

## THE HARVARD PROJECT ON American Indian Economic Development

John F. Kennedy School of Government • Harvard University

## **HONORING NATIONS: 2005 HONOREE**

Migizi Business Camp Education Department Little River Band of Ottawa Indians

Contact: 375 River Street Manistee, MI 49660 Phone: 231-723-8288

In 1994, after 120 years of struggle, the Little River Band of Ottawa Indians finally re-obtained federal recognition. Ever since, tribal priorities included strengthening self-governance and the tribal economy. Their economic strategy followed two paths: the development of tribal enterprises and the encouragement of citizen-owned, small businesses. In tribal discussions, many citizens indicated an interest in starting business of their own and the Band responded by implementing a work readiness and job training for teenagers and young adults. Five years ago, the Band's planning and education departments joined forces to create the Migizi Business Camp for tribal youth. For six days, students are taken off the reservation to learn business development concepts and build entrepreneurial skills. They complete business plans and present their ideas to a panel of judges. The Camp represents a conscious effort by the tribal government to involve its younger citizens in the effort to build an economic future for the Nation.

The Little River Band of Ottawa Indians (LRBOI) is comprised of nine out of nineteen bands that formerly made up the Grand River Ottawa people. In September 1994, the Band's federal recognition status was reaffirmed after 120 years of struggling to assert treaty and self-governance rights. Today, the Band is headquartered in the town of Manistee on the eastern shores of Lake Michigan. The checkerboard reservation encompasses 70,000 acres along the Manistee and Pere Marquette Rivers. There are approximately 3,000 citizens dispersed throughout Michigan and Wisconsin 11% live within reservation boundaries.

Over the past 11 years, the nation worked diligently to meet its goals of self-sufficiency and self-governance. However, by 1999, the Band reported a 59% unemployment rate and that 26% of the population lived below the poverty line. To address these issues, the LRBOI began their economic resurgence by engaging in gaming. However, Tribal leaders understood that gaming alone was not enough to lower unemployment and increase the standard of living for its citizens. Although, the LRBOI had been working to develop other enterprises to diversify their economic base, those activities did not result in growing a healthy private sector of the tribal economy.

Strategy workshops held in 2002 identified a desire within the community to grow the small business sector. Many citizens expressed interest in developing and owning their own businesses, but only 4% of the population between the ages of 18 and 55 were self-employed. Since a majority of the Band's population is located outside of the reservation with rural, non-Native towns interspersed within the reservation boundaries, tribal leadership felt it

was important for the LRBOI citizens to have the skills to sustain themselves. Listening to the needs of their citizens, they began creating a supportive environment for small businesses.

To accomplish this goal the LRBOI adopted a two-prong approach to economic development. The first focused on tribal enterprises and the second on private businesses on and off reservation. After further examination into private business development, the Band recognized that the knowledge, skills, and experiences of its citizens, most importantly its youth, were crucial if it was to meet these goals.

Economic diversity and increased development are common issues for tribal governments. Having a robust small business sector provides opportunities to build individual wealth while also strengthening the tribal economy. Small businesses empower communities by providing both employment opportunities and necessary goods and services. Training in small business awareness and experience for youth provides the next generation with the tools to be successful business owners and full participants in the tribal economy.

Around 2001, the LRBOI Planning and Education Departments joined forces to address economic opportunities and skills development for youth. The director of planning, familiar with youth business programs at Haskell Indian Nations University and at the San Francisco State University Center for Small Business (SFSUCSB), sought to partner with a SFSUCSB professor who conducts youth business camps called Eagle Camps in Indian Country. The name of the youth camps, Eagle, was translated into Ottawa and the Migizi Business Camp was born.

Migizi began in the summer 2001, serving all of LRBOI's youth living on or off the reservation. The Migizi Business Camp is a modified replica of the SFSUCSB model and is very similar in content, scheduling, and delivery to other programs such as Native Nations Institute's Native American Youth Entrepreneur Camp and those put on by other non-Native entities. Its uniqueness lays in the way the LRBOI tribal government has taken the responsibility to prepare their youth to enter the private sector arena.

Students attending Migizi Business Camp must be citizens the LRBOI and currently in seventh through twelfth grade. The camp is not a traditional summer camp, as it requires participants to have strong writing, math, and creativity skills. For six days students are taken off-reservation to learn small business development concepts and to build the skills necessary to become successful entrepreneurs. The camp is structured around thirty hours of instruction and students learn a variety of skills, including how to recognize business opportunities and what taxes impact small business owners. Twenty hours are spent outside of the classroom working on and preparing for a trade show and business plan competition. Field trips are held to expose participants to the operations of existing financial institutions.

In terms of content, the camp utilizes a published textbook and workbook from the National Foundation for Teaching Entrepreneurship, Inc. The camp staff consists of one instructor who is a professor from SFSUCSB, two Education Department staff members who coordinate all aspects of the camp and assist the instructor during sessions, and four chaperones who often are parents of the participants. Prior to this year the chaperones were volunteers, but they now receive a stipend. The tribe also has formal policies and eligibility criteria for chaperones requiring screening and a background checks.

By the end of the camp, the students have researched and completed the business plan worksheets detailing the structure of their business, finalized pricing, outlined marketing, made financial projections, as well as other necessary steps for launching and maintaining successful plans. The business plan worksheets are not overwhelming, but are simple, fill in the blank' sheets that require the student to understand business concepts. The worksheets provide all the information a lending institutions would require for a full business plan. They present their business plans at the Business Plan Competition to a panel of judges comprised of both Native and non-Native representatives who are employees of local granting agencies, SCORE members (a national nonprofit association in entrepreneurial education), bankers, and small business owners. Cash prizes are awarded to the best business plans as follows, \$175-200 for first place, \$150 for second place, \$125 to third place, and \$50-75 for honorable mention(s). Regardless of the prize, each Migizi participant has had the opportunity to earn some cash and maybe a business profit by selling a product or service at the trade show either as a sole proprietor or as a joint partnership with another camp participant. The business ideas developed by students are diverse and practical for their communities and their age group. Even if the student does not actually implement a business after the camp, the concepts and skills they learn are invaluable as they become adults and enter the work force.

Living on a checkerboard reservation can be an advantage because the youth often have more employment options and opportunities with local public and private employers. Additionally, youth may have the option to create private business opportunities much faster off-reservation. On the other hand, off-reservation opportunities also require preparation for the outside world. The Tribal leadership recognized this and are adamant that current and future leaders of LRBOI must have the business savvy needed to be successful in all their ventures and dealings. The Migizi Business Camp is preparing the LRBOI's future leaders to assume these tremendous responsibilities. Over time, they will help to achieve the Band's goals of developing a private sector and diversifying its economic base.

Because the LRBOI population is dispersed, Tribal leadership recognizes the importance of reestablishing lost connections and is committed to finding funding for their youth to attend Migizi, no matter where they live. While the camp only brings the youth together for one week, there are already signs that the youth attending the camp are reconnecting as a community. Camp participants from the Manistee area have spoken about building lasting friendships with citizens from other parts of Michigan, Wisconsin, and elsewhere. The camp is reuniting the Band through the youth and the Band is stronger because of it.

Despite its rigor, students often return to the camp to hone their business skills. The increase in the number of repeat students who desire to learn more about the different aspects of a business has resulted in staff and instructor determining how best to meet their needs. For example, this past summer they instituted a team approach where the repeaters served as mentors to a small group of new and younger students. These mentors assume different roles as leaders, motivators, and teachers. Migizi has operated for four summers, and has served a total count of fifty-three students. Four of these students attended all four camps and five are second year returnees.

Tribal government and parental support is overwhelming. This is perhaps the first known formalized approach by a tribal government to expose and provide real word experience in entrepreneurship and business development for their youth. Because the response and the results have been so encouraging, the program is considering growing to provide services to other tribes in the Great Lakes. Discussions are underway with other tribes to open the camp to their students.

The continued funding and support of the Migizi Business Camp by the LRBOI government is evidence of their commitment to developing a private sector within their communities and an

investment in their youth. It is creating an awareness of and building entrepreneurial skills with the youth who will become the future leaders of LRBOI. The knowledge and experience gained by these young entrepreneurs will help LRBOI achieve sustainability, on both an individual citizen and tribal basis. The business camp requires a small financial investment with tremendous long-term returns, and because its curriculum and camp model are portable, easy to replicate, and adaptable it could be useful to any tribal nation seeking ways to build a strong economy.

Lessons:

- Exposing youth to practical business experiences and opportunities for success help to develop the entrepreneurs and small businesses necessary for strong, diverse tribal economies.
- Financial literacy training for youth in banking, credit, financial planning, investing, and taxes encourages those individuals to make better, more informed personal finance decisions and fortifies the nation's ability to manage its resources effectively.
- By formalizing processes for entrepreneurs, governments convey a commitment to private sector development and encourage citizens to invest time and resources back into building stronger tribal communities.

79 John F. Kennedy Street • Cambridge, Massachusetts 02138 telephone: (617) 495-1480 • facsimile: (617) 496-3900 website: www.hks.harvard.edu/hpaied