BC Aboriginal

Entrepreneurs

Gap Analysis

2012

ABORIGINAL BUSINESS SERVICE

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~   Gap Analysis 2012
~   Attachment I   List of Service Providers
~   Attachment II   Inventory of Programs & Services

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BC Entrepreneurs Gap Analysis 2012

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Acknowledgement

The BC Aboriginal Entrepreneurs Gap Analysis Study 2012 was commissioned by the Aboriginal Business Services Network Society to provide an independent, evidence-based assessment of the current state and adequacy of services to Aboriginal entrepreneurs in British Columbia.

In a Request for Proposal (RFP), ABSN intended this assessment will inform Aboriginal entrepreneurs about the status of services available in British Colombia. It helps inform ABSN's approach to service delivery systems in B.C, The information generated would be expected to identify any gaps and/or duplication of Aboriginal entrepreneurial program and service delivery.

Eagle Spirit Community Solutions completed the Gap Analysis Project, with Ray Gerow, the lead consultant. Editing of the report was done by Dr Verna Billy Minnabarriet and Dr Stephen Ameyaw.

The report was developed with the contributions and support from Aboriginal entrepreneurs inclusive of youth, women, self-employed businesses, service providers and people new to business

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We appreciate all the contributions and support received from individuals, agencies and Government.

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Executive Summary

Aboriginal Business Services Network (ABSN) of BC initiated several studies and reports to enhance and improve its service delivery system to Aboriginal entrepreneurs and self-employed businesses over the past decade. Building on these evidence based research initiatives, the core mandate of this 2011 research project was to identify what has changed in the decade since the 2001 Gap Analysis Report was implemented. This current report was developed with the contributions and support from Aboriginal entrepreneurs, youth, women, self-employed businesses, service providers and people new to business; together they provided the following recommendations:

1. Strengthen the current system, link it more closely to peer supports and networking, to provide more specialized and sector-specific supports;

2. Implement annual review of planning, implementation and monitoring process;

3. Provide information sessions on marketing, business plans, practical issues and emerging issues in Aboriginal business initiatives;

4. Provide specialized support services to women, youth, entrepreneurs and self-employed businesses;

5. Build on and enhance the current system with confidence that Aboriginal entrepreneurs and self-employed businesses will continue to be well served;

6. Coordinate the current network of business service providers to reach out more effectively and link with other related support systems or networks to support active inter-agency coordination in the Aboriginal community;

7. Support the network of business service providers and support them in their role to play an even more substantial role in supporting the economic development of Aboriginal communities in British Columbia;

8. Coordinate and organize both informal networks and peer support groups and connect entrepreneurs to lenders or to gain access to bidding opportunities.

9. Support internal networks with family and other Aboriginal people because they are important tools for success, external links to resources, knowledge, and market access;

10. Look for opportunities to leverage financial and social capital resources to generate economic success; and

11. Support web-based services to Aboriginal entrepreneurs and build capacity to access Internet-based information with other forms of service delivery.

Supporting and improving its service delivery system to Aboriginal entrepreneurs and self-employed businesses, ABSN in 2001, initiated the first report -- "Assessing the Business Information needs of Aboriginal Entrepreneurship in British Columbia". The report was commissioned and conducted by researchers at Simon Fraser University's Centre for Sustainable Community Development (CSCD). The report identified the following 8 recommendations:

1. Improve awareness and distribution of existing business information tools to better meet the needs of Aboriginal entrepreneurs, and developing new tools in both print and electronic formats to address topics not adequately covered by existing material;

2. Improve services for businesses after they have been established, preferably on a continuing basis throughout the life of the business;

3. Develop vehicles and processes that will facilitate formal and informal business networks at local and regional levels;

4. Invest in building capacity of service provider personnel to ensure quality service, through hiring policies, monitoring, networking, and on-going training;

5. Enhance web-based services to Aboriginal entrepreneurs and their capacity to access such services & integrate Internet-based information with other forms of service delivery;

6. Extend business information services to those in more remote and underserved areas, and to groups with unique needs through consultation, networking, funding and informational products and services tailored to their unique needs;

7. Promote greater understanding of & more cultural sensitivity towards Aboriginal entrepreneurs; and

8. Foster coordination & cooperation among government agencies, and between government & service agencies through a BC EC DEV Working Group.

The findings of this 2011 study, suggests that while there are things to be enhanced and improved, programs to be developed, and changes to be made; the overall support system for Aboriginal entrepreneurs has been functioning at a high level. These changes and supports continue to happen, despite the many challenges facing Aboriginal communities and the tremendous changes in the economy, technology, and in Aboriginal communities over the last ten years. Most importantly, the findings in the current report not only relate to some of the recommendations identified in the 2001 report but continue to enhance their success. We trust that our report reflects this perspective.

Section 1: Purpose and Introduction, Background, Methodology and Findings

The process of starting and sustaining a business is difficult and time-consuming. These difficulties are compounded in Aboriginal communities, whose members often lack access to the capital, technical expertise and social or business networks available to non-Aboriginal people.

Over time, a number of programs and services have been created to provide financial and technical support to Aboriginal[1] entrepreneurs[2]. Many, but not all of these services, are delivered by Aboriginal organizations, some of which are exclusively focused on providing business support services (a full listing of B.C. programs for entrepreneurs and service providers can be found in Attachments 1 & 11).

In 2001, a group of service providers commissioned a study to determine if the services to Aboriginal entrepreneurs were effective, and if there were gaps in services. Western Economic Diversification Canada and the Ministry of Small Business, Tourism and Culture funded the study.

The 2001 Report, "Assessing the Business Information Needs of Aboriginal Entrepreneurs in British Columbia", was completed by researchers associated with Simon Fraser University's Centre for Sustainable Community Development (CSCD). The Report made a series of recommendations for changes to the service system and provided advice about the needs of Aboriginal entrepreneurs.

The 2001 Report provided a clear basis for program planning and supported many changes, including developing a formal association of service providers to help

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[1] The term 'Aboriginal' is used throughout the report to refer to First Nations (status and non-status, on and off reserve), Métis, and Inuit. Where context requires, the terms 'First Nation' or 'Indian' may be used to indicate that a service is available only to Status Indians or to reserve communities.

[2] The term 'entrepreneurs' in this report includes individuals, corporations, and community based enterprises.

coordinate services, increase program development, and raise the profile of business development services in Aboriginal communities.

By 2011, however, a number of factors had changed in the world of Aboriginal entrepreneurship. First, there have been significant advancements in information technologies, such as social media, and increased amounts of information available through the Internet. Second, a new generation of Aboriginal entrepreneurs entered the market. It was not clear if services designed a decade earlier still made sense to youth starting their careers in a post-9/11, Facebook and Google world. Thirdly, the economic climate has changed as some industries (fishing and forestry) have declined and others (alternative energy) have expanded, both driving and reflecting transitions in local and regional economies.

Background/ Methodology and Findings

Aboriginal Business Service Network Society was established as an organization whose mandate was to coordinate services and provide the needed services, resources and help Aboriginal entrepreneurs and self-employed businesses needed. In the spirit of partnership, in 2006, ABSN, the Community Futures Development Association of BC (CFDABC), and the Council for the Advancement of Native Development Officers (CANDO) supported the development of the Aboriginal Community Economic Development and Training Initiative (ACED) "Toolkit." The goal of the ACED Toolkit was to improve the capacity of current economic development officers (EDOs), Aboriginal business entrepreneurs, and community development officers/practitioners serving Aboriginal communities.

Building on the 2001 report and the other initiatives that have been undertaken to support Aboriginal entrepreneurs, the core mandate of this project is to identify what has changed in the decade since the 2001 Gap Analysis Report came to fruition. This current study is designed to:

- Provide a comprehensive listing of organizations providing support services to Aboriginal entrepreneurs in B.C. and the support services Aboriginal entrepreneurs may require and have available;
- Identify "gaps" in needs or barriers to access and utilization;
- Provide recommendations on the types of information and service requirements needed for Aboriginal entrepreneurs to ensure successful business planning, information and expansion;
- Encourage collaboration among governments, service providers and Aboriginal entrepreneurs; and
- Consult with service providers and Aboriginal entrepreneurs to determine the best design and delivery mechanism for Aboriginal business information and support services.

This assessment and review of services that impact Aboriginal entrepreneurs has yielded a large and rich quality of interesting and useful data and other relevant information, from Aboriginal entrepreneurs, communities and organizations, service providers and other support groups. Several conclusions arise from the project research. These are summarized below.

The profile of Aboriginal entrepreneurs in BC is changing

While there is a large amount of opportunities in the service delivery system, the percentage of Aboriginal entrepreneurs are growing rapidly; youth and female entrepreneurs are more active and businesses are developing in new sectors, such as media and tourism. There has been a significant increase in Métis participation over the last decade. The majority of Aboriginal entrepreneurs are men, although the Aboriginal business community is becoming more inclusive by encouraging women and youth to become active participants, but it is happening slowly.

Entrepreneurs are not always aware of what support is available

A high level of interest and support for providing up to date services to Aboriginal entrepreneurs exist. The lack of awareness of what support is available, or how to access it, remains to be major barriers.

Formal support services from organizations are only part of the picture

Despite shortcomings identified in the assessment process, there was a strong support and recognition for the importance of informal support mechanisms. These mechanisms included: peer support and mentoring; the role of family; the role of friends in providing funds; and advice to Aboriginal entrepreneurs.

There are clear gaps in the service system

Despite the growing number of Aboriginal entrepreneurs, more than half of the survey participants said that there were services that they needed, but were not available, particularly at the start-up. In order to support expansion in this area, the identified gaps need to be addressed effectively.

Some gaps are not new

Both at the delivery level, as well as the support level, the project participants included many entrepreneurs who spoke about the lack of access to capital, the slowness and complexity of some application processes, regional disparities in service availability, barriers facing Aboriginal women and youth, and the lack of technical business skills from many entrepreneurs.

Some gaps are new

In the review of the literature and in talking to respondents in this project, peer support, mentoring, and networking have been identified as the major factors of success for many Aboriginal entrepreneurs. At the same time, the assessment revealed that existing services provide only limited or partial support to help entrepreneurs expand their networks or teach them to use existing networks more effectively. Similarly, respondents noted that there were gaps in the availability of support for learning effective marketing and for training in financial management. Services specifically dedicated to women were limited and youth expressed a reluctance to engage with service providers for a range of reasons. Finally, entrepreneurs looked for, but did not find support or availability for special services.

Productive changes

Despite hearing and reading about many success and failure stories, the responses to the survey strongly suggest that the current service system is working reasonably well and many of the services are there to respond to real needs of Aboriginal entrepreneurs. While there have been changes in BC Aboriginal entrepreneurs since the 2001 Gap Analysis Report, these changes entail incremental shifts in strategy (e.g. need for more networking opportunities), some new services (e.g., support for marketing on a sector basis), and some modifications to existing services (e.g. wider support for developing business documentation), but not a wholesale revision of the service system.

Mode of delivery

Aboriginal communities and entrepreneurs have become more involved in business initiatives, through building community capacity and partnering with public and private providers and support mechanisms. Face-to face interactions were seen as critical, especially in early stages for both young and older Aboriginal entrepreneurs. While

face-to face support was the preferred method, other forms of interpersonal contacts through phone and e-mails were ranked high. The assessment suggests that the emerging youth populations are well positioned to take advantage of new/social media as a way of accessing services and business information. This seems to indicate support for electronic service delivery. Similarly, entrepreneurs expressed a clear preference for a personal relationship with their provider, and a desire for a relationship based on trust and familiarity. Also mentioned were short, informational workshops on specific topics such as accounting and human resources, which were said to support their entrepreneurial development.

Barrier to systemic approach

Many research respondents spoke of the importance of cultural, personal, situational and institutional barriers facing Aboriginal entrepreneurs. The geography of BC continues to be a challenge, as does the uneven availability of specialized services. For instance, many female entrepreneurs have difficulty accessing services. This barrier will be important to consider when developing resources that are gender specific. Within the overall demographic trend shifts in BC, one important occurrence is the increasing number of Aboriginal youth entrepreneurs. This increase will impact the role of service providers and will push improvements on the provision of services. A second shift is the transition from old tools to new tools such as e-mails, telephone etc. These services need to reflect a holistic approach and need to be available to all entrepreneurs both old and young throughout the year.

Recommendations and Conclusion

In addition to the purpose of the study, it is hoped that the added value of these recommendations is the voice it provides for the many entrepreneurs, providers and supporters in this project and that the recommendations will consolidate in discussions about the gaps and issues of Aboriginal entrepreneurs in recent times.

The research data and analysis lead us to recommend five major changes to the current system of services to Aboriginal entrepreneurs. Although the project team was unable,

(in the context of some recommendations) to define how the recommendations should be used, we are confident that the ABSN staff, Aboriginal entrepreneurs and providers will use their creative ideas to implement these recommendations. The following recommendations are not presented in order of priority. Some recommendations are broader and far ranging than others but they are all important. Ultimately, ABSN and its partners will be the judge.

Based on the findings and conclusions identified by the project team and the information generated from respondents, we offer the following recommendations relating to the broader Aboriginal entrepreneurs' services delivery and support:

Service Gaps

Peer networks and mentoring opportunities: This was clearly identified as a gap in the current system and we are not naïve about the challenges of such initiatives. We recommend that entrepreneurs embark on volunteering efforts. They should recognize the significant opportunities associated with encouraging peer mentoring and networking opportunities.

Further, we recommend that ABSN support groups and continue to leverage natural support systems. Doing so will fill an identified service gap and producing efficiencies for novice entrepreneurs by intervening early in the business planning cycle. This should also reflect on an active engagement of all the service providers, Aboriginal entrepreneurs and other stakeholders.

Marketing and market information: We recommend that ABSN make it a priority to provide market and marketing information. Respondents stated that they did not have enough support for marketing their products because they did not have quality reliable information to guide their marketing efforts. We recommend that small businesses would benefit from marketing services and other opportunities from support service agencies.

Respondents complained that most of the support service staff are generalist and lack the business expertise to provide adequate and meaningful advice to entrepreneurs

about marketing their products. We therefore recommend that support service staff be equipped with relevant training that provides them with up to date qualifications and experience to provide marketing advice.

Information sessions on specific, practical issues, some general (financial management), some sector specific: We recommend that ABSN work with other stakeholders, institutions, and Aboriginal organizations to stimulate and support more effective information sharing among Aboriginal entrepreneurs and stakeholders across BC. These initiatives should be informed by ABSN and other organizations such as CANDO, NVIT and funding agencies to identify specific and practical information service needed by Aboriginal entrepreneurs. We further recommend that Aboriginal entrepreneurs should be provided with the opportunity to attend workshops and short courses to generate current information on their businesses such as workshops that are geared to support Aboriginal entrepreneurs at the different stages of their business development and their levels of business skill.

Inter-agency Coordination

We recommend that service providers take action to increase the coordination and dialogue within the Aboriginal service system. The current system does not address the needs of new entrepreneurs, for example, those who have not reached the stage of developing a business plan. We recommend that there be a coordination of business information services to those in more remote and underserved areas and to groups with unique needs through consultation, networking, funding and informational products and services tailored to their unique needs.

Delivery Modes

We recommend that ABSN and other service providers continue to look for opportunities for retaining, or strengthening, the interpersonal dimension of service delivery. While using electronic media to exchange information was seen as useful, it should not replace interpersonal contact. The responses from the surveys were clear on this point. This interpersonal contact did not always require face-to face contact but it did require that a person be identified to provide that service. We also see great

benefits for ABSN and stakeholders in hiring a qualified centralized contact person for entrepreneurs to contact by phone or email for information and advice.

Specialized Support Services

We recommend that ABSN and service providers consider options for strengthening relationships and coordination with other stakeholders involved in Aboriginal business programs to look for specialized courses, and training programs for Aboriginal entrepreneurs. Further, we recommend that ABSN and service providers look for opportunities to effectively leverage funding and other resources for the Aboriginal entrepreneurs.

Incremental Change

The findings from this study suggest an incremental change in peer supports and networking, better coordination with sectors, more efforts to build ongoing relationships with clients, and more initiatives to catch budding entrepreneurs earlier in their development. These are real changes but they demonstrate a limitation in the current system, which needs to be strengthened. We recommend that ABSN and its partners support and formally express a strong commitment to follow through on these recommendations in a timely manner. Further, this report and its recommendations should be widely distributed in order to be considered as part of deliberations and decisions undertaken in various other related projects, programs and services.

Conclusions

As with many important issues with Aboriginal entrepreneurs and service providers, we observed multiple perspectives from respondents in this research project. There was a continuum of satisfaction about the status quo, ranging from Aboriginal entrepreneurs, service providers and stakeholders who were very frustrated and concerned about the current state of providing service to Aboriginal entrepreneurs in British Columbia.

The 'voice' that came through from the Aboriginal entrepreneurs was one that understood the views on both ends of this continuum and one that knew what changes needed to take place. The missing piece, however, was the lack of support in the form of resources, decision-making expertise and support within their business or Aboriginal communities to effect the necessary changes. It is in this light that our project team reflected on how this report unfolded through the representation of everyone who participated in this project. There was a collective recognition of the importance of the issues discussed, the value of the examples of success stories, and the general hope for the future of Aboriginal entrepreneurs. This was particularly evident between the young Aboriginal and female entrepreneurs.

Section 2: Project Background and Context

In 2011, the ABSN held a one-day forum with a focus on issues and opportunities for the future of providing valuable and current services and resources to Aboriginal entrepreneurs in British Columbia. Several experts participated in the forum and made several recommendations including the need for better information sharing, particularly in regards to the advancement of new and effective information technologies, such as social media, Facebook, Google, the internet and others.

The 2008-2009 economic crises also helped change the way business is conducted in Canada and some industries, such as fishing and forestry, have been declining. In its place, the energy and mining industries are on the rise.

Together, these changes are forcing a shift in the local and regional economies and have had an effect on the way Aboriginal entrepreneurs conduct business in BC. This current study is designed to assess the issues, problems and challenges posed by the new communication and information technologies and new ways of doing business by Aboriginal entrepreneurs.

The Aboriginal Business Services Network Society (ABSN) commissioned this study under the supervision of the ABSN Gap Analysis Steering Committee (GASC). The members of the Steering committee:

- Helder Ponte, *Kootenay Aboriginal Business Development Agency*
- Art Lew, *Haida Gwaii Community Futures*
- Sandy Wong, *Tale'awtxw Aboriginal Capital Corporation*
- Rocio Zielinski, *Sto':lo' Community Futures Development Corporation*
- Marie Baptiste, *Aboriginal Business Services Network Society*
- Geri Collins, *ABSN Administrator and Director of Operations, Community Futures Development Corporation of Central Interior First Nations*

Section 3: Project Methodology

3.1 Research Partners

From the inception of this study, both Eagle Spirit Community Solutions and the project partners recognized that meaningful results would require a close partnering with Aboriginal organizations. This would ensure Aboriginal input through participation in interviews, surveys and focus group sessions, as well as sustainable activity throughout project design and implementation. The Aboriginal Business Service Network Society members are largely Aboriginal organizations active in Community Economic Development (CED). They played an important role as members of the research team through their participation on the Steering Committee. In addition, assistance with the organization and logistics associated with regional focus groups was received from the Aboriginal Business Development Centre (Prince George), Heiltsuk Economic Development Corporation (Bella Bella), the Gwa'sala'Nakwaxda'xw Nation, the Northeast Aboriginal Business Centre (Fort St. John), and the Community Futures Development Corporation of Central Interior First Nations. We thank these organizations for their support and involvement. Finally, both Simon Fraser University and the University of Northern British Columbia gave technical and research advice to the project.

3.2 Gap Analysis Steering Committee

The Gap Analysis study was guided by a Steering Committee, who, in addition to interim communications, met with team members in a series of Committee meetings to:

➢ Review the terms of reference for the study, deliverables, proposed timeline and methodology, priorities;

➢ Review the results of the data collection phase of the study once completed; and

➤ Discuss recommendations and implementation steps after completion of the draft final report.

Steering Committee members assisted with the research process by providing suggestions for participants and contact information for Aboriginal entrepreneurs and service providers to complete questionnaires and/or participate in focus groups. The Committee also provided comments on evaluation criteria, entrepreneur and service provider questionnaires, the product and service inventory (provider list and database fields), draft literature review, survey and focus group data, initial recommendations and the final report draft. Finally, as mentioned above, several of the Committee members and their organizations assisted with logistics and organization of regional consultations and focus groups.

3.3 Literature Review

The project team undertook a targeted literature review of key documents in order to keep note of relevant key findings, issues, best practices, etc. ABSN material, previous reports and literature known to the project were collected and examined. Since the main source of project findings is intended to come from Aboriginal entrepreneurs, service providers, key stakeholders and other key informants, an extensive literature review was conducted. The literature review included all literature listed in the project Request for Proposal as well as other significant and relevant reports. After discussing the scope and outline of the literature review with the ABSN Steering Committee, the literature review is included at the beginning of the research findings section later in this report. The literature search focused mainly on material specific to BC, as well as any particularly relevant national reports that included a BC focus. The review focused on surveying the existing research into four key aspects of the study:

➤ Statistical framework of the Aboriginal population in Canada, with a B.C. focus;
➤ The role played by entrepreneurship in Aboriginal communities, and theories of Aboriginal entrepreneurship;

➢ The influence of cultural factors on entrepreneurship in Aboriginal communities; and

➢ The impact of support services on Aboriginal entrepreneurs.

In addition to standing on its own as a source of analysis and information, the findings from the literature review were used to inform the discussion in this report.

3.4 Survey Description

In the initial stage of the project, a series of research questions were developed based on the project terms of reference, the accepted proposal, and analysis by the research team. These were reviewed and approved by the Steering Committee. The principle method for the study was survey questionnaires, employing a combination of closed and semi-structured questions.

The results were supplemented by quantitative data from focus groups, which also served as validity tests. Surveys were targeted at individual entrepreneurs and at service providers, while focus groups specifically targeted female entrepreneurs, youth entrepreneurs and service providers.

The analysis for this report is based on a combination of 153 electronic and hand completed surveys of Aboriginal entrepreneurs, divided equally between males and females. The project also received 31 completed surveys from service providers which serve the following regions: Northeast (4 surveys); Lower Mainland (2 surveys); Central Interior (8 surveys), Northwest (2 surveys), Vancouver Island (4 surveys), and Province-wide (11 Surveys). The surveys were also supplemented by eight focus groups with entrepreneurs and service providers, held in six locations: Prince George, Vancouver, Richmond (provincial wide representation), Fort St. John, Kamloops, and Bella Bella. The total number of surveys used in this analysis is 184.

Surveys were delivered through the Internet, person-to-person, and by email. The initial electronic distribution was through an existing list of Aboriginal entrepreneurs developed

by the research team with 200 plus entries. In recognition of social media's effectiveness at circulating ideas and connecting people, information about the project and links to the surveys and materials were disseminated through these channels: Facebook, Twitter and LinkedIn. These media were also used to search for Aboriginal entrepreneurs who were identified in previous database searches. Materials were prepared and sent out to these Aboriginal entrepreneurs, and links were created that fostered the easy ability to forward to their colleagues. Note that this may introduce a bias into the results in favour of those who are familiar with social media and technology.

A 'Quota Sample' method of sampling was used for the entrepreneur surveys. That was, in order to obtain a representative sample of Aboriginal entrepreneurs in British Columbia, Statistics Canada data was analyzed to generate a profile of Aboriginal entrepreneurs in British Columbia. Entrepreneur surveys were then coded to ensure that the final sample of surveyed individuals was consistent with the general population of Aboriginal entrepreneurs in British Columbia. This technique ensured that the returned surveys reflected the general population of Aboriginal entrepreneurs in B.C. The exception was with female and youth respondents who were oversampled to ensure that those voices were given adequate weight, as was suggested in the project proposal. In accordance with the project Terms of Reference, particular attention was paid to identifying needs for, and gaps in, information and services.

The Entrepreneur Survey sought information about the needs of business owners for information and services, as well as identifying the business sector that they operated in and the community that they lived in. This allowed analysis of the differences in needs between various economic sectors, as well as between communities. Entrepreneurs were asked to indicate any barriers to their accessing of services in the current service models available to them. The Service Provider survey identified the current mix of products that they offered, as well as challenges that they faced. This allowed the team to assess their ability to respond to the gaps identified by entrepreneurs, above.

This combined approach allowed the analysis of barriers (real or perceived) by entrepreneurs in various settings and economic sectors, as well as the readiness of the existing network to meet those needs.

3.5 The Entrepreneur Survey

Central to the process of identifying information needs of (and service gaps to) Aboriginal entrepreneurs was a survey of those entrepreneurs themselves. An entrepreneur survey was developed by Eagle Spirit Community Solutions and distributed to entrepreneurs by email, fax, and in person, as well as through links on web sites. Fluid Surveys, a Canadian survey company, was used to manage the electronic collection of data. The data is thus not subject to the US Patriots Act and confidentiality can be assured. A copy of the survey is included in this Appendix 1.

Prospects were identified through business lists of Aboriginal firms, as well as from ABSN members. Contact information was gathered and an email sent wherever possible with the website link. Phone calls were made to those firms not listing email contacts, as well as to randomly selected firms from areas that had not generated many survey responses. The option of completing the survey in a face-to-face interview or over the phone was stated in the email and during the phone conversation. Additionally, Eagle Spirit Community Solutions members attended conferences to capture data from First Nations members attending and/or exhibiting. As a final incentive, surveys received prior to December 16, 2011 were eligible to win an iPad 2. Finally the entrepreneur focus groups were surveyed.

3.6 Inventory of Products and Services and Listing of Providers

A review of existing print and electronic databases and directories of service providers in British Columbia was conducted to establish an initial list. This included the listing

created in the 2001 Gap Analysis. This was supplemented by informal telephone interviews of key providers to develop an initial list of service providers and tools.

3.7 Service Provider Survey

A survey was conducted of service providers to confirm the types of services that they offered. This involved a survey of web pages and a follow-up email to confirm the accuracy of the information gathered, as well as phone follow up in selected cases. The Service Provider survey was distributed electronically and in person to 52 service providers. 31 of these were returned and subsequently included in this analysis.

The Service Provider survey was not distributed on a quota system, but instead aimed at reaching the total population of identified providers who had had a core mandate to serve Aboriginal entrepreneurs. An inventory of service providers was assembled from information received by ABSN members and funders (WD, INAC), as well as through web surveys and government directories. A survey of service providers was prepared and emailed to each organization identified, with a follow-up phone call to ensure completion of the data on product inventory. Fluid Surveys was used to manage the electronic collection of data. A copy of the survey has been included in the Appendix 1.

This survey was intended to provide an opportunity for all service providers, including those who were not asked or able to participate in the regional focus groups, to provide input into the study beyond the basic information requested in the inventory form. The survey provided the research team with more in-depth information on topics such as relationships between organizations, including referrals, and business information tools considered to be most useful.

3.8 Focus Groups

To add more depth and contextual detail to the findings, eight focus group sessions were held in six locations throughout B.C. These sessions provided an opportunity to explore the challenges facing service providers and entrepreneurs, as well as to solicit recommendations for improved business information products and services. Focus groups were held in Vancouver, Prince George, Fort St. John, Bella Bella, Kamloops, and Richmond (this last involving a range of providers and entrepreneurs, and several focus groups). The methodology utilized was mixed methods, and was reviewed by three British Columbian Universities to ensure its' consistency with academic research standards. The survey techniques also complied with the Standards for the Conduct of Government of Canada Public Opinion Research.

Section 4: Research Finding

The central part of this report is the summary of research findings. In addition to a high-level literature review, the findings are organized around the following topics:

a. The profile of Aboriginal entrepreneurs in BC is changing
b. Entrepreneurs are not always aware of what support is available
c. Formal support services from organizations are only part of the picture
d. There are clear gaps in the service system
e. Some gaps are not new
f. Productive changes
g. Mode of delivery
h. Barrier to systemic approach and;
i. Profile of Aboriginal entrepreneurs

Part 1: Literature Review

4.1 Statistics[3]

This literature review provides an overview of the available literature on Indigenous and Aboriginal entrepreneurship published between 2001 and 2011, with a primary focus on Canada and British Columbia. It builds on the report "Aboriginal Economic Development in Canada and British Columbia: A Literature Review" prepared in 2001 by the Simon Fraser University's Centre for Sustainable Community Development. This paper looks primarily at literature published since that date. The second part of the literature review is focused on Aboriginal entrepreneurship. The statistics provide a context for discussions on entrepreneurship in Aboriginal communities. The purpose of the review is to provide the theoretical framework for the primary research being carried out by Eagle Spirit Community Solutions with First Nations / Métis business owners and service providers in B.C.

The section is divided into three parts:

- ➢ Aboriginal Population – updated statistics on the Aboriginal population in BC, in particular related to where Aboriginal people are living and rates of self-employment;
- ➢ Indigenous Entrepreneurship – an overview of the theoretical discussions and debates on the meaning and nature of Indigenous entrepreneurship from a global perspectives; and
- ➢ Supporting Entrepreneurship – a summary of the best practices for supporting Aboriginal entrepreneurship and business from available literature, including specific needs of women and youth.

A note regarding the use of the terms 'Indigenous' and 'Aboriginal' in this paper:

In the context of Canada, 'Aboriginal' is the more commonly used term, referring to First Nations, Métis and Inuit. 'Aboriginal' is also widely used in Australia in reference to the

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[3] At the time of writing this report the data that was available was the 2006 Census Data, however, during this report the 2011 Census Data was released. The synopsis of this data is included in the Appendices Section as Appendix 1.

country's original peoples. On an international level however, the term 'Indigenous' is commonly used to encompass a broad range of peoples. In this paper, the terms 'Aboriginal' and 'Indigenous' are used more or less interchangeably, however with 'Aboriginal' referring mainly to Canadian and Australian peoples and 'Indigenous' being used to encompass original peoples in general. Furthermore, for the purposes of this paper, the 1995 United Nations definition of 'Indigenous' and 'Aboriginal' will be used:

> "Indigenous or Aboriginal often refers to peoples living on their lands before settlers came from elsewhere; they were the descendants of those who inhabited a country or a geographical region at a time when people of different cultures or ethnic origins arrived, the new arrivals becoming dominant through conquest, occupation, settlement or other means."

4.2 Aboriginal Population: Statistics

This first section provides an update on demographic and employment statistics of the Aboriginal population in BC, highlighting information that has changed or been updated since the 2001 report on Aboriginal Economic Development.   *(Please note: All statistics in this section are from Statistics Canada, 2006 Census unless otherwise indicated).*

Total Population:

In 2006, the total Aboriginal population of Canada, by self-identification, was 1.17 million representing about 3.8% of the total population. There were three main Aboriginal groups included in this figure, which was represented by the Census categories of North American (698,025 individuals) Indians, Métis (389,780 individuals) and Inuit (50,480 individuals).   Within this number, there were 623,780 individuals who had Registered Indian status, which represents 53% of the people identifying as Aboriginal.   Gender demographics include 49% of Aboriginals reporting as male and 51% as female.

Table 1 Aboriginal Population Compared to Total Population (2006)

	Total Population	Total Aboriginal Population	Registered Indian Status	Male	Female
Canada	31,241,030	1,172,785 (3.8%)	623,780 (53%)	572,095 49%)	600,695 (51%)
BC	4,074,385	196,075 (4.8%)	110,545 (56%)	94,860 (48%)	101,215 (52%)

In British Columbia, by 2006 the Aboriginal population was 196,075 in 2006. There was an increase of 56,075 individuals as compared to 1996 when the Aboriginal population was 140,000 as reported in the Census for that year (Vodden & McBride, 2001). In total, 4.8% of BC's total population identified as Aboriginal. Of these individuals, about 56% or 110,545 individuals were registered under the Canada Indian Act, representing 48% males and 52% females. It is important to note that almost 17% of the country's Aboriginal population lives in BC. Approximately 13% of the total Canadian population lives in BC, the ratio of Aboriginal to non-Aboriginal population reflects a higher number in BC than in many other provinces.

Population Trends

It is well known that the Aboriginal population of Canada has very different population trends than that of the Canadian population as a whole. As the 2001 Census report notes, the Aboriginal population of Canada is growing at a significantly higher rate than the general population of Canada. These trends are highlighted in later discussions. The 1996 Census reported that the Aboriginal population in Canada was growing at three times the rate of the general population. Similarly, between 2001 and 2006, the Aboriginal population in Canada increased by 20% (4% per annum average); whereas the growth rate in Canada for the equivalent period was about 5.5% (1.1% per annum). In British Columbia, the Aboriginal population grew more than 40% over the ten years between 1996 and 2006 (4% per annum average). In 1996, 4% of BC's population was Aboriginal; by 2006, 4.8% of BC's population identifies as Aboriginal.

These growth rates impact on Aboriginal youth, as there was a higher percent of young people among Aboriginal populations than the population as a whole. Further, the median age of Aboriginal people was 26.5 years, whereas the median age for Canadians as a whole was 39.2, which has impacts on this population group. For example, 29.5% of the Canadian population as a whole was under 24 years of age, however among Aboriginal people, this figure soars to almost 48%. In BC, the Aboriginal population under 24 years of age was close to 46%, compared to just 28% in the population as a whole. Even more telling for future demographics was the population under the age of 15. Among Aboriginal people in BC, 28% were under 15 compared to just 15% in the general population. Table 2 displays key statistics around Aboriginal youth in Canada.

Table 2 BC and Canadian Youth: Aboriginal Population

	Aboriginal population	Non-Aboriginal	Aboriginal population	Non-Aboriginal	Aboriginal population	Non-Aboriginal
	Age 0-14	Age 0-14	Age 15-24	Age 15-24	Age 0-24	Age 0-24
Canada	29.7%	16.7%	18.1%	12.8%	47.8%	29.5%
BC	28.2%	15.3%	17.8%	12.4%	45.9%	27.7%

Population Trends On-reserve

Some interesting trends emerged regarding on-reserve populations in British Columbia. The percentage of Aboriginal people living on reserve was decreasing. In the 1996 Census report, 30% of BC's Aboriginal people lived on reserve. In 2006 this number had reduced to 26%. (BC Stats Fact Sheet: 2008). With this decrease, 74% of Aboriginal people in B.C. lived off reserve and most often in urban settings. BC Stats reported that 80% of BC's non-reserve Aboriginal people lived in urban areas. (BC Stats Fact Sheet: 2008). Conversely, the number of non-Aboriginal people living on

reserve was increasing. Of the total 74,780 people living on reserves in BC in 2006, just 68% were registered under the Indian Act. (BC Stats Fact Sheet: 2008). Men and people over 34 were more likely to live on reserve than women and younger people. In fact, "women between the ages of 25 and 34 were the least likely of all groups to live on-reserve" (BC Stats Fact Sheet: 2008).

Education

Education levels of Aboriginal people were chronically lower than the general population, although these numbers have shown improvement in the last two decades. In BC, 81% of the general population had a high school diploma or higher-level certification, compared to just 65% of the Aboriginal population. Close to 5% of Aboriginal people reported having finished a bachelor degree in 2006, compared to about 13% of the non-Aboriginal population. Only 1% of the Aboriginal population had a Master's degree, compared to 4% of non-Aboriginal people.

Unemployment

In 1996, the Census report cited unemployment rates of 19.4% among Aboriginal people of Canada, about twice the national average at the time, and unemployment rates on reserve at 31% (Vodden & McBride, 2001). The 2006, census reports showed improvements in the employment rates, although they continued to be considerably higher than the Canadian average. On reserve unemployment rates also continued to be the highest in the country. Table 3 provides a summary of the employment rates for Aboriginal people living on and off reserve.

Table 3 Employment Rates for the First Nations identity population (aged 25 to 54) living on and off reserve

Employment Rate	2001	2006
Aboriginal People Living on Reserve	49.9%	51.9%
Aboriginal People Living off Reserve	60.8%	66.3%

In BC, the unemployment rates of Aboriginal people averages about double that of the general population (Stock, 2008). Since unemployment rates did not include people on social assistance, or people not looking for work, it was safe to assume that the actual rate of unemployment for Aboriginal people was even higher than reported. The 2001 report also noted the issue of social assistance dependency facing many Aboriginal people.

For reasons well known, Aboriginal people are underrepresented in the formal labour force and as a result, unemployment rates and social assistance rates were high as well. Social assistance in 1997 was provided to about 150,000 Aboriginal people in Canada, which was more than 10% of the total Aboriginal population (Vodden & McBride, 2001). The average unemployment rate for BC youth aged 15-24 was 7.3 percent in 2007, while the Aboriginal youth unemployment rate was 13.7 percent; according to BC stats this number was almost double (Stock, 2008). Of the Aboriginal people who earn a wage (formally employed), the average annual income was $10,000 less than that of an employed non-Aboriginal person.

Inequalities are also evident when looking at annual incomes in increments of $10,000; Table 4 displays the actual number where 16% of employed Aboriginal people earned more than $50,000 per year in BC compared to 25% of the non-Aboriginal population. Looking at the total population, the income inequalities were similar. In total, 16% of Aboriginal people had an income of less than $5,000 per year, and 50% had an income under $20,000 per year. This data speaks to the unsettling fact that half of BC's Aboriginal people lived under the poverty line for a single individual. With the majority

(48%) of the aboriginal population falling under the age of 24, this also indicates larger portions of the Aboriginal Population are living below the poverty line for a family dwelling.

Table 4 BC Population by Employment Income range and Ancestry

Income Range	Aboriginal Ancestry	Non-Aboriginal
Under $5,000 [45]	19.3%	15.9%
$5,000 to $9,999	12.2%	9.8%
$10,000 to $19,999	18.8%	15.6%
$20,000 to $29,999	14.3%	13.2%
$30,000 to $39,999	11.5%	12.1%
$40,000 to $49,999	8.0%	9.7%
$50,000 to $59,999	5.7%	7.0%
$60,000 to $74,999	5.5%	7.7%
$75,000 and over	4.7%	9.1%

Self-Employment Rates

In 2006, the last census[4] data available on self-employed Aboriginal people on and off reserve, the Aboriginal population[5] in British Columbia was 196,075. Approximately 8,245 Aboriginal people declared themselves to be self-employed in 2006, which was 4% of the total Aboriginal population, or 17% of the Aboriginal population 15 or older. According to the 2006 data, 9.4% of Aboriginal people in the labour force in British Columbia were self-employed. Broken down by gender, this meant that 10% of

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[4] Data from the 2011 Census will not be available until mid to late 2012.

[5] There is some debate about the validity of Census data, given that some First Nations refuse to participate, and that Census data has a problem of under counting, and also has issues with regional variations in its validity. The numbers here should be used with caution. See Frank Ip, "Estimating Population: Census, Survey or Administrative Record", BC Stats, January 2012, www.bcstats.gov.bc.ca/Publications/AnalyticalReports.aspx

Aboriginal men and 7% of Aboriginal women indicated that they were self-employed, revealing that women were less likely to be self-employed than men. The statistics also showed that Aboriginal women were less represented in the formal labour force than men in general, and slightly more likely to be wage earners than self-employed. By age group, self-employment breaks down as follows:

Table 5 Self Employed by Age

Age Range	Total *	Female	Male
15 to 24 years	3%	3%	3%
25 to 54 years	9%	7%	11%
55 to 64 years	15%	13%	17%
65 years and over	27%	22%	30%

* Total percentage self-employed in this age range, of Aboriginal people in labour force

It is evident that self-employment is more likely for people who were 55 and older. Not surprisingly, youth were least likely to be self-employed, however with adequate support these numbers could rise. Interestingly, self-employment counted for almost 10% of employment for people aged 25-54. It is important to note that these numbers did not consider how many Aboriginal employees Aboriginal business owners employed – it counted the owners, but not the total employment provided by such businesses. Further, these numbers did not include band-owned or community businesses. As such, it can be assumed that these percentages were lower than the actual number of Aboriginal people employed due to Aboriginal entrepreneurship.

Aboriginal entrepreneurship was growing at a faster rate in British Columbia, as compared with the rest of Canada. In fact, British Columbia had the second highest rate of Aboriginal entrepreneurship in Canada. 22% of Canada's self-employed Aboriginal people reside in British Columbia[6]. This growth was not completely linear, as the

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[6] 2006 Census Special Tabulation based on the "experienced labour force population," which includes persons who were employed and persons who were unemployed who worked for pay or in self-employment since January 1, 2005. This definition is used for all

economy changed and fluctuated so did the self-employed population. For the general population in B.C., the total number of small businesses declined in 2009 and 2010 by a small percentage, likely as a result of the economic downturn. As well, the gap in unemployment rates between non-Aboriginal and Aboriginal people increased between 2008 and 2010 as a result of the overall economic decline, which hit Aboriginal peoples harder. It seems reasonable to speculate that a similar gap opened up in the self-employment sector, and that there was both a small decline in that period, but also the return of gaps between the self-employment rates of Aboriginal and non-Aboriginal peoples. A closer look at the data shows us that the population of Aboriginal entrepreneurs has the following characteristics:

Region

Aboriginal people reside in the following areas of the province (using the four regions, North, Interior, and Lower Mainland which includes Vancouver and the Fraser Valley, and Vancouver Island):

In British Columbia, the proportion of small businesses was generally correlated to total population - i.e., we saw more businesses in the Lower Mainland where the majority of the population resided than in the North. Nonetheless, recent shifts in economic activity indicated a change in these patterns. BC Stats reported that from 2009 - 2011, the northwest and the northeast experienced a decline in small businesses of 22% and 34% respectively, a decline that was not matched by a decline in population[7]. When the economy in those regions do recover, this could lead to an increase in the number of business start-ups as the population 'catches up', with consequent increased pressure on the services for business development in those regions.

On and off reserve: Sixty per cent (60% of B.C.'s Aboriginal people lived in urban areas, while 14% lived rural B.C., and just over a quarter lived on reserve. It was a different picture for Aboriginal entrepreneurship: only 19% of Aboriginal businesses reported that they had their business on a reserve.

Métis: Métis were 30% of the Aboriginal labour force but represented almost 50% of the self-identified population of Aboriginal business owners. There has been a substantial growth in the number of Métis business people since 2001. Beyond the increase in self-identification in Métis communities, it was unclear what factors produced this higher ratio of self-employment.

While the total number of Aboriginal entrepreneurs has been growing, the growth had been less dramatic when viewed as a percentage of the Aboriginal population. From this perspective, Aboriginal entrepreneurship has remained relatively level over the last decade.

One of the goals identified for the 2012 Gap Analysis was to identify what changes, if any, had occurred in the business sectors in which Aboriginal entrepreneurs were active. The stereotype was that Aboriginal entrepreneurs were mostly concentrated in primary resource sectors such as logging or fishing. In an attempt to get a better picture,

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[7] BC Stats:"Small Business Profile, 2011", accessed March 2012, at www.bcstats.gov.bc.ca

we reviewed data from Statistics Canada and the results from our own surveys. As indicated in the following chart derived from 2006 Census data, while professional and technical services were growing, the primary resource sectors and construction sectors still accounted for a significant proportion of businesses.

Aboriginal Participation in Sectors of the Economy, 2006

Total Small Business with 0 to 49 Employees, 2010

- Primary
- Manufacturing
- Construction
- Transport & Utilities
- Wholesale and Retail Trade
- Finance, Insurance, & Real Estate
- Education Services
- Health and Social Services
- Accommodation & Food
- Business Services
- Other

4% 3% 14% 5% 11% 9% 9% 4% 4% 9% 22% 15%
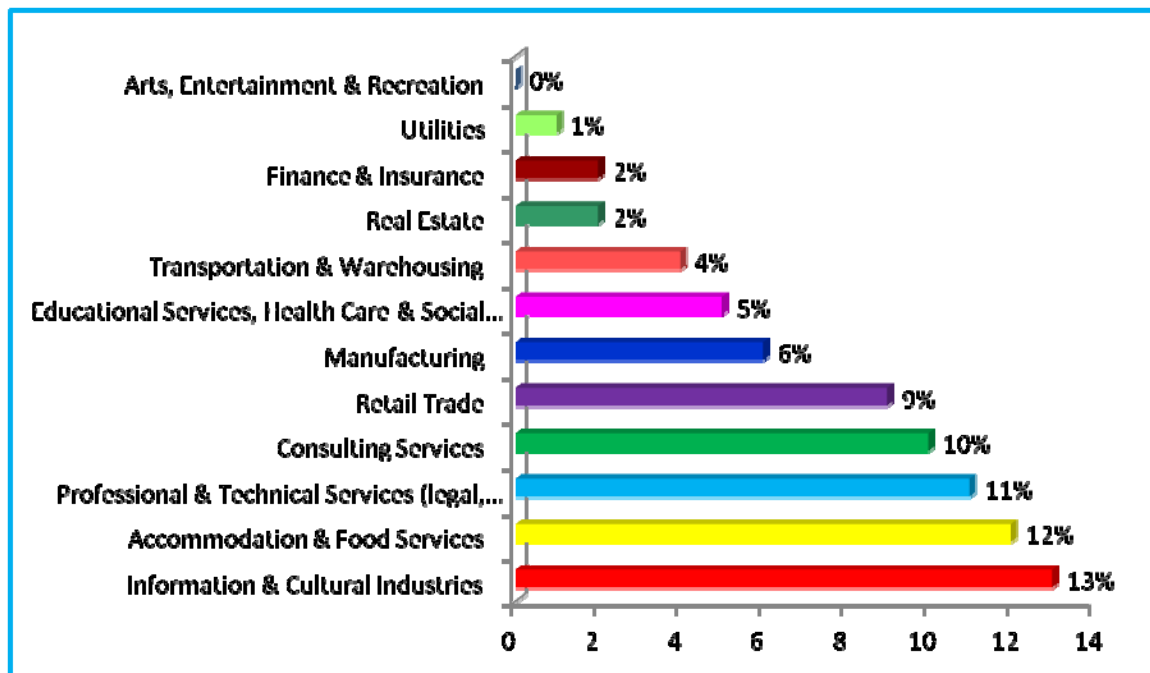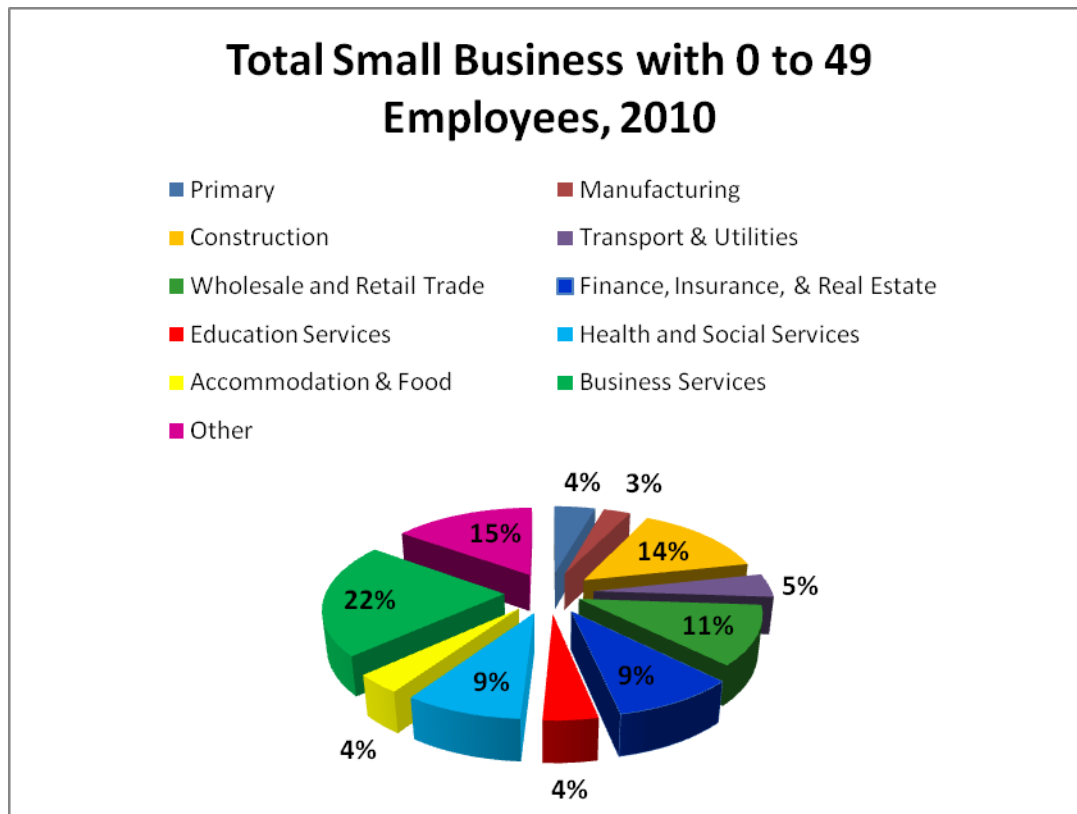
Goods and Service Sectors

Total: 391,700

Source: BC Stats using data supplied by Statcan

4.3 Indigenous Entrepreneurship

This section provides an overview of literature from 2001 to 2011 on Indigenous entrepreneurship.

A central question explored in the literature is the nature of Indigenous entrepreneurship. Does entrepreneurship have common characteristics that apply to all people, regardless of their culture or history? Or is there something specific to entrepreneurship of Aboriginal people that relates to their cultural, historical and/or geographical contexts? Is there a common dimension of entrepreneurship between all Aboriginal people, or is it specific to a particular person or group of peoples in a specific place?

A related question is whether or not there is something that can be identified as 'Aboriginal businesses'. Is an Aboriginal business simply one that is owned by an Aboriginal person? Or is it Aboriginal because it is based on or fostering something from Aboriginal traditional culture? Or must it be a community or band-owned business to be considered Aboriginal? Or is it Aboriginal because it has 50% plus 1 ownership by Aboriginals, as defined by some government programs?

The literature touches on some of the differences or overlaps between 'entrepreneurship' and 'self-employment'. If an Aboriginal person is self-employed, are they necessarily an entrepreneur? What does it mean to be an 'entrepreneurial' from an Aboriginal perspective and context?

The literature acknowledges a lack of sufficient research on both urban vs. non-urban entrepreneurship and on reserve vs. off reserve entrepreneurial activities. What are the differences in the driving force push and pull factors, types of businesses, and success rates between these two contexts?

What is Entrepreneurship?

The literature exploring the nature of 'Indigenous entrepreneurship' starts by looking at standard understandings of entrepreneurship (Dana, 2007; Pereira & Anderson, 2006; Swinney & Runyan, 2007). These views of entrepreneurship can be summarized briefly as follows:

➢ Entrepreneurship involves 'innovation and initiative' (Schumpeter 1934, cited in Peredo & Anderson, 2006);

➢ Entrepreneurs are risk takers, initiators and innovators (Miller 1982, Covin and Slevin 1989, cited in Swinney & Runyan, 2007);

➢ Entrepreneurs 'drive the economy, create new concepts, innovations, new ventures, employment and national wealth' (Blawatt, 1998, cited in Peredo & Anderson, 2006);

- On the other hand, entrepreneurs can be defined simply as someone who owns and runs a business (Swinney & Runyan, 2007); and
- Peredo & Anderson (2006) state that 'entrepreneurship' has, since at least the 1990s, been understood as a means to improve the living conditions of marginalized or poor populations, especially in Third World countries.

Indigenous entrepreneurship could then be understood to be any entrepreneurial activity engaged in by people who consider themselves Indigenous. Indeed, Gailbraith and Stiles (2003), take just such a view. From this approach, as discussed by Anderson & Peredo (2006), any businesses start up by Indigenous people – "whether individual or collective, on or off reserve [traditional lands]" – can be understood as Indigenous entrepreneurship (Anderson & Pererdo, 2006:13). But the literature shows that in practice, the concept is much more complex and variable, and needs deeper exploration. First, the importance of culture on entrepreneurial attitudes and approaches is highlighted.

Culture and Entrepreneurship

The field of Indigenous entrepreneurship builds on recent inquiries into the nature of entrepreneurship among various cultural groups. For example, Hong Kong entrepreneurs in Vancouver have been shown to use kinship networks as the basis for their knowledge about opportunities and access to financing for real estate investment (Mitchell, 1999). This contrasts with business school theory on entrepreneurship that emphasizes the know-how and attitude of the individual as the basis for entrepreneurial success. Similarly, research on Indigenous entrepreneurship has shown that culture plays a significant role on attitudes and behaviours (Swinney and Runyan 2007 et al). For example, one study "found common Indigenous cultural values included high collectivism and low individualism while entrepreneurial values were described as high in individualism and low in collectivism". Does this mean that Indigenous people are not entrepreneurial? No, it simply requires new understandings of what it means to be entrepreneurial.

Dana (2006) discusses how culture shapes what people see as resources and opportunities, therefore shaping what kind of opportunities will be taken up:

> "I recognise that what is perceived as a resource by one person may not be viewed as a resource by an individual from another culture. The same is true of opportunity, as I discovered from an empirical study in Alaska: differences between ethno cultural groups suggest that opportunity identification and or response to opportunity is culture-bound. This is significant because it suggests that entrepreneurship should not be defined on the basis of opportunity, but rather cultural perception of opportunity." (Dana, 2006: 3)

A related issue is the perception of risk. Dana writes "Indigenous peoples in the Canadian Arctic perceived self-employment as less risky than working for someone" (Dana, 2006).   This is the opposite of the standard Canadian perception that employment is 'stable' and self-employment or starting your own business is risky. Success may be measured in different ways between cultural groups. Is the goal of a venture to be measured only in monetary growth? Or are objectives like quality of life, contribution to family and community, preservation of cultural knowledge of primary importance? While a standard MBA program may define entrepreneurship in the first way, an Aboriginal-focused venture may have many community-oriented or social criteria for success. These kinds of cultural dimensions can be important for service agencies to understand in providing support for Aboriginal business start-up and development.

Entrepreneurship as Economic Development

Second, Indigenous entrepreneurship has emerged in the literature as a way to improve the socio-economic conditions of the world's Indigenous peoples.   Anderson and Peredo (2006) explore this approach, writing "value creation and innovation through local business development are essential means for the alleviation of poverty [in Indigenous communities]" (2006, p3). They argue for the importance of community-based enterprises as a means for Indigenous peoples to pursue economic development

that can both alleviate poverty and sustain the natural environment. The community is the entrepreneur in this scenario, not the individual. The goal of the entrepreneurship is to generate group benefit – social, cultural, and environmental. The significance of this conceptualization is three-fold, according to Anderson and Peredo:

➢ Standard entrepreneurship literature treats the community or context as exogenous to the entrepreneur. When the entrepreneur is a community or group of people, the context is not only endogenous, but the 'entrepreneur' becomes a complex network of relationships rather than an individual.

➢ Entrepreneurship as taught in business schools is primarily about economic goals. In an Indigenous setting, the venture is often about "cultural or environmental preservation" (Andersen & Peredo, 2006: 5), and the economic dimension is a means to achieve those goals.

➢ Indigenous entrepreneurship as a means for socio-economic development is closely related theory on social entrepreneurship and social economy. Social entrepreneurship is described as using the characteristics of the business entrepreneur – innovation, initiative – and applying it to social and environmental problems. A social enterprise or venture may make a profit, but its primary purpose is social or environmental change. Indigenous entrepreneurs in many cases are trying to create change; change for themselves and change for their communities.

A related concept is the social economy:

"The social economy refers to the set of activities and organizations stemming from collective entrepreneurship, organized around the following principles and operating rules: the purpose of a social economy enterprise is to service its members or the community rather than to simply make a profit. It operates at arm's length from the state. It promotes a democratic management process. It defends the primacy of people and work over capital in the distribution of surplus and revenues. It bases its activities on the principles of participation and

collective empowerment. " (Chantier de L'economie Social, cited in Mendell, 2009: 186).

The links between 'social economy' and 'Indigenous entrepreneurship' has begun to emerge in the literature over the last five to seven years. Wuttunee attempts to conceptualize the social economy from the perspective of Canada's Aboriginal people, stating that "the social economy offers a way to integrate important tradition, culture and wisdom while incorporating selected successful mainstream development approaches" (Wuttunee, 2006, p. 139). Tapsell and Woods (2010) write that Indigenous entrepreneurship can be understood as operating at the intersection of social and economic entrepreneurship, where the goals of innovation are to create social change as well as economic well-being. Newhouse (2000) writes that community economic development (a dimension of social economy) can be a way for Aboriginal communities to resist assimilation into the mainstream economy and society. Social economy approaches, he argues, allow for Aboriginal economic development that is self-defined, has multiple bottom-lines, is based on, and sustains cultural values.

Business created in this kind of setting obviously requires new ways of conceptualizing and supporting entrepreneurship. Peredo and Anderson emphasize that "business development as a means to overcome poverty requires an understanding of the specific socio-economic environment in which that development is to take place" and further that "societal arrangements and cultural values play a vital role in fostering entrepreneurial activities" (Anderson and Peredo, 2006:3). Tapsell and Wood (2010) further propose that since entrepreneurship is socially and historical situated; that "colonization is a critical component of the particular historical context of Indigenous entrepreneurship" (539).

Entrepreneurship as a Survival Strategy

Third, the question of whether Indigenous entrepreneurship is a proactive or reactive (survival) strategy emerges in the literature. This approach to the subject is linked closely to writing on third world development, in which micro-enterprise and the informal

sector are seen as ways that the world's poor strive to survive with few resources and marginalization from the mainstream economy. In many countries, the lack of formal employment leads most people to survive by selling products and services at a small-scale or in the streets and these activities are not legally registered or recognized. Subsistence agriculture is another survival strategy among the world's poor. In these contexts, entrepreneurship (initiating economic activities) is a survival strategy, not a risk-taking venture. Similarly, self-employment among Aboriginal people in Canada can often arise from lack of access to formal job markets rather than being a 'risk taking' activity.

On many reserves self-employment has cultural relevancy as people have a history of hunting and fishing. Commercial sales from fishing and logging, at a small scale, is directly aligned to traditional activities. Like the Indigenous peoples and subsistence farmers in other countries, Canada's Aboriginal people face push and pull factors that affect their choice of livelihoods. For example, one may be drawn to traditional activities like hunting and beading, but pushed to engage in cash–earning activities due to external realities of living in a money-based economy (Dana, 2007).

This analysis provides a different understanding of entrepreneurship. While self-employment and business start-up may be ways to create opportunities, they are not necessarily linked to high risk-taking. Quality of life considerations, links to community and family, may be at the forefront in the mind of the Aboriginal entrepreneur. On the other hand, this doesn't mean that Indigenous entrepreneurship is not also proactive: "lack of social mobility can be a spur to entrepreneurship" (Busenitz & Lau, 1996 cited in Peredo & Chrisman 2006 p 9). Self-employment is a proactive strategy.

Does Indigenous mean Collective?

A fourth dimension of indigenous entrepreneurship is its collective or community orientation. Indigenous communities are often portrayed as working cooperatively and sharing benefits collectively. Reciprocity is fundamental parts of the economic functioning of indigenous communities, the basis for social and economic life, writes

Tapsell and Woods (2010). In the Andean region of South America, indigenous communities continue to practice collective forms of economy such as ayni (non-monetary trade between highlands and lowlands peoples) and minka (group work for a collective purpose). Collective land ownership (use) is still practiced by many people around the world, including planting and harvesting on collective land and sharing out the products with the whole community (Hernandez, doctoral research, unpublished). Such cultural factors influence the nature of entrepreneurship in an indigenous setting. "Social organisation among indigenous people is often based on kinship ties, and not created in response to market needs" write Dana and Anderson from their research on entrepreneurship in the Canadian Arctic (Dana & Anderson, 2005). Indigenous businesses are likely to be collectively owned or run, or to share the economic and other benefits with people beyond the business 'owner'. This is certainly the case with band-owned businesses on reservations.

This view is distinct, then, from definitions of Aboriginal business and indigenous entrepreneurship that focus simply on who owns a venture. A business venture owned/ started by an Aboriginal person would not necessarily be considered 'indigenous entrepreneurship' if the community well-being element is not present. It is therefore a restrictive view. Nonetheless, it is useful to understand that some indigenous entrepreneurship is collectively started or has a collective well being in its primary goals. Further, that values like reciprocity, and kinship ties, may influence how Aboriginal business ventures operate and succeed. Further, this perspective shows that entrepreneurship can be collective in nature – that community orientation does not preclude the potential for successful entrepreneurial initiatives (Peredo & Chrisman, 2006). For this reason, Swinney and Runyan add "proactiveness" as a useful characteristic for identifying entrepreneurship (Swinney & Runyan, 2007) – entrepreneurs are not only people that start-up new businesses, they are people who proactively take action in response to a situation. This characteristic links back to the concept of social entrepreneurship. Entrepreneurship can take place in many contexts, with many catalysts, and with multiple and differing goals.

Does Indigenous mean Sustainable?

A fifth element in the literature on Indigenous entrepreneurship is the issue of the natural environment and sustainability. To be Indigenous entrepreneurship, must it be based on Indigenous ecological knowledge and values? Indigenous peoples around the world have been recognized as sharing common spiritual values of deep respect for the natural world. Traditional spiritual beliefs are related to natural phenomena and the need to keep harmony between the various elements (Mother Earth, Father Sky). Humans are part of the natural order, animals are their kin, rocks and mountains are living beings. This differs dramatically from the Judeo-Christian view of the need for people to dominate, tame, control and use nature for their own ends.

Indeed, the economic development activities of the mainstream society are often at odds with the values and goals of Indigenous peoples. The current reaction of the Haisla Chiefs to the proposed Gateway pipeline in BC is an example (Global TV, Jan 10, 2012); the protests of Amazonian Indigenous peoples to the proposed TIPNIS highway in Bolivia last fall are another (The Guardian UK, Oct 11, 2011). In both cases, the Indigenous critique of the proposed projects is the detrimental effect on the natural environment and on traditional ways of life. These cases provide additional insights into the role of traditional ways of life which are deeply interconnected with sustainable relationships with nature. Indeed, this worldview can be understood as seeing no division between the economic and socio-cultural, between the spiritual and the material. In Haida Gwaii territory, the Haida Gwaii Community Futures seek to balance these traditional values with new economic enterprises:

> "We are seeking to balance the commercial use of natural resources with their long-term sustainability and the rights of families to meet their basic needs through harvesting natural/wild food, medicinal and materials (cedar bark for weaving) for art and making traditional tools and regalia." Art Lew, Haida Gwaii Community Futures, Haida Gwaii territory, (personal communication, 2009).

Of course, these views can also be seen as 'romanticizing' Aboriginal people, or living in the past. Indeed, many Aboriginal people today are involved in businesses that do not

have any particular consideration for environmental sustainability or harmony with Mother Earth. It would be safe to say that Indigenous entrepreneurship does not require an environmental dimension to be considered 'Indigenous'. Nonetheless, the Aboriginal cosmological view is important in many contexts and needs to be taken into consideration to understand the nature and goals of many Indigenous entrepreneurial activities.

Urban and Non-Urban Entrepreneurship

Sixth, Indigenous entrepreneurship literature is beginning to explore the differences between urban and non-urban Aboriginal business and entrepreneurship. It seems intuitively obvious that there would be significant differences between urban and non-urban Indigenous entrepreneurship, in particular between reservations and other places. Reserve lands are governed by a distinct set of laws and historical relationships; Aboriginal people are a majority of the population on reservations and represent a minority group off reservations; and the nature of economic activities tends to be different on and off reserve for historical, political, and cultural reasons. Unfortunately, this dimension of Indigenous entrepreneurship is under-explored. Most studies of Indigenous business and entrepreneurship have been in communities geographically located on reserves or designated traditional territories.

Swinney and Runyan (2007) point out that the "lack of an entrepreneurial study of Indigenous peoples living on non-tribal lands is significant" (258). Horn and Halseth (2011) note that "we don't know very much about the Aboriginal urban economy directly but we know lots about it indirectly." Some of the interesting findings by Horn and Halseth in regard to urban Aboriginal economy are:

➢ An Aboriginal in the city was seen until recently as 'external to market forces' and without the 'agency to respond effectively to the dynamics of the non-Aboriginal economy' (Horn & Halseth, 2011: 105). Economic development focused on Aboriginal people living in urban areas of Canada emphasized assimilation; the need to bring these individuals into the mainstream labour force as employees. This

viewpoint still exists, but fortunately there is increasing recognition of the agency of the urban Aboriginal, that is, their capacity to act on behalf of their own lives, to respond to external forces by creating something new and that is their own. This is, by definition, entrepreneurism.

➢ Institutional development, rather than business development, has typically been the policy approach toward urban Aboriginal people. Funding has gone to Friendship Centres, for example, to help Aboriginal people integrate into the city (Horn & Halseth, 2011). In general, there has been a social services approach to working with Aboriginal people, seeing them as needing 'help' instead of as active agents of change or as entrepreneurs.

➢ There is a need to recognize that there is a specifically "Aboriginal circuit" in terms of the flow of goods, services and materials within cities and between cities and other areas (Horn & Halseth, 2011: 110). To effectively support economic development by Aboriginal people, these flows of production, consumption, urban networks, urban to rural networks, need to be mapped and further mobilized.

➢ Furthermore, there needs to be research on who the urban Aboriginal entrepreneurs are, and what kinds of resources they do draw on, or could draw on. Should self-employment programs work with the poorest and most marginalized peoples? Or are the more middle-class Aboriginal the most likely drivers of business? These questions relates to Horn and Halseth's findings about the fact that many urban Aboriginal organizations focus on social service delivery, and therefore do not tend to be relevant to middle-class Aboriginal people, and further, that there is little information available about how these kinds of organizations support or do not support Aboriginal entrepreneurs (Horn & Halseth, 2011: 112).

Dana describes Indigenous entrepreneurship as 'self-employment based on Indigenous knowledge' (Dana 2006: 5). This definition is limited, because it does not include social entrepreneurial activities, it leaves out young urban Aboriginal people engaged in new technology businesses, and it requires definition of what is 'Indigenous knowledge' that could be arbitrarily limited to traditional or historical knowledge. The lack of uniformity of Indigenous peoples is reflected in the diversity of economic activities, and the differing nature of Indigenous entrepreneurship in different settings. A hunter-gatherer in the

Brazilian Amazon operates in a context of collective social and economic organisation. A young Aboriginal person in Vancouver, studying computer programming at BCIT, is living in a much more individualistic, mark-based economic context. The literature emphasizes the need to look at context to both understand and support Indigenous entrepreneurship - culture, geography, historical context; age, etc are all important considerations.

The most encompassing definition of Indigenous entrepreneurship is: "Indigenous entrepreneurship is the creation, management and development of new ventures by Indigenous people for the benefit of Indigenous people." The longer and more nuanced form of this definition is:

> "Indigenous entrepreneurship is the creation, management and development of new ventures by Indigenous people for the benefit of Indigenous people. The organisations thus created can pertain to either the private, public or non-profit sectors. The desired and achieved benefits of venturing can range from the narrow view of economic profit for a single individual to the broad view of multiple, social and economic advantages for entire communities. Outcomes and entitlements derived from Indigenous entrepreneurship may extend to enterprise partners and stake holders who may be non-Indigenous." (Hindle and Lansdowne, 2007: 9)

This definition is broad enough to include for profit and not for profit ventures, and community or individually owned businesses. It also encompasses the multiple objectives of Indigenous entrepreneurship– economic, social, and cultural. Therefore, this definition is recommended for use in this research project.

Supporting Entrepreneurship

What kind of services best support Indigenous entrepreneurship? This section highlights the available literature on proposals and best practices for business services,

policies and training programs that can contribute to successful business ventures among Aboriginal people.

The literature on the impacts of services and policies for Aboriginal entrepreneurs is limited, showing the need for more primary research to be done on this topic. However, the existing research does reveal several interesting findings with implications for service providers and community leaders:

➢ Training and capacity building-- build human capital in general and training must go beyond business planning and management;
➢ Need to build a culture of entrepreneurship – start with children and youth;
➢ Flexible training options needed to accommodate working people and parents
➢ Need to recognize characteristics of Indigenous entrepreneurship and business in training programs;
➢ Support for training and financing -- the need for micro-loan / peer lending format
➢ Small businesses need help with market research and development, and with research and development of new (innovative) products and services;
➢ Clear policy from local leaders is important for generating businesses, especially on reserve;
➢ Cluster theory may have something to contribute to Aboriginal entrepreneurship development;
➢ Social capital is fostered by clusters, but it is important to note the different kinds of social capital and the role they play in fostering economic development;
➢ Types of businesses - creative or cultural businesses can be fostered first in a non-profit context;
➢ Family-based businesses may work better than the band or individually owned businesses in some cases;
➢ Anchor businesses can generate business opportunities and self-employment; and
➢ Gender considerations: while Aboriginal women need similar supports than men, they do have specific needs related to maternity leave, access to affordable childcare, training in non-traditional occupations, and mentoring.

4.4 Training and Capacity Building

Formal business training courses are increasingly in demand by Aboriginal leaders and community members. Specialized MBA programs are emerging to meet the demand for business training, specific to the needs and contexts of Aboriginal peoples. Simon Fraser University, in Vancouver, offers an Executive MBA in Aboriginal Business and Leadership that responds to this need. The program claims to teach "the core concepts and knowledge included in most MBA programs, but it does, so in a way that respects that other forms of knowledge and ways of knowing are also important" (SFU Program website, 2011). The program outline is included as Sub-Appendix I of this report.

Gonzaga University in Washington State offers a unique MBA program to train instructors for Tribal Colleges in the US since 2001. The program was set up in response to a lack of qualified business instructors among the American Indian populations in the region and to foster business start-ups (Stewart & Pepper, 2011). According to Stewart & Pepper (2011), this experience of learning to "how to teach entrepreneurship to Indigenous populations" showed the following:

➢ There are still insufficient materials (business theory) reflecting the cultural differences between Indigenous and non-Indigenous contexts. Furthermore, there is a need to develop materials that recognize values that are more collective than individually oriented, and that business success may be measured in non-economic impacts.

➢ Greater understanding of economics on reservations (Aboriginal economies) is needed to make training relevant and applicable – especially related to challenges and opportunities. One way to address this challenge is for university instructors to spend more time in Native communities; another is to foster a participatory classroom environment in which participants can reflect on their own experiences and learn from each other. For instance:
 ❖ A cohort format works well for Native peoples as they can develop relationships that foster ongoing learning and collaboration;
 ❖ A combination of classroom and online learning worked well for people who are also working and/or raising families while studying;

- ❖ Financial support (scholarships, funding for childcare) is critical to the ability of Native peoples to participate in the training;
- ❖ Impacts on Indigenous communities were multi-dimensional – graduates started up businesses in 68% of cases, went on to train other members of their communities in business planning, and were looked to as community leaders by many; and
- ❖ The literature suggests that support for entrepreneurship needs to go beyond training in business planning.

Cultivating Human Capital:

There is evidence that it is overly optimistic to expect highly depressed or marginalized regions and communities to evolve rapidly into innovative, self-sustaining economies or hotbeds of entrepreneurship. In an evaluation of the European Union's community economic development programs in the Yorkshire and Humber regions of England, it was found that while many social and cooperative enterprises had been started, and significant employment created, very few enterprises were self-sustaining after five years (Lawless, 2000). Similar experiences are evident for Aboriginal communities, particularly in more remote areas of BC or among communities that have experienced high levels of social breakdown. In these areas, the focus may need to be on building the human capital needed to later generate opportunities - without expecting significant business start-up or economic development in the short term.

Fostering an Entrepreneurial Approach:

The literature suggests that strategies for supporting the development of the entrepreneurial attitude must be implemented, not only to generate business start-ups but also to create a supportive environment for business. The cultivation of new attitudes may need to focus on the next generation - children and youth. School curricula can include training in small business (McBride and Gerow, 2004) and projects

geared to development of creativity, inquiry, and risk taking. For example, children and youth can develop and run their own small business or cooperative businesses in the school. Older youth could develop such ventures at a community level. Summer camps with these kinds of activities are another way to support a culture of entrepreneurship in the community. The University of Victoria has partnered with Haida Gwaii to develop entrepreneurship curriculum for Kindergarten to Grade Three students (McBride and Gerow, 2004). This example shows the potential of developing relationships between educational institutions and Aboriginal communities.

Connecting Entrepreneurs with Resources and Knowledge:

While in-house training by service agencies can help with business planning and start-up, a wide range of support services may be needed to support business development and growth. The Prince George Aboriginal Business and Community Development Centre connects their small business clients with mentors, resource people, and organizations to support them in everything from legal issues, to financing, to developing market opportunities (McBride and Gerow, 2004). A study on Indigenous small businesses in Australia showed that their greatest challenge was research to develop new products and new markets (Keane & Hartley, 2001). The study also showed that government, service organizations, and Aboriginal business associations can collaborate to support innovation and market growth for Aboriginal businesses (ibid).   Creating public spaces for sharing information, exploring potentials for collaboration is a key role for support institutions (Kosonen, 2007).

After-Care:

McBride and Gerow (2004) found that entrepreneurs need support for up to three years to develop a solid business. They highlight an Entrepreneur Training Model from Hawaii, also used in Meadow Lake in Canada and by the Department of Maori Affairs in Australia. Following an intensive training program in business planning, clients are

contacted every two weeks for 8 months to three years (ibid). The kinds of support offered includes: brokering loans from financial institutions, negotiating rental contracts, lining up suppliers and researching best price options, introducing clients to mentors in the business community, setting up bookkeeping, helping assess management decisions, monitoring sales records (ibid). This model has been highly successful in supporting long term business success and growth.

Financing Options:

The barriers around access to credit for small business, and in particular for Aboriginal people, are well known and beyond the scope of this paper. One interesting idea stood out in the literature that may be worth consideration. The Burns Lake Native Development Corporation in BC set up a financing model in which an Aboriginal-owned trucking company allows drivers to build up equity in the truck they drive (McBride and Gerow, 2004). The driver can eventually buy the truck outright and become self-employed, contracting their services to the band-owned company (ibid). Likewise, community benefits agreements with non-Aboriginal resource corporations in mining and logging could include clauses that require the hiring of local community members as drivers for company trucks, and follow a similar model of building equity and self-employment.

4.5 Types of Businesses
Research in the last decade has drawn a few conclusions about the types of business structures that can foster Indigenous entrepreneurship.

Creative or cultural businesses

These businesses can be fostered in a non-profit, subsidized context. Keane and Hartley (2001) propose a tri-partite categorization of creative industries (ibid: 5). By Indigenous creative businesses they mean cultural, media, recreation and service enterprises run by Aboriginal people; often these businesses draw on traditional art

forms and culture even if they are high tech[8]. These businesses are categorized as (1) market ready or tested; (2) demonstrated commercial potential – currently subsidized; and (3) community based – subsidised, voluntary and likely to remain as such (ibid). They found that the subsidised sector functions "as an incubator of creative ideas and talent", developing community capacity, creating employment, and generally generating the potential for related commercial activities (ibid: 9). A best practice, then, is to expect some activities to remain firmly in the non-commercial sector, while supporting a culture of entrepreneurship that allows for the emergence of partially subsidized enterprises and autonomous enterprise.

Family-based businesses may be more successful in some cases than the band-owned businesses. This is because the family may be able to motivate, inspire, and provide solidarity in the face of adversity (McBride & Gerow, 2004: 33). An example is Mingan, a community in Quebec based around businesses run by extended families, and the Oglala Sioux who privatized band owned businesses to member families (ibid). On the other hand, band-owned businesses may function best in contexts where a large anchor business is needed, or where traditional social structures are weak. For example,

- *Anchor businesses* can generate business and self-employment opportunities, as discussed in detail above.
- *Community Enterprises* can function well in a context where there is a strong sense of community and collective values (Peredo & Chrisman, 2006) and when multiple objectives are sought – i.e., profit generation is not an end in itself, but rather a means to achieve social goals. In particular, community enterprises are a strategic choice for when the goals include community development to maintain Aboriginal culture in the face of assimilation forces (McBride & Gerow, 2004; Newhouse, 2000

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[8] The Creative Industries referred to by Keane and Hartley (2001) include "traditional dance, story-telling, cultural artefacts, visual arts and design, contemporary performing arts, music, fashion, publishing, film and television production, broadcasting, multimedia, e-commerce, and website development" (ibid: 8).

Conclusion and Recommendations

This high-level targeted literature review provides an overview of key issues in Aboriginal entrepreneurs in British Columbia. It also provides a foundation on which to base planning and preparation for the primary research part of the project.

One conclusion that can be drawn from the literature is that there are multiple forms of Indigenous entrepreneurship and businesses. For example, some economic activities are not motivated by individual profit, but by values of sharing and equality and harmony. Some are private for profit businesses. Some flow from traditional activities, like fishing, while others are deeply immersed in new information technologies, like web design and computer programming. Some are band-owned businesses set up to generate funds for services or infrastructure on reservations. Some are cooperatives or community businesses. Others are individually owned businesses. The intent of this literature review was that most of the relevant literature touches on important themes in Aboriginal entrepreneurs, support and services delivery and sets the stage for the reader to review the findings of the primary research and subsequent conclusions and recommendations.

Part 2: Survey Results

Most of the respondents were involved in businesses that were located off reserve (82)% while 18% conducted business on reserve. Of this percentage, 53% were engaged in full-time businesses, 20% supporrted their business part-time, 14% worked seasonally and 13% were contract workers. The majority of respondents (60%) age range from 1940 to 1969.

4.6 Findings: The profile of Aboriginal entrepreneurs in BC is changing
The respondents from the survey portion of the gap analysis included Aboriginal entrepreneurs. The breakdown of these entrepreneurs included: First Nation/Métis 64%, Inuit /Non-Status 28% and Non-Aboriginal 0%.
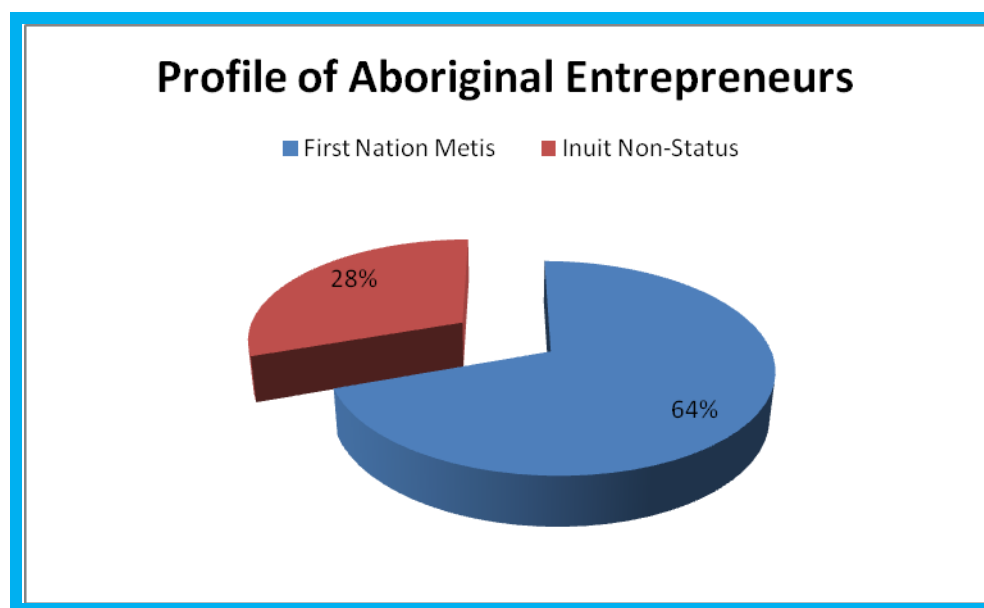
Table 6 Age of Respondents
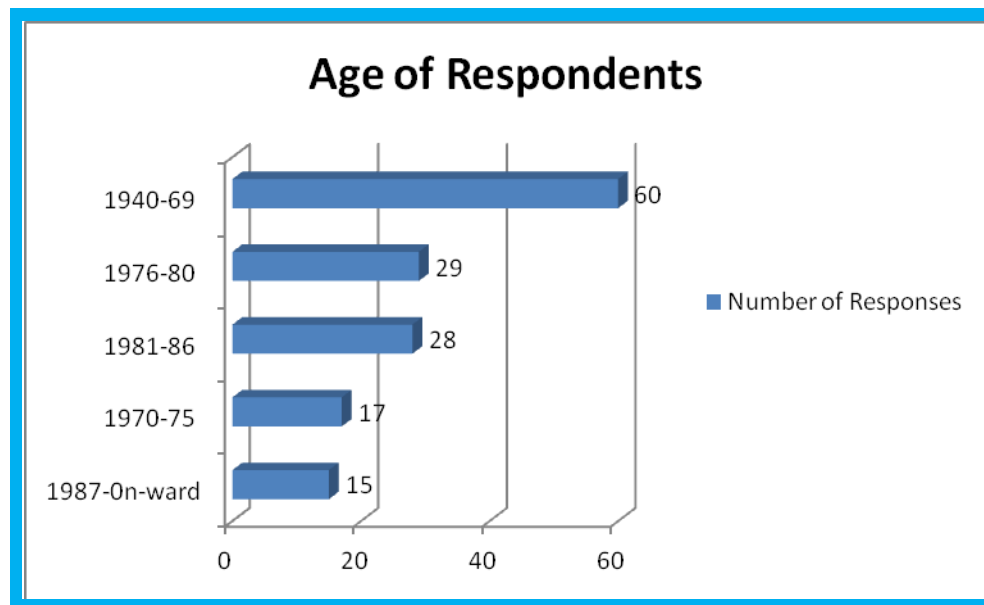
Implications for Services: Peer Support

Métis have significantly increased their participation in self-employment over the last decade. The total percentage of Aboriginal entrepreneurs has grown; there has been an increase in the number of young entrepreneurs; women were more active; and businesses were developing in new sectors such as media and tourism.

However, the change was not statistically significant. Many entrepreneurs remained in more traditional industries such as heavy equipment, construction, retail, natural resources and guiding/outfitting, and the majority of Aboriginal entrepreneurs are still men between the ages of 24 and 40. The proportion of Aboriginal people who become entrepreneurs remained stable. The Aboriginal business community has been diversifying, but slowly.

4.7 Findings: Entrepreneurs are not always aware of what support is available
As reported in other studies, including the 2001 Gap Analysis, the lack of awareness of what support was available, or how to access it, remained to be major barriers to

accessing services. While many entrepreneurs succeeded without formal support, it was plausible to suggest that the lack of awareness likely hampered those who needed the support most. This lack of access to services was not simply a lack of information: for some, it reflected a belief that such services were not particularly valuable, and that accessing services involved too much paperwork or too many procedures.

Gap in Services

There were many benefits that entrepreneurs obtain from participating in "informal networks" or accessing "informal supports." To assess this, respondents from the entrepreneur survey were asked: *In overcoming the challenges you faced in your business, what kind of support did you use (for instance, advice on business planning or financial support from friends and family—see question 11)?* The question was posed subsequent to a question asking about the main challenges faced by entrepreneurs and how they overcame those challenges.

We asked service providers what they thought people were looking for when they turned to family and friends for assistance in starting or managing their business. In response, 49% of the entrepreneur respondents said they used or sought out the formal networks or service providers, and conversely; 32% used family and/or friends; 10% replied that they relied on themselves; 3% used the Internet; 5% gave no clear response and 1% did not answer the question. The data confirms that a significant number of Aboriginal entrepreneurs did not use service organizations. As one client stated "I have an amazing friend who started a Mastermind group with other entrepreneurs. I wouldn't have made it without this support network".

When respondents were asked in Question 12, *if you had support in starting your business, where did you find it?* In response, just over half of our respondents (58%) told us that they "used some kind of professional support". 17% told us that they used 'family or friends', and 15% of respondents indicated they used 'themselves' or answered 'none'. 9% said 'the Internet' and 1% did not answer the question. While there were some differences in responses to this question than in Question 11, the

outcome seemed clear enough, and has been consistent with what we heard from providers, who were aware that there were many people who failed to access their services.

These results, and the results from other studies, support the importance that informal supports were seen as an important source of help and assistance for Aboriginal entrepreneurs. While some of this was a result of the close family and community relationships that were characteristic of Aboriginal communities, the data has not been inconsistent with what happened in non-Aboriginal communities, particularly in the small business sector.

There may be good reasons that half of the more than a thousand entrepreneurs surveyed in the Canadian Council for Aboriginal Business (CCAB) study did not use formal services. Some people were simply cynical about government-funded services – and Aboriginal organizations – and so chose to proceed without their help. It should count as a strength that many were able to proceed on their own imperatives and with informal supports, even if we recognized that many people (and their communities) could benefit from formal supports.

Furthermore, the findings suggest services should be shifted to enable a larger role for peer support or mentoring. While such services exist, they should be given more weight. Peers can include non-Aboriginal peers and mentors, but the challenge was to engage the mentor or peer. Business owners were busy people and it was a commitment to engage in mentoring. Peer networks were less labour intensive, but can still benefit from outside support in the form of logistics and facilitation support for networking activities. This leaves a clear role for organizations. Discussions should be held with groups that have experience in peer support or mentors (for instance, the Industry Council on Aboriginal Business) to identify what kinds of initiatives make sense, and work. Service Providers could play a role in fostering connections between organizations and existing peer support mechanisms, or do outreach to sector specific groups or mainstream business organizations to enrol them in the process. Service providers need to educate or inform clients and peers that these peer support systems will be valuable to them in the long run in the use and effectiveness of their time. Similarly, data from this study

suggests that despite the widespread availability of information on the Internet, a significant number of entrepreneurs were not aware of the services available to them. This finding has been supported by most of the research on this question.

Similarly, data from this study suggests that despite the widespread availability of information on the Internet, a significant number of entrepreneurs were not aware of the services available to them. This finding was supported by most of the research on this question. New entrepreneurs may know what support they need, but don't obtain it because they don't know it exists, where it was, or how to access it. This issue of 'lack of awareness' was identified in the 2001 Gap Analysis, and in the 2011 Canadian Council for Aboriginal Business study. The evidence strongly suggests that a significant number of Aboriginal entrepreneurs still do not know what formal supports, if any, are available to them, or how to access them. Notwithstanding this lack of awareness, some entrepreneurs managed to secure the support they needed through informal channels, or alternatively felt they didn't need formal support. It should be seen as a mark of success that many start their businesses without turning to organizations for help, but it also begs the question of whether their business would have been more successful if they did access that support. For others, this lack of knowledge was detrimental: a number of the survey respondents indicated that this lack of knowledge impacted their business success. As one respondent stated, "I needed to know what I didn't know". This may be in part why large numbers of entrepreneurs turn to informal supports such as family or friends: they are aware of those supports, and familiarity and accessibility make this path easier than seeking formal support from an organization, even if formal supports might have been more effective. Similarly, when service providers were asked to state any gaps in the support that they offer for Aboriginal entrepreneurs, there were a variety of responses provided. Responses ranged in the following ways:

- Dedicated marketing and operational efficiency services;
- Micro business assistance, i.e. part-time bookkeeping, mentoring, transportation (rural communities-no daily bus schedules or lack of drivers licenses;
- Access to resources, technology in remote communities;

- Access to affordable insurance;

- Peer support services;

- Marketing of services;

- More mentorship, connections or networking, business skill development;

- More practical advice on business planning and financing;

- Build on program like Aboriginal BEST to support emerging business owners to expand/innovate businesses; help educate people about benefits of buying/moving existing business to reserve lands (if possible).

Implications for Services and Recommended Strategy: Awareness

The existing research data does not specify what kind of support resources entrepreneurs needed or were not aware of and how to access them, or how to reach them. We think that remoteness has been a contributing factor as well as gender and age, in creating barriers towards awareness and access to resources. As well, the capacity to effectively access services was clearly connected to skills in using search technology, to literacy, and in technical writing abilities. So while data on who was not aware of (or not accessing) services was limited, it seemed logical that the people who were unaware on how to access programs were also likely to be the people who were most at risk of not succeeding in the business start-up process: those without research skills, or secured access to technology. The implications were that people who may need support were not receiving it, increasing the chance of business failure, particularly amongst those with limited skills or social networks. The other implication was that those latent entrepreneurs, who were unaware of how to access programs, were also likely to be the people who were most at risk of not succeeding at the business start-up process because of lack of technical knowledge, support, or business connections. The recommended strategy was to increase the visibility and profile of providers. There was the need to continue the outreach program, with some emphasis on industry-wide awareness campaigns. As well, the need to develop and leverage

connections to peer networks and social media and to use the advantage of natural social networks to increase awareness about available services is also recommended.

4.8 Findings: Formal support services from organizations are only part of the picture

A large percentage of Aboriginal entrepreneurs - more than 60% in a recent study by the Canadian Council for Aboriginal Business - started their business without any outside assistance from an organization. This speaks to the importance of peer support and mentoring, and the strong role of family and friends, findings which have implications for the formal system of supports. The research findings indicated that informal support often supplemented formal support mechanisms, this issue has been often framed in negative terms: "what stops entrepreneurs from accessing formal support"? This Study asked the reverse question, in an attempt to better assess the needs of entrepreneurs: "what were entrepreneurs looking for when they sought support from family, friends, and peers"? Put briefly, the data indicates they were seeking familiar, informal, non-judgemental support in an inter-personal context. With their peers, entrepreneurs were seeking information and advice that was sensitive to the issues in the specific business they were entering into. While they needed advice on process, they needed money, and support to effectively respond to the dynamics in their business sector. Implications for services, informal resources, suggested that clients wanted access to information but also some form of personal contact that involved a question and answer opportunities. When asked in question 12, *If you had support in starting your business, where did you find it?* 51 respondents to the question indicated they turned either to "family", "friends", or to "some service providers". This preference for using informal networks and family suggests many things, but one implication may well be that this expresses the preference for personal contact within a familiar and known context. In other words, evidence from questions on use of technology supports the importance of familiarity and personal approaches. Finally, the focus groups with service providers confirmed that providers achieve better responses and better success when they shifted to a model where they did regular follow up with clients, not just in response to crises or client contact. Again, this suggests that a significant number of

Aboriginal entrepreneurs, who use formal services, value not just the advice and technical support, but the relationship. This likely differs across sectors. Farm businesses, for instance, tend to be multi-generational, family based, and so the continuity and familiarity with a provider is important over time. This may be less important in a sector where businesses are shorter term, such as some retail or service sectors.

4.9 Findings: There are clear gaps in the service system

The following topic areas were taken from the survey results and focus groups. Specific questions that contributed to the findings included: *your experience in starting your business, was there support or advice you needed but couldn't find?* and in *your experience managing or expanding your business, was there support or advice you needed but couldn't find?* More than half of the survey respondents said that there were services they needed, but were not available, particularly at start-up. In order to address the topic areas that had come out of the surveys' the results have been broken down into the following 4 themes.

➢ Not enough support to leverage the advantages of peer support and business networks. Women and youth in particular did not have access to effective networks;
➢ Lack of access to financing for start-up, expansion, and operating;
➢ Better support to develop knowledge and awareness on specific topics, such as financial management or product development; and
➢ Lack of qualified support for marketing, including difficulties in accessing and analyzing information about potential markets, and creating effective marketing strategies.

Peer Support

One of the more striking findings from the 2010 CCAB study of Aboriginal entrepreneurs was that the majority of people did not use formal supports in starting their business.

For instance, a large percentage of Aboriginal business owners used their own funds for start-up, and when asked to name the person or organization that offered the most support, the majority indicated friends or family or peers. In addition, when the 2012 Gap Analysis surveys asked what method of support people felt comfortable using, peer support ranked third on the list (67%). When asked what supports people needed but could not find, peer support was mentioned frequently.

There were other places in the survey responses where respondents made it clear enough that they thought peer support, including mentoring, to be a valuable tool in their efforts to create a business. Some of the possible reasons for this were obvious: peers possess industry or sector expertise that may not be available through a service provider. They could also appear to be less judgmental, and less formal, than organizational settings, and some peers may in fact present business partnership opportunities (but also competition) that were not available from professional support systems.

Entrepreneurs commonly noted a stark sense of isolation once their firms were started. The need for networking with peers and connection to mentors was frequently expressed in focus groups. The opportunity to discuss challenges with those who were facing similar hurdles was of significant interest to most participants (though not all), and the opportunity to meet with a veteran entrepreneur to explore more complex challenges was also well received. Entrepreneurs often noted an inability to discuss their challenges with their existing networks, either because of a lack of familiarity with the realities of self-employment, or because employees or family members were too close to the situation to provide objective, dispassionate perspectives.

The evidence was clear enough that peer support was both needed and missing from the service system, or not provided at a level that matched the need. The findings suggested services should be shifted to enable a larger role for peer support or mentoring. While such services existed, they should be given more weight. Peers could include non-Aboriginal peers and mentors, but the challenge was to engage the mentor or peer. Business owners were busy people and had a commitment to engage in mentoring. Peer networks were less labour intensive, but could still benefit from outside

support in the form of logistics and facilitation support for networking activities. This left a clear role for organizations.

To rectify these problems, discussions should be held with groups that have had experience in peer support or mentors (for instance, the Industry Council on Aboriginal Business) to identify what kinds of initiatives made sense, and work. Service Providers could play a role in fostering connections between organizations and existing peer support mechanisms, or do outreach to sector specific groups or mainstream business organizations to enrol them in the process. Service Providers needed to educate or inform clients and peers that these peer supports system would be valuable to them in the long run in the use and effectiveness of their time.

Access to Financing

One of the issues indicated in the survey responses and in the literature on Aboriginal economic development strategies was the lack of capital. Indeed, this has been the dominant theme in policy dialogues on Aboriginal economic development, and it was rarely mentioned in economic development reports. In this study, it was mentioned more than any other issue (61 out of 125 responses to that particular question). As with the previous issues of awareness, lack of capital has become a common theme in discussions of Aboriginal businesses. Accordingly, the Gap Analysis Steering Committee agreed that this study did not need to repeat findings and analysis that have been extensively covered elsewhere and therefore, a limited survey of the issue was undertaken.

The questionnaire also asked Aboriginal entrepreneurs which support organization they would use in the future, based on their experience in the past: one possible answer was 'Credit union or other financial institutions'. Of the 86 responses to this question, the majority of people (83%) suggested that they would use these organizations for support or advice in the future. This was the second highest rating in the list, just behind Aboriginal Business Canada. The evidence from our surveys suggested that there was a high degree of comfort with at least some mainstream financial organizations.

It was noted that having ABC ranked first might speak more towards the grants provided than towards the level of service provided. Those who indicated that they 'would not use them' rated high at 10%. As well, some respondents were not comfortable with the banks as sources of support. In sum, credit unions and other mainstream financial institutions were visible, and for many, acceptable sources of support or advice. In summary, the data confirms that the most commonly cited challenge to business success was the lack of available, affordable and easily accessed funding to assist with early-stage or high-growth situations. The majority of entrepreneurs indicated that accessing commercial credit was particularly difficult in the initial stages of their business, before they could demonstrate a track record of at least two years. Another frequently-cited obstacle was for firms that were highly levered, such as during rapid growth or recovery phases.

Once they were beyond conventional financial ratios (too little equity for the amount of capital needed), normal banking channels were not as available as they required. The cautious nature of commercial debt presented significant challenges for many Aboriginal firms. Entrepreneurs commonly told us that they received less in funding than they requested, causing undue cash flow issues on them right from the start, and this often led to failure or slower growth than would have happened if fully funded.

The majority of firms that cited the lack of availability of money also noted its high cost. For smaller firms with low capital needs, lenders often pushed them towards personal credit cards for financing equipment and operating expenses. The cost of this money was higher than that of term loans or operating lines of credit, but entrepreneurs were often forced to use this method due to a lack of alternatives. Likewise, risk-oriented lenders such as Aboriginal Capital Corporations or Community Future Development Corporations were priced at rates above conventional lenders (though below that of most credit cards), which placed these firms under added financial pressure at times when they were least able to afford it. A third constraint related to money was the time necessary to secure capital. During start-up phases, entrepreneurs noted the lengthy time necessary to assemble the information necessary to get loans through

developmental lenders such as Aboriginal Capital Corporations or Community Future Development Corporations.

Funding through formal government channels was even longer and more onerous, in part because of the challenges of the technical documentation associated with the process, and the timelines for sources such as Aboriginal Business Canada. This challenge was particularly difficult for operating businesses, as existing commitments and timelines often required responses faster than the financial channels could provide. Maintaining day-to-day operations while completing the information requirements was an added burden for existing firms.

One unique finding uncovered was that entrepreneurs expressed a wish to be able to "shop" around to decide which service provider they wished to use when accessing provincial and/or federal programs, but were unable to, due to geographical restrictions imposed on the service provider. With the variances in level of services and level of risk adversity being fairly marked between various providers, it makes for an un-level playing field for entrepreneurs from one region to another. A more detailed discussion of current issues related to lack of capital could be found in the 2011 Canadian Council for Aboriginal Business study, "Promise and Prosperity: the Aboriginal Business Survey", at http://www.ccab.com/new_research.

One reason cited for difficulty in accessing business financing was discomfort in approaching mainstream financial institutions for support. The reasons for this are varied, but likely include the history of poor relationships between the institutions of non-Aboriginal society and Aboriginal communities. For others, it was a more general discomfort with large, non-Aboriginal, bureaucratic organizations. In response, all of the chartered banks and at least one credit union (Vancity) have created dedicated service streams for Aboriginal communities to overcome these barriers. In addition to some dedicated loans programs (i.e., for on-reserve businesses), such units play a role in making financial institutions more accessible to Aboriginal people, and more aware of the unique circumstances of Aboriginal entrepreneurs. This development was an enhancement to the service system since 2001; particularly as such institutions had cheaper loan rates, and were more accessible, with more offices across British

Columbia than Aboriginal financial institutions or Community Future Development Corporations. The data from the surveys and focus groups indicated a high level of familiarity with banks and credit unions.

Given that other questions strongly supported the idea that Aboriginal entrepreneurs prefer services that were Aboriginal specific, it seemed plausible to suggest that the acceptance of mainstream financial institutions were derived in part from the activities of the Aboriginal services units in those organizations. While the initiative of creating dedicated Aboriginal units failed to address the core issues associated with lack of capital for Aboriginal entrepreneurs, it helped, and should be retained. Encourage the development of Aboriginal expertise in smaller credit unions and other financial institutions.

Support for Specific Topics

Topic: *Product Development*

One niche area of support for Aboriginal entrepreneurs has been to assist with the process of product development (e.g., activities associated with developing, manufacturing, and distributing products or services). The survey data was not definitive on the question of whether this was seen as an obstacle, or if respondents thought this was a gap in the service system. None the less, the analysis of the few comments received suggests that this was a gap in services. Aboriginal Tourism BC, for instance, has initiated a program that helped budding entrepreneurs to develop their tourism products, including providing a helpful 'readiness criteria' to determine if a business was properly prepared to launch their product on the market. The federal government also has a program that provides specialized technical advice to entrepreneurs. This suggests that at least some organizations felt this was a gap that needed a programmatic response. The analysis suggests that services that were sector or industry specific should play a greater role in the range of services available to Aboriginal entrepreneurs. ABSN members should consider developing workshops or

seminars on specific topics. These could initially be offered on a regional basis, in cooperation with other providers.

Topic: *Self-employment training (i.e., E.I. programs)*

A frequent strategy to create self-employment amongst Aboriginal people has been to provide short, time limited courses that give an overview of the basics of starting a business, such as developing a business plan, marketing, business structures, etc. A typical example (but not the only one) has been those made available to Employment Insurance recipients. The survey of entrepreneurs did not explicitly track results by whether the person had received E.I. or other income supports immediately prior to starting their business. However, a common theme in focus groups was that those entrepreneurs who did not have an extensive background in self-employment prior to starting their venture could benefit from additional training in foundational concepts. This was supported by the differences in responses between those who pursued self-employment and those who did not start a venture.

The observation of the focus group facilitators was that the most common request for support for these core skills came from those who typically had not started a previous venture, or did not have much in the way of supervisory / managerial background. While not an explicit element in the analysis, it supported the observation that there may be a need for these skills among some types of entrepreneurs - specifically those with the least background in self-employment. Put simply, this service appeared to be filling a need, and was a positive addition to the service system. This conclusion has been supported, in turn, by the findings of the 2011 CCAB study, which suggest a strong link between completing a business plan process (a core element of most self-employment programs) and subsequent business success.

Given that core entrepreneurial framework was a often-cited need among Aboriginal entrepreneurs with less prior history in self-employment, there was a clear opportunity to expand capacity building in this area. Specifically service providers may need to directly address this need through some form of programmed response, whether

through direct provision of service or the promotion of existing tools. As entrepreneurship becomes a more popular option for Aboriginal communities, the share of potential business owners that do not have prior experience in this area will grow - and with them the need for baseline content.   It is recommended that ABSN members find ways to expand self-employment training beyond its current target audiences. Specifically, ABSN members may wish to seek funding that will allow them to offer entrepreneurial development seminars that can help prospective entrepreneurs to explore foundational concepts. Components may include bookkeeping, business registration, marketing, sales and so forth.

Topic: <u>Knowledge Development on Specific Issues</u>

When entrepreneurs were asked about information they needed but could not find, a number of people mentioned that they needed help on specific topics, such as accounting, human resources, or developing bid documents, but were unsure where to obtain assistance. This implies that there is a gap in services in the form of an unmet need for short, topical, issue-specific training sessions. Some of these responses may reflect a lack of basic entrepreneurial skills, but they also reflect the reality that no entrepreneur, no matter how competent, is an expert in all things when they start or expand their business.

But filling specific gaps in skills or knowledge is not always that simple for busy entrepreneurs, and respondents told the researchers that more of this kind of assistance would be welcome. Also, where such specific training is available, it is often not geared towards the Aboriginal community. For instance, Health and Safety Program Development course in northeast British Columbia geared towards non-Aboriginal contractors is a 4-6 day course. But when a course was developed specifically for Aboriginal contractors, a longer, more intensive course turned out to be more useful. The current system of training should be supplemented with training that is short, focused on a limited topic or issue, practical, and concrete. Respondents to surveys listed some examples, but this data is insufficient to identify what topics would be most

feasible to address. Some additional analysis is needed to determine if the content for training should be general, such as specific bookkeeping practices, or sector specific, such as technology change in a particular industry. Such training is best provided on the basis of geography to make it viable; this means service providers will have to find a way to determine what is needed in their region, and who should provide it. It may turn out that industry associations are best placed to do this work. A pilot should be initiated in two or three regions to enhance this type of skills development training, and the results used to inform a more comprehensive approach. This should involve outreach to non-Aboriginal industry associations.

Topic: <u>Legal and Regulatory Issues</u>

The survey of service providers noted that one challenge facing Aboriginal entrepreneurs is the navigation of legal and regulatory issues. Every business encounters this challenge to a certain degree. However, Aboriginal entrepreneurs must overcome particularly strong obstacles when developing businesses that require access to Crown Land. This typically relates to firms that are pursuing resource development. Those operating on-reserve face additional challenges than those operating off-reserve, due to the regulations of the Indian Act. Among the challenges faced are securing financing for their firms.

While ABSN members could help in this area, it is not recommended that this be made a priority ahead of other issues. The skill sets required to navigate such regulations are substantial, and are likely to be beyond the resources that ABSN members can secure. Those entrepreneurs who cannot develop those skills themselves can hire professional business services to assist them. Entrepreneurs pursuing opportunities in heavily regulated sectors must be able to navigate such regulations themselves, as a core competency in their venture. Finally, the entrepreneur survey did not identify this as a significant constraint, which suggests that the heavy investment required to tackle the problem would not assist a substantial number of potential venture. For these reasons, it is recommended that this area not be an initial priority for ABSN members.

Topic: <u>Export Development</u>

As Aboriginal entrepreneurs have grown in capacity, their ability to pursue new markets outside of their regions has grown accordingly. A common issue identified in focus groups and the survey of entrepreneurs was that of market intelligence – knowing what opportunities existed in areas that the entrepreneurs were less familiar with. The ability to identify customers and connect with them was a crucial strength that a firm must possess and develop itself. However, ABSN members may play a useful role in accelerating this process by assisting entrepreneurs to identify initial expansion options and helping them to grow their base during their early stages. To do this, ABSN members will need to offer access to the following services: A central library of studies on various countries and economic sectors. The federal and provincial governments produce a large amount of studies on countries that were intended to help firms to assess opportunities in those countries. Likewise, key sectors were explored within Canada and around the world that were available publicly to help firms to access those customers.

Finally, sector-specific reports were available through industry associations that could assist entrepreneurs to assess trends and explore options. Given the large volume of information available, ABSN members could play a useful role in being a central storehouse of knowledge that entrepreneurs could use to generate early-stage growth. Coordination of key trade personnel, federal and provincial trade commissioners would be useful in connecting firms with external opportunities. A major challenge would be that demand for this service greatly exceeded the available staffing. ABSN members could play a useful role in connecting entrepreneurs with these offices, in effect pre-qualifying the credibility and reputation of the entrepreneurs for the trade personnel. They could coordinate the connection of the staff with local firms, allowing them to visit the regions more regularly.

Topic: <u>Promotion of Training</u>

Aboriginal entrepreneurs that are seeking expansion outside of Canada will need to take advantage of "how-to" training sessions that are available through the trade commissioners and specialty organizations such as FITT (the Forum for International Trade Training). By promoting this training and ensuring that there is the necessary audio-visual link available in the community, ABSN members can increase the capacity of local Aboriginal entrepreneurs. Service providers should provide more support for exporting activities: this may be something that occurs later in the life cycle of a business, after they have solidified local market access. ABSN could work with the dedicated Trade Commissioner in Vancouver responsible for Aboriginal trade issues to develop a more comprehensive approach to encouraging the development of export firms (see the Listing of Providers under Department of Foreign Affairs and Trade for contact details).

Topic: <u>Aboriginal Procurement and Set-aside Programs</u>

At the federal level the "Procurement Strategy for Aboriginal Business" has met with some level of success. Several respondents indicated a desire for this program to be available on a provincial level, as the vast majority of the Aboriginal businesses we spoke to felt they were too small to take advantage of the Federal program. It was mentioned that people were aware of efforts that had been made by the provincial government to develop a similar program, but so far this has not been accomplished to the same level as that available with the federal government. At this point it appears that provincial government ministries can do direct awards to Aboriginal or First Nations firms, as well as develop set-aside programs, but this has not been coordinated across ministries and has not been mandatory. A common comment was that people felt that they would have had a better chance of growing and expanding their business if a provincial level strategy could be developed.

Some gaps are not new

The Project Team heard from many entrepreneurs about lack of access to capital, the slowness and complexity of some application processes, regional disparities in service availability, barriers facing Aboriginal women and youth, and a lack of technical business skills in many entrepreneurs. These issues, particularly access to capital, have been discussed and assessed numerous times.

Some gaps are new

Data from the research literature and from respondents indicate that some gaps are new. The information generated suggests that peer support, mentoring and networking were important factors towards their success. However, it was noted that the existing services provided limited or partial support for entrepreneurs to expand their networks or teach them to use existing networks effectively. Similarly, many of the respondents noted that there were gaps in the availability of training support towards learning new ideas in marketing, and financial management. Most importantly, services specifically dedicated to women and youth were very limited and both men and women were reluctant to engage with service providers for a range of reasons. Finally, entrepreneurs looked for, but did not find, support or availability of specialized services.

A provincial level "Procurement and Set-Aside Program" would enhance the chances for success for a large portion of the client base. Provincial and regional procurement opportunities can be scaled to fit the abilities of smaller Aboriginal firms, which would increase their contracting and production opportunities substantially. Further diligence as to the provincial government's efforts to establish this type of program needs to be carried out to ascertain their levels of success to date, and their level of interest in proceeding with a full program. This investigation could and should include regional and local governments such as Regional Districts and Municipalities. Local workshops could be held where you bring in purchasers from all local and regional entities situated in that particular area, including governments, educational and health institutions. This would introduce the local Aboriginal business sector to opportunities which they may not

have known existed, or felt was not applicable to them. It will also serve to introduce the local purchasers to the actual capacity of local Aboriginal businesses.

4.10 Findings: Productive changes

The changes recommended in this report are 'tweaks' to existing services, not root and branch changes. The survey data strongly suggests that the current service system is working reasonably well and many of the services respond to real needs. The changes identified in the world of Aboriginal entrepreneurship since the 2001 Gap Analysis Study changes entail incremental shifts in strategy (e.g., need for more networking opportunities), some new services (e.g., support for marketing on a sector basis), and some modifications to existing services (e.g., wider support for developing business documentation), but not a wholesale revision of the service system.

Timing is everything: When is support most needed?

The survey responses, and the discussions in the service provider's focus groups, support the idea that the best service is an early service. 77% of respondents said that the most important time for support is 'prior to start up' or in the first year. The reasons for this are obvious, and here our research confirms the insights of the practitioners we interviewed: the first steps are the hardest and the most risky. Respondents were asked when would be the most important time to provide support to Aboriginal Business. In response to this question, a significant number of people (13%) thought that 'there is no consistent pattern'; when combined with other responses, a total of 22% suggested a time other than the first stage as being important points of intervention. None the less, the vast majority of respondents selected the initial stage as being most critical.

Table 7 Question 17 - When is support most needed

Response	Percentage	Number of Responses
1. Prior to Start up	44%	56
2. During the first year	33%	42
3. During expansion	2%	3
4. When a business is changing hands or closing	1%	1
5. During times when the business is stressed (i.e. market fluctuations)	7%	9
6. Depends on the business or person: there is no consistent pattern	13%	16
	Total	126

Similarly, in the discussion of women entrepreneurs' issues, it was observed that early support (prior to the business plan stage) was critical in moving women into the self-employment and entrepreneurial path. The review of currently available programs suggests that the service system includes support for at least some components of the start-up process, although, as noted above, there are gaps in raising awareness of services or in supporting newer entrepreneurs to take concrete action on their business ideas.

The findings suggest that the current service system is generally correct in its emphasis on providing more support at the start up stage (and correspondingly less for expansion, closure, or crisis intervention). There is an important caveat to this - as suggested by one service provider, early support should be the start of a longer relationship and not just a stage to get through before turning to the next client. In other words, early support makes sense as part of a continuum of service over time, not as a discrete activity with a defined beginning and end. This recommendation relates to the need for short, specialized training and technical assistance that is needed by entrepreneurs in particular moments over time. Continue support for early stage entrepreneurs and shift to seeing early intervention as a first step in an ongoing relationship; follow up at regular intervals during the loan period; identify ways to reach (latent) entrepreneurs before they reach the formal planning process.

4.11 Findings: Mode of delivery

Findings: Face-to-Face Interactions

Question 16 asked respondents to rank which support services they felt most comfortable in accessing. The results are summarized in the following table:

Table 8 Question 16 - Mode of Delivery

Category	Percentage	# of Responses
1. One-to-one in-person support at their office	86%	106
2. One-to-one phone and email support	73%	90
3. Internet based support (i.e. information and links through a web site)	68%	84
4. Peer support (i.e. being connected to other entrepreneurs or community members)	67%	83
5. Group processes, such as training workshops or information sessions	61%	75
6. In-person support through an outreach worker	59%	73
7. Webinars, or teleconferences on specific issues	54%	66

86% preferred the method of "One-to-one in-person support at their office". 54% responded that the least preferred was "Webinars, or teleconferences on specific issues"; and 68% (84 respondents) saw the use of Internet technology to receive services as a viable mode of service delivery. From the range of options presented to the respondents, the least preferred mode was "Webinars, or teleconferences on specific issues". This was an interesting finding, given that the same pool of respondents suggested that a missing piece of the service system was in fact focused on opportunities to obtain practical knowledge on specific issues (i.e. latest in HR law, industry-specific developments, etc.). In any case, these were what webinars or tele-learning opportunities were intended to provide. Face-to-face interactions were seen as critical, especially in early stages, and particularly for older entrepreneurs. While face-to-face support was preferred, other forms of interpersonal contact (e.g., phone or email) also ranked high. Face-to-face interactions were seen as critical, especially in early stages, and particularly for older entrepreneurs.

While face-to-face support was preferred, other forms of interpersonal contact (e.g., phone or email) also ranked high. The response to this question indicated, as noted above, that respondents clearly preferred to retain face-to-face forms of interaction, followed in order of preference by personal contact via phone or email. As well, short, informational workshops on specific topics (accounting, H.R., etc.) were mentioned as a missing piece in business training, as was learning and development through networking processes and peer support. Rather than a move to impersonal electronic delivery, the findings encourage the opposite: personal interaction, peer support, networking, and workshops are the preferred mode of delivery. It may be that teleconferences and webinars were seen as supplementary, and that short-focused sessions would be useful but not a replacement for other modes. Further, it is possible that webinars were not frequently used in the sectors where Aboriginal entrepreneurs were prevalent.

While webinars and teleconferences enjoyed less support, there was clear support for workshops and training sessions, presumably classroom based. The fact that this kind of continuing education has a long history in some industries suggested that the mode had an important place in the system, even as supplementary support. In person modes of interaction were preferred as a mode of delivery, although it was also acceptable to use electronic means to serve entrepreneurial needs, with the exception of webinars and tele-learning, which were not preferred. The challenge was that face-to-face interaction was not always feasible given geography and funding limitations. This may leave email and phone support as the acceptable response to these preferences. Note. as per the chart above. that there was no significant difference between the subset of groups.

For example, when we compared First Nation males to females, the data showed that both groups had an equal ranking of their preferences for personal interaction. Service providers would need to employ new ways to communicate with clients, especially in rural and remote areas where it was not feasible to do visits on a regular basis. The 'gap' here has been familiar: ensuring the capacity and continuity to reach out to entrepreneurs and having the capacity to engage in face-to-face/in-person support, and

to do so over time. Faced with the reality of the limits of this approach (budgetary, geography, and the difficulty of delivering specialized content), one possible strategy might include training peers. The Women's Enterprise Centre, for instance, trained peers in a train-the-trainer Model, and then sent them back to their community to act as supports for other businesswomen, combining informal peer support with formal training and organizational backing.

Findings: Role of Internet, Social Media on the Youth

The data gathered in the surveys and focus groups suggests that the emerging youth entrepreneurial population is able to take advantage of new/social media as a way of accessing services and business information (and so, surprisingly, are a significant number of middle aged entrepreneurs). When asked what social media was used for within the business, respondents provided the following answers:
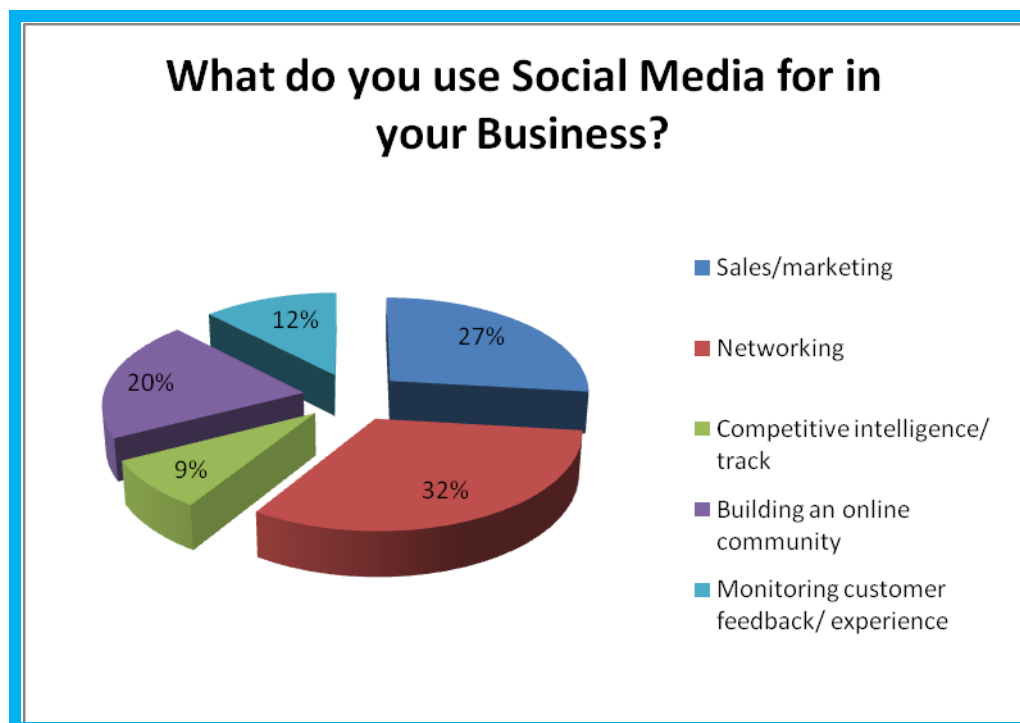
Similarly, when asked which social media tools were used, Linkedin was the most cited tool.

Which, if any, social media tools do you use in your business? (Other, please specify:)
B&B websites
None yet.
Word of mouth
Linked In
LinkedIn
I use LinkedIn
would like to start all of them
free internet advertising
ISN, Complyworks
etsy
Wasn't there when we started our business and have never thought to use it now. May try.
I don't use social media, wasn't there when we started our business and have never thought to use it now. May try.
Not ready for social media yet.
LinkedIn, Employee Engagement Network,
Deliver information pamphlets to employment funding agencies
Plan on using social media
Telephone and live promotion
Mailers
Networking
I just don't know how to do social media, and don't have the skills or the money.
Wife use facebook to help me out with marketing

While these media outlets, seem to indicate support for electronic service delivery, entrepreneurs expressed a clear preference for a personal relationship to their provider, and a desire for a relationship of trust and familiarity. Similarly, while there has been a substantial increase in the information available over the Internet, entrepreneurs still preferred a guide to help them understand how to use that information. At the same time, the results of the entrepreneur surveys reveal some interesting findings.

For instance, there were no significant differences between subsets of entrepreneurs. Males and females, Métis and First Nations were approximately equal in their level of comfort using technology as a way to receive services. Comments from the surveys

also strongly suggest that Internet-based services are seen as complementary to face-to-face, one-on-one phone or email support with an identified person. While entrepreneurs seem comfortable using technology, it was not seen as a replacement for other modes of delivery or forms of interaction. Other comments from respondents suggested that Internet-based support was deemed more acceptable after a personal relationship had been established, even over the phone, reinforcing the idea that technology, from the perspective of services, was supplementary.

The implication seems to be that Aboriginal entrepreneurs need some form of personal support and engagement, not just 'information'. As one respondent put it, "There is lots of information on the Internet. What I need is someone to help show me how to use it". In other words, simply providing a tool like a business plan template is not enough, if this is not accompanied by support to use the template. Conversation is an important step in learning and processing information. Also, it is important to continue personal support as a key mode of delivery; Workshops that outline the key navigation steps when using the internet to enhance or support business endeavours is a possible option to consider. As noted, this does not necessarily mean "in person", but does mean ensuring an identified person is making contact with an entrepreneur.

4.12 Findings: Barrier to systemic approach

The geography of British Columbia continues to be a challenge, as does the uneven availability of specialized services for female entrepreneurs. Small numbers of entrepreneurs in some regions make it challenging for specialized services to deliver consistently across the entire province, as do the differences in regional economies in B.C. Below are the highlights of some of the needs and services entrepreneurs wanted to be available to them.

➢ Travel to northern locations to visit clients to help them with one-on one services, this is the best way to help them;
➢ Increase use of mentorship;
➢ Access/training technology;

- Training/access to technology;
- High speed in remote communities;
- Not all rural or remote communities have access to internet, especially high speed, will either need to continue the use of faxes or mail delivery to those communities;
- More small business training and mentoring;
- Technology training and access;
- Skype or other form of media to do face to face calls with when travel is difficult from remote areas;
- Peer Support;
- More flexibility to go to the entrepreneur;
- More face to face;
- Mini-workshops or coaching that brings in a group of experts in an advisory capacity, and mentoring;
- More accessible information online and more people to talk to face to face, one on one for entrepreneurs to talk to explore ideas;
- Access to coaching (phone, in-person, on-line, webinar, group), training programs and/or coaching support for emerging (1-2 years in business), partnerships with schools to provide entrepreneurship/small business credits for participants of programs like Aboriginal BEST program; and
- When the original business license (which should be free) is obtained, to be linked up with you and other organizations before putting their signs out.

Section 5: Profile of Aboriginal entrepreneurs in BC

The following profiles provide an opportunity to have a deeper look at some of the challenges and successes that are faced by selected Aboriginal entrepreneurs in BC. Each profile shares a piece of the puzzle of the entrepreneur experience in Canada and the services that were essential to the success of the featured business. Please see the contact information for each profile for the opportunity to support these Aboriginal entrepreneurs.

5.1 Jacob Beaton – CopperMoon Communications

Jacob Beaton's mother is from Kitkatla First Nation and his father is from Victoria. As the oldest of three siblings, Beaton grew up between the cities of Vancouver and Victoria and rural Gitxsan territory in the North and acquired an appreciation for both settings. With his father being a teacher and his mother a stay-at-home mom, the family lived in a low-income situation.

Education was regarded as very important in the family. After being considered learning disabled in early childhood, Beaton did well academically in high school. A student exchange to Europe was one of his biggest educational experiences, including learning another language, being independent, and gaining a lot of confidence. Through a canoe quest in 1997, he got in contact with the RCMP and, when graduating from high school, they hired him for Aboriginal Policing. After a year of work in Aboriginal Policing, Beaton was strongly encouraged to go to university.
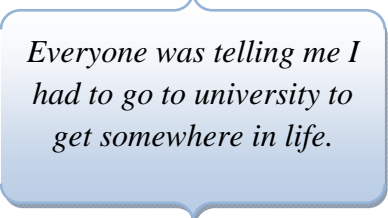
With an interest in computers and being quite a good programmer already, he enrolled in Computer Science at the University of Victoria. The first year, however, showed that the university was not for him. Beaton feels that life as an entrepreneur, including a lot of expensive mistakes, has taught him more than schooling – and cost more too!

Being unhappy at university proved to be a great motivator for going into business. Beaton had worked some small contracts on the side and took the step of establishing his business. The first year was incredibly difficult.

He made little money, and a lot of the work was traded for services or items like a computer and furniture. "Business success is not about making money; it is about seeing a need and filling it; about having a vision and finding a way to realize it".

Like many Aboriginal entrepreneurs, Beaton started with nothing. Without assets or capital, it was impossible to get a loan from a bank. Being in a city and being lucky enough to meet individuals who wanted to help him greatly contributed to his success.

Beaton 'knocked on all the doors' for help, including Friendship Centre's, Métis organizations, banks, and ministries. None of them provided useful support – most just handed out business planning kits and templates and to guide aspiring entrepreneurs into obtaining university degrees. Beaton, however, was already in business and in need of a line of credit, mentorship, and advice on marketing. Eventually, he got in touch with a business planner with connections and the willingness to help him through the bureaucracy. With this help, Beaton accessed some funding from Aboriginal Business Canada and the First Citizens Fund, which required a loan from an Aboriginal Capital Corporation.

Everyone was telling me I had to go to university to get somewhere in life.

The most helpful institution was the Royal Bank, which was beginning to branch into Aboriginal banking. A high level banker trusted Beaton and considered his business skills assets for a line of credit.

Mentorship, business connections, and trust helped him navigate through the difficulties of starting and maintaining a sustainable business. Business planning is minor compared to the role of mentorship and networking.

One of the huge changes has been the step into the information age. Ten years ago, small entrepreneurs in the region were still in the industrial age; now they are somewhere in between. In the next ten years, everything and everyone will be online. When Beaton is looking for someone, he turns to Facebook, for example.

Service providers and supports seem to be out of touch with these developments. They need to be more interactive and use technology to reach more people and share more information in a more effective way. Statistics show that seventy-five percent of First Nations people are on Facebook. This is an opportunity to reach them, find people with common interests, and share information. Unfortunately, less than ten percent of First Nations services, including bands and organizations, have a regularly updated online presence.

Finding the right people to work with, having good clients, having the right budget, and being really efficient are some of the main success factors identified by Beaton. Keeping a lean staff and maintaining low overhead costs are key in making a business profitable.

Contact Information:
Phone: 1-877-475-0754
Email: Jacob@coppermoon.ca
Or visit: http://www.coppermoon.ca

Type of Business: Incorporated in 2006
Beaton recommends only taking the step of incorporation if it is necessary, for example for a partnership, liability purposes, or profit sharing.
Employees: 4 employees, both Native and non-Native, but all with a strong interest in First Nations
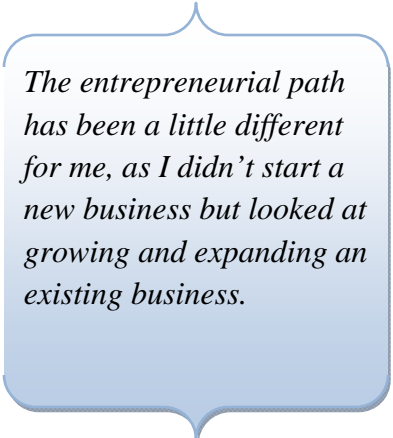
Business Information
Services include communication planning, websites, print and presentation, branding, displays, videos, public relations, and more.
The business has grown from $25,000 to well over the $500,000.
CopperMoon is currently establishing a joint venture with a First Nation to create its own company with CopperMoon as a model and mentor.

5.2 Janis Brooks – Indigenuity Consulting Group Inc.

Janis Brooks' home community is Sts'ailes in the Upper Fraser Valley. After growing up

and completing high school on both the British Columbia mainland and Vancouver Island, she went to business school and obtained a diploma in Business Administration followed by a Bachelor in Business Administration with a concentration in management. Complementing her extensive business education, she also acquired a certificate in event management.

Janis showed an enterprising spirit from a very young age. Her serious interest in entrepreneurship, however, began at age thirteen when her mother started her own company. Seeing her mother in business guided her educational and professional path.

She started by buying shares in the family business, Indigenuity, as soon as it started in 2000. Her initial involvement was part-time in administration while pursuing her business degree. After graduating and two years of full-time employment, she became the managing partner of the firm.

After the first year, Janis began growing the company. They hired new employees, which allowed them to add services based on the demand they saw through working with existing clients.

Brooks' extensive business education equipped her with broad business knowledge, so there was little need for business tools or supports in the initial stages. With the expansion, however, she sought help in employee management, contracts, and balancing paid business activities with administrative and growth activities.

Social media has proven to be a useful business tool, as many clients connect with the company in that way. When existing clients approached Indigenuity about providing them with digital communications, Brooks and her partner decided to add social media representation and communication services.

Indigenuity uses word-of-mouth for marketing their services, with the only money spent on advertising being the cost of business cards. Social media tools are a valuable vehicle of communication and creating a presence to supplement the word-of-mouth traffic.

One challenge that Janis faces is that there does not seem to be a central point of access and coordination for supports. Clients seeking money or information often do not know where to start, in part due to the many different resources in various places.

Another challenge is that a lot of entrepreneurs are not necessarily business people yet. There is often a big skills gap in financial / budgeting, and even basic business planning. Different community funds and groups work with people to support their business ideas, but she notes that those processes can be intimidating. Someone with

a business idea is typically asked for a business plan, cash flow statements, or projected incomes. If they are not familiar with those aspects of the business world, some people give up because it all seems to be too much to process.

Another piece of advice Brooks considers crucial to success is to ask for help. That does not have to involve formal organizational support but can be a personal connection, for example a friend or relative who is successful in business and might be able to provide advice. Indigenuity has used that strategy in the past. In seeking informal advice and support it is, therefore, necessary to recognize the importance of personal networks. It is good to take a step back and think about whom you know and how they can help or provide helpful information.

Contact Information:
Phone: 250-746-1040
Email: janis@indigenuity.ca
Or visit: http:// www.indigenuity.ca

Launch: 2000
Type of Business: Incorporated Janis entered as a partner in 2011.
Employees: Two partners, three employees.

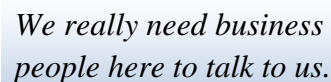| Business Information |
|---|
| Clientele include First Nations, Aboriginal organizations, all levels of government, and the private sector. |
| Range of consulting and advisory services includes meeting and public speaking facilitation, Aboriginal interest consultation, strategic planning, policy development, economic development and business planning, communications strategies, effective change management, cross-cultural training, joint venture and partnership development, research and report writing, and event planning and coordination. |

5.3 Ben and Norma Brown – Mall, Convenience Store, Restaurant

Ben and Norma Brown are from the Heiltsuk community of Bella Bella. The Browns started their business with a small, home-based store 34 years ago.

They recall that they could have used some formal help and support but nothing was available to them at the time. The biggest challenges they remember were funding and business planning, which is where they would have benefited from getting some information and guidance.

Approximately 10 years ago, they expanded their business and added a restaurant. In their expansion, they were able to access some support.

We really need business people here to talk to us.

When first developing their business, the Browns turned to the band comptroller to connect them to funding. The initial business start-up was funded with their own money and that of family members. They also had in-kind support –building material from the band; construction work from family members; management support and assistance in operational issues from the band store manager; and their grandfather donated shelving to their business. Later, Ben bought his own gillnetter and would reinvest any money he made with it into the store and the restaurant.

Expanding their business came with many challenges. Finding money proved difficult, with long processes adding delays. (Funds were eventually secured from Community Futures.) Other significant challenges were mentorship and access to timely information. Ben and Norma prefer in-person support, not social media.

The Browns also found that their need for business support and information evolved over time. Their current needs focus on upgrades and expanding business contacts, as well as managing and training employees. Learning how to teach work ethic and maintain staff interest is a final obstacle that they face today.

To the Browns, local support was crucial to the success and sustainability of their business. Locally available, accessible, and relevant formal assistance and personal contact with experienced business people as mentors were best suited to them.

Contact Information:
Phone: 250-957-2498
Address: 179 Wabalisla Street, Bella Bella BC V0T 1Z0

Launch: 34 years ago the initial store was opened/ 11 years ago business expanded and restaurant was opened.
Type of Business: Retail; Hospitality; mall Management and Leasing
Employees: Ten full-time employees and six part-time employees partners

Business Information
Sole proprietorship.

5.4 Clarence Mineault – A B SECURITY

Clarence Mineault grew up in Chetwynd, B.C. with his parents and eleven siblings. They lived in a house with no electricity that was heated with wood and lighted with gas lamps until they purchased a home with all the modern conveniences. He went to school, completed grade ten, and then went to work. His first job was at a mill in Fort St. John, working as a carpenter, and then he drove logging trucks for the next 30 years in logging, gas fields, and pipelines throughout British Columbia and northern Alberta.

Health issues eventually interfered with Mineault's truck driving occupation, and because of shoulder issues, his doctor recommended quitting the driving job. While working as a security guard for a company in Dawson Creek, the idea was given to him

to start his own company. As he talked to different people he knew, the idea of establishing his own business evolved. Together with his wife, Mineault thought about his options and the opportunity to become a business owner. He decided to get a security business license and started his own company in November, 2009.

The beginning was hard financially, and it was a while before the Mineaults could take a paycheque for themselves. The first job came in July 2010, and from there, the business has been growing steadily. Today, A B SECURITY fully owns a fleet of fifteen vehicles, and they are still doing business with the same supportive dealership.

Initially, the business was run out of the Mineaults' home, but after a year they leased a three-bay shop in Dawson Creek. Six months later they added vehicle maintenance to their services, registered under CCM FLEET MAINTENANCE. Mineault also registered pilot cars under C & C PILOTING.

Mineault and his wife did not use formal business services or supports. Encouragement from colleagues and friends provided the initial impetus for going into business.   He has been a steady worker throughout his whole life, has met a lot of people, and built a wide network of contacts. People who knew his work ethic told him: "The way you are doing things, you could make it work." He gained some experience and insight in the security business while working for someone else's security company for about a year before starting his own company.

When Mineault and his wife decided to start their own business, their starting capital was their savings and borrowing money against the equity of their house. His wife and a niece helped with the business planning.

Mostly, the support and information they needed to make their business successful came from talking, and more importantly listening, to a lot of different people.   To Mineault, talking to people is the best way to get the information one needs. He has used the internet to find employees when his business became busier and he could not find security guards locally. A B SECURITY has also established its own website.

Mineault and his wife have gone to a lot of oil and gas conferences, where they hand out and collect business cards and profiles. That is also where they learn about who is doing work where and for how long, which translates to business opportunities for their own company.

There are a lot of people out there who are willing to help. Entrepreneurs have to separate those who are helpful from those who are not and not let themselves get upset over the people who are not supportive.

Contact Information:
Phone: 250-782-7761
Email: absecurity2009@gmail.com
Or visit: http://www.absecurityservices.ca

Launch: 2009
Type of Business: Sole proprietorship.
Employees: Between 15 and 45, depending on business volume.

Business Information
Licensed in British Columbia and Alberta
Static and roving patrols: services for pipelines, gas plants, compressor stations, and construction sites etc.
Vehicle maintenance service for own fleet and the public with after hour service.

5.5 Erica Ryan-Gagné – Eri-Cut & Nailed

Erica Ryan-Gagné grew up in British Columbia between Lax Kw'alaams, Prince Rupert, and Skidegate. Her father is from Lax Kw'alaams (Port Simpson), about one hundred kilometers north of Prince Rupert, where she lived and went to school. When she reached high school she moved to Prince Rupert to continue her secondary education. Finally, she completed her senior high school years on Haida Gwaii in her mother's

home community of Skidegate. Once she graduated, she moved to Prince George and began a two-year criminology college diploma. While she liked the program, she suffered under the financial strain of being a full-time student and having to cover living expenses and pay for education while spending most of her time studying. She decided to leave college and worked and lived in various places throughout the province for a number of years.

Throughout the last five years, Ryan-Gagné has participated in a variety of training programs and initiatives. She completed the Aboriginal BEST training program, which helps Aboriginal youth understand the business world. At a four-day Young Entrepreneurs Symposium for young aspiring Aboriginal entrepreneurs, she learned a lot and ended up winning a cash prize at a competition.

Ryan-Gagné has been using her passion and talents to build her business Eri-Cut & Nailed, which focuses mainly on manicures and pedicures, specializing in artificial nails. She recently went back to school and completed the nail technician program to help her launch her own business.

I did a bunch of things that came together and really helped me launch this business'.

Ryan-Gagné interest was sparked by the experiences surrounding her participation in the dance at the opening ceremonies of the 2010 Olympic Winter Games. Throughout the sixteen days of rehearsals and preparation for the performance, the participants were exposed to a variety of training opportunities to build their potential as leaders and role models.

One guest speaker talked about choosing entrepreneurship as a career as opposed to pursuing a degree, getting into debt, and facing the inability to find employment in one's home community. This resonated with her and planted the seed of wanting to launch her own business.

The Skidegate office of the Community Futures Development Corporation proved to be instrumental in helping her to successfully launch her own business and in getting her in touch with all the right people. They supported her every step of the way with all the processes of starting a new business, from choosing and registering a business name, to getting a business

The reality for a lot of people on-reserve is, even if we get that training and get that degree, there is nowhere for us to work. So we have to leave home to find work."

license and the right insurance, and to registration in school.

After the first year of operating her business out of her home, Community Futures approved a loan to build a new salon and, again, guided her throughout the processes. The new salon is expected to be finished by May of 2012 and will provide a professional space for Eri-Cut & Nailed. By December 2011, Eri-Cut & Nailed had become self-supporting and Ryan-Gagné was able to quit the full-time job that had financed the business launch. Now, she fully focuses on her own business.

Right now, she is operating her business on her own. However, thanks to having found second-hand hair dressing equipment, she will be able to establish two full hairdressing stations at the new salon and rent space to other aestheticians who offer complementary services. This arrangement will help make the loan payments for the building, and as the first full service salon in the village, it will create added exposure and opportunities.

Social media, especially Facebook, have been crucial to Eri-Cut & Nailed. This is a business whose customer base is very present in social media. Platforms like Facebook offer great opportunities to manage bookings, promote products, inform about sales and specials, stay in touch, and share photos and create a growing interest in the products and services offered.

Contact Information:
Phone: 250-637-1777
Email: erica_jean_ryan@hotmail.com
Or visit: http://www.facebook.com/pages/Eri-Cut-Nailed/159522787403394?sk=info

Launch: 2010
Type of Business: Sole proprietorship.
Employees: None presently. Looking to rent space in the new salon to up to two other professional aestheticians/hair dressers who will offer complementary services.

Business Information
Specializing in acrylic and gel artificial nail enhancements, gel color polish applications and removals, manicures, pedicures, paraffin wax treatments, nail polish applications, and men's haircuts.
Selling a wide variety of professional quality hair and skin care products.

5.6 Fabian Sparvier – Nista Magazine

Fabian Sparvier is Cree and Saulteaux and a member of the Cowessess First Nation. He grew up in various places in Saskatchewan, including Cowessess, Regina, Saskatoon, and Moose Jaw. After graduating from high

school in Regina, Sparvier worked in construction for some years before continuing his education at the University of Northern British Columbia (UNBC) in 2000.

Coming to UNBC was unplanned. Sparvier was spending some time between jobs in Prince George and was curious about the university. His mother works at the First Nations University of Canada, which is why he had an interest in post-secondary education and in the university environment. He visited UNBC's First Nations Centre,

met some people who knew his family, and was encouraged to apply. His application was immediately successful, and he completed a Bachelor of Commerce at UNBC, followed by a number of different jobs

I just did it!

and research projects in the area. In Prince George, Sparvier also met his wife and started a family.

Sparvier was always interested in owning a business. After having worked as Education Director for a First Nation in the region and feeling that he needed something different, he decided to venture out on his own. He took some time off to explore his options and find out what exactly he wanted to do. At that time, he had a couple of business ideas and pursued one of them. As he was getting ready to launch his business, a change in government policy changed his situation. He recalls being lucky in that, although he had invested a lot of time into this business idea, there was no financial commitment yet. After this, Sparvier went back to the drawing board.

His interest has always been in music and art. He developed an idea for a magazine for Aboriginal artists and entertainers, pursued that idea, and established Nista Magazine, a free online and interactive Aboriginal arts and entertainment magazine. Knowing that he wanted to develop a magazine, he looked at what needed to be done and researched his options and next steps. In researching what it meant to start a magazine and what his options were, Sparvier began eliminating things that would not be feasible for him. He went through this research and information gathering process until reaching the point of knowing he could start the business and how to approach it.
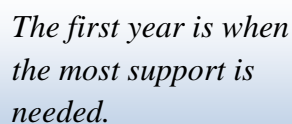
Owning [a business] has always been kind of a passion of mine.

By taking the initiative and finding out all the options and requirements, he was able to design the most financially suitable approach and starting point for his initiative.

The Aboriginal Business and Community Development Centre (AB&CDC) in Prince George had assisted him with his previous business idea and provided information on business planning. Sparvier already had some business planning experience, but the

AB&CDC proved to be very helpful in shortcutting unnecessary steps and procedures in the business establishment process as they supported him in customizing a standard business start-up procedure to his own situation and business needs.

Apart from AB&CDC's support, Sparvier's own initiative was the most important mechanism in starting his business. Any information needs with regards to policies, laws, and regulations pertaining to a business start-up, and to publishing a magazine in particular, were addressed by himself in contacting people and researching on his own. He contacted other magazines, artists, and acquaintances in the industry to gather as much information as possible and to build a support network of valuable contacts in the music and art industry.

The first year is when the most support is needed.

Through his freelance graphics work, Sparvier had computers and software that were needed for the magazine. Using existing assets and infrastructure and issuing the magazine as an online publication eliminated infrastructural and material start-up costs.

Sparvier sees an increased need for business information, but more importantly he sees a need to change how the information is presented and how support programs are applied. He has observed other aspiring entrepreneurs' issues. Supports and assistance direct people to the information, but the people do not know how to use the information because it is presented in legal, academic, or bureaucratic language.

This means that information and material needs to be prepared and provided in a way that makes it more user-friendly and interactive to enable aspiring entrepreneurs with limited experience to understand the process and to use the material to their advantage.

New media are increasingly important. For Sparvier and Nista Magazine, staying on top of new media and using them for distribution, networking, and resource or revenue generation is a central aspect of the success of the business. He emphasizes that the opportunities in new media are under-advertised in the context of entrepreneurship. Sparvier makes a point of educating people about new ways of doing things when they come to him for advice. New media should be used in the provision of supports and

should be addressed as business tools within the supports. Business information and supports should integrate and advertise these opportunities and should be updated constantly to reflect the ever-changing reality of new media.

Services and supports should, furthermore, include a planning stage and follow-up. If support is granted for a year, it should include a planning stage for the next year. The lifetime of certain supports and business approaches in the context of new media can be very short, and supports should prepare and educate entrepreneurs about that.

Contact Information:
Email: nistamgz@nistamgz.com
Or visit: http:// www.nistamgz.com

Launch: January 2011
Type of Business: Sole proprietorship.
Employees: Currently, Sparvier is supported by a few unpaid contributing writers and graphic artists. He is hoping to establish a paid position within the next year.

Business Information
Nista Magazine is a monthly interactive online Aboriginal arts and entertainment magazine.
It is currently financed through advertising and is free of charge, but Sparvier is looking to issue a print version for subscription in the near future.

5.7 Carey Windsor – Aftershocks Coffeehouse

Carey Windsor lives in Bella Bella and is a member of the Heiltsuk First Nation. In the past, he has worked as a shift manager at a coffee shop in Vancouver. This experience prepared him for opening his own coffee house in Bella Bella, which provides him with an income close to his family and home community. Some of the challenges he has faced in the development of his business include access to financing and difficulties related to the remoteness of the location. Having building supplies and store equipment

shipped to Bella Bella and setting up his coffee house meant facing unique struggles at

times. Some of the obstacles that have materialized since the opening of the Aftershocks Coffeehouse include finding and hiring good staff and accommodating the seasonal business fluctuations with busy flight schedules in the summer and fewer flights during the winter months.

In starting his business, Carey used the Heiltsuk Community Economic Development Office for advice on where to start and how to estimate what it would take. Family members, in particular his parents, provided financial support. The North Island Self-Employment Program (NISEP) provided assistance with living costs for the first few months so that he could invest his resources into the business start-up.

Peer support and mentoring prior to start up is really important to show new business people the ropes

Carey used the Tribal Resources Investment Corporation (TRICORP), an Aboriginal capital corporation that administers a revolving loan fund to foster individual and community prosperity among Aboriginal communities along the North Coast of British Columbia. TRICORP connected Windsor with someone who could provide business planning assistance.

This connection was especially important and helpful, and he recalls many phone calls to complete the planning process. In addition, a Simon Fraser University study on traffic at the Bella Bella airport provided the necessary background information to determine the feasibility of the business idea.

In starting his business, Carey found one-on-one, in-person support the most helpful. He also used communication via phone and email. Internet-based tools were great at finding out what services were offered, and personal contact was the best way to use them. In Windsor's opinion, this is also true for social media, such as Facebook, YouTube, and others. He uses them for marketing, networking, building an online

community, and receiving feedback from his customers. Social media are really helpful in reaching out to people and establishing a connection.

Carey is experiencing the evolving needs of sustaining a business after the start-up. After the initial assistance with business planning and management, and after having completed the early tasks of finding a location, establishing a business setup, and hiring staff, there are new challenges and needs. Right now, Windsor feels that business networking, marketing, and accounting supports are becoming more important for him. He also suggests that Aboriginal organizations should implement a self-employment benefit program for Aboriginal people.

Finally he points out that Internet access is slow in some rural and remote communities like Bella Bella. This limits the use and value of the internet as a tool and has implications for those communities as it may add to their isolation from supports and organizations or from a business community.

Pursuing new methods of communicating, reaching out to people, and establishing connections is crucial in the early phases of developing a business idea but also in running a business. Technology can be helpful for that, but it is important to try to talk to people instead of emails, phone calls, and text messages whenever possible. In-person contact is most effective.

Contact Information:
Phone: 250-957-2781
Or visit: http:// www.facebook.com/pages/Aftershocks-Coffee-House/200665769963088

Launch: 2011
Type of Business: Sole proprietorship.
Employees: One full-time employee, two part-time employees. Looking to provide opportunities for summer student employment.

Business Information
Specialty coffee shop, located at the Bella Bella airport

Section 6: Discussion

6.1 Changes from 2001 Gap Analysis Study

What has changed from the data used in the 2001 Gap Analysis? The data indicates that in comparing the two surveys, there has been a significant shift in the economic sectors in which Aboriginal entrepreneurs were engaged. Retail Trade and Consulting Service both saw significant increases in the share of firms from those sectors;. By 2011 Aboriginal Entrepreneurs were active in Mining and Oil & Gas, which had seen no responses in the earlier survey. The survey process may well explain this difference, as we know Aboriginal people were involved in those industries in 2001.

The primary implication for the service providers has been the need to continue to ensure their services are oriented to new and emerging sectors. As Aboriginal entrepreneurs start and grow businesses in a more diverse range of sectors, and shift more and more into services and retail, service providers will need to have familiarity with the key success drivers in those specific sectors in order to provide useful guidance and technical assistance. This (slowly) increasing sectoral diversification does not necessarily imply that service organizations need to become experts in the various business areas; rather, it suggests continued outreach into new sectors, and linkages with organizations that can act as expert advisors to entrepreneurs.

6.2 Socio-demographic changes from the 2001 Gap Analysis Study

The respondents of the 2011 Gap Analysis project tended to be older.[9] In this survey, 40% of respondents were born before 1970, which places them at 42 years old or older. Those aged 30 or younger made up 28% of respondents. While the 2001 Gap Report survey did not report on the age range of its respondents, it noted the clear bias towards a younger demographic. This has been an important finding for several reasons. First, it suggests that while Aboriginal youth were an important potential clientele for

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[9] An assumption for this trend may perhaps be due to the changes of policy regarding age increases. For example the age of youth went from 15-19 to 15-35.

providers, the bulk of existing businesses, including start-ups, were not run by youth. It also suggests that there were barriers to youth in starting a business, as many wait until they were older to take this step.

The 2001 survey had reported a growing emphasis on more formal businesses and greater popularity of joint ventures with non-Aboriginal firms, even while noting that 67% of their respondents operated as sole proprietorships. That trend has clearly continued through the decade, as evidenced by the fall in sole proprietorships to 60% of respondents to the 2012 survey, with 28% being partnerships or incorporated firms. Likewise, 80% of the respondents to the 2012 survey reported that they had full-time employees, and 52% reported that they had been in this business 5 years or more. The most significant change since the 2001 Gap Analysis has been a huge shift in the availability of information on the Internet, and the increase in use of electronic technology by entrepreneurs and service providers (discussed in more detail in the section on entrepreneurs and technology above).

For entrepreneurs who can access the technology, the Internet has the potential to level off differences in access to information (and services) between urban and rural communities, or between those with well-established networks and those without. This has not been an easy improvement to measure, but it seems reasonable to assume that Internet technology has been a powerful tool to provide information and services to Aboriginal entrepreneurs. As previously mentioned, this information is only useful for many when there is someone to assist in navigating Internet information, either a provider or a peer/family member. This increase in information on the Internet is not helpful if entrepreneurs lack awareness of how to access a service provider. The issue of awareness remains significant and constitutes a gap in the availability of services to Aboriginal entrepreneurs: those who are better at navigating official systems of support (including the Internet) are better served than those who are not. This issue is well known.

The challenges to raising awareness remain the same: most service organizations don't have the capacity to engage in extensive awareness raising projects, and even if they did, they face the problem of creating service pressures that they may not be able to

meet with current resources. Addressing these gaps and making some of the other changes in the service system suggested here could help strengthen the service delivery system and allow it to continue to provide support for another generation of Aboriginal entrepreneurs. The main report explores in detail the findings from the study and the implications for services. In summary, the research data and the analysis suggest five major changes to the current system of services to Aboriginal entrepreneurs.

6.3 Service Gaps

Gap: Respondents clearly identified that there was not enough support for peer support and business networking. The reliance on such networks   by large numbers of Aboriginal entrepreneurs indicates there is value there that should be considered carefully by service providers. The recommended strategy is to enhance services based on this finding confronts the difficulty that peer support and networking initiatives typically require volunteering by busy entrepreneurs. This is counter-posed by the significant opportunities associated with encouraging peer mentoring and networking, which include: leveraging natural support systems; filling an identified service gap; and producing efficiencies for inexperienced entrepreneurs by intervening early in the business planning cycle.

6.4 Marketing and market information

Gap: Respondents reported inadequate technical support for marketing their products and that quality, usable information to guide their marketing efforts was not easy to find. This is in part an 'economy of scale' issue: small businesses lack the dedicated capacity needed to market effectively. This is also, in part, a system problem: most support service agencies are generalists, and lack the expertise in any given sector to give good practical sector specific advice about marketing (with some exceptions, e.g., First Nations Agricultural Lending Association (FNALA) and agricultural products, Aboriginal Tourism BC (ATBC) and tourism). The recommended strategy is to initiate a pilot

project to develop some capacity for marketing in an existing sector with weak marketing, and use a sector approach, rather than funding individual firms.

6.5 Information on specific issues, i.e. financial, management and other sectors

Gap: Entrepreneurs wanted opportunities for learning and growth that were short, focused, practical, and tailored to their specific needs. Sometimes this was general (e.g., financial management) sometimes this was closely connected to their specific business (e.g., changes in safety rules in the construction industry). The data indicates that this service was not as available as was needed. The recommended strategy is to identify a small number of priority items in each region; identify a potential provider; and develop some short, more intensive workshops.

6.6 Inter-agency Coordination

The current coordination between business service providers is satisfactory, but coordination with other systems in the Aboriginal and non-Aboriginal service sectors could be improved, for instance, with sector organizations such as the B.C. Mining Association. The recommended strategy: is to identify a short list of three priority sectors or other networks (such as the Technology Council) and initiate a formal discussion process to determine the benefits of increased collaboration. The findings suggest that the current system is not good at reaching novice entrepreneurs (i.e. those who have not yet reached the stage of developing a business plan). Done strategically, coordination with more specialized organizations could respond to the gap in specialized support services, and the need to engage informal supports more effectively. As discussed below, this issue provides a strategic opportunity for the current system.

6.7 Delivery Modes

The data and analysis found strong support for retaining, or strengthening, the interpersonal dimension of service delivery. The responses to surveys were clear: while

using electronic media to exchange information was seen as useful, such modes should not replace interpersonal contact. This interpersonal contact did not always require a face-to-face meeting, but it did require that an identifiable human being provide the service. Entrepreneurs wanted a particular person they could phone, email, or see. Given the importance of relationships and personal contacts in Aboriginal communities, this is not surprising.

6.8 Specialized Support Services

We were told that one problem in the current service system is its lack of specialization: with some exceptions, services were general in nature and could not address specific issues in a sector, or even specific issues that cross sectors, such as financial management and marketing. The ability to respond to this need suffers from a crucial difficulty: it is not possible within existing resources for the current system to develop detailed specific knowledge and maintain the capacity to support the 'process' approach to business planning now in place. Again, we think a focused discussion on this issue, one which links to recommendations 1 and 2 above, can identify opportunities to take advantage of the issues presented here.

6.9 Incremental Change

Overall, the responses to surveys and focus groups did not add up to a demand that the service system should be changed in fundamental ways. Instead, the findings from this study suggest small (but important) changes: an increase in peer supports and networking; better coordination with other sectors; more efforts to build ongoing relationships with clients, and more initiatives to 'catch' budding entrepreneurs earlier in their development. These are real changes, but they do not entail a wholesale shift in the current service system. The current system needs to be strengthened, not abandoned, or fundamentally reorganized

6.10 Specific Needs of Aboriginal Women and Youth

Aboriginal Women

The research shows that Aboriginal women entrepreneurs plan longer, are more detailed in business development than men although women earn less money. Moreover, the results of our focus groups suggested that women also faced some different challenges than their male counterparts. Correspondingly, they also brought different strengths.   A scan of the literature on fostering entrepreneurship with Aboriginal women showed many of the same basic support needs as for men, such as financing, or adequate public infrastructure (Native Women's Association, 2004). Similarly, women need "training, technical assistance, mentoring, peer support, access to capital, along with marketing and networking opportunities" (NWAC, 2004: 4).   These kinds of recommendations were true for anyone starting a small business, regardless of gender or geographical location. In assessing the responses to the questions posed to entrepreneurs, we noted that on a number of dimensions, women did not respond in a significant way differently than men.

The evidence suggests, though, that the profile of women entrepreneurs is different: they were much more likely to be in the slow growing services sector, and are typically younger and less experienced than their male counterparts when they start their business. However, there were several specific challenges that had been identified regarding women's specific needs for entrepreneurial success:

➢ The research data supported the findings of other studies about women and entrepreneurship: women participated in starting businesses at a lower level than men, and when asked why, they cited lack of confidence, knowledge, or abilities more frequently than men.

➢ Research from an international study of entrepreneurship indicated a finding that was not explored in this study, which was that the gap between women and men narrowed over the planning and start up process, indicating that it was important to

become involved with women entrepreneurs early, prior even to the business planning stage.

➢ Once involved in the formal process of starting a business with support, women do as well as or perhaps better than men. It appeared then that women do not perceive themselves as having the capacity to succeed in business as strongly as men.

What are the barriers women entrepreneurs face?

Self-employed people cannot easily contribute to Employment Insurance. This was a problem for any self-employed person, but particularly problematic for women (NWAC, 2004). While an employed woman had access to one year of maternity benefits through EI, a woman running her own business must either return to work immediately after having a child, or lose her income. As Aboriginal women have more children on average compared to Canadian women as a whole, this has been a particular barrier to Aboriginal women's entrepreneurship. We noted that this barrier has recently been changed to allow self-employed women to participate in some aspects of Employment Insurance (E.I.) benefits (i.e. maternity leave). It remains to be seen what the impact would be on Aboriginal women, but the changes may help.

Access to affordable, quality childcare;

The issue of access to childcare is an issue that has been discussed innumerable times, but is worth repeating, especially as most businesses are off-reserve and the majority of families in urban centres are headed by single women. The need for affordable quality childcare is fundamental to women's employment since women continue to have the main responsibility for childcare (Peckford, 2009). As well, women are more likely to seek work-life balances that favour 'life' more than work: for instance, choosing to return to paid work after child birth rather than continuing the more demanding self-employment path.

Mentoring from experienced business people

Aboriginal women may have strong social circles, but those circles often contain fewer people who can play an instrumental role in developing a business (e.g. potential clients, other professionals). This speaks again to the need for mentoring and peer support processes.   As more Aboriginal women succeed in self-employment and business, this may well serve as a positive model for younger Aboriginal women. Supporting the current entrepreneurs is likely to foster the confidence of the next generation of women entrepreneurs. Some of the respondents to the surveys pointed out that women have specific advantages in entrepreneurship. They are often more risk-averse as a result of their circumstances, and so tend to think through, and manage the risks of business start-up before initiating action. Women are more likely to draw from natural social and familial networks and to use those networks more effectively than men. On this point it is worth observing that Aboriginal women often occupy key leadership positions in Aboriginal organizations, and that a number of individuals have managed to create and sustain important connections and networks despite the very real challenges they face. In urban communities particularly, Aboriginal women bring significant leadership abilities and skills and experience in planning and organizational management to business, by virtue of the strong role women play in urban Aboriginal organizations.

Aboriginal Youth

One of the most dramatic statements about Aboriginal entrepreneurship is its substantial growth over the last ten years. According to Statistics Canada, the number of Aboriginal entrepreneurs in Canada grew 37% between 2001 and 2006. In part, this startling number is a direct reflection of the growth in the Aboriginal population, which is significantly younger than the non-Aboriginal population. As noted above in the section on the composition of the Aboriginal entrepreneur population, British Columbia has the highest proportion of Aboriginal entrepreneurs in Canada.

The data from the surveys and other research data indicate that youth face different challenges than their older colleagues. Youth have less capital, less expertise, and fewer business contacts. They also take more risks, have different social networks more friends and fewer colleagues, and are less interested in long formal planning processes. While they are more fluent with the Internet and use of social media, they could benefit the most from peer support and networking to overcome these challenges and insert themselves more effectively into business and professional circles. The general consensus amongst the focus groups was that Aboriginal youth, much like Aboriginal women, did not require any different services from those required by the older generations: rather, they required those services in different combinations, and in ways that accommodated their limited direct work experience. Due to the significant differences in use of Internet and social media between youth and other entrepreneurs, one implication is that Aboriginal youth are more open to on-line courses and training programs, provided that these are in a context of personal support.

Specialized Support Services

One area identified as problematic by both providers and entrepreneurs was the need for more specialized support. By this, respondents were referring to the need to be supported in learning sector-specific skills, get support and advice from people with expertise in their business area, and develop networks amongst other entrepreneurs facing similar challenges. The problem in the current system is that most support, with the exception of the agricultural, fishing, and tourism sectors, is generic. Entrepreneurs hoping for advice or detailed insights into their business sector are left with limited options outside of their own peer networks, which, as discussed earlier, many novice Aboriginal entrepreneurs may not have. In pointing towards specialized services, people were also indicating they were seeking short term, focused learning opportunities in specific areas, such as accounting or procurement.

The implications seem clear enough: find ways to develop expertise in particular products (i.e. technology products) or business sectors within the service system. The

difficulty is that not every organization can be an expert in the wider range of sectors that Aboriginal businesses now occupy. Therefore, some strategic focusing will be required. It is beyond the scope of this study to recommend what sectors or products make sense. This is a service gap that eludes easy solutions. Typically, providers do not have the capacity to develop real expertise in particular topics or business sectors, and some providers have argued that even if they could, this begins to cross over into the responsibilities of entrepreneurs. The results of the surveys suggested, however, that Aboriginal entrepreneurs needed help in getting training and support on specialized or technical issues. The best resolution here may be, as suggested in the recommendation below in the discussion on 'coordination' that business service providers create stronger linkages to organizations in other service systems.

For instance, business service providers could collaborate with sector organizations, such as the Mining Association of B.C., or the Association of Service Providers for Employability & Career Training (ASPECT), to create specialized training opportunities for Aboriginal entrepreneurs. ASPECT, for instance, has provided financial literacy training, one area identified by respondents. Some discussion would be required to work out the details, but this would present an opportunity to provide more 'value added, knowledge - based' services that could provide substantive, content based support, not just the process orientated services that by and large dominate the service system. Such cooperative efforts might result in more short (1/2 day, or 1 day) sessions on particular topics or challenges facing small businesses, either sector specific issues, or ones that are common to small and medium businesses. Short sessions are particularly appropriate for small business owners who cannot afford to take much time away from their operations. These short sessions serve two purposes – they can educate the participants enough that they do not require any additional training on the particular subject, or they may identify the need to take a longer more comprehensive course. In essence, they can serve to take the individual from "not knowing they did not know" to "knowing they did not know".

Impediments to a systematic approach

Despite the technological advances achieved since the 2001 Gap Analysis, structural obstacles facing service delivery remain. These impediments are rooted in geography, the relative services in their home communities (urban vs. rural, on-reserve vs. off-reserve), the relative educational levels attained, and the resources available to service organizations that allow them to coordinate their efforts. As a result, Aboriginal entrepreneurs will have significantly different access to services depending on where they live and on their educational levels.

Educational attainment

While those services delivered electronically may not be as severely impacted by geography, they are impacted by relative educational attainment. Aboriginal entrepreneurs who have lower literacy or numeracy skills will face greater obstacles using these tools than those of higher educational attainment. Communities in rural and remote locations tend to be characterized by lower educational levels than their urban counterparts. Given that electronic delivery is often used as a "leveler" for such communities (to ensure comparable service to communities with greater population), this factor is particularly significant.

Community - Urban vs. Rural, On-Reserve vs. Off-Reserve

Smaller communities have more modest economies, and hence have a lower level of services than those with greater populations. Given the lower level of service, Aboriginal entrepreneurs in these settings have less access to peer groups, prospective mentors and other face-to-face services than do their counterparts in urban areas. Many remote and on-reserve communities also lack access to high-speed Internet, which hinders their access to services that are delivered electronically. Aboriginal entrepreneurs, like their non-Aboriginal counterparts, face many demands and little free time. Therefore, face-to-face contact through networking sessions and events are particularly popular as

a way to gather information and access networks. The lower availability of these networks within the home communities, and greater obstacles accessing such services electronically, present a significant structural impediment to efforts to serve these clients.

Geography

While some services to entrepreneurs can be delivered electronically, others will need to be in person. Surveys of Aboriginal entrepreneurs consistently noted the need for connection with peers, with mentors, with general business resources (accountants, bankers, and so forth) and with specialists (trade commissioners, market specialists, etc.). Given British Columbia's vast area, entrepreneurs outside of the Vancouver / Lower Mainland and Victoria hubs face significant travel time to access some or all of such services.   An additional impediment arising from geography is distance to market. Entrepreneurs in the Central Interior and Northern regions are particularly distant from the nearest centers of Vancouver, Calgary, Edmonton and Seattle relative to those in the Thompson-Okanagan, Fraser Valley, Vancouver-Lower Mainland and Vancouver Island. This in turn limits their utilization of services aimed at assisting their entry into such markets, as the relative costs of covering such large distances impact their opportunity in these markets - and hence their need for the services in the first place.

Cluster Theory: The Potential Benefits of Geography

Geography can also be an opportunity, not just an impediment. The complex geography of B.C. may create benefits for businesses that can take advantage of business clustering; particularly those that are leverage differences in climate or distribution of natural resources. The literature shows the cluster theory may have something to contribute to Aboriginal entrepreneurship development.   Clusters are "geographic concentrations of interconnected companies, specialized suppliers, service providers,

firms in related industries, and associated institutions in a particular field that compete but also cooperate" (Shaffer, Deller, & Marcouiller, 2004).

Well known examples include the IT sector in Silicon Valley; the financial sector in London; stone working in Carrera, Italy; electronics in Ireland; and the filmmaking industry in Vancouver. There are several ways that clusters can create opportunities and competitiveness for a particular industry or group of businesses:

➢ *Knowledge Clustering* - Tacit knowledge (unspoken knowledge common to people in the area simply by living close to or working in the industry) is created by geographical concentration. A specialized labour force emerges in the area. Information is 'in the air' about opportunities, advancements, new ways of organizing in the industry. Such dynamics are often called "untraded interdependencies" because they are not purchased, but exist by virtue of operating in the same industry in the same area (Storper, 1999). Aboriginal communities in resource-rich areas may have developed a specialized labour force in logging, fishing or mining and kinship or social relationships allow for information sharing about employment or business opportunities. Aboriginal production and consumption circuits in urban areas can serve a similar purpose. Fostering these kinds of networks and specialized knowledge can be the role of service providers – Aboriginal Capital Corporations, Aboriginal Business Centres, etc.

➢ *Economies of Scale* - Clusters are characterized by specialization by several companies in different aspects of production of a particular product or service, combined with complementary businesses that provide services or inputs to the main industry through sub-contracting and direct purchases (Cooke, 1999). McBride and Gerow (2004) identify the development of 'Anchor Businesses' in Aboriginal communities as a Best Practice for entrepreneurship development. A band or tribal council identifies an anchor business "around which other smaller enterprises can flourish" (McBride & Gerow, 2004: 18). The band can provide training and other kinds of support to community members to develop businesses that provide services to the main business. In Warm Springs, Oregon, the Tribal Council's strategy is to

contract out maintenance of tribal buildings and services such as waste management to community members (McBride & Gerow, 2004). Through coordinated efforts such as shared marketing or sharing the production of large orders or contracts, Small Medium Enterprises (SMEs) can create the kind of economies of scale comparable to large companies, but with the flexibility to deliver smaller contracts and undertake smaller production runs. Meadow Lake Tribal Council negotiates large forestry contracts that are then carried out by multiple small businesses of community members – trucking, reforestation, road building, etc. (McBride & Gerow, 2004). Resiliency comes from economic diversification, and also from the relatively stable employment for locals by virtue of fostering local businesses.

➢ *Social Capital* – As discussed above, social capital is an important ingredient in business success, especially at start up stage (Cooke, 1999). Such relationships or networks have been shown to be critical to the kinds of innovation and adaptation necessary to respond to change (Storper, 1999). McBride writes that the 'inner city' (or economically disadvantaged urban areas) can present a 'fertile environment for business growth' (2010: 4). He applies the findings of Harvard professor Michael Porter on inner city clusters to the Vancouver context. Porter noted that clusters in the inner city can contribute to innovation and productivity in existing enterprises and can also foster new businesses (Porter, 1990, cited in McBride 2010).

Government services tend to be concentrated in inner city areas, meaning that businesses can access training programs for their employees and that government and non-profits become a significant customer for local businesses. McBride argues that, since clusters can "both create and then mobilize relations and knowledge... for mutual benefit", they can lower transaction costs and mobilizes social capital for profit (2010: 6). Once again, the need for bridging and linking social capital is emphasized. While linkages between Aboriginal people may be strong, the lack of linkages to non-Aboriginal peoples reduces access to information, opportunities, and resources (McBride, 2010). Aboriginal people might live 'in' the same geographical space as non-Aboriginals, but they do not necessarily inhabit the same social and economic circuits

(Horn & Halseth, 2011). This can create a barrier to business success. Facilitation of external linkages to markets, information, and resources must be fostered to support Aboriginal business development.

Coordination within the Service System

The research confirmed that there is room for improvement in the way that the service hangs together. While coordination within the business service system was strong, coordination between that system and other support systems (such as technology, social services, or employment) was weak. Entrepreneurs that reported positive views of ABSN members tended to note that they had easy access to information from various service providers within the ABSN network. The Survey of Service Providers reinforced the extent to which there is good cooperation between ABSN members, and a ready exchange of information and tools. At the same time, some entrepreneurs noted familiarity with other service providers but did not know much about the ABSN members. Likewise the Service Provider survey noted that the close cooperation among members often did not include those outside the ABSN network. The opportunity for enhancement, then, is in fostering closer ties with partners outside the ABSN network or outside the network of business service providers. As entrepreneurship as a career option becomes more widely accepted in Aboriginal communities, a broader range of prospective entrepreneurs is becoming interested in pursuing this path. Many are not aware of the ABSN and seek information from channels that they are most familiar with.

This may include Band Administration, Friendship Centres, and the like. Their ease of access to the self-employment tools contained within the ABSN members depends on the links between those members and partners elsewhere in the community. Therefore, reaching the more diverse range of people interested in self-employment requires a broader linkage throughout Aboriginal society.

Section 7: Conclusion and Recommendations

In the process of developing the 2012 Gap Analysis Report, we have had the privilege of hearing from entrepreneurs in all parts of the province and from a wide range of economic sectors. Youth, women, people new to business, people with decades of experience, all of them gave generously of their time to help us assess the current system of support for Aboriginal entrepreneurs. Service providers also shared their experiences and insights into the strengths and weaknesses of the service delivery system. The findings of this Study suggest that while there are things to be corrected, programs to be developed, and changes to be made, the overall support system is functioning at a high level. This is despite the many challenges facing Aboriginal communities, and the tremendous changes in the economy, technology, and in Aboriginal communities over the last ten years. We trust that our Report reflects this perspective. The Study identifies areas for improvement without giving the notion that major or wholesale change is needed. Continuity is important in some programs, and it is important because some of the issues facing budding entrepreneurs are the same ones they faced a generation ago.

The research from this Study and other research projects strongly suggest that if the current system:

➢ attunes itself more closely to peer supports and networking,

➢ if it provides more specialized and sector-specific supports,

➢ if it emphasizes annual planning and not just a business plan,

➢ if it takes seriously the issues facing women and youth, it can build on the current system with confidence that Aboriginal entrepreneurs will continue to be well served and

> If the current network of business service providers can reach out more effectively to other related systems or networks active in the Aboriginal community, then it can play an even more substantial role in supporting the economic development of Aboriginal communities in British Columbia.

The findings from this study have highlighted the importance of both informal networks and peer supports and the centrality of connecting entrepreneurs to necessary supports such as business lenders or to bidding opportunities. These findings suggest that we should think not just about financial capital (the subject of much discussion) but also about social capital which gets less attention in Aboriginal business policy discussions, but is critically important to both the success of Aboriginal entrepreneurs. Social capital can be understood as informal institutions (networks, relationships of trust and reciprocity) and formal institutions (organizations, businesses, schools) that an individual can use in transactions to enable them to mobilize knowledge and resources, to achieve their goals, or to otherwise exchange for something of value.

The literature shows that social capital is an important basis for collective action (Woolcock, 1998) such as generating economic initiatives with collective benefit i.e. community based enterprises. However, there are different kinds of social capital and these have implications for development and economic transformation (Bridge, Murtagh, & O'Neill, 2009; Kay, 2006; Woolcock, 1998).   Bridge (2009) identifies three forms of social capital:

> 'Bonding' social capital – occurs within a group and is a kind of glue between people (e.g., family, ethnic group);

> 'Bridging' social capital – allows people to reach out to other groups, people, and institutions beyond their community, a kind of 'social oil'; and

> 'Linking' social capital – connections between people with differing levels of power or social status (Bridge et al., 2009).

Rural areas and Aboriginal communities are generally seen to have high levels of social capital. However, these communities often have strong 'bonding' capital, which

facilitates mutual aid and reciprocity, but does not facilitate access to needed external resources (knowledge, networks and finances).   Likewise, bridging between two groups of people with equally low levels of political or social power will not generally bring about structural change. Therefore, it is important to understand what forms of social capital exist, and what kinds might need strengthening, for effective social economic initiatives.

Bridging and linking social capital must be present (or generated) for economic success. This concept can be applied to the development of small business – while internal networks with family and other Aboriginal people is important for success – external links to resources, knowledge, market access is also of vital importance.

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Appendix 1

Survey Questions

Survey of Aboriginal Entrepreneurs Not In Business

On behalf of the **Aboriginal Business Services Network Society**, *Eagle Spirit Community Solutions* is conducting research on the needs of Aboriginal entrepreneurs in British Columbia. The research will be used to ensure that services offered to Aboriginal people are timely, relevant, and effective.

We are asking you to complete a survey about your experience as an entrepreneur. Participation in the survey is voluntary, and you are free to stop participating at any time. The survey should take about 15-20 minutes to complete.

All the information that you provide in the survey (including your email address) will be kept in strict confidence by the research team. By beginning the survey, you are indicating you understand and accept the above.

The outcome of this research will be a report on ways in which Aboriginal organizations and governments can best serve Aboriginal entrepreneurs. The final report will be available in hard copy, and will also be available on the web site of the Aboriginal Business Services Network Society (http://www.absn.ca).

If you have any questions about the survey, please feel free to contact Veronica Creyke, of *Eagle Spirit Community Solutions*, at 250-957-4373, vcreyke@gmail.com, or Marie Baptiste, of the *Aboriginal Business Services Network*, at (250) 828-9834 or marie@absn.ca.

Thank you for your contribution to this important research.

PLEASE E-MAIL THE COMPLETED SURVEY TO: EagleSpiritSolutions@gmail.com OR FAX IT TO 250-957-4373.

PLEASE DO NOT WRITE YOUR NAME ANYWHERE ON THE SURVEY *For completing the survey you can enter a draw to win an iPAD. Just send an email*

with your full name and phone number to: EagleSpiritSolutions@gmail.com
Subject Line: Survey Draw. Draw will be held on December 16, 2011

Survey of Aboriginal Entrepreneurs in Business

Profile

1. What group best describes you?

   First Nations   Métis   Inuit   Non-status

2. What is your gender?   Male   Female

3. In what year were you born? _____

4. What is the main activity, or the main sector that you work in?

5. How many employees do you have? Full time_____ Part-time_____ Seasonal _____ Contract workers_____ Volunteers _____

6. How many years have you been in this business? _____

7. In what community is your business headquartered?

8. How is your business currently structured?

   Sole Proprietorship   Family-owned and operated   Partnership

   Owned by Aboriginal community   Non-profit . □ Incorporated   Other

Challenges and Supports

9. In the process of starting your business, and during its first year, what were the top three challenges you faced?

10. What are the top three challenges facing your business currently?

11. In overcoming the challenges you faced in your business, what kind of support did you use (for instance, advice on business planning, or financial support from friends and family)?

12. If you had support in starting your business, where did you find it?

13. If you received support from an organization in starting or running your business, was it effective?   Yes   No If *No*, why not?

14. Thinking of your experience in *starting* your business, was there support or advice you needed but couldn't find?   Yes   No If 'Yes', what support or advice did you need?

15. In your experience *managing or expanding* your business, was there support or advice you needed but couldn't find?   Yes   No If 'Yes', what support or advice did you need?

16. If you needed a support service from an organization, what method would you be comfortable using (check all that apply)?

□ One-to-one in-person support at their office

□ In-person support through an outreach worker

□ One-to-one phone and email support

□ Internet based support (i.e. information and links through a web site)

□ Webinars, or teleconferences on specific issues

□ Group processes, such as training workshops or information sessions.

□ Peer support (i.e., being connected to other entrepreneurs or community members)

17. Thinking about the life cycle of a business, in your experience, *when* would be the most important time to provide support to an Aboriginal business (check only one answer)?

　Prior to start up

　During the first year

　During expansion

When closing or changing ownership of the business

During times when the business is stressed (i.e. downturns in the economy or changing market demand, etc.)

Depends on the business or person: there is no consistent pattern.

Awareness of Tools / Support Services

18. In B.C. there are a number of organizations that provide support or advice to Aboriginal businesses. Based upon your past experience, which, if any, of the following organizations would you look for help in the future? (Mark all that apply.)

19. Thinking of the challenges your business faces, what type of help is most useful?

20. In your opinion, what role should Aboriginal organizations play in supporting Aboriginal entrepreneurship?

21. Amongst your family, friends, or peers, who are your biggest supporters, and what as the most valuable help they gave?

Aboriginal Business Canada				
Aboriginal Affairs and Northern Development(INAC)				
Human Resources Development Canada				
Aboriginal Business Development Corporation				
Western Economic Diversification Canada				
Community Futures development corporation				
Canada / BC Business Service Centre				
Provincial government				
Band Council or Economic development Officer				
Aboriginal Capital Corporation				
Credit union or other financial institution				
Other, please specify:				

Social Media

22.Which, if any, social media tools do you use in your business?

23.What do you use social media for in your business?

Sales/marketing

Networking

Competitive intelligence / track trends

Building an online community

Monitoring customer feedback / experience

Finding customers

Read industry/expert blogs/publications

Other (SPECIFY_____)

Don't Know or Not Applicable

24.Is there anything else you think we should know about gaps in services to Aboriginal entrepreneurs?

WE THANK YOU FOR YOUR TIME IN COMPLETING THIS SURVEY! PLEASE FEEL FREE TO CONTACT US IF YOU HAVE ANY QUESTIONS!

THANKS FOR PARTICIPATING IN THE PROJECT!

Survey of Service Providers to Aboriginal Businesses
On behalf of the Aboriginal Business Services Network Society, *Eagle Spirit Community Solutions* is conducting research on the needs of Aboriginal entrepreneurs in British Columbia. The research will be used to ensure that services offered to Aboriginal people are timely, relevant, and effective.

We are asking you to complete a survey about your experience as a service provider. Participation in the survey is voluntary, and you are free to stop participating at any time. The survey should take about 15 minutes to complete.

All the information that you provide in the survey including your email address will be kept in strict confidence by the research team. By beginning the survey, you are indicating you understand and accept the above.

The outcome of this research will be a report on ways in which Aboriginal organizations and governments can best serve Aboriginal entrepreneurs. The report will also include an inventory of organizations providing services to Aboriginal entrepreneurs in British Columbia, and the services they provide. The final report will be available in hard copy, and will also be available on the web site of the Aboriginal Business Services Network Society (www.absn.ca).

If you have any questions about the survey, please feel free to contact Veronica Creyke, of *Eagle Spirit Community Solutions Community Solutions*, at 250-957-4373, vcreyke@gmail.com, or Marie Baptiste, of the *Aboriginal Business Services Network*, at (250) 828-9834 or marie@absn.ca.

Thank you for your contribution to this important research.

PLEASE E-MAIL THE COMPLETED SURVEY TO EagleSpiritSolutions@gmail.com OR FAX IT TO 250-957-4373.

PLEASE DO NOT WRITE YOUR NAME ANYWHERE ON THE SURVEY

Thank you for participating in this research project! This survey should take about 1520 minutes to complete. Feel free to add any comments you think would help us understand the needs of Aboriginal entrepreneurs!

Please tell us the name of your organization.

Part A - Tell us about the services you currently provide to Aboriginal entrepreneurs.

1. What regions of British Columbia do you serve?

a) Northeast b) Lower Mainland c) Central Interior d) Northwest e) Vancouver island f) Provincial-wide

2. What *types* of support do you provide to Aboriginal entrepreneurs (check all that apply)

a) _____ Planning and starting up a business b) _____ Market information or marketing support c) _____ Finding money: financing/business loans, investment readiness d) _____ General business skills development e) _____ Financial skills development f) _____ Providing networking or mentoring opportunities g) _____ Partnership development h) _____ Support for expansion or business growth i) _____ Crisis intervention: helping when a business is stressed or floundering j) _____ Planning for successorship or closing a business k) _____ Human Resources planning l) _____ Health, safety or environmental practices

3. Using the letters above, please tell us what information or support Aboriginal entrepreneurs request most from your organization?

4. Do you provide business services that reflect the different stages of business development (i.e., planning, after care, expansion to established business?)

    Yes   No If *Yes*, what stage represents the majority of the organizations workload?

5. Please tell us *how* your organization delivers its services (if you use different methods of delivery, rank them from 1 to 6, with '1' being the method you use the most)

a) One-on-one in-person support at your office b) _____ In person support through an outreach position c) _____ One-on-one phone and email support d) _____ Internet based support (i.e. providing information and links through a web site) e) _____ Group processes, such as training workshops or information sessions. f) _____ Webinars, or

teleconferences on specific issues or with experts g) _____ Peer support (i.e., connecting entrepreneurs to other entrepreneurs or other community members)

Thinking of the different ways to deliver services, in your opinion do we need new delivery methods to meet the needs of today's entrepreneurs?   Yes   No

If *Yes*, what is the main thing you would change to meet those needs?

6. Please estimate how many requests for your products and services you receive each year from Aboriginal businesses (within the last two years).

Part B - Please tell us about the Aboriginal clients you serve.

7. Do you keep information on who uses your services? If so, can you tell us: a) What proportion of your clients are women entrepreneurs?_____ b) What proportion of your clients are youth (1629)?_____

8. Thinking about the clients you have served over the last five years, how has the profile of your clients changed (i.e., are there more youth, or more people from urban areas)?

9. What business sectors are your current clients involved in (please check all that apply)

_____ Agriculture, Forestry, Fishing and Hunting_____ Mining and Oil and Gas _____ Utilities _____ Construction, including heavy equipment operations _____ Manufacturing_____ Retail Trade _____ Transportation and Warehousing _____ Information and Cultural Industries *(e.g. information technology, broadcasting, etc.)* _____ Finance and Insurance _____ Real Estate _____ Professional and Technical Services (e.g. legal, accounting, advertising)_____ Educational Services, Health Care and Social Services _____ Arts, Entertainment and Recreation _____ Accommodation and Food Services _____ Consulting Services (SPECIFY) _____Tourism Services _____Other (SPECIFY)_____

Using the numbers in the list above, please tell us what sectors represent the majority of the workload for your organization?

Thinking about the sectors that Aboriginal entrepreneurs are involved in, has there been any change in the last three years in the sectors you support, or has the mix of sectors remained relatively stable?

Part C - Please help us understand the needs of Aboriginal entrepreneurs

12. In your experience, what are the three most important services or supports needed by Aboriginal entrepreneurs today?

13. As you look at the needs of Aboriginal entrepreneurs, are there services or supports that you think people need, but are currently not available?   Yes   No

If *Yes*, and you were asked to create services that fill that gap, what would they be?

14. Thinking about the life cycle of a business, *when* is the most important time to provide support to an entrepreneur (check one only)?

Prior to start up

During the first year

During expansion

During times when the business is stressed (i.e. downturns in the economy or changing market demand, etc.)

When a business is changing hands or closing

Depends on the business or person: there is no consistent pattern.

15. In your experience, do young entrepreneurs (16-29) have different approaches/needs than older entrepreneurs when it comes to accessing services? Yes   No

If *Yes*, what are the key differences?

16. In your experience, do women entrepreneurs have different approaches/needs than male entrepreneurs when it comes to accessing supports?   Yes   No

If *Yes*, what are the key differences?

17. Many Aboriginal entrepreneurs report that they don't access formal support services in starting or managing their business. What do you think the reason is for this?

18. In working with Aboriginal entrepreneurs today, do you think that they have the appropriate technological capacity to support their business (i.e., ability to create a company web page, or the knowledge to use social media like Facebook)?

19. If you had to describe in a short sentence how Aboriginal service providers add value to Aboriginal entrepreneurship, what would you say?

20. Is there anything else you think we need to know about gaps in services to Aboriginal entrepreneurs, or how services should be delivered?

WE THANK YOU FOR YOUR TIME IN COMPLETING THIS SURVEY! PLEASE FEEL FREE TO CONTACT US IF YOU HAVE ANY QUESTIONS!

Please send the completed survey to EagleSpiritSolutions@gmail.com

Or fax it to: 250-957-4373

***Eagle Spirit Community Solutions*, on behalf of: The Aboriginal Business Services Network**

Aboriginal Business Services Network Methods Notes and Documents
FOCUS GROUP: ENTREPRENEURS

FACILITATOR NOTES:

INTRODUCTION, THANKS AND ACKNOWLEDGEMENTS

REVIEW PURPOSE OF STUDY

IDENTIFY STUDY SPONSORS

COMFIRM CONFIDENTIALITY ISSUES

CONFIRM INVOLVEMENT VOLUNTARY

CONFIRM SESSION BEING RECORDED

DESCRIBE PROCESS…

INVITE FOLLOW-UP AFTERWARDS IF NEEDED OR WANTED

TOTAL TIME: BETWEEN 1.5 – 2.5 HOURS

<u>Awareness.</u>

1. Thinking about when you started your business, what support or help did you need?

2. In starting or running your business, was there some information or support that you needed but could not find?

• **PROBE:** what kind of support is missing… but also barriers to access

3. Some people suggest that entrepreneurs most need support when they are starting up. Others suggest that support is most valuable when a business if facing stress, such as sudden changes in the market. In your opinion, at what stage is support most needed by Aboriginal entrepreneurs?

Accessibility.

Various people and organisations provide business information services for entrepreneurs. Which do you feel comfortable approaching for that help, and why?

Many entrepreneurs don't take advantage of formal supports provided by organizations, and instead turn to friends, family or peers. What do you think they are looking for??

In general, what role should Aboriginal organizations play in supporting Aboriginal entrepreneurs?

Technology:

There have been dramatic changes over the last ten years in internet technology. Thinking about those changes, do you think Aboriginal businesses are equipped to take advantage of these changes?

IF TIME PERMITS:

General:

8. Is there anything else we should know about gaps in services or information to Aboriginal entrepreneurs?

FACILITATOR CLOSING: THANK FOR PARTICIPATION, REITERATE CONTACT INFORMATION AND HOW TO ACCESS FINAL REPORT

Womens Focus Groups Survey Questions

FACILITATOR NOTES:

INTRODUCTION, THANKS AND ACKNOWLEDGEMENTS

REVIEW PURPOSE OF STUDY, *SPECIFIC FOCUS ON WOMEN'S ISSUES TODAY*

 IDENTIFY STUDY SPONSORS

 COMFIRM CONFIDENTIALITY ISSUES

CONFIRM INVOLVEMENT VOLUNTARY

CONFIRM SESSION BEING RECORDED

DESCRIBE PROCESS…

INVITE FOLLOW-UP AFTERWARDS IF NEEDED OR WANTED

TOTAL TIME: BETWEEN 1.5 – 2.5 HOURS

<u>Awareness.</u>

9. …Thinking about when you started your business, what support or help did you need?

• **PROBE: In your opinion, at what stage is support most needed by Aboriginal entrepreneurs?**

10. …Where did you get this information or support from?

• **PROBE**: informal networks, local service providers, Internet

11. Sometimes, in running a business, we need support or help but don't always access it. What do you think stops people from accessing support?

• **PROBE:** what kind of support is missing… barriers to access

12. Are there services that are needed by women entrepreneurs but aren't available, or difficult to find?

Accessibility.

13. …Many Aboriginal entrepreneurs use family, friends, or peers when they are looking for support or help in starting or managing their business. What support do you think they are looking for? Many female entrepreneurs don't take advantage of formal supports provided by organizations. Why do you think this is so?

PROBE: In general, what role do you think Aboriginal organizations should play in supporting Aboriginal women entrepreneurs?

PROBE: In your opinion, do Aboriginal women use or need these informal networks more or less than male entrepreneurs

Challenges Facing Aboriginal Women

Thinking about the challenges facing Aboriginal entrepreneurs, are there challenges that are unique to Aboriginal women?

There have been dramatic changes over the last ten years in internet technology. Thinking about those changes, do you think Aboriginal women are equipped to take advantage of these changes, or do they face challenges that male entrepreneurs don't face?

IF TIME PERMITS….

General

16. Is there anything else we should know about gaps in services or information to Aboriginal women entrepreneurs?

FACILITATOR CLOSING: THANK FOR PARTICIPATION, REITERATE CONTACT INFORMATION AND HOW TO ACCESS FINAL REPORT

Youth Focus Group

FACILITATOR NOTES:

INTRODUCTION, THANKS AND ACKNOWLEDGEMENTS

REVIEW PURPOSE OF STUDY, *SPECIFIC FOCUS ON YOUTH ISSUES TODAY*

IDENTIFY STUDY SPONSORS

COMFIRM CONFIDENTIALITY ISSUES

CONFIRM INVOLVEMENT VOLUNTARY

CONFIRM SESSION BEING RECORDED

DESCRIBE PROCESS…

INVITE FOLLOW-UP AFTERWARDS IF NEEDED OR WANTED

TOTAL TIME: BETWEEN 1.5 – 2.5 HOURS

<u>Awareness.</u>

Thinking about when you started your business, what support or help did you need?

Sometimes, in running a business, we need help but don't always access it. What do you think stops people from accessing support?

Are there services that are needed but aren't available?

• **PROBE:** what kind of support is missing… barriers to access

Accessibility.

20. Have you experienced difficulties accessing information for your business? Explain.

21. Entrepreneurs can access information in a variety of ways (Internet, visiting a service provider, reading books, watching videos, attending seminars, etc.). Which are the most convenient ways for Aboriginal youth to access this information? Why?

22. Many Aboriginal entrepreneurs use family, friends, or informal networks when they are looking for support or help in starting or managing their business. What support do you think they are looking for?

PROBE: In general, what role do you think Aboriginal organizations could play in supporting young Aboriginal entrepreneurs?

PROBE: Aboriginal youth *use* informal networks differently than older entrepreneurs do? For instance, do they use seek out more experienced role models, or do they prefer to network with peers

Technology

23. There have been dramatic changes over the last ten years in internet technology. Thinking about those changes, do you think Aboriginal businesses are equipped to take advantage of these changes?

• **PROBE**: do organizations that provide support to Aboriginal entrepreneurship, they use technology effectively

24. It is often said that youth today are well versed in technology such as social media, or web technology. Do you think this is true of Aboriginal youth today? Do Aboriginal youth face challenges in this area that are different than non-Aboriginal youth?

IF TIME PERMITS….

<u>**General**</u>

25. Is there anything else we should know about gaps in services or information to Aboriginal youth entrepreneurs?

<u>**FACILITATOR CLOSING: THANK FOR PARTICIPATION, REITERATE CONTACT INFORMATION AND HOW TO ACCESS FINAL REPORT**</u>

ABSN Service Providers Focus Group Survey

FACILITATOR NOTES:

INTRODUCTION, THANKS AND ACKNOWLEDGEMENTS

REVIEW PURPOSE OF STUDY

IDENTIFY STUDY SPONSORS

COMFIRM CONFIDENTIALITY ISSUES

CONFIRM INVOLVEMENT VOLUNTARY

CONFIRM SESSION B EING AUDIO RECORDED

DESCRIBE PROCESS…

INVITE FOLLOW-UP AFTERWARDS IF NEEDED OR WANTED

TOTAL TIME: BETWEEN 1.5 – 2.5 HOURS

Aboriginal Business Services Network Methods Notes and Documents

SERVICE PROVIDER FOCUS GROUP QUESTIONS

1. In your experience as providers, is the profile of the Aboriginal business community changing, (i.e., are you seeing more youth owners, or clients from new or emerging business sectors)?

PROMPT: demographics of owners (ie gender or age, location, sector).

PROBE: **Are there any other trends in Aboriginal businesses in British Columbia we should know about**?

2. What kind of information or services do Aboriginal entrepreneurs today need when starting their business?

3. What kind of information or services do they need today when they are operating or expanding their businesses?

4. Thinking of the needs of Aboriginal entrepreneurs, and the range of services currently available to them, what services or information do you think are missing in the current system?

• *PROMPT: with initial results of surveys from entrepreneurs and providers, check for validity or probe for more detail….*

5. Are there some sectors of Aboriginal businesses that service providers are not reaching?

6. If you were asked to describe the three most critical barriers to Aboriginal entrepreneurs accessing support, what would they be?

• **PROBE**: Are there specific barriers facing women and youth?

7. Increasingly, businesses are making use of internet technology such as a web site for their business, or social media such as Facebook. In your experience, do Aboriginal entrepreneurs face different challenges than non-Aboriginal entrepreneurs in using social media or web technology?

8. In your opinion, would there be value in increased collaboration between entrepreneurs, providers, and governments? What is the value of that collaboration?

PROBE: If we wanted to increase collaboration between these groups, how would we do this? IT TIME PERMITS ASK THE FOLLOWING:

9. In general, what do you think is the right role for Aboriginal organizations in working with Aboriginal entrepreneurs?

10. **<u>FACILATATOR CLOSING: THANK FOR PARTICIPATION, REITERATE CONTACT INFORMATION</u>**

Research Questions (Revised) for 2011 Gap Analysis Study

Objectives:

The RFP and the Proposal for the Gap Analysis study contain the following deliverables:

1. Provide a comprehensive description of:

a. Organizations providing support services to Aboriginal entrepreneurs in B.C.

b. the business tools and business planning and business advisory support services available to Aboriginal entrepreneurs in BC

c. the business tools, planning and advisory support services required by Aboriginal entrepreneurs

d. The profile of Aboriginal entrepreneurs in BC.

Identify "gaps" between what (services) are provided and what are needed;

Identify barriers to access and utilization of services;

Provide recommendations on the types of information and services needed to enable Aboriginal entrepreneurship and successful business planning, formation and expansion;

Provide advice to encourage collaboration among governments, service providers and Aboriginal entrepreneurs;

Consult with service providers and Aboriginal entrepreneurs to determine the best design and delivery mechanisms for new Aboriginal business information and support services.

Research Questions:

Given these objectives, the following are the research questions for the Project:

Overall Research Questions:

What new or revised services, tools, supports or products are needed for Aboriginal entrepreneurs to start, expand or sustain businesses?

What is the best way to deliver support services to Aboriginal entrepreneurs?

What has changed since the Gap Analysis of 2001?

Detailed Research Questions:

For Service Providers (SP):

What organizations (Service Providers) currently provide support services to Aboriginal businesses/entrepreneurs in BC?

What services to Aboriginal entrepreneurs are currently available through identified SP's?

What supports do the SP's identify are needed by their clients or potential clients (other than what is currently provided)

What supports do SP's identify as declining in utility?

What mechanisms are used by SP's to deliver support services?

For Entrepreneurs

What supports do Aboriginal entrepreneurs identify they need?

When did Aboriginal entrepreneurs identify they needed support the most in the life cycle of their business?

What supports or services does the literature suggest Aboriginal entrepreneurs need?

What supports do Aboriginal entrepreneurs know of and actually use in starting or expanding their business, i.e., what is the awareness and utilization of existing services?

What is the gap between what is available and what the literature identifies as needed?

What is the gap between what is available and what Aboriginal entrepreneurs identify as needed?

What is the current technological capacity of Aboriginal entrepreneurs to access and use internet business tools?

For Women and youth entrepreneurs

What are the unique issues facing youth in accessing or receiving support services?

What are the unique issues facing Aboriginal women in accessing or receiving support services?

Overall/General:

What barriers do the literature and Aboriginal entrepreneurs identify to accessing existing support services?

What barriers do the literature and Aboriginal entrepreneurs identify to accessing proposed support services?

What barriers do service providers and the literature identify to providing services to Aboriginal entrepreneurs?

What are the limitations of existing support mechanisms for delivering support services?

What are the best mechanisms to deliver new support services?

What is the current profile of Aboriginal entrepreneurs in BC today (particularly on the dimensions of location, gender, age and sector)

What sectors of the economy are Aboriginal entrepreneurs active in now, and is there a trend in sectorial participation?

How could collaboration be increased between governments, service providers and Aboriginal entrepreneurs?

What are the impediments or barriers to adopting a systematic approach to providing information to Aboriginal entrepreneurs?

How do the answers to questions 1-20 differ from the answers given in 2001?

Synopsis of Data - Method Notes for Gap Analysis Project

Target Population

Individuals or business firms that have self-identified as Aboriginal businesses (51% owned), or have been identified by others as Aboriginal businesses.

Sample Frame:

The sample frame is existing lists of Aboriginal entrepreneurs, referrals from support service agencies, snowball sampling, and those who respond to the surveys posted at various web sites or through social media. This introduces a potential sampling error, as those who respond to surveys using internet technology or social media may not represent the general population of Aboriginal entrepreneurs.

Stratified Quota Sampling Method

The study will aim for a minimum of 200 completed surveys that are in scope. The general sample method is to ensure the completed surveys match the profile of Aboriginal entrepreneurs in British Columbia.

Surveys for the Gap Analysis will be based on a stratified sample of the population of Aboriginal entrepreneurs in British Columbia, to achieve quotas that match the profile of the B.C. Aboriginal entrepreneurial community, with some over-sampling for youth and women. The quotas are based on 2006 Census data and data derived from the 2011 Canadian Council on Aboriginal Business Study. The data sources for the sample use the term 'self-employed': while the terms 'self-employed' and 'entrepreneur' mean slightly different things, for the purposes of establishing the sample they will considered equivalent.

The current profile of Aboriginal entrepreneurs in British Columbia is as follows.
Total Population:

The 2006 Aboriginal population in British Columbia was 196,075. There were approximately 8245 Aboriginal people who declared themselves to be self-employed in 2006, which is 4% of the total Aboriginal population. As a percentage of the active labour force in British Columbia, self-employed Aboriginal people are approximately 9%.

The total target for completed in scope surveys is a minimum of 165, with a preferred target of 250 (30%).

A stratification sample that matches the 2006 profile of Aboriginal entrepreneurs in British Columbia should have the following characteristics:

Gender: Survey results should be 47% male, and 53% female. But the methodology for the project called for oversampling female entrepreneurs. So, weighted 5% in favour of female respondents, the final result should be 58% female, and 42% male.

Youth (15-29): Youth represent 23% of the labour force Survey results should be an over sample, weighted 5% in favor of youth respondents, e.g., 28% of in scope surveys.

Region: proportionate representation from the 4 regions (North, Interior, LM, Vancouver Island), which is:

Region Percentage of total British Columbia Aboriginal Population

North 24 Island 20.7 Interior 22.9 Lower Mainland (Vanc. 32

Plus Fraser)

On and off reserve: The proportionate representation: 36% on reserve, 63% off. *Métis*: Métis are 30% of the Aboriginal labour force. <u>*Sectors*</u>:

ITEM	NEEDED
11 - ____ Agriculture, Forestry, Fishing and Hunting	5
21 -____ Mining and Oil and Gas	1
22 - ____ Utilities	1
23 – ____ Construction, including heavy equipment operations	15
31 - ____ Manufacturing	6
44 - ____ Retail Trade	9
48 - ____ Transportation and Warehousing	4
51 - ____ Information and Cultural Industries *(e.g. information technology,*	13
Broadcasting, etc.)	2
52 - ____ Finance and Insurance	2
53 - ____ Real Estate 54 - ____ Professional and Technical Services *(e.g.*	11
legal, accounting,	
advertising)	5
61 - ____ Educational Services, Health Care and Social Services	12
71 - ____ Arts, Entertainment and Recreation 72 - ____ Accommodation	6
and Food Services	
77 - ____ Consulting Services (SPECIFY)	1
_____ 78 - ____ Tourism Services 00 ____	7
Other	

GAP ANALYSIS STUDY

Criteria for Profiles for Final Report

NOV 2, 2011

The Final report for the Gap Analysis study will include 7 profiles of Aboriginal entrepreneurs. These will be used to illustrate central points in the Report, and to provide a more accessible tone to the Report.

Because the Report is not just a series of success stories, the Profiles should also not be just a series of success stories. Rather, we are looking for entrepreneurs or businesses that tell a range of stories. Accordingly, the criteria for the Profiles include:

Five women and five men, to ensure gender parity

At least one women who has faced challenges that are unique to Aboriginal women and persevered (think of a mature single mom returning to work)

At least one woman who is in traditionally male dominated fields such as equipment operations or construction

Two or three youth, including one who uses social medial extensively

One person who started down the path of creating a business and then chose not to proceed

One person who did NOT use formal organizational supports for their business, but instead used informal supports such as mentors, or peers, or family

An entrepreneur who clearly benefited from services provided by a member of the ABSN

An entrepreneur who combined support from a service provider with informal support from peers or community members A social enterprise, preferably one that actually turns a profit.