

# TRAINING OPPORTUNITIES IN ABORIGINAL BUSINESS, COMMUNITY AND ECONOMIC DEVELOPMENT *Being Offered Through Aboriginal Organizations*

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*The purpose of this article is to present alternative developmental opportunities for those concerned about economic development in Aboriginal communities. It provides information about the development and availability of modules and courses available from NACCA, CANDO and AFOA.*

## **NATIONAL ABORIGINAL CAPITAL CORPORATIONS ASSOCIATION (NACCA) TRAINING PROGRAMS**

In 2004, NACCA saw a need for uniform training programs for the lending staff and Business Service Officers (BSO's) in the Aboriginal Financial Institutions (AFI's).

A total of 112 modules were created (48 in a Business Plan Assessment series, 48 in a Financial Management series and 16 in a Strategic Planning series). The modules were custom designed to be relevant for Aboriginal lending staff and BSO's working in AFI's. Each module was designed to be one and a half hours of

training with 4 modules to be a full day of training. All modules were tested with an AFI in Saskatchewan (Beaver River Community Futures) and other AFI's in Alberta and Manitoba. Participants from other parts of Saskatchewan also attended the training conducted in Saskatoon.

The pilot testing took two years to complete. Evaluations were conducted during each training session and the results were consistently in the 8 to 9+ range, on a 10-point scale.

The titles of the 112 modules are included in Exhibit 1.

In 2008 NACCA determined to provide an accredited training program that would be recognized by Universities for credit. Based in part

### EXHIBIT 1 NACCA Training Modules

- A. Business Plan Assessment Modules  
 B. Financial Management Modules and  
 C. Strategic Management/Governance Modules

#### Business Plan Assessment

<i>Module Number</i>	<i>Title</i>
1	Introduction to Business Plan Assessment
2	Assessing the concept
3	Assessing the business model
4	Assessing the entrepreneur and team
5	Feasibility analysis
6	Research assessment
7	Niche & Mass market analysis
8	Assessing the product/service
9	Assessing the pricing model
10	Assessing the promotion plan
11	Assessing community impact
12	Concept of full accounting (true profit)
13	E-commerce
14	Franchising
15	Competitive analysis
16	Writing business plans for funding agencies
17	Assessing service businesses
18	Working with the entrepreneur on the business plan
19	Assessing place and distribution strategy
20	Assessing operations (supply side)
21	Assessing operations (key people)
22	Assessing operations (Job descriptions and specifications)
23	Buying a business (factors of evaluation)
24	Buying a business (evaluation techniques)
25	Assessing a retail business start-up
26	Assessing a retail Internet business start-up
27	Assessing a manufacturing start-up
28	Assessing the deal structure
29	Assessing the business capitalization
30	Assessing the youth business plan or project
31	Assessing the business value chain
32	Assessing the start-up cash burning phase (break-even)
33	Assessing start-up costs
34	Assessing the expansion plan
35	Assessing entrepreneurial spirit
36	Assessing the business plan implementation
37	Assessing community capacity for a new business
38	Assessing the start-up balance sheet
39	Assessing the start-up income statement
40	Assessing the start-up cash flow statement
41	Assessing an invention
42	Assessing the Research and Development capacity for the start-up
43	"Sandboxing"
44	Assessing a family business
45	Assessing supporting documentation (appendices)
46	Assessing contingency planning (intervention and re-positioning)
47	Benchmarking and ratio analysis for the business start-up
48	Aligning entrepreneurial and Native values

**EXHIBIT 1 (continued)****Financial Management Modules**

<i>Module Number</i>	<i>Title</i>
1	Introduction
2	Record Retention
3	Income Statement (Gross Margin component)
4	Income Statement (Operating Expense component)
5	Balance sheet
6	Financial Forecasting
7	Inventory control
8	Ratio Analysis
9	Break-even analysis
10	Establishing a Loan policy
11	Introduction to Financial Statements
12	Credit collection
13	Business Valuation methods
14	Partnership agreements
15	Cash Flow
16	Objectives and Conditions necessary for effective incentive plans
17	Declines in inventory value
18	Assessment of collateral
19	Leading indicators of problems
20	Inventory definition and recording procedures
21	Inventory valuation methods
22	Inventory calculation and selling prices
23	Optimum inventory levels
24	Planning negotiations
25	Financial ethics
26	Commercial credit in an Aboriginal environment
27	Loan application forms and reference checking
28	Alternative types and sources of loans
29	Cash conservation and grants
30	Pro-forma financial statements
31	Limitations, principles and objectives of compensation
32	Methods of hiring and compensating employees
33	Financial analysis of Business Plans
34	Assessing loan repayment risk
35	Criteria for granting a loan
36	Determining rate of interest to charge
37	Financial Forecasting
38	Negotiation strategies
39	Sources analysis for business funding
40	Competitive negotiation model (A)
41	Negotiation strategies
42	Competitive negotiation model (B)
43	Non-financial incentives (B)
44	Alternative payback schedules
45	Types of incentive and profit sharing plans
46	Non-financial incentives (A)
47	Debt vs. Equity Financing
48	Self-financing methodologies for business

**EXHIBIT 1 (continued)****Strategic Management/Governance Modules**

<i>Module Number</i>	<i>Title</i>
1	Introduction to Strategic planning
2	Strategic Innovation
3	Mentors and Guides
4	Planning Discussions and other Tools/Skills
5	Collecting (Internal and External) data
6	Testing the idea and strategic formulation
7	Strategic development
8	Strategic implementation
9	Strategic evaluation
10	Introduction to Governance
11	Governance and transparency
12	Governance and trust
13	Best practices
14	Co-ordination and monitoring of Businesses, Programs, Projects
15	Delegation and development of others
16	Coaching followers and helping them succeed

**EXHIBIT 2****Accredited on-line course at University of Regina****Aboriginal New Venture Development, AD436AE — Course Description**

Entrepreneurs are at the heart of economic development. They are the initiators of business opportunities that create jobs, provide spin-off business opportunities and prevent economic leakage of funds from the community or generate external inflow of funds into the community. This thirteen-week course examines the role of the entrepreneur and the actions needed to launch a successful enterprise. The roles of the lenders and Economic Development Officers and Business Service Officers are examined from the perspectives of facilitating the achievement of the entrepreneurs' goals and the community's economic development.

on the earlier module development, a course was developed that fulfilled the academic requirements for accreditation and the first delivery of this course was completed in the winter (January–April) session of 2009. It was conducted on-line and hosted by the University of Regina.

The course number and title is Aboriginal New Venture Development, AD 436AE. This course was custom designed for Aboriginal BSO's and lending staff working in AFI's. It is described in Exhibit 2.

A secondary market was entrepreneurs and business students who were interested in the

business start-up process and working with the AFI. A number of Aboriginal business students from the University of Regina took the course as an elective (for credit) in their business degree program. A total of 13 successfully completed the course (out of 22 registered) and a second delivery of the course is projected for the fall of 2010. The plan is to supplement this initial course with three to four other customized courses which will constitute a certificate in AFI management.

Another training initiative was launched in 2009. This is the development of two customized

training programs for AFI's. The first one is "Board of Directors training" and the second is "Portfolio management for loan officers". These are each to be two day training sessions to be done live with on-line accessibility. The beta testing for the first one is now in progress and is expected to be ready for delivery in fall of 2010.

The intent of NACCA, CANDO and AFOA is to look for synergistic opportunities to co-operate with training initiatives.

For further information about the NACCA training programs contact Steven Morse (COO, NACCA) at [steven@nacca.net](mailto:steven@nacca.net) or the NACCA office in Ottawa:

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### **ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF CANADA (AFOA)**

AFOA focuses on providing capacity building and meeting day-to-day needs of those involved in administrative, financial and management issues in Aboriginal communities in Canada.

To facilitate the development of those involved with financial matters, AFOA has developed a designation called a Certified Aboriginal Financial Manager (CAFM). This may be

obtained by those who have been working in Aboriginal financial management for a period of over five years, upon successfully completing a CAFM exam. Also those accountants with a CGA, CMA or CA and two years of practical work experience in an Aboriginal organization may obtain a CAFM.

Others may obtain their CAFM designation by successfully completing fourteen (14) courses and a CAFM exam and having two years of practical work experience. These fourteen courses are listed in Exhibit 3. Five of these courses are available on line and ten are offered in accredited post-secondary institutions. Those who have taken financial management courses at the college or university level may obtain exemptions for certain courses.

In addition, AFOA offers eight on-line courses that run for 15 weeks. These are listed in Exhibit 4 and focus on enhancing management practices that support high performance.

For more information about the AFOA courses or the CAFM program call 1-866-722-2362 or go to their website at [www.afoa.ca](http://www.afoa.ca).

### **COUNCIL FOR THE ADVANCEMENT OF NATIVE DEVELOPMENT OFFICERS (CANDO)**

CANDO was founded in 1990 and incorporated in 1991. It seeks to facilitate high standards of

#### **EXHIBIT 3**

#### **Courses in AFOA's Certified Aboriginal Financial Management Program**

AFM 1	Financial Accounting Fundamentals
AFM 2	Business Communications
AFM 3	*Business Law
AFM 4	*Strategy and Development
AFM 5	*Values and Ethics in the Aboriginal Workplace
AFM 6	*Aboriginal History and Developments
AFM 7	Managing Information Systems
AFM 8	Micro and Macro Economics
AFM 9	Financial Accounting: Assets
AFM 10	Financial Accounting: Liabilities and Equities
AFM 11	Business Quantitative Methods
AFM 12	Management Accounting Fundamentals
AFM 13	Corporate Finance Fundamentals
AFM 14	*Aboriginal Human and Fiscal Issues

\* Offered on-line

#### EXHIBIT 4 AFOA Management Certificate Courses

AFOA 1	Introduction to Community Economic Development
AFOA 2	Aboriginal Management Practices 1
AFOA 3	Aboriginal Program Management
AFOA 4	Aboriginal Management Practices 2
AFOA 5	Values and Ethics in the Aboriginal Workplace
AFOA 6	Performance Measurement and Reporting in First Nations: A Focus on Results
AFOA 7	An Introduction to Comprehensive Community Planning in First Nations
AFOA 8	Developing an Effective Remedial Management Plan for First Nations

#### EXHIBIT 5 CANDO Certification Courses

1. The nature, structure functioning and development of economies
2. Community economic development philosophy and theory
3. Community economic development practices
4. Community and political processes
5. The nature, structure, and functioning of organizations
6. The context of Aboriginal economic development
7. Contemporary Aboriginal development approaches and issues
8. Financial accounting
9. Managerial accounting
10. Community impact analysis and assessment
11. Introductory marketing
12. New enterprise development
13. Community based research methods
14. Aboriginal business law and policies
15. Written and oral communications
16. Computer applications

economic development activities in Aboriginal communities across Canada. A key accomplishment for CANDO has been its development of a national training and professional certification process for economic development officers (EDOs) working for Aboriginal communities and organizations.

The CANDO National Training and Professional Certification Process accredits institutions which offer appropriate programs and certifies individuals who meet the professional requirements needed by Aboriginal economic development officers. CANDO has accredited a number of post-secondary institutions that provide the courses needed for those seeking certification.

In order to determine which institutions should be accredited and which courses would be

considered relevant for inclusion, CANDO working with others developed a comprehensive profile of the job of an EDO working in the Aboriginal context.

The profile ensures that the content of a particular university or college program is relevant to the field of Aboriginal economic development. It also has been used to assess the level of competency needed by individuals to obtain a professional certification in the field of economic development in Aboriginal settings.

To obtain certification a candidate must satisfy the requirements of the first or "Technician" Level of the program before proceeding to the second or "Professional" Level. The Technician Level consists of 16 core competencies. These are listed in Exhibit 5.



Candidates for certification can use one, two or three of the three methods to demonstrate competency in these 16 areas. They can complete a program consisting of the 16 courses, which are offered at the colleges or universities that CANDO has accredited. Alternatively, they can apply to have courses they have taken evaluated on a course-by-course assessment or basis. For example, the successful completion of an introductory economics course may suffice as demonstration of competency 1: The nature, structure, functioning and development of economies.

A third alternative is that they may make use of Prior Learning Assessment (PLA) standards. PLA standards may be used to demonstrate the completion of any of the Technician Level competency requirements. PLA is based on the idea that valuable learning is not limited to a formal education setting, but also occurs in many other settings. Many practising EDOs have already mastered many of the core competencies.

The requirements for completing the second level, referred to as the "Professional" Level include (i) participation in and completion of CANDO's professional development course, (ii) completion of two years of experience in Aboriginal economic development, and (iii) the completion and acceptance of a paper or case study related to Aboriginal economic development.

The professional development course — *Integrating Knowledge and Experience* — represents the capstone course of the Professional Level of the Certification Process. During the intensive 5-day course, participants are asked to integrate knowledge learned in previous sections of the Certification Process, discuss their experiences, and share ideas on three overriding themes: ethics, communication, and leadership. The course is structured to encourage participation and the open and forthright discussion of professional

standards, the CANDO Code of Ethics, and other current and pressing CED issues. By the end of the week participants develop and present outlines of their required paper or case study on Aboriginal economic development. To date the Professional Development Course (PDC) has been given twice.

For more information about the CANDO National Training and Professional Certification Process call 1-800-463-9300 or go to their website <<http://www.edo.ca>>

## CONCLUSION

There are a number of alternative developmental opportunities available for those concerned with economic development within Aboriginal communities. The modules, courses and programs presented in this article have all been developed with an Aboriginal orientation.

A reasonable question might be, "which is the best one?"

A surprising answer is "each is the best for some, but not for others." What is important is for the individual, perhaps in consultation with others, to determine what he or she is seeking and what knowledge and skill base would be most beneficial to his or her community. NACCA, AFOA and CANDO all have interest in facilitating Aboriginal community, economic and business development.

All three organizations, NACCA, AFOA and CANDO, have made significant investments in creating modules, courses and programs to provide the skills and knowledge that may greatly benefit those who partake of them. The challenge and the opportunity for the individual seeking to learn and develop is to move ahead and obtain the training that is consistent with his or her objectives.