



THE DEVELOPMENT WHEEL

by Mike Lewis

A Workbook to Guide
Community Analysis &
Development Planning

2nd Edition



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Illustration/layout: Don McNair, 'Ecpcl'p'Egpt'g'hqt'Ego o wpl' 'Tgpgy cn

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Canadian Cataloguing in Publication Data

Lewis, Mike, 1952-
The development wheel

(The Westcoast series on CED)
ISBN 0-921424-24-8

1. Indians of North America—Canada—Economic conditions.
2. Indian business enterprises—Canada. 3. Community
development—Canada. 4. Economic development projects—
Canada. I. Westcoast Development Group (Vernon, B.C.) II.
Title. III. Series: The Westcoast series on community
economic development.
E78.C2D48 1994 338.971'0089'97 C94-910387-X

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Acknowledgements

In the four years since it was first published, *The Development Wheel* has lost none of its original power as a framework for the assessment and improvement of community economic development (CED) practice. The Workbook's principles and methods continue to alert community-based organizations to the strengths and weaknesses of their current practice, and to ways in which organizations can assure that resources are used more effectively in future.

The Development Wheel Workshop, for which this book is a major resource, has been extensively delivered in British Columbia, the Northwest Territories, Manitoba, northwestern Ontario, and in the Atlantic Provinces. The interest in the Workbook for private study has been broader still. As local people—native and non-native—assume more and more responsibility for planning and implementing economic development, the demand for such practical and flexible training can be expected to hold firm.

The Development Wheel derives from the practice of Westcoast Development Group and many other community economic development (CED) practitioners in Canada and the United States. Particular thanks go to Dal Brodhead for his assistance with editing, and to Kai Koivukoski of Indian and Northern Affairs Canada for his encouragement and ideas during the development of the workbook concept.

Please keep us informed of your reactions to this book, positive and negative, and how you have made use of it. Westcoast products are revised on the basis of our learning in practice. Herein lies our most important acknowledgement: to you, the reader and user. Your learning contributes immeasurably to our own. The address to which you may address your comments is found on the page opposite.

Victor Cumming
Managing Director
Westcoast Development Group

May 1994

Introduction

More and more community-based organizations in Canada are struggling to assert control and influence over local economic development.

First Nations across the country are becoming involved in Community Economic Development (CED). In the last ten years, some Indian organizations have managed to make major inroads into key sectors of the economy and are building a strong foundation for long-term community self-reliance.

In the poor neighbourhoods of southwest Montreal, RESO has emerged since 1989 as a model for a wide range of community development corporations in Quebec. It made its start fighting to protect community members from displacement by condominium developers. In the last two years, it has helped to train 1500 people and to restructure 200 businesses. The community is a key actor in all decisions which bear on the revitalization of the neighbourhood.

In northern Saskatchewan, Kitsaki Development Corporation continues to make significant progress in building an economic base for its owners, La Ronge First Nation. Since 1985, 13 businesses have been created through joint ventures. Over 500 jobs have been created—important milestones on the road to self-reliance.

Despite their many differences, these community economic development organizations (CEDOs) all face the same great challenge: empowering people to take more control over their own economic future. All are short of resources. All deal with people with low incomes who often lack readily marketable skills. All must build organizational capacity if they are to influence their future.

This workbook is designed first and foremost to help First Nations become effectively involved in CED planning. It will help First Nation development organizations learn

- ☐ where they must start.
- ☐ what strengths and weaknesses they bring to CED planning.
- ☐ what they need to plan for, but have yet to consider.
- ☐ the key steps of CED planning.
- ☐ how to complete a one-year operational plan.

More specifically, *The Development Wheel* is intended to facilitate the operational planning of First Nations participating in CAEDS, the Canadian Aboriginal Economic Development Strategy. Since 1990, CAEDS participants have been required to submit 12-month operational plans in order to secure funding from INAC. The application of this regulation has varied widely. In some cases, money has been transferred with little planning. In other cases, the annual plan remained obligatory. Whether or not the government requires it, however, planning remains crucial to successful economic development.

This workbook describes a 3-4 day workshop in which participants actually do an analysis of their own CEDO (or CEDOs, if they are from different organizations) and plan what they are going to accomplish in CED over a 1-year period. The CEDO may be an individual First Nation, a Tribal Council, or a development corporation—any organization controlled by native people and authorized by them to engage in economic development.

To help this learning/planning process, a typical First Nation is described (Keenan Falls First Nation). A series of exercises then gives people practice in CED analysis and basic planning. Using the CED planning framework known as the “Development Wheel,” participants will

- ☐ get an overview of CED planning.
- ☐ analyze an operational plan.
- ☐ set objectives for an operational plan.
- ☐ try their hand at action planning and budgeting.

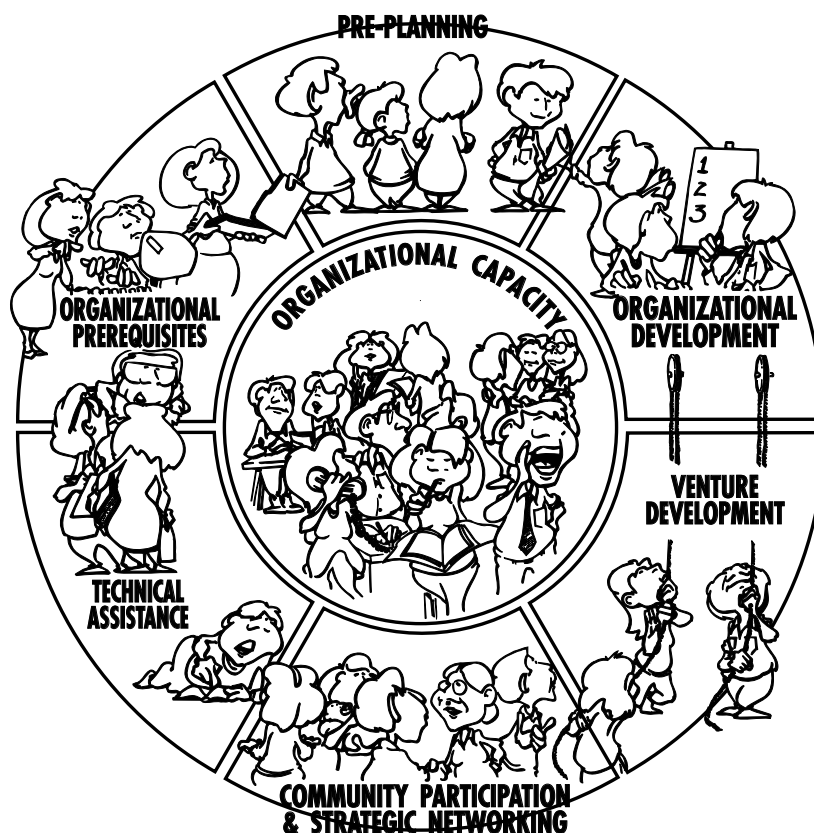
Participants then proceed to the “meat” of the workshop by doing their own analysis and planning work. By the workshop’s close, participants should have done solid work in setting objectives and begun action planning and budgeting. In other words, they should leave the workshop with the basis of an operational plan for the next year.

The principles and methods found in *The Development Wheel* are applicable not just to First Nations organizations. The book can be used by community development corporations, service organizations getting into CED, technical assistance providers in the public and private sectors, and by many others. It is a useful reference for people working in CED—part of a tool kit which they can adapt to their own situations and circumstances.

This workbook is also useful for individual home study. Read Chapter One and then proceed through the seven steps of the Keenan Falls Exercise. Where small group work is required, take notes to compare with the hypothetical “CED Planner’s” conclusions. Better still, find two or three other interested persons with whom you can share the workbook and compare notes. Working together, you will all achieve greater clarity about what you understand, and what you find confusing.

First Nations CEDOs across the country are calling for a framework which will help them decide where to start, how to set priorities, and how to use scarce resources effectively in the development of economic self-reliance. Westcoast Development Group hopes that this workbook is one contribution to meeting this challenge.

The Development Wheel



The experience of CED practitioners in a wide range of minority and depressed communities in North America has given rise to the *Development Wheel*. The Wheel is an analytical tool. **It can help you figure out where your CBO is in the development process. It can help you set priorities for planning and action. It can also serve as a guide to the ongoing CED planning and implementation process.**

The Development Wheel comes from a perspective on economic development that believes that the major focus in economic development must not be on business development but on building the institutions—the organizational capacity—to DO business development which builds greater community self-reliance. As Bill Hatton (General Manager of the Kitsaki Development Corporation, Saskatchewan) says, “If business development is the wrench then economic development is the machine which makes the wrench.”

The CED perspective believes that the path to greater self-reliance must involve a process that empowers people and builds organizational capacity.

As you read the material, you will notice that there are four phases to the CED planning process:

PHASE ONE: Preliminary Data Collection & Preparation for CED Planning

PHASE TWO: Building the Base for CED

PHASE THREE: Focusing the Opportunities

PHASE FOUR: Detailed Planning & Mobilizing Resources

It may be helpful at the outset for the reader to refer to the chart on page 12, which shows how each component of the Development Wheel fits within a systematic, phased approach to CED planning.

1. Organizational Prerequisites for Effective CED Planning

PHASE ONE: Preliminary Data Collection & Preparation for CED Planning

To plan and implement CED effectively, there are several organizational prerequisites. Where they are not present they will constrain the ability of a First Nation to engage effectively in economic development and, more often than not, if not addressed, will lead to costly failures. Basic organizational prerequisites include:

- o A record of stability and effectiveness in the First Nation's government as a decision-making body and some demonstration of capacity to implement decisions.
- o Basic financial systems capable of managing budgets and producing the necessary reports and financial statements needed for decision-makers.
- o The presence of basic planning and development skills and the provision of the time and resources necessary to support the planning process.
- o First Nation decision-makers willing to set aside sufficient time to become familiar with development issues and to acquire the skills needed to resolve them. Willingness to attend meetings and training sessions.
- o The commitment of First Nation decision-makers to integrate planning with the decision-making process.
- o A willingness to allow the necessary time for economic development efforts to mature and produce results.
- o A willingness to consider using outside businesses and financial resources within the scope of the First Nation's economic development strategy.
- o A willingness to invest in the long-term development of First Nation business management and entrepreneurial skills, if such experience and skills are not currently available among the membership.
- o A willingness and ability to remain continuously involved in the development, support, and regulation of the First Nation's economic development.

Some of these resources may well not be in place at the very outset of planning. **The key question is: what resources are available to the community, and under what terms, in order that it may address these gaps?**



Is your
organization
ready to get
serious about
CED?

2. Pre-Planning for Economic Development

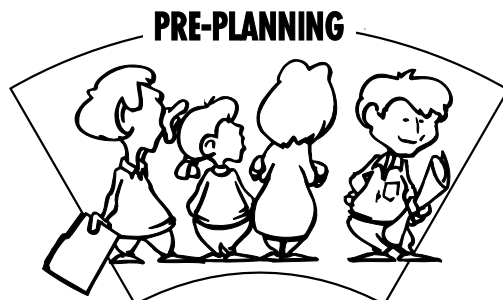
PHASE ONE: Preliminary Data Collection & Preparation for CED

Pre-Planning for Economic Development requires the First Nation to consider **(1) the relationship of economic development to First Nation goals and desired quality of life (in effect, a basic philosophy of economic development), (2) how to proceed with economic development planning, and (3) the gathering of basic information needed for planning within a CED framework.** It includes the following types of activity:

- o Consideration of basic issues regarding the relationship between the traditional economy and the newer ways of earning a living.
- o Preliminary examination of issues related to who should be in charge of economic development.
- o The formulation of general statements about the relationship of economic development to First Nation goals and desired quality of life.
- o Formulation of suggestions as to the role the First Nation government might play in economic development.
- o Development of an economic development planning strategy, including work plans and clarification of who is going to take on what functions, how the First Nation decision-makers will consider the products of the planning process, and definition of a general planning time frame.
- o Assessment of natural resources and preliminary identification of opportunities that link to the First Nation's natural resource base.
- o Analysis of the First Nation's human resources.
- o An overview of the First Nation's CED strategy options.

The community discussion required under this component presents a golden opportunity to broaden First Nation members' involvement in CED. Their support and participation will be encouraged by discussions which focus on the membership's philosophy of economic development, the direction it should take, and the role which the First Nation government should play in it.

This level of planning is an important means by which a basic consensus can be forged. It provides opportunities to broaden constituency participation, to raise issues, and to clarify values. It helps define the parameters of what is possible in the short and long term. It identifies, from a strategic vantage point, what sectors of opportunity are most promising and begins to define the constraints and challenges that will have to be addressed in developing the human resource base. In short, **it provides the overview needed to make decisions that foster an economic development process that can work for the community as a whole.**



What do you
need to know
& decide to plan
for CED?

3. Organizational Development

This component is often given little attention in economic development. The small business perspective that dominates many economic development programs often neglects to foster and manage a development environment capable of supporting small businesses. There are several components of organizational development within the First Nation's economic development process. They include:

PHASE TWO: Building the Base for CED

- ❑ Introductory training in the economic development planning process for the First Nation members, board, councillors, and key staff.
- ❑ Assessment of current organizational resources for economic development: management capacity and systems, financial policies and procedures, short-and long-term organizational goals, First Nation government priorities, allocation of money, staff, space, other resources.
- ❑ Completion of a work plan to govern economic development planning and integrate it with the broader work load of staff and board. This work plan will define and allocate staff, time, and money for the planning process, including the personnel responsible for its day-to-day management, and any technical assistance the First Nation may require.
- ❑ Establishment of a system to monitor the First Nation's economic development planning process.
- ❑ Formulation of community economic development policy, including the definition of mission, goals, roles of the First Nation's government in the development process, and venture selection criteria.
- ❑ Formulation of an organizational development plan. This plan may include: board and staff training; a study of organizational structures; what work needs to be done, by whom, and at what cost; and a definition of technical assistance requirements.

PHASE THREE: Focusing the Opportunities

- ❑ Planning structural changes in order to accommodate venture development: decision-making procedures, management selection criteria, and the separation of political and managerial authority.
- ❑ Training the First Nation's board/Council in evaluation of feasibility studies.

PHASE FOUR: Detailed Planning & Mobilizing Resources

- ❑ Training personnel in development and evaluation of business plans, financial packaging, the monitoring of ventures, and management recruitment.
- ❑ Establishing the legal structures of ventures selected for implementation.
- ❑ Selection of venture manager and staff.
- ❑ Establishment of venture monitoring system and evaluation of ventures within overall economic strategy.



Building an
organization
which can
advance CED

4. Venture Development

Venture development refers to the process by which the First Nation progressively identifies and decides which businesses are to be the focus of its planning effort. The component comprises several steps which together constitute a systematic decision-making process. They are:

PHASE TWO: Building the Base for CED

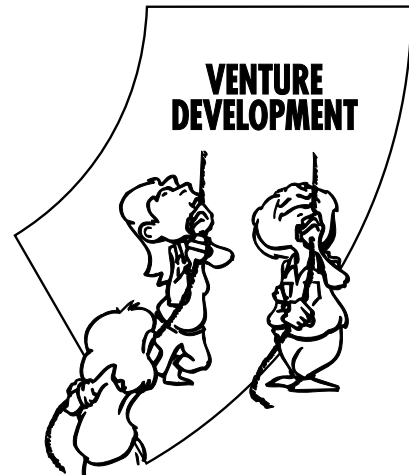
- o Completion of a work plan which defines time, staff, resources, procedure, and (if necessary) technical assistance to engage in the venture development process effectively.
- o Analysis of community cash flow: how money flows into the community and where it leaks out.
- o Research into venture opportunities available locally.
- o Initial selection of venture options based on venture selection criteria (the First Cut).
- o Pre-feasibility study of venture options designated by First Cut selection.
- o Second Cut selection of the 2-3 most promising ventures, based on results of pre-feasibility analysis of venture options.
- o Preliminary development of financial and business support for ventures from public and private sectors and First Nation membership.

PHASE THREE: Focusing the Opportunities

- o Feasibility studies on two or three options which focus on the product, market, competition, organization, management and potential support from First Nation membership and the public and private sectors.
- o Selection of one or more ventures for which a detailed business plan will be completed and submitted to possible sources of financing.

PHASE FOUR: Detailed Planning & Mobilizing Resources

- o Business plan preparation for selected venture(s).
- o Identification of possible sources of financing.
- o Securing financing.
- o Planning and preparation for start-up.
- o Venture start-up.



Building promising
opportunities into
sound businesses

5. Community Participation and Strategic Networking

This component is concerned with developing First Nation member support and participation in the planning process and establishing a network of relationships in the public and private sectors that can be brought to bear in support of First Nation economic development. Some aspects of this component are closely linked to the pre-planning process (p. 6), particularly the points relating to community participation.

PHASE TWO: Building the Base for CED

- o Formulation of a strategy which will engage First Nation members in the CED planning process, especially at the pre-planning level. This would include meetings and discussions about
 - the CED planning process as a whole
 - overall development strategies
 - the roles which individuals, families, and the First Nation's government should play in economic development
- o Community meetings and discussions to solicit ideas for ventures.
- o Building relationships with key people and agencies in the public and private sectors to secure support for CED.
- o Development of knowledge and skills in tapping diverse sources of funding for CED.
- o Community meetings to review and approve key policies concerning the First Nation's mission, goals, strategies, roles in economic development, and venture selection criteria.
- o Development of a communication strategy to keep membership and other key players informed about planning and implementation (e.g., meetings and newsletters to explain the results of the venture selection process).

PHASE THREE: Focusing the Opportunities

- o Outreach to the First Nation membership and others about specific ventures. This process also serves to test and develop support for ideas, and identify possible partners for each venture.
- o Development of a technical advisory committee for the First Nation.

PHASE FOUR: Detailed Planning & Mobilizing Resources

- o Meetings with the First Nation membership and key public and private sector interests to mobilize full-scale support for selected ventures.

To meet these needs in a systematic manner and on an ongoing basis, core financial support for community-based management and co-ordination of the development process is often required.



Casting the net
for key CED
supporters

6. Provision of Appropriate Technical Assistance

Technical assistance refers to the accessibility and quality of outside resources (eg. consultants, advisors, trainers) that can be utilized to assist the First Nation's economic development process. Key points in the process where technical assistance is often crucial are listed below.

PHASE TWO: Building the Base for CED

- ☐ Introductory training in economic development planning.
- ☐ Assessment of the First Nation's organizational capacity and basic management systems.
- ☐ Assistance in work planning for economic development and integration of development planning into the First Nation's overall government functions and/or development corporation.
- ☐ Assistance in establishing key policies such as goals, roles of the First Nation's government, mandating of First Nation economic development organizations, venture selection criteria, etc.
- ☐ Technical advice on first and second stage venture selection cuts.

PHASE THREE: Focusing the Opportunities

- ☐ Feasibility studies.
- ☐ Organizational development planning for venture development and implementation.
- ☐ Training re: feasibility studies, business plans and monitoring the planning and the venture implementation process.

PHASE FOUR: Detailed Planning & Mobilizing Resources

- ☐ Business planning.
- ☐ Financial packaging.
- ☐ Legal issues.
- ☐ Establishment of monitoring systems and training in their operation, maintenance, and use in venture related decision-making.
- ☐ Post start-up for trouble-shooting and problem-solving purposes.

In instances where First Nations do not have any significant experience in economic development, the absence of technical assistance can be a serious obstacle to success. Similarly, technical assistance may be crucial when entrepreneurs have an idea, but lack the training or experience to do the analysis and planning which will translate a concept into a reality. Key to assessing the appropriateness of technical assistance is whether it is structured to transfer skills to the person or First Nation concerned. An example of inappropriate technical assistance is where an outside agent does most of the work without the client being directly engaged in the research and planning tasks associated with economic and/or venture development.



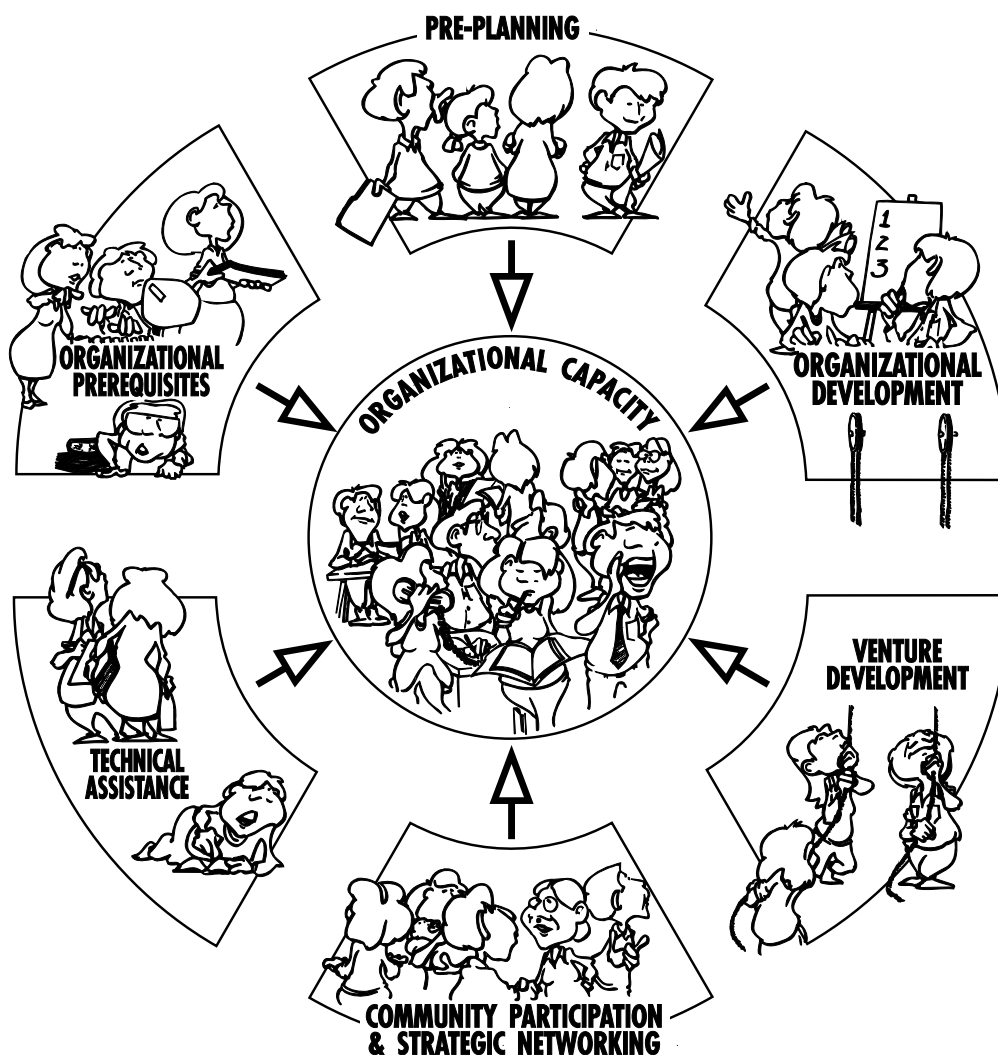
Using the
know-how of
outsiders to
strengthen local
self-reliance

7. Building Organizational Capacity—the Hub of the Development Wheel

The six components of the Development Wheel each contribute to the ability and willingness of community members to initiate projects, programs, and businesses, to organize these ventures, and to keep them running. Over time, the community accumulates an ever greater pool of leaders and followers with organizational talent, as well as hard skills. Persons who

- know how to divide up responsibilities
- work smoothly with one another and outsiders
- make good decisions rapidly, carry them out efficiently, and monitor them afterwards.

This body of talent, skill, and experience is known as a community's organizational capacity. It is at once the key product, and the driving force behind the community's economic development.



The following page shows how the Development Wheel looks when it has been “flattened out.” It becomes a basic planning framework that reduces risk and builds for success.

COMMUNITY ECONOMIC DEVELOPMENT PLANNING			
PRE-PLANNING BASICS			
<p>PHASE 1 Preliminary Data Collection & Preparing for CED</p> <p>Organizational Prerequisites A. Assessment: does the CBO* meet organizational prerequisites?</p> <p>Pre-Planning A. Inventories of Community Resources: <ul style="list-style-type: none"> natural resources human resources physical resources financial resources assessment of community norms & dynamics </p> <p>B. Community participation: <ul style="list-style-type: none"> community goals, relationship to economic development preliminary consideration of roles related to economic development (viz. is the CBO a potential owner in the place of individual ownership?) </p> <p>C. Decision as to whether or not to proceed with economic development.</p> <p>*CBO refers to Community-Based Organization, eg. Band Council, Non-Profit Service Organization.</p>	<p>PHASE 2 Building the Base for CED</p> <p>A. CBO Board & Staff training: introduction to CED planning B. CED Workplan (Who, How, When) C. Management systems analysis D. Organizational development plan to prepare for CED planning & implementation E. Policy-making: mission, goals, CBO roles, venture selection criteria</p>	<p>PHASE 3 Focusing the Opportunities</p> <p>A. Implementation of organizational development plan for CED transition: adaptation of structures B. Organizational planning to accommodate ventures C. Staff & Board training: venture management structures, feasibility studies D. Identification of venture management requirements</p>	<p>PHASE 4 Detailed Planning & Mobilizing Resources</p> <p>A. Board training: financial packaging, business planning B. Establishment of legal structures for venture(s) C. Selection of venture management D. Establishment of venture monitoring system</p>
Organizational Development	<p>Venture Development</p> <p>A. Identification of venture opportunities B. 1st Cut: selection based on venture selection criteria C. Prefeasibility research into venture proposals D. 2nd Cut: selection based on prefeasibility analysis</p>	<p>A. Feasibility studies B. Priority venture selection(s) based on detailed feasibility analysis</p>	<p>A. Business planning B. Financial packaging C. Preparation for venture start-up D. Venture operation & monitoring</p>
Community Participation & Strategic Networking	<p>A. Community meetings: <ul style="list-style-type: none"> venture opportunity identification planning process policies </p> <p>B. Initial networking with external agencies & private sector C. Initiation of community communication strategy</p>	<p>A. Community meetings: develop support for selected venture(s) B. Contacting private & public sector individuals & organizations relevant to ventures under consideration C. Formation of advisory committee (if applicable)</p>	<p>A. Mobilization of internal & external networks in support of priority venture(s)</p>
Identify & Plan how TECHNICAL ASSISTANCE is to be used in each phase.			

The Keenan Falls First Nation

Applying the Development Wheel: A Structured Learning Exercise

This section of the workbook will help you get some practice applying the Development Wheel. You practice community analysis as well as learn and practice the basic steps in operational planning. The instructions for undertaking the exercise are as follows.

1. Read the case profile of the Keenan Falls First Nation (pp. 14-20). Then read the Operational Plan proposed by “I.F. Consulting, Inc.” in order for Keenan Falls to access CAEDS funding (pp. 21-23). As you read, keep in mind the six components of CED portrayed in the Development Wheel.
2. In assigned groups, assess the consultant’s proposal by doing the exercise on p. 24. Answer each of the 3 questions as a group and be prepared to report your findings to the large group. **Do not read beyond page 24 at this time.**
3. Read the CED planner’s analysis of Keenan Falls (pp. 25-35) and compare the results with those of your group. A large group discussion will follow.
4. Listen to the lecturette on operational planning and/or review those sections of the workbook which describe operational planning (pp. 37-44).
5. In assigned groups, define objectives you think appropriate for an operational plan, given the CED Planner’s analysis of Keenan Falls. Put them on newsprint and be prepared to report to the large group. **Do not read beyond page 44 at this time.**
6. Each group will be assigned one or two of the objectives which were developed in the previous exercise. Revise the objective you have been given if necessary, and then prepare an action plan and budget which will get the work done. Be prepared to report back to the group using newsprint. **Do not read beyond page 44 at this time.**
7. Review and discuss the CED Planner’s operational plan (pp. 45-53).

GOOD LUCK!

1. Case Profile: Keenan Falls First Nation

1.1. General Description Of The Community

The community is located in the north central region of a Canadian province. It has winter road access to a community of 3,000 residents about 85 miles to the south. Otherwise, transportation in and out of the community is by plane.

The community is in a region which is rich in minerals. Several other First Nations live in the same region. There is ongoing exploration activity throughout the region. A gold mine will soon be opening near Keenan Falls.

Forestry has some potential. It has not been extensively developed to date, partly because other areas are more accessible.

The community is located on a scenic lake with good walleye, perch, pike, and whitefish fishing.

The on-reserve population is 585 out of a total membership of 786. The reserve is 14,000 acres in size and has 22 km of road. There is one landfill site for waste disposal, a community sewage main and water system for the main concentration of people, and a school (to grade 8). Other single residences use septic tanks and wells. Recreational facilities are limited to an outdoor rink and a ball diamond. Most of the 71 houses on reserve are heated by wood, although a few also use propane. Electrification is based on a diesel generator for the main concentration of the population. The generator is almost at the limit of its capacity to meet basic electricity needs.



1.2. Human Resource Factors

Keenan Falls completed a human resource assessment of its members one year ago. Several points are worth noting:

1. The total population is 786. The on-reserve population is 585. The majority of the other 201 Band members live in 2 other larger population centres, one being a tourist/government service centre and the other a mining town.
2. The population is quite young. Approximately 42% of the population is less than fifteen years of age. This indicates that there will be a large addition of people to the working age population in the next 10 years. In the next five years 104 people will enter the labour force (15 and over) and only 14 (now between 60 and 64) will leave.
3. There are approximately 50 single mothers in the Band. This is a very high rate and may prevent a number of women from active involvement in community activities and/or joining the work force.
4. Approximately 83% of the on-reserve working age population is unemployed (between 15 and 64). Of these unemployed people, 58% want to find work (about 154 adults).
5. Of the adults, 65% (78% of the on-reserve adult population) expressed a desire for further training. Most people wanted occupational skill training (eg. carpentry, plumbing, forestry, office skills, etc.) and/or upgrading. The main focus seems to be increasing the possibility of finding employment.
6. The average education level completed among the Band membership is grade 9. Sixteen people have completed grade 10, eight have completed grade 11 and eighteen have completed grade 12.
7. There have been 24 people who have had some other form of vocational, technical or professional training. Nine have completed the training. They include:

Life Skills	1
Carpentry	1
Plumbing & pipefitting	1
Chef	1
Teaching Certificate	1
Administration	3
Social Work	1



8. Twenty-four people have indicated interest in starting and running a small business. Most are interested in service businesses, including businesses related to the mining industry, construction, mechanics/garage, forestry, and tourism. Most have little experience in business at this time.
9. There is a preference among on-reserve Band members to work and/or receive training on the Keenan Falls reserve. If forced to work off-reserve people would rather relocate than commute between the workplace and the community (eg. the mining camps).
10. There are problems with alcohol and substance abuse in Keenan Falls. In the last five years, a native-run treatment centre has successfully treated some individuals and families. Nevertheless, difficulties with alcohol and related social problems continue. A lot of people suffer from low self-esteem and low self-confidence. Some Band members believe these problems account for the lack of interest in work or training on the part of a lot of people. Similar conditions exist among other Bands in the region.



1.3. ORGANIZATIONAL FACTORS

1. The Band Council operates on a 2-year electoral system. All but one of the four councillors and the chief are in their second term. Previously there was often a major turnover of councillors and a change in chief every two years.

Staff have been relatively stable. The Band manager however, is only in her second year and has had some difficulties getting a handle on the varied responsibilities of her position.

There are several committees, each with 6-8 members. They include committees responsible for education, recreation, health, and housing. Recently, an Economic Development Committee (EDC) was also formed.

The economic development committee has been in place for eight months and has met six times. It has spent most of its time talking about possible businesses. The chief, who sits on the committee, is pushing to move the Band into concentrating on a road maintenance contract for a new mine site being constructed about 20 miles from the community. The new road between the air strip and the mine will require regular maintenance and is going to be contracted out.

2. The Band has recovered from a deficit of \$80,000 the present council inherited 3 years ago. They have had a clean audit for two years and are hoping to apply for Alternative Funding Arrangements (AFA status)

within the next year. They are currently handling a budget of about \$1.5 million/year.

3. Band decision-makers are often under severe constraints with respect to their time. Day-to-day problems, specifically those associated with the housing program and the Band school, occupy much of their time. They want to spend more time on economic development and have structured a committee to do so, but many of the same people are on the economic development committee that have responsibilities in other areas of Band affairs.
4. The Band does not have an Economic Development Officer (EDO) at the moment. The person who held the position before did not have skills in economic development planning or venture development. The salary of \$24,000 (paid out for three years) does not appear to have been producing any benefits related to economic development. The other staff are quite busy in other areas of Band affairs, particularly given the Band wanting to move towards negotiating an AFA. The staff are already beginning to feel overloaded. Questions about who will manage the economic development process remain unanswered.
5. There is some indication that the EDC supports, in theory, the need for a CED strategy. But to date, most of the focus has been on discussing venture development ideas. There is a lot of discontent because of poor job prospects and the Council and Committee feel some pressure to get businesses going as soon as possible. They are not clear whether it is the responsibility of the Committee or Chief and Council to develop a longer term strategy. Most EDC members feel their mandate is to create businesses in order to create jobs. Nobody is very clear about what is involved in putting a CED strategy together.
6. The Band has had in the past little by way of financial resources to support economic development except the \$24,000 for an EDO. There is some recent experience with an outside consultant brought in through the CASE counsellor program of FBDB to do a feasibility analysis of the road maintenance contract idea. The only other resource that is identified as being helpful to the Band is an EDO with the Northern Nations Tribal Council. However, he has only been in the position for six months and little is known about how he might help the Band. Nevertheless, the Band is willing to use outside assistance. The problem is who.
7. Council thinks it is important to invest in the development of management and entrepreneurial skills of its members. However, most of the past activity in this area is confined to running the school. Two years ago there was also an upgrading program. Fifteen people started and eight finished the upgrading to grade 11. There is no means at the Band level to assist those members with small business interest, although the Tribal Council EDO has apparently helped one person get a funding application together.

Most of the funding for post-secondary training is handled by the Northern Native Education Authority (NNEA), an organization controlled by the Bands and funded, in part, by INAC economic development

dollars and other government sources. This is where the Occupational Skills Training (OST) dollars have gone and where individuals needing support went if they wanted help with further training.

However, this year, because the OST dollars were part of the INAC economic development program in the past, Bands in the region, including Keenan Falls, will have to decide whether they want to support the NNEA to continue this service and type of funding support. INAC has held back \$85,000 off the top of the CAEDS District budget until the Bands decide what they want. Part of the problem is nobody seems to know how effective NNEA has been in managing these dollars and what the impact has been.

1.4. Current Businesses

There are two businesses currently operating in the Band.

One is a Band-owned general store which has been operating for six years. Currently, receivables of \$46,000 hinder its expansion. The store is having problems with cash because members are not paying their bills within 30 days. Chief and Council are considering getting an outsider to look at how to solve the problem. No decision has been made as to who should do it and where the money should come from. The current manager is getting fed up because she feels the Band is not taking the problem seriously enough. Meanwhile, she is having problems with re-ordering stock because of a cash shortage. She is demanding that Chief and Council loan the store money to replace stock. She also wants them to tighten up on credit in order to put pressure on those members whose accounts are in arrears.

The other business is a coin laundry that is owned by the Band. It is operated on an informal basis in order to service the needs of Band members. It does not make any money but does at least break even. It is only a 1/4 time job for one person.



1.5. Opportunities & Concerns being Discussed by the Committee

1. The EDC is discussing business opportunities which may arise from the new gold mine. It has had some discussions with the mine management who have let it be known that they will look at proposals the Band puts forward but that their decision will be based on sound business principles. The mine opens in six months and is expected to have a life of 4-6 years. Under consideration are the road maintenance contract, an ore hauling contract, a laundry service, a catering service, and a transport service between the community airstrip and the mining camp.

There is a concern with how to get people ready for employment in the mine and mill. Sixty jobs are going to be created but few Band members have experience in the mining sector.

The community knows that the region they inhabit is heavily mineralized. More mining development over the next 25 years is likely. However, they have no overview of what is likely to happen. Several other Bands in the region are in the same position of not knowing what is happening and who the main actors are.

2. The Band is located in an area where fly-in fishing and other types of adventure tourism are possibilities. The fishing is good and there is a river system that holds out a variety of recreational possibilities. Currently, there are discussions taking place in the provincial government regarding the designation of a Waterways Park in the Band's general vicinity. The Band is currently pushing for input into the planning process for this Park.

Another source of concern to the Committee is the community's lack of experience with tourists. Nor is it clear what the community thinks about building businesses which primarily service non-native tourists.

3. Although Band workers get jobs as part of housing crews, most of the contracts go to outside contractors. There has been no apprenticeship training developed as part of the housing program in the past. The committee is considering what options it has for taking on more direct responsibility for construction. All the materials are brought from outside.

Also, the Recreation Committee and Chief and Council are planning a recreation complex and gym. Construction is to commence one year from now. The question is, how can the community benefit more from the construction phase?

4. Other opportunities include a video outlet, a pool hall, wild rice growing, forestry contracting crews for fire fighting and planting/spacing, day care centre, craft pro-



duction and marketing, fish farming, cafe, tourist resort, and motel.

5. The EDC has also discussed the declining involvement of Band members in trapping and fishing. Somebody has suggested that maybe economic development or welfare dollars could be used to subsidize and provide financial subsidies to these activities so they won't be lost. Somebody else has heard that there is a good program in Quebec using welfare dollars in a new way that encourages these traditional activities.

None of these ideas have moved beyond the discussion stage, except for the road maintenance contract, which has undergone a preliminary feasibility study. The capital required for the equipment is \$750,000 and 2.5 jobs would be created. Unfortunately, few Band members have much experience with the use of such equipment. The possibility of a joint venture has been discussed.

1.6. What Next?

Keenan Falls First Nation could receive up to \$80,000 from the INAC portion of the new CAEDS program. But first, the Band must submit to INAC an operational plan showing what Keenan Falls wants accomplished this fiscal year and how the money will be allocated.

The committee seems to be feeling a little overwhelmed. It has decided to hire a consultant to help them come up with an operational plan within one month. It is now the end of April and they want to submit their operational plan by the end of June.

The committee has already decided that some of its CAEDS money should be used to look at some of the other opportunities in more detail and to develop a funding proposal for the road maintenance contract for submission to the AEP (Aboriginal Economic Program). Specifically, they want to look at the other opportunities associated with the mine and the establishment of a fly-in fishing camp.

The EDC sent out terms of reference for the operational plan to a number of consultants. The terms of reference identified the need to determine how best to spend the CAEDS funding. They also specifically required the consultant to take into account the EDC's discussion of various business ideas. As an appendix, the terms of reference included the general information sent out by INAC to all the Bands regarding CAEDS.

2. Consulting Proposal: June 15, 1990

I.F. Consulting, Inc.

Background

INAC Economic Development is getting out of the business of providing direct services to Bands and Tribal Councils. Most of their funding is being devolved this fiscal year directly to Bands. The Keenan Falls First Nation has a need to develop an operational plan to obtain this funding. What is required is the setting out of clear objectives for the balance of this fiscal year and an identification of costs to meet the objectives.

To assist in the preparation of an operational plan, Keenan Falls hired our firm, I.F. Consulting. This report sets out an operational plan.

This plan evolved from discussions between I.F. Consulting, the economic development committee, and those councillors who do not sit on the committee but who are part of the Keenan Falls Council. It also involved some discussions with the Band Manager and the previous EDO. INAC personnel were consulted and further information regarding the AEP (Aboriginal Economic Program) and Canada Employment programs were also sought since they are the other two departments involved with CAEDS.

Summary of Discussions

From our discussions, we conclude the following:

1. If Keenan Falls is to take advantage of the mine opening in the next six months (January 1991 opening date) with respect to jobs and business opportunities, work to assess the opportunities and get financing together must proceed very quickly.

Jobs opening up at the mine need to be defined more clearly and some recommendations developed as to how to prepare Band members to get employment when the mine opens. The human resource survey completed one year ago should show who takes an interest in mining-related jobs.

2. The store has a problem with \$46,000 in outstanding credit owed by Band members. It needs guidance to get it running on a stable financial footing.
3. Tourism is seen as an emerging sector of activity. The EDC wants to assess the business potential of a fly-in fish camp on Lake Keenan.

Objectives for 1990 Operational Plan

Based on this input from the committee, council and staff and a better understanding of what is required of INAC, the following objectives have been set for the 1990 operational plan.

Objective One

To do prefeasibility analyses on several opportunities related to the gold mine development, specifically; the ore hauling contract, a laundry service, the catering contract and the transportation contract by July 15.

Objective Two

To do a detailed feasibility analysis and business plan on the best two opportunities by August 30.

Objective Three

To submit financing proposals for the two selected opportunities to the Aboriginal Economic Program by September 10, and to assess other possible sources of funding.

Objective Four

To define job entry requirements for the mine by August 1. Also, in co-operation with the Band Council, to use the human resource survey to identify people who may be interested in mining jobs and have basic job entry skills.

Objective Five

To review store operations and help the manager and the Chief and Council come up with a plan for dealing with the credit and other problems of the store operation by September 15.

Objective Six

To do a prefeasibility study on the possible establishment of a fly-in fishing camp on Keenan Lake by February 1991.

General Approach To Meeting Objectives

Because of the severe time pressures related to the opening of the mining camp it will be necessary to secure consulting services immediately to initiate work. If the Band Council and committee agree to this operational plan, our firm can provide these services in association with a firm specializing in the mining industry. It has already been established that we can meet the dates set out in Objectives 1-4.

To meet Objective 5, it is recommended that a Federal Business Development Bank (FBDB) case counsellor go to work with the store manager and the Chief and Council to develop an action plan. This plan would include staff training that might be needed to implement the recommendations. FBDB has been consulted and an estimated cost has been budgeted.

To meet Objective 6, terms of reference should be developed and sent out to consultants knowledgeable in the tourism business. Our firm would be pleased to bid on this job as well. We have done work in this field in the past and maintain an active interest in the tourism industry. The amount budgeted is for a prefeasibility study only. Should the Band Council and economic development committee decide to proceed further with this opportunity, a detailed feasibility study and business plan would be required.

Budget

<i>Objective One</i>	Mining Sector Prefeasibility Studies	\$10,000
<i>Objective Two</i>	Detailed Feasibility & Business plans for two selected mining sector businesses	40,000
<i>Objective Three</i>	Financing Proposals - Submission to AEP	2,000
<i>Objective Four</i>	Job Entry Requirements and Identification of possible candidates	4,000
<i>Objective Five</i>	Store review and staff training in Credit management	5,000
<i>Objective Six</i>	Prefeasibility for Keenan Lake Fly-in Fishing Camp	10,000
<hr/> Total Cost Estimate		\$71,000
Budget Available		\$80,000
Balance Available for Application		\$9,000
Operational Plan Development Costs (Payable to I.F. Consulting)		\$5,000
Balance for Application		\$4,000
(This can be treated as a reserve fund in case adjustments need to be made during the implementation of this plan.)		

3. Assessment Exercise: Guidelines For Assessing Consultant Proposal

You have read the profile of the Keenan Falls First Nation and reviewed the operational plan. Now your job is to assess to what extent it is an operational plan that makes sense, given the profile of Keenan Falls and the context in which it is operating. The facilitator will assign each participant to a small group to get the assessment underway.

Use the Development Wheel to guide your group's assessment. The six yellow sheets following this one summarize, by component and phase, the tasks which CED entails. Photocopy these **Development Wheel Checklists** (or simply tear them out of your workbook), so you can refer to them readily as you re-read the Keenan Falls profile and operational plan. To each of the checklist questions, choose a brief response which best applies in the case of Keenan Falls:

Y **Yes**
N **No**
P **Partly**
DK **Don't Know**

Place an "x" in the appropriate box to the right of the question. Write any further observations you may have about the subject in the space marked **Problems/Highlights**.

Your group should then try to answer the following three questions:

1. What is the overall emphasis of the operational plan?
 - Preparing the Band organization for serious planning? (Organizational Prerequisites)
 - Getting needed information necessary for planning? (Pre-Planning)
 - Building an organization which can advance local economic development? (Organizational Development)
 - Building opportunities into sound businesses? (Venture Development)
 - Getting the community involved and making key contacts? (Community Participation & Strategic Networking)
 - Using outsiders to strengthen local self-reliance? (Technical Assistance)
2. Is Keenan Falls going to increase its skills and ability to manage economic development (its *organizational capacity*) through implementing this operational plan?
3. What gaps (if any) can you identify in the plan through analysis of Keenan Falls with the Development Wheel Checklists?

Be prepared to report your answers to these three questions to the larger group.

Development Wheel Checklists: Keenan Falls Exercise

SOME PRELIMINARY QUESTIONS TO ASK

Before you start using the Development Wheel Checklists, there are some initial questions you should think about. They will help you to pinpoint things that Keenan Falls (“KF”) has to address as it initiates planning from a CED perspective. By asking these questions we are recognizing that CED is shaped by the reality of *where* Keenan Falls is starting from and *who* the development effort is intended to benefit.

Y Yes
N No
P Partly
DK Don’t Know

	Y	N	P	DK	Problems/Highlights
1. Do the people in KF for & with whom you are working generally have low incomes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Do the people in KF for & with whom you are working generally suffer from low self-esteem and self-confidence?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Do the people in KF for & with whom you are working suffer from the effects, directly or indirectly, of alcohol and substance abuse and/or family problems?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Is KF already involved as an owner of one or more businesses?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. If yes, to #4, are the businesses generating a profit yet? (Don’t answer if you said no to #4.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Your answers to these preliminary questions are important. They will have an important impact on the overall CED strategy of Keenan Falls.

PHASE ONE: PRELIMINARY DATA COLLECTION & PREPARING FOR CED**ORGANIZATIONAL PREREQUISITES** for CED Planning

or Is your organization ready to get serious about CED? (for more details, see p. 5)

	Y	N	P	DK	Problems/Highlights
1. Has KF's leadership & staff been fairly stable (experienced little turnover) in the last 5 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Can KF manage a budget, & produce basic financial reports & statements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Does KF have basic planning and development skills & resources to support the planning process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Is the leadership of KF willing to set aside enough time to study CED issues & learn how to resolve them?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Is KF determined to base its decisions on research and planning?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Does KF's leadership understand CED as a long-term process, not a short-term fix?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Is KF open to seeking outside resources, whether they be financial, management or technical help?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8. Is KF clearly willing to invest in developing business and management skills among its members?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9. Is KF willing and able to stay involved in the support and management of a CED process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

PHASE ONE: PRELIMINARY DATA COLLECTION & PREPARING FOR CED**PRE-PLANNING** or What do you need to know and decide to plan for CED? (for more details, see p. 6)

	Y	N	P	DK	Problems/Highlights
1. Has the Band sought & received member input relating to key policy issues?					
a) Band vs. Individual business ownership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
b) how traditional values & pursuits may conflict with economic development & the wage economy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
c) the role of economic development in overall Band development & the long-term health of KF	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Has a decision been made about the role of Band government in economic development?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Has a work plan been completed for conducting the economic development planning process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Has KF up-to-date information about the reserve's natural resources?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Has KF good up-to-date demographic information, including the skills, occupational & training preferences, & small business interests of Band members? Is it in a form which is useful for CED planning?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Has an overview of KF's economic development strategy options been completed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

PHASE TWO: BUILDING THE BASE FOR CED**ORGANIZATIONAL DEVELOPMENT** or Building the organizational base for CED (for more details, see p. 7)

	Y	N	P	DK	Problems/Highlights
1. Has KF's Council/EDC/senior staff had introductory training in CED?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Has KF assessed the organizational resources currently available for CED?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Has KF developed a work plan to govern CED planning?*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Has KF established a monitoring system for the CED planning process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Has KF developed basic CED policy?					
a) the Mission?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
b) the Goals?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
c) the Band govt's role in CED?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
d) venture selection criteria?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Has KF set out an Organizational Development plan to prepare and organize for CED?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Has KF determined the technical assistance it needs in this area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

* The work plan *may* range over several areas: Board and staff training in the planning process; establishment of committees (eg. advisory committee); specific technical assistance/training requirements; establishing a monitoring system to monitor the CED planning; development of CED policies; specific work activities; and time schedule.

PHASE TWO: BUILDING THE BASE FOR CED

VENTURE DEVELOPMENT or Identifying opportunities & priorities for venture planning (for more details, see p. 8)

	Y	N	P	DK	Problems/Highlights
1. Has KF developed a work plan to guide venture development?*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Has the flow of money (capital & income) to & from KF been analyzed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Has KF done research to identify local venture opportunities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Has KF done its "1st Cut" selection of opportunities to guide the planning effort?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Has KF done prefeasibility studies on "1st Cut" venture selections?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Has KF done a "2nd Cut" of 2-3 opportunities for detailed feasibility analysis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Has KF begun to develop financing and business support for possible venture development?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8. Has KF determined the technical assistance it needs in this area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

* The work plan for venture development should include when and how points 2-8 are going to be done.

PHASE TWO: BUILDING THE BASE FOR CED**COMMUNITY PARTICIPATION & STRATEGIC NETWORKING**

or Casting the net to catch key players for CED support (for more details, see p. 9)

	Y	N	P	DK	Problems/Highlights
1. Has KF developed a strategy to engage Band members in the CED planning process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Is there a strategy for networking with	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
a) key players in the Public Sector?					
b) key players in the Private Sector?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Has the Band held community meetings to review & approve	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
a) KF's mission & goals?					
b) the general direction which KF's economic development should take?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
c) the Band's role in economic development?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
d) venture selection criteria?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
e) to solicit ideas for ventures?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Has KF designed & initiated a communication strategy to keep Band members & others in touch with local CED?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Has KF determined the technical assistance it needs in this area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

4. CED Planner's Analysis of the Keenan Falls First Nation

The following is an experienced CED Planner's analysis of the Keenan Falls community and proposed operational plan. Compare your results with those of the Planner's application of the Development Wheel.

Here is how the CED Planner answered the three questions posed on p. 24.

QUESTION 1 What is the overall emphasis of the operational plan?

CONCLUSION Clearly, the emphasis is on VENTURE DEVELOPMENT.

ASSESSMENT

Some work is proposed with respect to the management and financial problems of the general store (Objective 5). This will hopefully lead to a realistic credit policy and to a recovery of the store's financial stability.

The consultants also propose (Objective 4) a quick assessment of the jobs which the mine will create, and the Band members who may be eligible for them. However, this objective does not address the need to prepare the identified people for work in the mine (pre-employment training). The result may well be a report that sits on the shelf with no action plan or resources to help people actually prepare for and get jobs.

QUESTION 2 Is Keenan Falls going to increase its skills and ability to manage economic development through implementing this operational plan? (Is Keenan Falls building organizational capacity?)

CONCLUSION There is very little in this operational plan that will leave Keenan Lake in a better position to control and manage the ongoing economic development planning process.

ASSESSMENT

There is no EDO or assigned person to work with the consultants. There is no introductory training, or training in the analysis of feasibility studies and business plans. There is no assessment of local capacity to take ventures through the difficult start-up period. There is no organizational planning: how will the ventures fit with the present load of Chief and Council or the EDC? In short, there is little evidence that the process will help the community clarify where it is or where it is going.

Even if one accepted the operations plan as presented, several very practical questions must be asked about how the community will act on all these feasibility studies. In particular,

- Who is going to manage all the work of getting the financing together?
- Will funding agencies be in a position to respond to the mining-related businesses in such a short time frame?
- Who is going to manage all the work associated with start-up of new businesses?
- Who has the time, skills and support budget to undertake the range of negotiations and detailed planning that will be needed to get two businesses underway at the same time?

QUESTION 3 What are the strengths and weaknesses that you can identify through analyzing Keenan Falls on the basis of the development wheel checklist? What are the gaps, if any?

CONCLUSION The CED Planner completed the checklists (see pp. 26-31), and then drew up a summary analysis of Keenan Falls' needs (pp. 32-35). Review the Planner's conclusions and compare them with your own.

ASSESSMENT See the pages following.

Development Wheel Checklists: Keenan Falls Exercise

SOME PRELIMINARY QUESTIONS TO ASK

Before you start using the Development Wheel Checklists, there are some initial questions you should think about. They will help you to pinpoint things that Keenan Falls ("KF") has to address as it initiates planning from a CED perspective. By asking these questions we are recognizing that CED is shaped by the reality of *where* Keenan Falls is starting from and *who* the development effort is intended to benefit.

Y Yes
N No
P Partly
DK Don't Know

	Y	N	P	DK	Problems/Highlights
1. Do the people in KF for & with whom you are working generally have low incomes?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	High unemployment & welfare dependency.
2. Do the people in KF for & with whom you are working generally suffer from low self-esteem and self-confidence?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Unemployment, decline in traditional activities, social problems, & low skills have left many people not feeling good about themselves.
3. Do the people in KF for & with whom you are working suffer from the effects, directly or indirectly, of alcohol and substance abuse and/or family problems?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Some progress through Native Treatment Centre, but problems continue to persist. There are no families not affected in some way by drinking problems.
4. Is KF already involved as an owner of one or more businesses?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Coin laundry & general store.
5. If yes, to #4, are the businesses generating a profit yet? (Don't answer if you said "no" to #4.)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The store & laundry are breaking even. However, the store is in danger of going under unless it collects money owed by members.

Your answers to these preliminary questions are important. They will have an important impact on the overall CED strategy of Keenan Falls.

*PHASE ONE: PRELIMINARY DATA COLLECTION & PREPARING FOR CED***ORGANIZATIONAL PREREQUISITES** for CED Planning

or Is your organization ready to get serious about CED? (for more details, see p. 5)

	Y	N	P	DK	Problems/Highlights
1. Has KF's leadership & staff been fairly stable (experienced little turnover) in the last 5 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Last 3 years have been stable. Before that – turnover every election. Band Manager is relatively new & a bit overloaded.
2. Can KF manage a budget, & produce basic financial reports & statements?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2 years of clean audits
3. Does KF have basic planning and development skills & resources to support the planning process?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	There are skills, but staff have their plates full. No EDO for last year.
4. Is the leadership of KF willing to set aside enough time to study CED issues & learn how to resolve them?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Difficult to determine. The leadership is clearly pressed for time. Is economic development important enough to them to receive the attention it requires?
5. Is KF determined to base its decisions on research and planning?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	In program areas, research planning done on some issues. Don't know what this means for CED yet.
6. Does KF's leadership understand CED as a long-term process, not a short-term fix?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The general attitude is there, but the BC & EDC have no framework for long-term planning
7. Is KF open to seeking outside resources, whether they be financial, management or technical help?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There is some openness, but not much experience identifying & using outside resources in CED.
8. Is KF clearly willing to invest in developing business and management skills among its members?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Attitude is there, but there is no training plan or link to CED strategy.
9. Is KF willing and able to stay involved in the support and management of a CED process?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Attitude is there, but capacity is not.

PHASE ONE: PRELIMINARY DATA COLLECTION & PREPARING FOR CED

PRE-PLANNING or What do you need to know and decide to plan for CED? (for more details, see p. 6)

	Y	N	P	DK	Problems/Highlights
1. Has the Band sought & received member input relating to key policy issues?					
a) Band vs. Individual business ownership	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No evidence, one way or another.
b) How traditional values & pursuits may conflict with economic development & the wage economy	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Economic Development Committee has discussed concerns re. declining traditional activities.
c) the role of economic development in overall Band development & the long-term health of KF	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Dominant view is that economic development is concerned with getting jobs & businesses going as fast as possible.
2. Has a decision been made about the role of Band government in economic development?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	It is assumed the Band Government has a key role. However, the role(s) have not been clearly defined.
3. Has a work plan been completed for conducting the economic development planning process?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	No more than what is found in the consultants' proposals. What's there doesn't seem very realistic.
4. Has KF up-to-date information about the reserve's natural resources?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The provincial government has basic fishery resource information. There is no forestry inventory or plan on reserve.
5. Has KF good up-to-date demographic information, including the skills, occupational & training preferences, & small business interests of Band members? Is it in a form which is useful for CED planning?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The data was collected 1 year ago, & is organized in a report which gives a good overview. It is also possible to track individuals' skills & training/job preferences.
6. Has an overview of KF's economic development strategy options been completed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Not really. Due to its immediacy, the mining sector is driving the agenda.

*PHASE TWO: BUILDING THE BASE FOR CED***ORGANIZATIONAL DEVELOPMENT** or Building the organizational base for CED (for more details, see p. 7)

	Y	N	P	DK	Problems/Highlights
1. Has KF's Council/EDC/senior staff had introductory training in CED?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The Council & committee have had no planning framework to guide their work, nor any opportunity to consider how to advance their interests strategically.
2. Has KF assessed the organizational resources currently available for CED?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Financial improvements plus the planning for an AFA application has required some work to be done. However, it has not been done in terms of economic development.
3. Has KF developed a work plan to govern CED planning?*	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	All they have is the consultant's proposal. They have no idea, evidently, of who is to manage the process, & how.
4. Has KF established a monitoring system for the CED planning process?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	They have the consultants' proposal & the EDC. It is unclear how the overall monitoring is to be carried out.
5. Has KF developed basic CED policy?					
a) the Mission?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	This is a major gap. Development will be piecemeal & project-driven unless this work is done early in the process.
b) the Goals?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
c) the Band govt's role in CED?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
d) venture selection criteria?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Has KF set out an Organizational Development plan to prepare and organize for CED?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Has KF determined the technical assistance it needs in this area?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

* The work plan *may* range over several areas: Board and staff training in the planning process; establishment of committees (e.g., advisory committee); specific technical assistance/training requirements; establishing a monitoring system to monitor the CED planning; development of CED policies; specific work activities; and time schedule.

PHASE TWO: BUILDING THE BASE FOR CED

VENTURE DEVELOPMENT or Identifying opportunities & priorities for venture planning (for more details, see p. 8)

	Y	N	P	DK	Problems/Highlights
1. Has KF developed a work plan to guide venture development?*	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The operational plan proposed is probably unrealistic, especially the mining ventures. 6 months is too short for all the planning, financing, & start-up tasks required. The plan suggests future work which will tie KF to the consultants.
2. Has the flow of money (capital & income) to & from KF been analyzed?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	This might be helpful. It is probably quite simple to do, given the heavy reliance on welfare & Band government for employment services.
3. Has KF done research to identify local venture opportunities?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	This has been done through the Council, the EDCommittee, & to some extent, the human resource survey of 1 year ago.
4. Has KF done its 1st cut selection of opportunities to guide the planning effort?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Has NOT been done on the basis of venture selection criteria. It has been driven by the Chief's interest & the pressure of the mine development.
5. Has KF done prefeasibility studies on "1st Cut" venture selections?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	But these are part of this year's operational plan as proposed by consultant.
6. Has KF done a "2nd Cut" of 2-3 opportunities for detailed feasibility analysis?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Part of this year's operational plan to do prefeasibility studies.
7. Has KF begun to develop financing and business support for possible venture development?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	This is a big problem in relation to mine-related business ventures. The Band has no idea of the public funders' attitude.
8. Has KF determined the technical assistance it needs in this area?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

* The work plan for venture development should include when and how points 2-8 are going to be done.

*PHASE TWO: BUILDING THE BASE FOR CED***COMMUNITY PARTICIPATION & STRATEGIC NETWORKING**

or Casting the net to catch key players for CED support (for more details, see p. 9)

	Y	N	P	DK	Problems/Highlights
1. Has KF developed a strategy to engage Band members in the CED planning process?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The EDC is a beginning, but given the cross-over from Council, it is not much of a strategy for broadening participation.
2. Is there a strategy for networking with a) key players in the Public Sector?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lack of public sector contact is a weakness of operational plan proposal.
b) key players in the Private Sector?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Very limited. Mining company & FBDB have been contacted about project-specific interests. No tourism contact.
3. Has the Band held community meetings to review & approve a) KF's mission & goals?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The lack of work on 3a, b, c, & d represents an opportunity to design a process which will build community involvement over the coming year.
b) the general direction which KF's economic development should take?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
c) the Band's role in economic development?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
d) venture selection criteria?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
e) to solicit ideas for ventures?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Within the Economic Development Committee.
4. Has KF designed & initiated a communication strategy to keep Band members & others in touch with local CED?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No evidence to date of any public relations strategy.
5. Has KF determined the technical assistance it needs in this area?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consultants' plan does not even take this into account.

5. CED Planner's Summary Analysis of Keenan Falls' Needs

General Comments

Keenan Falls has been making progress in the area of Band government development. Financial deficits and inadequate financial control are problem areas that have been addressed in the last two years. Programs appear to be running relatively smoothly. Political stability has increased, with the present Chief and Council being in their second term, although it could still be put in danger given the structure of a 2-year election system and no staggered terms. Staff turnover is not a problem but the Manager needs some in-service training in certain areas of management.

The Band government is energetic. They are preparing to apply for AFA status in order to increase flexibility and control over program budgets. The gym planned for next year will be a major capital project. They are also starting to talk seriously about economic development and are trying to move rapidly into venture development. In short, the Band government is active and working hard to get things done. These strengths must be built on.

Several danger areas need to be highlighted. First, achieving Alternative Funding Arrangement status in the next year will take considerable work. So will the successful financing and construction of the gym. These goals, in addition to venture development which underlies the Economic Development Committee discussions, the consultant's proposed operational plan, will in all likelihood over-extend the present capacity of the Chief and Council and staff.

The proposed operations plan pays no attention to this danger. There is no one person with the basic planning and development skills to manage the many tasks associated with such a rapid venture development schedule. Nor does the plan say how this problem will be resolved, other than through reliance on outside consultants.

A second danger area is the short time frame within which the business opportunities associated with the mining camp must be realized. Six months is far too little time in which to do prefeasibility studies, select priority ventures, complete business plans and financing proposals, secure financing from varied sources, identify workers (and fulfil any training/management requirements), secure equipment related to the businesses, and get ready for start-up.

It can often take 3-6 months to secure financing for modest projects, when public sources of funds are involved. In addition, the equity required from the Band is not identified. Where would it come from? The Aboriginal Economic Program requires 20% equity on most of its funding for ventures. This has not been budgeted for. In addition, the company will likely need to secure its contractors at least a couple of months before the January start up in order to meet its needs.

This raises a very important and strategic decision for the Band Council. Is it using its resources strategically when it places such a heavy reliance on the short-term business opportunities associated with the mine, given the Band's current capacity?

Last, Keenan Falls has some problems which are common to many northern communities. Unemployment and welfare are high. People suffer from low self-esteem, skills, and self-confidence. Alcohol is abused. These circumstances in and of themselves can constrain economic development. It is the old chicken and egg dilemma: which comes first? Should one first improve the skills and self-confidence of Band members, so they can handle jobs and businesses? Or are jobs key to the development of skills and self-confidence?

In this case, social development and economic development need to be thought of together. Clearly, a strategy is needed to address people where they are in their lives and help them develop their self-esteem and self-confidence. This investment is crucial to building a human resource base which feels motivated and able to do the other upgrading, training and preparations needed to take advantage of job and business opportunities. Since many other communities in the regions share this need, Keenan Falls should consider taking a long-term, systematic approach to it in conjunction with the Tribal Council and other Bands.

Organizational Prerequisites

The findings regarding Keenan Falls indicate while the Band government system is working well, the basic planning skills and capacity to manage the economic development process are absent. This needs to be addressed as part of the operational plan.

Also, it is evident that there is limited experience to date in Keenan Falls with respect to CED. There is limited understanding of how to proceed strategically and systematically over time. Serious attention needs to be given to training both the Council and EDC members in the basics of CED planning. This will equip them with the common concepts, language, and understanding which are so necessary to building strong foundations for economic development.

Pre-Planning

There is no evidence that the Council or EDC intends to include the rest of the community in the discussion of basic development policies. Neither the EDC nor the consultant appear to appreciate the importance of building community involvement in the economic development process. Within the overall planning process, a strategy could and should be designed to engage community discussions and input about basic policy issues and other matters relating to Keenan Falls' economic development.



For one thing, the role of the Band Government has to be clarified. Is it to be a catalyst, planner, owner, or negotiator in the economic development process? Is it to play a combination of these roles? The role of the EDC also requires clarification. The Committee should get a clear job description/mandate and resources to support its work. At this stage, it might make sense to consider assigning to the EDC responsibility for the co-ordination and overall management of the CED planning process. It may also be time to consider increasing the EDC's membership. The introductory training, if properly done, could be one way to secure new committee members.

Although no systematic inventory of natural resources on reserve has been taken, it is not clear at present what sort of inventory might be useful. There is a forestry resource, but development possibilities appear limited. More work may be justified if forestry development looks more promising in the future. Nothing is known about possible mineral deposits.

Organizational Development

Keenan Falls has done virtually none of the organizational development work necessary for building the base for successful CED. Nor is there anything in the consultant's proposed operational plan that addresses these gaps. This is made even more difficult in the absence of staff to manage the planning process. Organizational development needs must be addressed in a revised operations plan. Of particular importance are the introductory training in CED; policy regarding mission, goals, and venture selection criteria; and a work plan that shows how the process is to be managed.

Venture Development

This area has already been given attention in comments on page 25. Inattention to such issues as the clarification of the mission, goals, roles, and venture selection criteria has left the Band in a weak position to direct the economic development process. They are faced with opportunities and one consultant's view of what they can do for Keenan Falls. The Band has no real basis for deciding whether the proposed operations plan is a strategic way to use limited time, talent, and dollars.

Community Participation & Strategic Networking

"Community participation" appears to be limited to the Committee itself. This needs to be addressed in the operations plan. Opportunities for engaging community participation include: the introductory training; input around basic policy questions such as ownership, or the relationship between the traditional economy, tourism, and mining; discussions around the values and philosophy that should guide economic activity; discussion of the mission and key goals of CED; and Band meetings and newsletters that report the progress and problems experienced by the leadership as economic development proceeds.

Strategic Networking is also limited. Discussions with the mining company have taken place. FBDB has been involved in doing a prefeasibility study on the road maintenance contract for the mine. The consulting firm that drew up the operations plan has been involved. The Tribal Council EDO has not been involved in any of the Council or EDC discussions, however, and nobody knows how he might be used. Funding agency contact has been minimal. There is no evidence that the Council knows what money is available through government programs.

It is important in the revised operational plan to consider the possible roles of the Tribal Council. What can the Band get the Tribal Council EDO to do by way of funding agency liaison, training research, and other types of technical assistance? The common needs of Keenan Falls and other First Nations may also

be well-served by joint action. Human resource development, common CED training needs, and a general analysis of the mining sector are a few examples.

Other areas that need consideration when planning a networking strategy include key public sector agencies (e.g., INAC, AEP, CEIC, Canadian Forestry Service, etc.) and private sector associations, such as the regional tourism association.

NOTES

Introduction to Operational Planning

Just what is meant by the fancy phrase “operational planning”? In simple terms, **an operational plan defines objectives, and identifies what needs to be done to reach each objective (action planning), the dollars required to get the job done (budgeting) and how the results will be evaluated.**

The first thing to understand is that **operational planning** is part of a larger process called (another fancy term) **strategic planning**. Part of the problem with a lot of what is called operational planning in organizations is that it is not strategic, that is, it is not firmly anchored in a clear analysis of where the organization is (its environment) and where it is going (its mission and strategic goals).

Operational planning when you are unsure of where you are going can send you around in circles which devour scarce resources and get you nowhere. Consider the following fable.

On the Value of Goals

Once upon a time a Sea Horse gathered up his seven pieces of silver and cantered out to find his fortune. Before he had travelled very far he met an Eel, who said “Psst. Hey bud. Where ya going?”

“I’m going out to find my fortune” replied the Sea Horse proudly.

“You’re in luck” said the Eel. “For four pieces of silver you can have this speedy flipper, and then you’ll be able to get there a lot faster.”

“Gee, that’s swell” said the Sea Horse, and paid the money and put on the flipper and slithered off at twice the speed. Soon he came upon a Sponge who said “Psst. Hey bud. Where ya going?”

“I’m going out to find my fortune” replied the Sea Horse.

“You’re in luck” said the Sponge. “For a small fee I will let you have this jet propelled scooter so that you will be able to travel a lot faster.” So the Sea Horse bought the scooter with his remaining money and went zooming through the sea five times as fast. Soon he came upon a Shark who said “Psst. Hey bud. Where ya going?”

“I’m going out to find my fortune” replied the Sea Horse.

“You’re in luck. If you’ll take this short cut” said the Shark, pointing to his open mouth, “you’ll save yourself a lot of time.” “Gee, thanks!” said the Sea Horse, and zoomed off into the interior of the Shark, there to be devoured.

If your organization has defined its mission and goals (Questions 5a and 5b, p. 29), it may be ready for operational planning. If your organization has not completed this task, make sure it is an important priority in your work very soon. Otherwise you will more than likely find it difficult to avoid the “slippery eels,” “sponges,” and “sharks.” The benefits which CED can offer your CBO and its constituency will be compromised.

1. Strategic Planning: The Bigger Picture

1.1. Mission

Very briefly, **strategic planning begins with defining a mission statement.** A **mission statement**, or as it is sometimes called, a **statement of purpose**, describes the business of the CBO. In two or three sentences it sets out the scope of what the CBO hopes to accomplish and why it exists.

For example, the mission of one northern native financial institution is:

“To provide financial services and business counselling to native entrepreneurs and businesses in the Yukon territory.”

Contrast this very clear mission with this very general statement of another CBO.

“To develop businesses and jobs in order to build self-reliance in Community X.”

Which of these gives you a clear sense of why the organization exists and what its main business is? Hopefully, you chose the first example.

1.2. Analyzing the Environment

To plan well, know the environment in which you intend to work. Knowledge is power. If you undertake CED without this information, your CBO may *lose* power rather than become empowered and empowering.

To begin with, understand the needs of your constituency. Some of the work in pre-planning focuses on this area. You also need to understand the strengths and weaknesses of your organization, a point clearly made by the Organizational Development component of the Development Wheel. You also need to understand the external environment: those trends, opportunities, and constraints that your CBO must take into account if it is to shape a realistic CED agenda.

CED planning should not be confused with writing a “wish list.” It is a serious probe of the environment to assess opportunities, constraints, and to

position the CBO so it can shape the environment to serve the interests of its constituents.

Sometimes organizations get confused about what to do first. Should they analyze the environment and then set the mission, or set the mission and then assess the environment? The reality is that there is no single answer. If the mission is clear, it helps define the range of your considerations when you analyze the environment. However, if your CBO is not clear about its CED mission *and* does not have a good handle on the needs, opportunities, and constraints within its community and region, it is a good idea to study these environmental factors while figuring out the CBO's role in CED.

For example, the Kitsaki Development Corporation is based in La Ronge, Saskatchewan. It decided around 1984 that its mission was to become involved as a key *stakeholder* (owner) in every major sector of the northern economy. It then concentrated all its time, talent and dollars on trying to fulfil this mission. When it analyzes its environment, Kitsaki looks for opportunities to become a successful owner in an important sector, like tourism, mining, transportation, or forestry. In the years 1984-89, by means of joint ventures, it developed an annual revenue base of \$15 million/year.

By contrast, Dana Naye Ventures, a financial institution in the Yukon, analyzed its environment and identified a major gap in small business financing and business counselling. Dana Naye decided to make this area the focus of its mission.

In short, both the environment and the mission are important. If you are just starting to consider CED, you will likely do an assessment of your environment and consider various roles that might be played by your CBO, before deciding what your "CED business" is going to be. Keep in mind that the environment changes over time. Good organizations are always monitoring what is going on. As their capacity develops and their environment changes, they revise their mission accordingly.

1.3. Strategic Goals

A strategic goal defines what the CBO wants to achieve within a 3-5 year period. What results do you want within a medium-term time frame? Where do you want to land?

These questions, while easy to ask, are sometimes difficult to answer, especially at the beginning of a CED planning process.

The first thing to remember is that the strategic goals must be directly related to your mission. Your goals flow from your mission and your analysis of the environment within which your CBO must operate. In a sense, the goals are not only end results, they are the foundation for CED planning: they define the scope and focus of your overall CED effort.

For example, a Community Development Corporation in the Yukon has established the following as a strategic goal:

“To establish a major presence in the tourism sector with a focus on creating a destination resort and a series of linked businesses in the recreational, cultural and adventure tourism market segments.”

This means they intend to establish a resort in the vicinity of a national park which will service people interested in outdoor activities and/or the culture of the inhabitants. Both these markets are growing and they want to position themselves to take advantage of this fact.

Having defined its strategic goals, a CBO is ready to commence operational planning, to which we now turn our attention.

If you have not done this work, seriously consider making it part of your first year operational plan. Set aside the necessary times and resources to ensure that, by the end of the year, your CBO knows where it is going.

2. Operational Planning: Getting the Job done Year by Year

Remember what was said at the beginning of this section. In simple terms, **an operational plan defines objectives, and identifies what needs to be done to reach each objective (*action planning*), the dollars required to get the job done (*budgeting*), and how the results will be evaluated.**

Let's look at the overall process in graphic terms. The first chart (p. 41) shows the steps involved in moving from strategic planning into operational planning. It moves from the strategic, to the level of detail required for the CBO to get real things done. **The operational plan usually covers one year's activities. This means the strategic goals, usually set for 3-5 years, need to be broken out into clear objectives which *together* will act to move the CBO in the direction of meeting the strategic goals and mission.**

The smaller chart on the same page shows that **for each goal there is likely more than one objective.** It also shows that **for each objective an action plan and budget needs working out.**

The third chart (p. 42) helps us understand more clearly the fact that operational planning is an on-going process. Objectives are set for the year, resource needs are defined and organized, implementation of the plan is initiated, and performance is evaluated. (Have objectives been met? If not, why not?) Based on evaluation of the work accomplished, it is then possible to review overall progress against the strategic goals and mission of the CBO. At this point, it may be necessary to revise or fine-tune strategic goals in light of what has been learned from the previous year's activities.

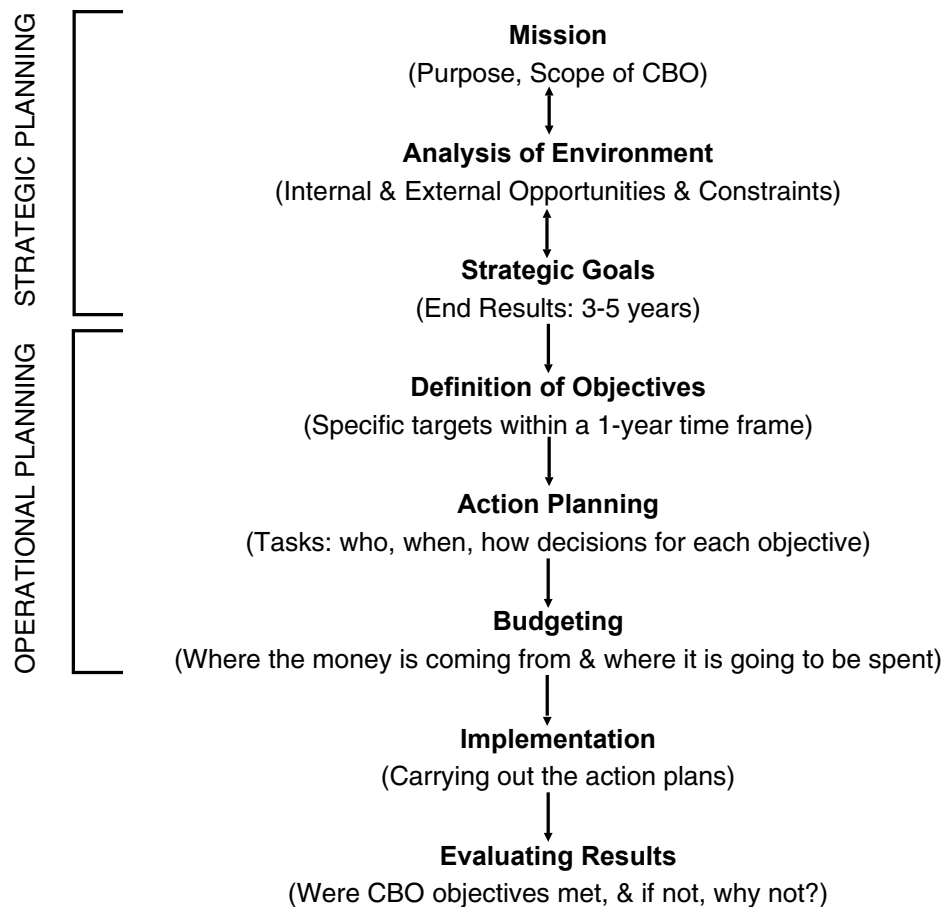
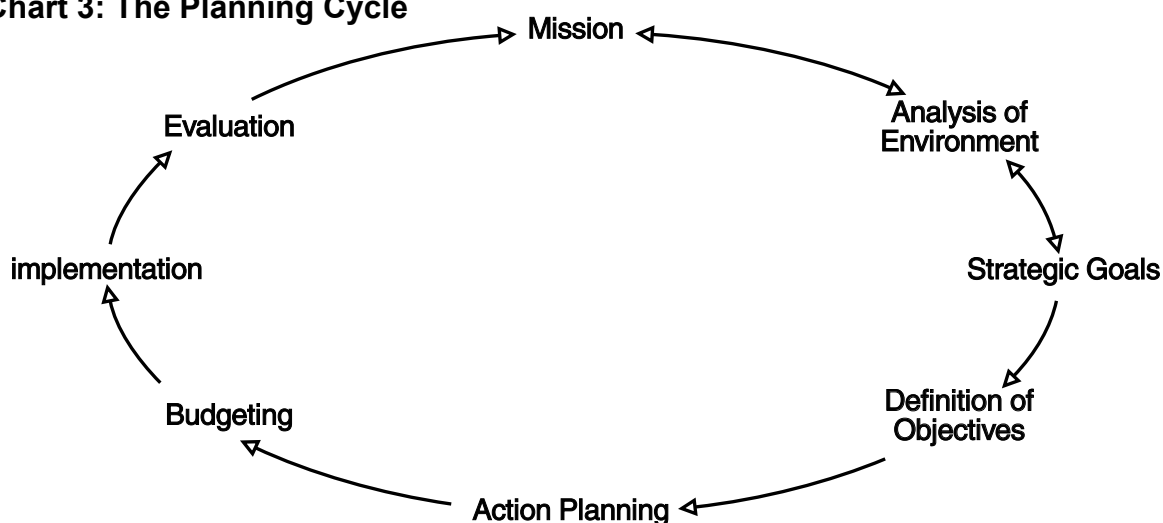
Chart 1: Linking Strategic & Operational Planning**Chart 2: Developing the Annual Plan**

Chart 3: The Planning Cycle

2.1. Setting Objectives

Lots of organizations talk about setting objectives. Fewer organizations know how to set good objectives around which to organize and focus their efforts inside CBOs. To assess the usefulness of the objectives which your CBO has established, ask yourself whether or not they meet the **RASMMTAC** test. Each of the letters in RASMMTAC represents the characteristics of a well set objective.

R	<i>Realistic</i>	Well-set objectives take reality into account.
A	<i>Attainable</i>	Well-set objectives do not reflect our fantasies about what we wish we could get done. They are achievable given our understanding of the opportunities and constraints of our environment.
S	<i>Specific</i>	Well-set objectives are not general or vague. They clearly state exactly what is to be achieved.
M	<i>Measurable</i>	Well-set objectives can be evaluated easily. You should be able to tell whether or not it has been reached and demonstrate it with evidence.
M	<i>Meaningful</i>	Well-set objectives are meaningful in relation to the mission and strategic goals of the organization. They flow out of the mission and goals as well as your assessment of the environment.
T	<i>Time of</i>	Well-set objectives are set within a clear time frame.
A	<i>Achievement</i>	They have deadlines. Otherwise, how can one allocate time and resources to make sure they are met?
C	<i>Co-ordinated</i>	Well-set objectives are logically linked to each other in order to guide the organization in implementation.

For any one strategic goal, there may be more than one objective in any given year. For example, let's look at the objectives that might flow out of the strategic goal cited on p. 40:

"To establish a major presence in the tourism sector with a focus on creating a destination resort and a series of linked businesses in the recreational, cultural and adventure tourism market segments."

There could be several objectives related to this goal in the first year of an operational plan. Let's assume they have already done a prefeasibility study on the destination resort. Here are some examples of possible objectives.

1. To complete a feasibility study on the destination resort within 10 months.
2. To identify possible adventure and cultural tourism products for operation in the general area of the National Park by the end of month 4.
3. To identify people from the community with a serious interest in possible tourism products by the end of month 6.
4. To select three products for further feasibility analyses and business planning by the end of month 7.
5. To train the development corporation board and staff on the analyses of feasibility studies and business plans in month 6.

Remember **RASMMTAC**.

2.2. Action Planning

Action planning simply means **identifying the tasks and steps necessary to implement any particular objective**. It defines **what** tasks are required to achieve each objective, by **when** it should be completed, and to **whom** responsibilities are assigned for doing the work. It also identifies the technical assistance which may be required, and who will be hired. When technical assistance is not yet known, the need to determine sources of assistance should be built into the action plan.

Good action planning can help the CED planner achieve many important objectives.

1. There are often many ways to reach a given objective. Action planning forces the CED planner to look at alternatives. This is a creative process.
2. Action planning helps build organizational capacity by clarifying how all a CBO's resources (people, money, equipment, contacts, etc.) can be put to work. It helps CBOs move beyond ad hoc measures and "fire-fighting." It also is a good basis for maintaining accountability between staff, and between staff and board. Good action planning can be the basis for all organizational members to monitor and learn from the CED planning process.
3. By breaking out the steps and tasks, budgeting becomes easier and more accurate.

2.3. Budgeting

Not many CBOs have ready access to large pools of cash. They often have to work long and hard to secure what scant resources they have. This fact reinforces the importance of well-set objectives and good action planning. With scarce resources and large challenges, the investment in all this planning really begins to make sense when it comes to the nitty-gritty job of budgeting.

Budgeting is the financial reflection of all the decisions made in the setting of objectives and action planning. It is often said that a budget reflects an organization's values, beliefs, analysis and priorities in cold, hard numbers.

Budgeting requires being clear about what is to be done—the action plan—and then doing the research which will ensure reliable estimates of cost.

It also requires knowing the sources of possible revenue. Who is going to pay the bill for which aspects of the work? Moreover, how can the CBO use the money it controls to leverage other funds? There is no substitute for knowing the details of funding programs and the people that run them.

3. Operational Planning Exercise

Having received an introduction to operational planning, workshop participants should now practice setting objectives, action planning, and budgeting, **before reading on.**

1. In assigned groups, use the CED Planner's Summary Analysis (pp. 32-35) to define a list of objectives for a new Keenan Falls Operational Plan. Use the RASMMTAC formula to develop objectives which effectively answer the needs identified by the CED Planner. Record your ideas on newsprint, and be prepared to report your results to the large group.
2. After the general discussion of the group work, your group will be assigned one or two objectives. For each, prepare an action plan and budget which will enable Keenan Falls to achieve the objective within the coming twelve months. (Remember, the maximum available to Keenan Falls under CAEDS is about \$80,000.) Again, record your ideas on newsprint and be prepared to report your conclusions to the rest of the workshop participants.

4. The CED Planner's Operational Plan

Now compare your objectives, action plans, and budgets with those which an experienced CED planner might complete for Keenan Falls. Note how the operational plan derives from the insights gained by means of the Development Wheel Checklists.

Some Assumptions

Since receiving the operational plan proposed by I.F. Consulting, Inc., Keenan Falls' Council has done some homework. The operational plan was sent to the Tribal Council EDO for his comment and, following discussions by phone, a meeting was held with the EDO in the Keenan Falls Council chambers.

The EDO has a background in venture development. He was also exposed to CED at a regional training event which used the Development Wheel to help people plan their response to CAEDS. He is familiar with the range of government programs relevant to aboriginal economic development.

At this meeting, among other things, the Band learned that:

1. The Tribal Council EDO is a potential resource.
2. The time frame for the mining part of the consultants operations plan was unrealistic.
3. Other Bands want to know how to deal with social problems which constrain economic development. Through his contacts the EDO had learned of the successful action taken by a Band in another part of the province. The Band organized a community-based life skills program which Employment and Immigration Canada (EIC) and National Health and Welfare were considering for other communities.
4. Five of the other eight Bands in the Tribal Council plus six other Bands in the region are located in the mining belt. None of them have taken a strategic approach to advancing native interests in the mining sector, partly because nobody has an overview of what is going on. Given this situation, Keenan Falls will not be the only community ill-prepared for the opportunities which mining presents.
5. The EDO has remained in touch with the people who delivered the CED regional training. He thinks it might be possible to get them involved. With further training and the Tribal Council's assistance, he could provide introductory training to other Bands in the region.

Not all needs identified in the Development Wheel analysis were met, for lack of enough money. The CED planner made some assumptions about priorities.

Some Notes on Format

The operational plan briefly summarizes the need pinpointed by the Development Wheel analysis, states the objective(s) related to the need, outlines the action plan, and provides a budget estimate. A summary is then presented in which the overall plan can be seen on one sheet.

The needs presented at the beginning of each section come directly from the CED Planner's analysis. Stating them as a need is a useful way of forcing the planner to be clear. If the need is defined clearly, the setting of objectives is a much easier task.

The operational plan is written to begin in July of the current year, and end in March of the year following—a 9-month period. Next year it will be developed for a full 12-month period. It is important to remember that the INAC contribution through CAEDS is for a 5-year period. The CEDO's planners can therefore count on at least a similar level of funding each year over the next five years.

4.1. The Plan

Need #1

The Keenan Falls First Nation (KFFN) does not presently have the capacity to manage the CED planning process given present staff levels. This is a basic need if KFFN is to develop the foundations for effective CED.

Objective

To secure planning capacity for KFFN by October 1 of this year.

Action Plan

1. The KFFN EDC is to develop a job description for a 1-year contract position by June 20. The committee will involve the Tribal Council EDO as technical assistance in drafting. The job description should have an emphasis on the tasks outlined in this operations plan. Chief and council must approve the job description by June 30.
2. The KFFN Economic Development Committee will advertise as well as enlist the assistance of the Tribal Council EDO and INAC advisor to identify possible candidates for the position.
3. The committee and Chief and Council will form a hiring committee to select the best candidate. The selection will take place by September 1.
4. An offer will be made to the selected candidate and a contract signed within 10 days of the selection.
5. The EDC will find housing for the successful candidate.

Budget

For advertising and recruitment costs	\$2,000
For 6 months wages/benefits and travel	25,000

Need #2

The Chief and Council, economic development committee and senior staff have not had CED training. There is a need to have an introductory workshop which introduces people to the overall planning process so that everybody is working from common concepts and information.

As well as introduce CED, this workshop should help participants understand their various roles (including that of the person who will fill the 1-year position). It should also help participants understand this operational plan and its design. Lastly, the workshop should be used to include community members who are possible candidates for the EDC.

Objective

To hold a 3-day introductory CED workshop in August of this year in Keenan Falls involving Chief and Council, Economic Development Committee members, senior staff, and community members who are possible candidates for expansion of the committee.

Action Plan

1. The Band Manager will be directed to work with the Chairperson of the EDC and the Tribal Council EDO to contract technical assistance appropriate for an introductory workshop in CED.
2. The Chairperson of the EDC is responsible for co-ordinating the setting of dates which will ensure maximum participation for the full three days.

Budget

Based on discussions with the TC EDO	
the estimated cost of this training will be	\$2,500

Need #3

A gold mine is due to start operating near Keenan Falls in six months. There is a need to define the jobs available, what entry level jobs will exist and what kind of pre-employment training would be most appropriate given the short time frame to prepare Keenan Falls members to secure jobs. The training will also have to be organized, funded, and delivered within this period.

Objective

To develop and deliver a job preparation program to prepare individuals interested in mine employment to secure jobs.

Action Plan

1. The Chief is immediately to ask the mining company to define the jobs it will create. This request is to come from the Chief.
2. The EDC and the Band social worker (who is to staff this project) are to review the human resource inventory and draw up a list of individuals with

possible interests in mine jobs. The social worker is then to contact these individuals and establish what interest they have in employment and pre-employment training. This should be done and a report produced by July 25.

3. To organize a meeting involving mining officials, the Chief and EDC members, EIC, the Band social worker, and the Tribal Council EDO to discuss training needs by the end of July.
4. To develop a training plan in co-operation with EIC and the mine as the basis for a funding application to conduct pre-employment training. Target date is August 15.
5. The Band social worker and EDC members are to recruit and screen applicants for pre-employment training by September 15.
6. To conduct the training beginning in October.
7. The Band social worker, reporting to the ED committee, will be responsible for co-ordinating and assisting graduates with employment applications. Chief and Council may need to be brought in to have another meeting with the mine staff to review progress and keep the pressure on.

Budget

Most of this work is to be done by the Band social worker. However, there are travel costs and organizational costs to be covered.

Travel	\$1,000
Other costs	500

If it becomes necessary to hire technical assistance to assist in developing the training plan it is expected that EIC will cover this cost.

Need #4

Most of the business opportunities associated with the mine are out of reach for Keenan Falls because of the short time frame and high capital costs. However, Chief and Council ordered an examination of the potential for securing the transportation contract or the laundry contract. They believe it is important to do at least one business in order to develop a track record for other mine related opportunities in the future. Both of these projects are modest in capital costs. (In the laundry's case, the building and commercial dryers are already there.)

Objectives

1. To conduct a prefeasibility study on each opportunity.
2. To select one venture for business planning and proposal development.
3. To seek financing from the Aboriginal Economic Program, using equity from the Band CAEDS budget.
4. To prepare a bid for the contract.

Action Plan

1. Prefeasibility studies to be done by FBDB by July 15. FBDB has been contacted already and have identified a person who can do the research in this time frame.
2. Selection of venture to be recommended by the EDC by July 31.
3. Business plan and financing proposal to be completed and submitted by August 31. FBDB will agree to do this work including follow-up with funding agencies. FBDB will communicate with the Chair of the EDC.
4. Contract bid will be prepared for submission to mining company. It will be accompanied by a letter from the Chief. The company deadline for contract submission is October 1.
5. If successful, the person who fills the contract position will be responsible for co-ordinating start-up of the business including securing funds for training and technical assistance from EIC.

Budget

Prefeasibility on 2 ventures (FBDB)	\$3,000
Business Plan and Financing Proposal (FBDB)	6,000
Equity contribution (on maximum of \$50,000 in financing—20%)	10,000

Need #5

A longer-term strategy for increasing Band members' employability is required, a need shared by all the region's Bands. Another Band has developed a very successful 16-week life skills training program. EIC and National Health and Welfare are interested in further funding. However, there is a need to get a larger group together to research and lobby for such programs. Keenan Falls needs to be part of this.

Objective

To participate in two meetings co-ordinated by the Tribal Council in the next six months to develop a strategy for getting life skills training into each community in the Tribal Council over the next two years.

Action Plan

1. The Band social worker and the economic development worker hired under the term contract will attend these meetings and play an active role in advancing Keenan Falls interest in being among the first in line for the program.

Budget

Travel and Accommodation	\$1,000
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Need #6

Keenan Falls and 11 other First Nations inhabit a region which expects significant expansion in the mining sector over the next 25-30 years. They have not benefited from mining in the past. A long-term strategy is required to focus on jobs, business opportunities, and getting a piece of the action as owners so that all the wealth isn't trucked out of the region. However, there is no overview of what is happening regionally: the actors, the opportunities, and the prospects and timing of development. First Nations will not benefit unless a strategy is developed. Such information is a necessary first step.

Objective

In collaboration with other First Nations and with the co-ordination of the Tribal Council, complete a strategic overview of the mining sector. This study will include a preliminary analysis of the sector's constraints and opportunities, and the issues and options which First Nations should consider in order to secure concrete benefits from mining development.

Action Plan

1. Participate in a steering committee for the study. The economic development worker hired under term contract will be the liaison.
2. Provide a share of the funding necessary to contract consultants to undertake this work.

Budget

Steering committee participation	\$1,000
Budget contribution (\$48,000 budget)	4,000

Need #7

The store needs to be stabilized. The current receivables problem needs to be addressed and credit collection tightened up. There is a need for technical assistance to the store manager and board to deal with these problems.

Objective

To contract technical assistance in July to work with the store manager and board to address current credit problems and review overall store operations.

Action Plan

1. FBDB has agreed to undertake this work, including a workshop with the board and manager.
2. The store manager and the Chair of the store board are responsible for co-ordinating this work.
3. FBDB will write a report to document the process and recommendations.

Budget

FBDB contract	\$3,500
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Need #8

The economic development committee and the Band Council have not done any of the policy work necessary to develop a clear direction for the economic development of Keenan Falls. At this preliminary stage of the Band's work it is necessary to define the mission, strategic goals, role of Band government and venture selection criteria. A work/training session involving the EDC, Chief and Council, senior staff (including the economic development worker), and the Tribal Council EDO is needed to get started on doing this work.

Objective

To hold in November of this year a 3-day work/training session involving all key actors to begin the process of defining the mission, strategic goals, role of the Band government, and venture selection criteria.

Action Plan

1. Tribal Council EDO and Band EDO to identify and recruit technical assistance to help facilitate this work session.
2. Band EDO to ensure co-ordination and help with design of the workshop to meet Keenan Falls needs.
3. The results of the workshop are to be documented by the Band EDO, to include his recommendations for follow-up, including a work plan for developing a 5-year CED strategy over the following 10 months. (This will also help in developing an operational plan for the next fiscal year.)
4. A meeting will be organized by the EDO to involve the broader community membership in a discussion of the draft mission and strategic goals.

Budget

Costs of outside technical assistance	\$2,500
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Need #9

The tourism sector is expanding in the region. There is a need to get an overview of the trends, opportunities, and constraints related to Keenan Falls becoming involved in tourism related businesses. Although the Band EDO will be involved in doing this work, there is a need to have access to outside technical assistance to help in various aspects of this research.

Objective

To identify opportunities in the tourism sector within the Keenan Falls area and define the constraints that need to be addressed.

To select opportunities for prefeasibility research in the next fiscal year.

Action Plan

1. The Band EDO will get all existing studies and documentation, establish liaison with appropriate government agencies, and develop a link with the tourism association in the region. December is the target for getting this work done.
2. The Band EDO will review the human resource survey to establish who is interested in tourism-related businesses and hold a meeting of those people to talk about opportunities and constraints they see. Members of the EDC will be asked to attend as well. December is the target for getting this work done.
3. The Band EDO will review all documentation and information and develop a first-phase report outlining what he has learned and his view of the opportunities and constraints. This should include a plan to make use of outside technical assistance within the budget constraints.
4. The Band EDO will research possible sources of consulting assistance to review the work done by December and address priorities for research to ensure the Band has an overview of all opportunities and constraints.
5. The economic development committee should make an initial selection of opportunities for prefeasibility research in January.
6. The EDO will co-ordinate the development of terms of reference, consultant recruitment and selection, and the work of the consultant to produce an analysis and recommendations which will enable the Band to plan what opportunities should be given priority for detailed planning in the next fiscal year. An application will be made to the Aboriginal Economic Program to fund the feasibility studies and business plans.

Budget

Consulting costs	\$10,000
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SUMMARY OF OPERATIONS PLAN : July/90-March/91

Need #	Objective	Target Date	Budget	Responsibility
1	Recruit and hire EDO	Oct 1	\$27,000	ED committee, Chief & Council
2	Introductory CED training	August	2,500	Band Manager, Chair of ED Committee Outside Technical Assistance
3	Job Preparation for mine employment	Now-Oct	1,500	Social Worker & ED Committee
4	Prefeasibility	July 15	3,000	FBDB & ED com
	Selection of venture	July 31		ED Committee, Chief & Council
	Business Plan & financing proposal & contract bid	Aug 31 Oct 1	6,000	FBDB, ED Committee
	Equity Contribution		10,000	
	Start up of venture	Jan/91		Band EDO
5	Life Skills research	Oct-Feb	1,000	EDO & Social Worker
6	Mining Sector Study	Aug-Feb	5,000	EDO
7	Store Problem Solving	July-Aug	3,500	FBDB, Manager
8	CED Policy - Mission etc	November	2,500	Band EDO & Technical Assistance
9	Tourism research	Oct-March	10,000	Band EDO & Technical Assistance
	Contingency		3,000	
Operational Budget			\$75,000	
	Payable to consulting firm for original Operations Plan proposal		5,000	
Total Budget			\$80,000	

NOTES

Concluding Remarks

Keenan Falls may be an imaginary First Nation but it is not far removed from hundreds of communities scattered across the central and northern regions of Canada. The challenge of using scarce time, talent, and dollars to build more self-reliance is a daunting one. For many communities, however, the choice is quite simple: either the development process begins or the community will still be dependent 25 years from now.

Economic development is a long-term process. This workbook has focused on (1) laying the foundations for succeeding in CED in the long term, and (2) getting focused on what *can* and *must* be done in the short term.

Your community, tribal council, development corporation—whatever type of organization you work with needs to get on with the job of applying the Development Wheel to your reality.

To assist this process, the appendix contains a complete copy of the Development Wheel checklists (pp. 57-66). They can be used for any single development organization or community.

The Appendix also includes sheets on which you can consolidate and compare the Checklist responses of several organizations. This Cross-Organizational Profile of CED Needs (pp. 67-75) can be very useful where First Nations are working together with other communities through a Tribal Council or other association. Together with the self-assessment of each First Nation, you can also record the Tribal Council's self-assessment. What results is a patchwork quilt which indicates where communities have common needs and priorities. This can be very helpful in planning the allocation of resources and assessing the potential for creative co-operation.

Good Luck! Please advise Westcoast about how you use this material. Send us copies of results. They will be kept confidential. Most important, send us suggestions so we can improve subsequent editions of this workbook.

The Development Wheel Checklists

A Guide to Community Self-Assessment & CED Planning

The Development Wheel Checklists on pages following present the questions a Community Economic Development Organization needs to ask if it is to plan and develop a CED strategy. The questions refer to essential tasks, and are arranged according to the component and phase of the CED planning process into which each task falls. For more detail about each task, refer to the explanation of the Development Wheel, pp. 3-12.

To apply a checklist, read each question and choose which of four brief responses best describes a community or constituency you know.

Y **Yes**
N **No**
P **Partly**
DK **Don't Know**

Place an "x" in the appropriate box to the right of the question. Write any further observations you may have in the space marked **Problems/Highlights**.

Use the checklists as a guide, not a blueprint. If your CEDO uses them well, you will make better decisions regarding how to go about planning, where to start, setting priorities and most important, using the CED planning process to build your organization's capacity to protect and advance your members' interests through local economic development.

Development Wheel Checklists

SOME PRELIMINARY QUESTIONS TO ASK

Before you start using the Development Wheel Checklists there are some initial questions you should think about. They will help you pinpoint things that your CBO* has to address as it initiates planning from a CED perspective. By asking these questions we are recognizing that CED is shaped by the reality of *where* you are starting from and *who* the development effort is intended to benefit.

Y Yes
N No
P Partly
DK Don't Know

	Y	N	P	DK	Problems/Highlights
1. Do the people in your community for & with whom you are working generally have low incomes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Do the people in your community for & with whom you are working generally suffer from low self-esteem and self-confidence?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Do the people in your community for & with whom you are working suffer from the effects, directly or indirectly, of alcohol and substance abuse and/or family problems?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Is your CBO already involved as an owner of one or more businesses?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. If yes, to #4, are the businesses yet generating a profit? (Don't answer if you said no to #4.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Your answers to these preliminary questions are important. They will have an important impact on the overall CED strategy of your CBO.

* CBO refers to Community-Based Organization. In Indian country it may be a Band government, a development corporation, or a financial institution. In other settings, it might include a business centre, a social service organization getting involved in CED, a Community Development Corporation, or a development association.

*PHASE ONE: PRELIMINARY DATA COLLECTION & PREPARING FOR CED***ORGANIZATIONAL PREREQUISITES** for CED Planning
or Is your organization ready to get serious about CED?

	Y	N	P	DK	Problems/Highlights
1. Has your CBO's leadership & staff been fairly stable (experienced little turnover) in the last 5 years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Can your CBO manage a budget, & produce basic financial reports & statements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Does your CBO have the basic planning and development skills & resources to support the planning process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Is the leadership of your CBO willing to set aside enough time to study CED issues & learn how to resolve them?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Is your CBO determined to base its decisions on research and planning?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Does your leadership understand CED as a long-term process, not a short-term fix?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Is your CBO open to seeking outside resources, whether they be financial, management or technical help?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8. Is your CBO clearly willing to invest in developing business and management skills among its members?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

9. Is your CBO willing and able to stay involved in the support and management of a CED process?

☐ ☐ ☐ ☐

PHASE ONE: PRELIMINARY DATA COLLECTION & PREPARING FOR CED

PRE-PLANNING or What do you need to know and decide to plan for CED?

	Y	N	P	DK	Problems/Highlights
1. Has your CBO sought & received member input relating to key policy issues?					
a) Community vs. Individual business ownership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
b) how traditional values & pursuits may conflict with economic development & the wage economy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
c) the role of economic development in the overall development & long-term health of your community	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Has a decision been made about the role of the CBO in economic development?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Has a work plan been completed for conducting the economic development planning process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Has the CBO up-to-date information about the community's natural resources?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

5. Has the CBO good up-to-date demographic information, including the skills, occupational & training preferences, & small business interests of community members? Is it in a form which is useful for CED planning?
- ☐ ☐ ☐ ☐

6. Has an overview of the community's economic development strategy options been completed?
- ☐ ☐ ☐ ☐

PHASE TWO: BUILDING THE BASE FOR CED

ORGANIZATIONAL DEVELOPMENT or Building the organizational base for CED

	Y	N	P	DK	Problems/Highlights
1. Has your CBO's Board/committee/senior staff had introductory training in CED?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Has your CBO assessed the organizational resources currently available for CED?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Has your CBO developed a work plan to govern CED planning?*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Has your CBO established a monitoring system for the CED planning process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Has your CBO developed basic CED policy?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
a) the Mission?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
b) the Goals?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
c) the CBO's role in CED?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

d) venture selection criteria?

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6. Has your CBO set out an Organizational Development plan to prepare and organize for CED?

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7. Has your CBO determined the technical assistance it needs in this area?

☐ ☐ ☐ ☐

* The work plan *may* range over several areas: Board and staff training in the planning process; establishment of committees (eg. advisory committee); specific technical assistance/training requirements; establishing a monitoring system to monitor the CED planning; development of CED policies; specific work activities; and time schedule.

PHASE TWO: BUILDING THE BASE FOR CED

VENTURE DEVELOPMENT or Identifying opportunities & priorities for venture planning

	Y	N	P	DK	Problems/Highlights
1. Has your CBO developed a work plan to guide venture development?*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Has the flow of money (capital & income) to & from the community been analyzed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Has your CBO done research to identify local venture opportunities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Has your CBO done its "1st Cut" selection of opportunities to guide the planning effort?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Has your CBO done prefeasibility studies on "1st Cut" venture selections?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

6. Has your CBO done a "2nd Cut" of 2-3 opportunities for detailed feasibility analysis?

☐☐☐☐

7. Has your CBO begun to develop financing and business support for possible venture development?

☐☐☐☐

8. Has your CBO determined the technical assistance it needs in this area?

☐☐☐☐

* The work plan for venture development should include when and how points 2-8 are going to be done.

PHASE TWO: BUILDING THE BASE FOR CED

COMMUNITY PARTICIPATION & STRATEGIC NETWORKING

or Casting the net to catch key players for CED support

	Y	N	P	DK	Problems/Highlights
1. Has your CBO developed a strategy to engage community members in the CED planning process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Is there a strategy for networking with	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
a) key players in the Public Sector?					
b) key players in the Private Sector?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Has your CBO held community meetings to review & approve	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
a) the CBO's mission & goals?					
b) the general direction which the community's economic development should take?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

c) the CBO's role in economic development?

☐ ☐ ☐ ☐

d) venture selection criteria?

☐ ☐ ☐ ☐

e) to solicit ideas for ventures?

☐ ☐ ☐ ☐

4. Has your CBO designed & initiated a communication strategy to keep community members & others in touch with local CED?

☐ ☐ ☐ ☐

5. Has your CBO determined the technical assistance it needs in this area?

☐ ☐ ☐ ☐

PHASE THREE: FOCUSING THE OPPORTUNITIES

ORGANIZATIONAL DEVELOPMENT or Preparing your organization to do business

Y N P DK Problems/Highlights

1. Has your CBO planned for the structural changes which a business requires?(eg. decision-making procedures, separating political & managerial authority)

☐ ☐ ☐ ☐

2. Has your CBO begun to implement the changes outlined in this plan?

☐ ☐ ☐ ☐

3. Has your CBO had key people trained to understand and assess feasibility studies and business plans?

☐ ☐ ☐ ☐

VENTURE DEVELOPMENT or Identifying opportunities & priorities for venture planning

1. Has your CBO done detailed feasibility analyses on priority ventures ? (chosen in Phase Two)

☐ ☐ ☐ ☐

2. Has your CBO selected the venture(s) for which a detailed business plan should be completed? ☐ ☐ ☐ ☐
-

COMMUNITY PARTICIPATION & STRATEGIC NETWORKING

or Casting the net to catch key players for CED support

1. Has your CBO held community meetings to build support for priority ventures? ☐ ☐ ☐ ☐
-

2. Has your CBO contacted private & public sector individuals & organizations relevant to priority ventures? ☐ ☐ ☐ ☐
-

3. Has your CBO considered and/or established an advisory group of outside people as part of your economic development strategy? ☐ ☐ ☐ ☐
-

PHASE FOUR: DETAILED PLANNING & MOBILIZING RESOURCES

ORGANIZATIONAL DEVELOPMENT or Preparing for business start-up

	Y	N	P	DK	Problems/Highlights
1. Has your CBO trained key people in the basics of business planning, management recruitment, & financial packaging?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Has your CBO established a legal structure for the venture?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Has your CBO selected the venture management?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Has your CBO decided how to monitor the venture? Have you set up the monitoring system, & trained key people to use it?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

The Cross-Organizational CED Needs Profile

Use the following four sheets to consolidate and compare the responses of several organizations to the Development Wheel Checklists (pp. 57-66). List the names of the participating organizations down the left-hand column of each profile sheet. To the right of each organization, transfer its checklist responses to the provided line of boxes. Each box is labelled according to question number, component, and phase of CED. To transfer the responses, use the following code:

☐ for **Y** ("Yes"), blacken out the box.

☐ for **N** ("No"), leave the box blank.

☐ for **P** ("Partly"), draw a cross in the box (as you would for a strike in bowling).


☐ for **DK** ("Don't Know"), put a question mark ("?",) in the box .

The CED Planner's assessment of Keenan Falls (pp. 26-31) has already been transferred to the top row, as an example.

To get the full picture, you may wish to photocopy or tear these four sheets from your workbook, and tape them together in a horizontal line. The resulting pattern of full and empty boxes will indicate needs which various communities, constituencies, and organizations have in common. These insights may help you to set priorities and distribute resources with greater clarity and co-operation.

[illegible]

[illegible]



"Community Economic Development (CED) sounds great in theory, but what can it do for us in the Here and Now?" This workbook, and the "Development Wheel Workshop" it supports, answer that question with an opportunity to learn the basics of the CED approach to economic renewal, and then to apply them in a detailed simulation exercise.

After an introduction to the principles of CED, workshop participants and other readers go on to complete the plan of operations which a typical northern community might require to get funding under the Canadian Aboriginal Economic Development Strategy (CAEDS). Checklists enable learners to assess and compare communities, organizational performance, and the economic development proposals of consultants.

Members of First Nations, tribal councils, development corporations, and other community-based organizations will find this publication useful in both the training workshop and for private study.



**canadian centre for
community renewal**

Strengthening Resilience -
Transforming Local Economies