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Workforce nationalisation in Papua New Guinea: Security and logistics in resource organisations

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**Workforce Nationalisation in Papua New Guinea:  
Security and Logistics in Resource Organisations**

Submitted by  
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A thesis submitted in partial fulfilment of the requirements of the degree of Doctor of  
Philosophy

School of Business

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July 2018

## **Statement of Sources**

This thesis does not contain any published or unpublished material for which I was awarded any other degree or diploma. The sources of information from all other authors were duly recognised in the body of the thesis. This thesis was not submitted for examination in any other tertiary institution. This research followed all the rules and guidelines as directed by the University Ethics Committee.

Signed:

## **Abstract**

Many multinational organisations fail to fully employ the capabilities of their local staff, particularly those in sensitive roles, such as security and logistics positions. It is commonplace to rely on expatriate staff for many of these roles, and this practice is particularly prevalent in the resource industry in Papua New Guinea. This research first aimed to determine whether this reliance on expatriates does exist, and, if so, why this situation occurs. It then examined how resource companies operating in Papua New Guinea manage and develop their national logistics and security workforce, and how nationalisation or workforce indigenisation occurs in this context.

This research employed a mixed-methods approach, combining a case study, 10 qualitative interviews with industry experts, and a survey of 102 industry respondents. Purposive sample selection was used throughout the research, with participants drawn predominantly from leadership roles in industry.

The research findings were able to confirm conclusively that there is a dependence built on expatriate staff in the resource industry. The findings also demonstrated that earlier workforce nationalisation is possible, and that it would bring a cost benefit. The findings also conclusively proved that an organisation achieving earlier workforce nationalisation would receive considerable reputational benefits as a result. More importantly, this research discovered that the key to early successful workforce nationalisation is based around mentoring. Mentoring programs that are supported by senior management, are funded and aim to exist in the long term must be underpinned by four supporting elements: strong human resources, cultural awareness, engagement, and training and development.

All this research was consolidated into developing a new workforce nationalisation model. The development of this theoretical roadmap or model through the conclusive results found in the research should empower the resource industry in Papua New Guinea to transform current practices and theory on workforce nationalisation in the security and logistical fields. The primary reason for undertaking this study was to advance the current body of knowledge on indigenous workforce nationalisation

programs in logistics and security among resource organisations in Papua New Guinea, and it has been well proven that this occurred.

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## **List of Abbreviations**

CRC	Cooperative Research Centre
HR	Human Resources
HRM	Human Resource Management
KPI	Key Performance Indicator
LNG	Liquefied Natural Gas
OCN	Other Country National
PNG	Papua New Guinea
PNG LNG	Papua New Guinea Liquefied Natural Gas
UAE	United Arab Emirates