

# PROVIDING ENTREPRENEURIAL TRAINING TO NATIVE YOUTH

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## Overview

This initiative originated from a survey done at the Kahnawake Survival School (KSS) and a study at the National Aboriginal Career Symposium (NACS) commissioned by Aboriginal Human Resource Development Council of Canada (AHRDCC) in 2001.

The objective of the study was to get a perspective on the career aspirations and expectations of Native High School youth so as to develop better career tools for the benefit of the youth.

One of the significant findings was that entrepreneurship was a career choice selected by many of the youth. This was particularly interesting when taken in the context that Native entrepreneurship (per capita) is lower than for those in the rest of North America. Another finding was that Native High Schools provide little, if any, entrepreneurial training or exposure to entrepreneurship as a career choice. The importance of entrepreneurship in self-determination and the desire of many Native youth to pursue this career option led to our seeking an opportunity to do a pilot project with Native High School youth on entrepreneurship orientation.

At the same time, Angela Deer, a loan officer with Small Business Services, at Tewatoh-

nih'saktha (the Economic Development Office) in Kahnawake, Quebec had a similar vision for entrepreneurial training for Native youth. She was instrumental in arranging, through the National Aboriginal Capital Corporation Association (NACCA), a pilot project for entrepreneurial training at KSS in the spring of 2003.

Working closely with Tewehni'tatshon, the school principal, it was decided to provide the training for the graduating class of seniors. The training was scheduled to take place in three sessions of two hours each, spread over a four-week period. The objective was to develop awareness for entrepreneurship as a career choice and to provide an understanding on the requirements needed for being a successful entrepreneur.

The training was given as an introduction to entrepreneurship and was attended by the 20 senior graduating students. It was an overview of entrepreneurship as a career. Examples and coaching were provided, which were built upon the ideas presented by the youth.

## Methodology

The orientation was developed in three stages, each being two hours. The first stage was focused on **"generating the idea"**, the second on **"taking the dream toward reality"** and the third was **"from sandbox to launch"**.

## Generating the Idea

The first stage began with an overview of the importance of entrepreneurship for sustainable development and self-determination. An explanation of the need for Native entrepreneurs and the requirements for entrepreneurial success were provided. Some examples of Native youth entrepreneurship were provided as a source of inspiration.

The orientation then went to explain the process of becoming an entrepreneur. The importance of being able to identify business opportunities by being sensitive to people's needs was emphasized. The idea of whether the idea was relevant for those within a particular community or had broader implications was also discussed. The overall process for starting a business, from the initial inspiration to visioning to feasibility to sandboxing and then to business planning was explained.

To enable the students to more clearly identify with entrepreneurship, a background of the community's business history, from fur and agriculture to the present day golf courses, Internet initiatives and small-business start-ups, was discussed. Finally, the process of getting a business idea was reviewed. At the conclusion of the session the students were challenged to come up with a business idea for the next session, which was the following week.

## Taking the Dream Toward Reality

At the beginning of the second session, the students were asked about any business ideas they may have found. One male student came up with an idea for an automotive audio facility where he would sell and install automotive audio equipment. As this was the only idea presented, a coaching session with the group was initiated whereby we began a "sandboxing" exercise and ultimately conducted a verbal feasibility study.

The concept of "sandboxing" is based on the child's playground where models can be built, destroyed, redesigned and rebuilt quickly and without cost or damage. The entrepreneurial application is to play with the business idea, using scenario (what if?) building in order to re-configure the business model to avoid evident weaknesses. This was well received by those interested in the business idea of installing audio equipment into cars.

A feasibility study precedes a business plan. Prior to the commitment and expense of a business plan, a feasibility study is done to assess the viability of this specific business. Its entry into the economic balance of the industry and the impact (positive and negative) of this new entry on the community in general and the existing businesses in particular were examined. The feasibility study also assessed the capacity of the audio installation business to sustain itself.

The female students were disinterested in the project so we generated a new business idea centred on the concept of providing Internet training to elders. The idea was to help the elders so they wouldn't be so lonely and could interact (by e-mail) with family, friends and groups on-line. We did the sandboxing and feasibility analysis exercise as a group.

The process of business modelling and re-design was addressed and the students were encouraged to overcome the barriers of fear and failure. The realization that many businesses fail and that the key is to learn from those failures was both surprising and reassuring to the students.

## From Sandbox to Launch

The final session emphasized the importance of establishing credibility, incubating the business model and seeking the easiest entry point into the chosen industry to reduce risk and establish the "proof of concept" pilot launch.

Incubating the business model is a concept similar to the incubation of fragile children, at birth, which need protection from the harsh environment until capable of sustaining themselves. Incubating the business model requires constant attention to every aspect, particularly while the business is fragile. The objective is to intervene quickly when revisions are needed to sustain the survivability of the venture. The analogy of the new business with that of a fragile child at birth made sense to the students.

The idea of the "proof of concept", which implies that the new business should initially seek the opportunity to launch in a test market situation, was another interesting concept for the students. In this situation a limited investment is made until the business model concept has been proven to be successful. It was pointed out that this would usually occur after the needed fine-tuning interventions were made. It is at that

point that a total commitment and investment can be given to the proven model.

This session worked with the elements of the business plan. The terms of reference from Aboriginal Business Canada were used and adapted to the comprehension level of the students. The importance of each element of the terms of reference and the required data was explained.

The auto audio installation and the elder Internet training were used as specific examples to explain the terms of reference used by Aboriginal Business Canada. An additional example, which appealed to the youth, was also presented. A desktop recording studio was discussed as an inexpensive business opportunity with low risk and potentially high gain in terms of skill development and profitability.

### A Significant Positive Outcome

One student was obviously a natural born entrepreneur. Inquisitive from the start, he arrived early to discuss his business idea, was focused on his business vision and sought practical action steps to take him closer to his business goal. We used coaching methods to work with this student, before and after the class, to provide practical action steps for his specific opportunity. We were also able to find him an on-line mentor who successfully implemented the same business idea and who was in another province. This meant that there would be no direct competition, and the mentor agreed to provide information, pricing and even source codes for the development of the student's web site. This was very successful due to the drive and focus of the student—we were able to do a successful coaching intervention which moved him much closer to his vision.

### Findings and Recommendations

Was this initiative successful and what recommendations may be drawn from it? The success of a venture is based upon one's expectations and how success is defined. One person came out of this training experience with the desire, understanding and tools to transform his idea into a viable business. Others obtained the basic understanding of what is needed in order to start a business. For some, seeds may have been planted that after a number of years may germinate into an interest in starting a business. How-

ever, others perceived this as an academic exercise, which at best might be described as "an interesting experience".

What may we conclude? We believe that it was a worthwhile undertaking and that there are a number of useful recommendations that we may make as a result of this experience.

**Recommendation:** Offer an introduction to entrepreneurship as a two-hour session on a sign-up basis rather than requiring everyone to attend. Provide the small percentage of natural entrepreneurs access to a coach, in real time and space, to work with them, individually, to provide help to get them closer to a workable business model.

The remaining students were at varying stages of interest in the topic of entrepreneurship. This is not surprising since, for most, this was their first exposure to an overview of the topic. Most had not caught the "entrepreneurial fever" which typically occurs when students have been trained to seek an entrepreneurial inspiration and vision. Without the entrepreneurial "fever" the training becomes an academic exercise in techniques and is rooted in a logical, rational approach to starting a business.

**Recommendation:** Provide follow-up sessions with skills based on entrepreneurial talents rather than an overview of entrepreneurship. Short seminars on creativity, visioning, inspiration, networking and opportunity identification would be valuable prior to entrepreneurial training. The students need to develop the entrepreneurial mindset before getting the roadmap to developing a business. In this way the students would be inspired to get the practical training to move their idea closer to implementation. This would be similar to the process that the natural entrepreneur went through.

It was apparent that the perceived scope of entrepreneurship was beyond the capacity of the students to feel they have the knowledge and self-confidence needed to be successful entrepreneurs. Most Native entrepreneurs start after they have been out of school for awhile and have acquired some working experience as well as the confidence to start their own business. The feel-

ing is that the students do not perceive themselves as capable of being an entrepreneur in the short term—they lack the confidence and business experience necessary (except for the natural entrepreneur who was focused on acquiring the skills necessary and was already adept at networking skills).

**Recommendation:** De-mystify the entrepreneurship process. Give the students practical opportunities to experience entrepreneurship and build their confidence, ideally in group projects to lessen the risk and fear of failure. Project related experiences such as fund raising opportunities, summer entrepreneurship projects, concerts, plays and other instances where they could experience the process of developing a marketing, operations and financial plan would be particularly beneficial.

There are some caveats to this:

- The project must be initiated by the students and managed by the students. The concept of ownership is critical—students will not be motivated to implement ideas developed by teachers. Teachers would be important as advisors but the accountability should remain with the students.
- The scope of the project should be at a level where it is challenging but attainable. A process needs to be instituted where the students research the project feasibility and the students gather the information.
- Paperwork should be kept to a minimum. Too many agencies expect business plans from

students that are overly detailed and cause frustration rather than excitement. Templates would be ideal and an emphasis should be placed on critical but minimal information. Implementation and re-positioning are the most vital aspects of entrepreneurship.

### Summary

For communities seeking to facilitate entrepreneurial development with their youth the following conclusions may be taken from this initiative.

- Develop a process to identify natural entrepreneurs and provide them access to individual coaching.
- Provide training to those with an interest in possibly starting a business in the future. Start with developing skill sets related to an entrepreneurial mindset (networking, creativity, problem solving, inspiration, visioning, and opportunity identification).
- Provide opportunities for limited scope entrepreneurial projects to develop practical skills and confidence.

Native youth would definitely benefit from developing entrepreneurial skills even if they do not pursue an entrepreneurial career path. Based on their expressed desire for entrepreneurship and the need to develop a strong entrepreneurial base, further initiatives targeted to Native youth are highly recommended. Findings from similar initiatives with Native youth should be compiled to establish hybrid techniques that facilitate the development of entrepreneurial skills and confidence for Native youth.