

GETTING THE FUNDAMENTALS RIGHT: A GUIDE TO ENHANCING ABORIGINAL BUSINESS

STARTING OVER

First Nations are entering a period of accelerated economic development decisions.

Resource partnerships, treaties, title decisions are all part of this trend.

As new as these challenges are, certain fundamentals of community economic development remain constant. The following are some of the most important.

Economic development is partly defined as increasing community revenues by retaining or creating permanent jobs that lead to improved quality of life in a community. An important success measurement is an increase in the buying and selling of goods locally.

First Nations are currently large exporters of money. This is sometimes referred to as "economic leakage". Therefore, Aboriginal community development strategies should be partly based on keeping some of that exported money in the community.

By making sure that economic development spurs local business, First Nations can help assure diversity and sustainability. Like hunting, it means keeping a focus on the small game close by and not simply paying attention to the big game far from the community.

It can also involve making sure that businesses in the nearby region develop relationships with First Nations suppliers. For example, in Washington State, over 95 per cent of the fish used in McDonald's sandwiches is purchased from Washington State fishers. Imagine how that kind of supply arrangement could enrich an Aboriginal community!

A key starting point in economic development is described as Targeting. Simply stated, this means identifying growth options that match the community's heritage and hopes.

A next step is referred to as Asset Mapping. This means fully understanding the potential resources, including people that make up the community's asset base.

That type of analysis is a readiness requirement before discussions with potential investors.

Once options are identified, then community cost analysis of any potential major investment in a new business is critical. This involves assessing how much the community will have to spend to attract and host the new business and whether the rewards make that investment worthwhile.

Part of that cost analysis measures the cost of workforce development. For First Nations, this means asking who will fund the costs of bringing the skill levels of community members up to speed in order to participate fully in the new jobs involved. Workforce development must also address job diversity. There is little future in developing a narrow range of low-end jobs for Aboriginal youth.

Economic development planning has a future focus and that, of course, means ensuring that it involves youth. In First Nations communities, important empowerment tools can be programs to engage youth in the economic planning process. This will also contribute to keeping human resources in the community.

Targeting, sustainability, youth engagement, training and local entrepreneurship. All of these are building blocks for Aboriginal economic development.

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