) Science, Engineering, and Information Technology
- 8) Tourism and Hospitality
- 9) Financial Services
- 10) Construction, Mechanical, Automotive, and Other Skilled Trades
- 11) Arts & Crafts and Communication
- 12) Other \_\_\_\_\_

A9. How many years has your organization been in business? \_\_\_\_\_

A10. Please estimate the *proportion* of your organization's current total workforce:

- (a) who have at least one university degree  
\_\_\_\_%
- (b) who are employed on a *part-time* basis  
\_\_\_\_%
- (c) who are employed on a *casual* (i.e., non-permanent)  
\_\_\_\_%
- (d) who are *female*  
\_\_\_\_%

A11. Which of the following is your organization?

- 1) An Aboriginal business
- 2) A non-Aboriginal business

(See definition on the following page.)

A12. If your business is an Aboriginal business, to what extent does your organization rely on non-Aboriginal management to develop strategy and manage day-to-day operations?

- 1) Not at all    2) A little    3) To some extent    4) To a large extent    5) Completely

## Contracts Canada Definition of an Aboriginal Business

An Aboriginal business can be:

- a band as defined by the Indian Act
- a sole proprietorship or
- a limited company
- a co-operative
- a partnership
- a not-for-profit organization

in which Aboriginal persons have at least 51 percent ownership and control,

**or**

- A joint venture consisting of two or more Aboriginal businesses or an Aboriginal business and a non-Aboriginal business(es), provided that the Aboriginal business(es) has at least 51 percent ownership and control of the joint venture.

When an Aboriginal business has six or more full-time employees, at least 33 percent of them must be Aboriginal persons, and this ratio must be maintained throughout the duration of any contract awarded on the basis of the contractor being an Aboriginal business.

An Aboriginal person is an Indian, Metis or Inuit who is ordinarily resident in Canada.

Evidence of being an Aboriginal person will consist of such proof as:

- Indian registration in Canada
- membership in an affiliate of the Metis National Council or the Congress of Aboriginal Peoples, or other recognized Aboriginal organizations in Canada
- acceptance as an Aboriginal person by an established Aboriginal community in Canada
- enrolment or entitlement to be enrolled pursuant to a comprehensive land claim agreement, or membership or entitlement to membership in a group with an accepted comprehensive claim.

Evidence of being resident in Canada includes a provincial or territorial driver's license, a lease or other appropriate document.

**SECTION A2**

**YOU AND YOUR ORGANIZATION**

**EMPLOYEE QUESTIONNAIRE**

In order to put your responses in context, the researcher needs to collect some information about you and your organization. Please circle or otherwise indicate the most appropriate response to each of the following questions.

A1. Please indicate the business name normally used by your organization:

---

A2. What is your gender?

- 1) Female
- 2) Male

A3. How many years have you been with the organization? \_\_\_\_\_  
Years

A4. What is your job title? \_\_\_\_\_

A5. If your business is an Aboriginal business, to what extent does your organization rely on non-Aboriginal management to develop strategy and manage day-to-day operations?

- 1) Not at all    2) A little    3) To some extent    4) To a large extent    5) Completely

**SECTION B**

**YOUR ORGANIZATION AND ITS WORK**

	<i>Disagree Strongly</i>		<i>Neither Agree Nor Disagree</i>			<i>Agree Strongly</i>	
B1. Most jobs in this organization require a high level of skill, knowledge, and ability to accomplish them.	1	2	3	4	5	6	7
B2. Most jobs in this organization are narrow in scope with a very limited range of duties and responsibilities.	1	2	3	4	5	6	7
B3. For most jobs in this organization, individuals have considerable latitude in planning and organizing their work activities.	1	2	3	4	5	6	7
B4. Most jobs in this firm are highly repetitive.	1	2	3	4	5	6	7
B5. In this organization, there is a strict hierarchy of authority that is almost always followed.	1	2	3	4	5	6	7
B6. Coordination of work activities is carried out mainly by managers/supervisors.	1	2	3	4	5	6	7
B7. In this organization, even small matters have to be referred to someone higher up for final decision.	1	2	3	4	5	6	7
B8. There are a great many rules in this organization.	1	2	3	4	5	6	7
B9. In this organization, rules are considered largely unnecessary, since employees will act responsibly even without them.	1	2	3	4	5	6	7
B10. When decisions are made in this organization, there is usually a significant amount of participation by employees.	1	2	3	4	5	6	7
B11. In this organization, pay is strongly related to individual employee performance.	1	2	3	4	5	6	7
B12. In this organization, seniority plays a major role in pay levels.	1	2	3	4	5	6	7

	<i>Disagree Strongly</i>			<i>Neither Agree Nor Disagree</i>				<i>Agree Strongly</i>
B13. Management believes that because most employees are committed to and enjoy their jobs, they will work effectively even without supervision.	1	2	3	4	5	6	7	
B14. In this organization, communication flows freely up, down, and across the organization.	1	2	3	4	5	6	7	
B15. In general, management believes that it is not necessary for employees to have any more information beyond that required to perform their jobs.	1	2	3	4	5	6	7	
B16. The <i>main</i> role of a supervisor at this firm is to ensure that employees are doing their jobs.	1	2	3	4	5	6	7	
B17. The <i>main</i> role of a supervisor at this firm is to facilitate and support employees in carrying out their assigned duties.	1	2	3	4	5	6	7	
B18. Overall, the prevailing view held by management at this firm is that employees work in order to be challenged and to learn, and that these factors motivate people as much as money does.	1	2	3	4	5	6	7	
B19. Overall, the prevailing view held by management at this firm is that employees are here because they are paid to be here.	1	2	3	4	5	6	7	
B20. The success of this organization depends more on continual introduction of new products and services than on efficient production of existing products and services.	1	2	3	4	5	6	7	



## Appendix B

### Standard Clarifications for Questions in Section B of the High-Involvement Management Survey

- B1. Most jobs are highly technical.
- B2. Most jobs have very little variety in work responsibilities.
- B3. Most workers have a great deal of say in what they do in their jobs and how they do it.
- B4. In most jobs, workers do the same things over and over.
- B5. There is a strict chain of command, or pecking order, in the organization.
- B6. Managers and supervisors organize most of the work done by employees.
- B7. Decisions in the organization are not made on the spot and need to be sent up the chain of command.
- B8. Employees must follow a lot of rules in the workplace.
- B9. Workers get their jobs done without the need for a lot of rules.
- B10. Employees have a lot of say in decisions that are made in the company.
- B11. An employee's pay mainly depends on the amount of work the employee gets done.
- B12. A worker's seniority is one of the main factors that determines their pay.
- B13. Management believes that employees enjoy their work and will do a good job without being watched and supervised.
- B14. Employees and managers are told what is going on and are well-informed about the organization.
- B15. Management does not believe that employees need any more information than what is required to do their jobs.
- B16. The main job of supervisors in the company is to make sure workers are getting their work done.

- B17. The main job of supervisors in the company is to help workers succeed in their work.
- B18. Management in the company believes that employees are motivated by the challenges and chances to learn in their work as much as they are motivated by money.
- B19. Management believes that the main reason that employees are at work is because they are paid to be there.
- B20. Coming up with new ideas for products and services is more critical to the success of the company than efficient production and operations.

## Appendix C

### CONSENT FORM

*You are invited to participate in a study entitled “Management Approaches of First Nations Businesses in Saskatchewan”. Please read this form carefully, and feel free to ask questions you might have.*

**Researcher:** Doyle Anderson, Ph.D. student in the Individual Interdisciplinary Studies Program at the University of Saskatchewan. Mr. Anderson can be contacted at (208) 403-8742. Mr. Anderson’s supervisor for this project is Dr. Richard Long, and he can be contacted at (306) 966-8398.

**Purpose and Procedure:** The purpose of this study is to gain a better understanding of the management approaches used by certain Aboriginal businesses and other businesses in Saskatchewan. A survey is being administered to both managers and employees of selected businesses in Saskatchewan to collect data on the management approaches of these businesses. The survey is estimated to require less than 30 minutes of each participant’s time.

**Potential Risks:** A risk of potential loss of confidentiality exists for participants in this study, but measures will be taken to ensure that participants’ confidentiality is protected, as described in the discussion on confidentiality below.

**Potential Benefits:** This project may provide information to Aboriginal businesses and other businesses in Saskatchewan that increases the effectiveness of the management of these businesses.

**Storage of Data:** Survey data will be retained for a minimum of five years by the researcher’s supervisor, Dr. Richard Long, at the University of Saskatchewan College of Commerce. The data will be stored in a filing cabinet in a secure location.

**Confidentiality:** Although the data from this study will be published and presented at conferences, the data will be reported in aggregate form, so that it will not be possible to identify individuals. Moreover, the consent forms will be stored separately from the surveys, so that it will not be possible to associate a name with any given set of responses. Any information that is required to temporarily link identifying information to a participant for the purpose of organizing the data collection process will be destroyed after the completion of data collection. Please do not write your name on the survey.

**Right to Withdraw:** *You may withdraw from the study for any reason, at any time, without penalty of any sort. You may also refuse to answer individual questions. If you withdraw from the study at any time, any data that you have contributed will be destroyed.*

**Questions:** *If you have any questions concerning the study, please feel free to ask at any point; you are also free to contact the researchers at the numbers provided above if you have questions*

*at a later time. This study has been approved on ethical grounds by the University of Saskatchewan Behavioural Sciences Research Ethics Board. Any questions regarding your rights as a participant may be addressed to that committee through the Office of Research Services at (306) 966-2084. Out of town participants may call collect. Participants may contact the researcher to obtain the results of the study.*

**Consent to Participate:** *I have read and understood the description provided above; I have been provided with an opportunity to ask questions and my questions have been answered satisfactorily. I consent to participate in the study described above, understanding that I may withdraw this consent at any time. A copy of this consent form has been given to me for my records.*

---

(Name of Participant – Please Print)

---

(Signature of Participant)

---

(Date)

---

(Doyle D. Anderson, Researcher)