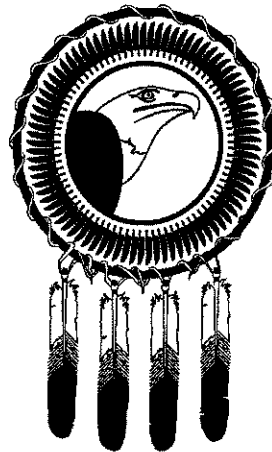# Malcolm Wiener Center
for Social Policy

Strategic Analysis: A Practical Tool for Building Indian Nations

by

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STRATEGIC ANALYSIS FOR NATIVE NATIONS

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Strategic Analysis for Native Nations

This instrument is designed to serve as an analytical tool for use by Indian nations, Indian-owned or -operated corporations or companies, Indian entrepreneurs, and other Native entities seeking to promote economic development in Native communities. It is not intended as a substitute for formal market analyses or feasibility studies or for a comprehensive strategic planning initiative. It is instead a relatively quick, self-administered, intermediate step designed to assist Indian entities in thinking through their situations and their options and in improving the quality of their economic decisions.

It is important to understand that this analysis cannot give you all the answers you need. Its purpose is to help you identify strengths and weaknesses as well as areas of opportunity and areas of concern. In a sense, its purpose is to show you where work needs to be done as you pursue sustainable, self-determined economic development.

The analysis has six sections:	I.	Strategic Vision
	II.	Priorities and Concerns
	III.	External Environment
	IV.	Internal Environment
	V.	Assets
	VI.	Project Analysis

These may be completed independently of each other with the exception that the final section on Project Analysis depends to some extent on information in preceding sections.

Economic development may occur in many ways, from enhanced subsistence activities to retail development to manufacturing to extractive or service industry. It may take many forms, from tribally-owned enterprises to independent household or individual entrepreneurship to joint ventures with non-Indian operators. It may involve traditional activities or entirely new projects. This analysis makes no assumptions about what forms development should take. However, it does assume that decisions about economic development on Native lands should be made by Native nations and that development itself should be designed to meet the goals of the Native communities directly involved.

Note that in this document the terms "tribe" and "state" are meant to include what may be known as First Nations (or bands) and provinces in Canada.

Comments are welcome and may be sent to the Udall Center (see address on previous page) or to the Harvard Project on American Indian Economic Development, John F. Kennedy School of Government, Harvard University, 79 JFK St., Cambridge, MA 02138.

I. Strategic Vision

American Indian nations face many of the same dilemmas faced by sovereign peoples everywhere. Among other things, sovereign peoples have to decide what kind of society they are trying to build for themselves and for those who come after them. Although any strategic analysis ultimately has to answer some very concrete questions—what circumstances do we have to deal with, what resources do we have to work with, and what should we do?—it begins with two questions: who are we, and what are we trying to accomplish?

The first of these questions—*who are we?*—really refers to identifying the nation. This is an easy question for most Native peoples to answer, certainly in much of the United States where the federal government has recognized specific tribes. However, in parts of Alaska and in parts of Canada, and perhaps in a few cases in the lower forty-eight states of the United States, there are disputes between Native peoples and some non-Native authorities on this issue, and there sometimes are disputes within Native communities. It may not be easy to determine the appropriate Native group in whom authority is or should be vested. Is it a particular village or band? Is it the tribe? Is it an association of bands or of tribes? In short, who is the "self" in self-governance?

Answer the following questions as best you can:

Who is the "self" in self-governance in your case (e.g., the Oglala Sioux Tribe, the lower Kuskokwim villages, Cochiti Pueblo, etc.)? _____

_____

Is your answer to this question likely to be disputed by outside authorities?

Yes _____ By whom? _____
No _____

Extensive research indicates that successful economic development in Native communities depends in part on *self*-governance. That in turn depends in part on being able to answer the first question above. This is probably easy. But if you find it is not easy, or if you expect that there will be differences of opinion among the members of the community over where the boundary of the nation is or should be, or if you expect that outside authorities (states, provinces, the federal government, etc.) will have a different view from yours, then there clearly is a fundamental issue here that needs to be resolved. We cannot resolve it with this instrument, but it should be high on your own agenda.

The second question—*what are we trying to accomplish?*—has to do with goals. Answer the following questions as best you can:

As you imagine your society twenty-five years from now, what do you hope will be different in the way your people live, work, interact with each other, and interact with the non-Native world around them? Identify at least four items that you hope will be different twenty-five years from now.

_____

_____

_____

_____

What in your society today do you hope will last? What do you hope will still be a characteristic of your society? Identify four things that you hope will still be part of the way your people live, work, interact with each other, or interact with the non-Native world around them twenty-five years from now.

_____

_____

_____

_____

What do you think are the most important positive changes that have taken place in your society in the last twenty-five years?

_____

_____

What are the most important negative changes that have taken place in your society in the last twenty-five years?

_____

_____

When you measure the changes that have occurred—positive and negative—against the vision you articulated in your answers to the first two questions, would you say that your community is moving forward (toward that vision) or moving backward (away from it)?

Forward   _____

Backward   _____

Why?   _____

_____

What kind of society are you trying to build for your children, their children, and all those who come after? Be specific:

_____

_____

_____

_____

_____

Strategic visions can sound like dreams, but their purpose is very concrete. They give you a basis on which to consider choices. Does a particular development option or relationship or initiative move you closer to the society you want to build? Does it introduce positive changes? Does it reverse negative ones? Do your decisions reflect your long-term goals? How can you, as leaders, as policymakers, as managers, keep this vision in front of you as you deal with the pressures of day-to-day life?

II. Priorities and Concerns

Strategic vision is a source of broad, long-term guidelines for decision-making and policy. However, the task of achieving that vision involves establishing shorter-term priorities and identifying specific concerns. Knowing your priorities and concerns allows you to figure out which of the various options you have are most likely to achieve your goals.

A. Priorities

As you consider economic development or business activity, you may have a number of things in mind that you hope to accomplish or to produce. Among the possibilities are these (there may be others):

jobs for tribal members	increasing tribal income
increasing household income	increasing tribal tax revenue
tribal business ownership	member business ownership
provision of goods and services	training and skills development
stimulation of new businesses	reducing dependence
strengthening sovereignty	long-term growth
strengthening indigenous culture	a stronger public image ·

Which of these are most important to you or your community? List your top three priorities (you can include goals not on this list):

1. _____

2. _____

3. _____

If you are considering a specific project, which, if any, of these goals does it support?

Project 1 _____ Supports   _____

Project 2 _____ Supports   _____

_____

_____

B. Concerns

Most business activities have costs of one sort or another. Most also create change in the communities where they take place. These costs and changes sometimes raise concerns for the community or its members. For each of the following, indicate *the level of impact you are willing to accept:*

Indebtedness	Lots	Some	None
Environmental deterioration	Lots	Some	None
Natural resource depletion	Lots	Some	None
Social impacts			
presence of non-Indians	Lots	Some	None
disruption of cultural activities	Lots	Some	None
disruption of social relations	Lots	Some	None
Reductions in sovereignty	Lots	Some	None

Participation in certain economic
    sectors (specify which sectors, if
    any, are of concern—e.g., gaming,
    tourism, mining—and how much
    concern they raise)

Sector _____	Lots	Some	None
Sector _____	Lots	Some	None

Other concerns   _____

_____

_____

If you are considering a specific project, which, if any, of these concerns does it raise?

Project 1 _____   Concerns   _____

_____

Project 2 _____   Concerns   _____

_____

_____

_____

> Again, the purpose of answering these questions is to help establish guidelines and criteria for decisionmaking. Some projects may raise concerns that are overshadowed by the benefits they produce—that is, by their ability to bring you closer to your goals. Others that have obvious benefits may also raise significant concerns that persuade you that they are not worth the price. But you have to ask these questions before you know what the trade-offs are. Knowing what the trade-offs are can help you decide which projects or directions or relationships make the most sense.

III. External Environment

The external environment consists of the economic and political/legal conditions under which the nation or entrepreneur has to operate. These conditions constrain or facilitate self-determined economic and business activity, making some activities impossible and making others more or less likely to succeed. Evaluating the external environment is a crucial part of strategic decision-making. It is a way of asking yourself, "what are we up against, and where do the opportunities lie?"

A. Political/Legal Conditions

DEGREE OF "DE FACTO" SOVEREIGNTY

Substantial research in the United States and around the world indicates that development controlled by outsiders seldom succeeds. Therefore, a critical question has to do with who actually controls many of the major decisions affecting the life of the community. "De facto" sovereignty simply means sovereignty in practice. The appropriate question is: regardless of what the law says, who *really* makes the decisions in tribal or community affairs?

In your community, who *really* calls the shots when it comes to (circle one for each line; if the answer is "Other," indicate who):

Land use within Native lands	Tribe	Feds	State	Other _____
Use of other natural resources (e.g., water, wildlife, subsurface)	Tribe	Feds	State	Other _____
Economic development strategy	Tribe	Feds	State	Other _____
Whether to start a tribal business	Tribe	Feds	State	Other _____
What tribal business to start	Tribe	Feds	State	Other _____
Use of tribal funds	Tribe	Feds	State	Other _____
Contracts between the tribe and non-Indian vendors or joint venture partners	Tribe	Feds	State	Other _____
Administration of social programs	Tribe	Feds	State	Other _____
Distribution of housing	Tribe	Feds	State	Other _____

If, in most cases, you circled "Tribe," then de facto sovereignty is high. If you didn't, de facto sovereignty is low. Considering how many of each you circled, and realizing that this may oversimplify a complex situation, how would you describe de facto sovereignty in your community? Would you say de facto sovereignty is (circle one):

<div align="center">

High   Medium   Low

</div>

INTERGOVERNMENTAL RELATIONS

Intergovernmental relations are complex, vary, and may change. From a strategic point of view, the appropriate question has to do with whether tribal initiatives are likely to encounter support, opposition, or indifference from other governments.

At the risk of oversimplifying, how would you describe relations between the tribe or community and the federal government (circle one)?

<div align="center">

Confrontational   Cooperative   Non-existent

</div>

How would you describe relations between the tribe or community and the state government (circle one)?

<div align="center">

Confrontational   Cooperative   Non-existent

</div>

REGULATORY ISSUES

What regulatory advantages, if any, does your community have (for example, is the community free of certain state or federal taxes, environmental regulations, or other legal constraints that non-Native communities experience)?

_____

_____

The answers to these questions tell you something about your chances of success in economic development. To the extent that you are making decisions for yourselves, those chances rise. The most important reason is simple: When a tribe makes its own governing decisions, it pays the price of bad decisions and reaps the benefits of good ones. As a result of this discipline, the quality of decisions improves, enhancing the chances of successful development. These answers also tell you something about where you have comparative regulatory advantages, and this may help you make development choices.

B. Economic Conditions

MARKETS

Markets are for specific products or services. It makes sense to ask questions about the state of the market for a particular product or service. If you know what product or service you wish to offer, you may answer the following questions with that in mind. If you don't have a particular product or service in mind, answering these questions can still give you an overview of your market situation.

To the best of your ability, describe each of the following markets (circle "yes" or "no" or fill in the blanks):

The internal market (the community itself)

Significant in size	Yes	No	Specific mkt. needs_____
Accessible	Yes	No	
Has buying power	Yes	No	

Regional markets (nearby but outside the community)

Significant in size	Yes	No	Specific mkt. needs_____
Accessible	Yes	No	
Has buying power	Yes	No	

Distant markets (more than 100 miles away)

Significant in size	Yes	No	Specific mkt. needs_____
Accessible	Yes	No	
Has buying power	Yes	No	

If distant markets are inaccessible, is there any evidence that persons in those markets can be persuaded to come to you in search of a product or service (for example, eco-tourism, hunting/fishing)?

                                         Yes   No

If so, for what product(s) or service(s)? _____

_____

What export opportunities might you have in which distance to markets is of minor importance (for example, graphic design services, computing services, arts and crafts, herbal or other Native foods, etc.)?

_____

_____

Do you have evidence that there are, in fact, markets for such export products or services (circle one)?

<div align="center">Yes   No   Haven't looked into it</div>

What reasons, if any, do you have for thinking that you can effectively compete in those markets?

_____

_____

SECTOR OUTLOOK

Before deciding to commit to a particular business activity, you probably will want to complete some kind of more detailed market analysis. A useful preliminary step, however, is to review what you already know or can easily find out about the sector (for example, tourism, timber, food processing, retailing, arts and crafts, etc.) that you are considering going into.

What sector(s) of the economy are you considering entering?

_____

_____

What is the current condition of that sector(s): growing, stagnant, or declining?

Sector _____	Condition _____
Sector _____	Condition _____
Sector _____	Condition _____

What is competition currently like in that sector(s): heavy (in which case it may be difficult to keep costs low enough to compete), or light (in which case there may be an opportunity for you to be a major player)?

Sector _____	Competition _____
Sector _____	Competition _____
Sector _____	Competition _____

If you do not know the current condition of the sector(s), how might you find out?

_____

This quick-and-dirty survey of market conditions cannot substitute for detailed market or feasibility analysis, but it may indicate areas of economic activity that either make no sense or are promising. At the very least, when you consider a project, you will need to measure it against answers to these questions. If it still looks promising, you may want to move to a more sophisticated market analysis for that product, service, or activity—assuming you have the capability and financial resources to carry out such an analysis or can get it from someone else.

IV. Internal Environment

It is one thing to have sovereignty—it is another to be able to *exercise* it effectively. One of the crucial factors in economic development is the internal environment created by the governing institutions, politics, and culture of the nation or community. These form the environment in which potential investors—including tribal members—decide whether or not to bet their money, time, energy, or ideas on the future of the community. If that environment is unstable, highly politicized, or corrupt, investors will look elsewhere for opportunities. In particular, regardless of how much capital, education, or natural resources are available to you, without sound governing institutions, few businesses will last. Therefore, understanding the internal environment in which business has to operate is a key component of any strategic analysis.

A. Governing Institutions

For businesses to succeed and for lasting economic development to take root, governments have to provide certain things. Among these are:

- A stable institutional environment
- Separation of politics from business operations
- Effective and fair dispute resolution
- An administration that can get things done

STABILITY

When we talk about "investors" we mean not only those with dollars but anyone with energy, time, or ideas that they might be persuaded to bet on the future of the community. Few investors are willing to invest in unstable situations where the rules governing contracts, tribal obligations, personnel decisions, and so forth may change at any time and at any political whim. Instability in governing institutions has undermined economic development in many countries around the world.

Do you have a tribal constitution that specifies how tribal government is organized and operates (circle one)?

<div align="center">Yes   No</div>

If you do not operate under a written tribal constitution, what is the basis of tribal government (e.g., traditional government, corporate charter, etc.)

_____

Other things equal, longer terms of office for tribal presidents and council members provide more stability in government than shorter terms do. What is the term of office for your chair or president (check one)?

Two years _____   Four years _____   Other (specify) _____

What is the term of office for members of your council (check one)?

Two years _____   Four years _____   Other (specify) _____

Other things equal, staggered terms of office for council members lead to more stability than terms that all expire at the same time. Do you have staggered terms of office for council members (circle one)?

<div align="center">Yes   No</div>

Where tribal presidents or councils control all appointments to tribal government jobs, there tends to be less stability (when the administration changes, more jobs change, and everyone has to consider the political consequences for them in every decision they make). Where at least some jobs are protected from turnover with each new administration, there tends to be more stability. Can a new president or chair in your government replace anybody in the administration if he or she wants to, or is the president or chair limited in the ability to replace people at will (check one)?

Can replace most people at will   _____
Limited ability to replace people at will _____

> The answers to these questions should indicate whether or not stability is a problem on your reservation. If it is a problem, they also should indicate some of the steps that need to be taken to create a more stable environment in which tribal members and other are more likely to invest time and energy and in which businesses are more likely to last.

SEPARATION OF POLITICS FROM BUSINESS OPERATIONS

Systematic research indicates that those businesses that are insulated somehow from political interference are four times as likely to be profitable as those where tribal governments play a significant role in day-to-day business operations.

Do the tribal president, chair, or members of the tribal council play a significant role in the day-to-day operations of tribally-owned businesses in your community?

<div align="center">Yes   No</div>

Can the managers of tribally-owned businesses make most hiring, firing, payroll, purchasing, marketing, and other day-to-day business decisions without checking with the tribal council or tribal president?

<div align="center">Yes   No</div>

Does the manager of your tribally-owned business report to a board of directors or to the tribal council / president (for each business indicate board or council/president)?

Business #1   _____

Business #2   _____

Business #3   _____

If the manager reports to a board of directors but the board of directors is made up largely of council members and the tribal president, then there is a high probability of political interference in business decisions. How many members of the board of directors are also either members of the tribal council or the tribal president?

Business #1   all of the board ____   Business #2   all of the board ____
               half the board ____   half the board ____
               only 1-2   ____   only 1-2   ____
               none   ____   none   ____

Business #3   all of the board ____
               half the board ____
               only 1-2   ____
               none   ____

Separate charters for businesses can help insulate them from tribal politics. Do your tribally-owned enterprises have their own charters that specify how they are to operate and what their relationship to the tribe is?

<div align="center">Yes   No</div>

Cultural traditions that are still powerful enough to shut down corruption can help to insulate business from tribal politics. In your tribe, are there cultural constraints that *effecvtively* prevent the president or council members from introducing tribal politics into business operations, or from using business operations to enrich themselves?

<div align="center">Yes   No</div>

Generally speaking, would you say that political interference is or is not a significant problem in your tribally-owned enterprises (circle one)?

<div align="center">Is a significant problem   Is not a significant problem</div>

If you are the manager of a tribally-owned business, how much of a role would you say local political issues play in your decisions (check one)?

The primary role   _____
A major role   _____
Some role   _____
Not much of a role   _____

No role at all   _____

If you are an entrepreneur running your own business on the reservation, how much would you say you have to worry—as a business person—about tribal politics (check one)?

Worry about it a lot   _____
Worry about it a little   _____
Don't worry about it   _____

Answers to these questions should indicate whether or not political interference in the business arena is crippling economic development on your reservation. They also should indicate some of the places to start if interference *is* a problem and you want to change the situation. This doesn't mean that political decisions have no place in economic development. Strategic decisions about the long-term future, about the kinds of development the tribe wants to pursue, and about priorities and concerns belong in the hands of elected leaders and the community at large. But the day-to-day decisions involved in running a business belong in the hands of those with the training and experience to make them effectively.

FAIR ADJUDICATION OF DISPUTES

Fair, effective, and *non-politicized* dispute resolution is a critical component of lasting economic development and business success. It is important that those working for or with the tribe or its enterprises, or those operating businesses with tribal resources or on tribal lands, believe that they will be fairly treated in disputes with others, including disputes with the tribe or its leadership. In general, independent courts, in which it is not easy for the council to get rid of judges or to overrule their decisions, will much better serve economic development than council-controlled courts will.

For each of the next five questions, circle the answer that best describes your situation.

If you have a tribal court, is that court controlled by the tribal council or is it an independent body?

Council controlled   Independent

If judges are appointed by the council or the president, can they be easily removed by the council or the president?

Easy to remove   Difficult to remove

What is the length of judges' terms in office?

Two years   Four years   Other (specify) _____

Are judges' terms of office the same length as the terms of council members and the president or chair, or are they different in length?

Same as council/chair   Different from council/chair

What is the route of appeal?

To the council   To an independent appeals court

Generally speaking, courts that are independent, in which judges are difficult to remove, in which judges' terms of office are both long and different from those of the council or president, and in which appeal is to an independent appeals court instead of to the council or the president, will much better serve the development needs of the nation.

If you do not have a separate tribal court, do you use other means of adjudicating disputes among tribal members or between member-owned businesses and the tribe (check all that apply)?

Board of ethics   _____
Traditional dispute resolution   _____
Council serves as tribal court   _____
State courts   _____
Other (specify) _____

If you checked either board of ethics or traditional, are these mechanisms generally free of tribal political interference (circle one)?

Yes   No

If you are running your own business, how confident are you that disputes between you and the tribe or its leadership will be fairly dealt with (check one)?

Very confident   _____
Confident   _____
Not very confident   _____
Utterly discouraged   _____

ADMINISTRATION

How would you describe morale in the tribal administration (check one)?

High _____   Medium _____   Low _____

When a new president or chair is elected, do most workers in tribal administration worry about being fired?

Yes   No

If you are an entrepreneur running your own business, how would you describe the tribal administration (check one for each pair):

Helpful	_____	Unhelpful	_____
Efficient	_____	Inefficient	_____
Easy to deal with	_____	Difficult to deal with	_____

or: I have no dealings with the tribal administration _____

Are administrative procedures clear and consistent?

Yes   No

SUMMARY

As you review your answers to the questions about governing institutions (all the questions in IV-A), would you describe the institutions in your community as

Stable (circle one)?	Yes	No
Fair (circle one)?	Yes	No
Effective (circle one)?	Yes	No

What, if anything, do you think needs to change to improve the governing institutions?

_____

_____

> Research worldwide shows clearly that governing institutions are the foundation on which successful economic development has to be built. If governing institutions—on reservations as in countries—are characterized by instability, by political interference in business decisions, by politicized court decisions, or by an administration that cannot implement its own decisions and get things done, then all the resources and money and strategic thinking put into development are likely to be wasted. Sovereignty has to be exercised effectively if it is to lead to lasting benefits.

B. Politics

Most communities have disagreements about strategic direction, priorities, people, and other topics. There are two major issues from the point of view of economic development and business activity. Do disagreements tend to be about real issues or do they represent long-standing divisions within the community (as, for example, along family lines)? Do disagreements make the government incapable of effective decisions?

How would you describe politics in your community (check one)?

Lots of conflict, very tense

Sometimes there's conflict, sometimes not

There are disagreements, but not a lot of serious conflict

Everyone agrees about everything!

If there are major conflicts, would you say that they are the products of recent events or current issues and may change, or that they go back farther than anyone can remember and seem to be rooted in long-standing divisions (check one)?

Products of recent events or current issues, may change

Go way back, tied to long-standing divisions

Long-standing conflicts rooted in "ancient" events, disputes, or relationships are likely to be more difficult to manage than those that are tied to recent events or current issues.

When conflict arises within the community, does the community have effective ways of dealing with that conflict and deciding a course of action, or do politics often bring everything to a halt, immobilizing the tribe (check one)?

We usually deal with conflict effectively

We are often immobilized by internal conflicts

If political conflicts regularly immobilize the community, it may be that the political institutions themselves need to be changed. Some forms of government are more effective than others at dealing with conflict, and institutions that people believe in do better at managing societies than those people don't believe in.

C. Culture

Some people claim that Native cultures are obstacles to economic development. Our research suggests that some Native cultural practices may make some kinds of development more or less difficult. But the more important question is: does the development strategy chosen by the tribe or community fit the culture of the people? If there is a good fit, then (other things equal) the chances of successful development rise. If not, they drop.

The following questions may help you determine what kinds of development strategies fit your cultural situation.

> Indian communities where primary allegiance among community members is to the tribe as a whole often are good candidates for large enterprises that require the centralization of resources and effort and that are closely identified with the tribe. Communities where primary allegiance among community members is to a district, band, clan, or other subgroup within the community often are better candidates for smaller-scale, locally-run enterprises or for cottage industry.

> Where does primary allegiance lie in your community (check one)?

> Tribe   _____
> District   _____
> Clan or other kinship group   _____

> Indian communities in which the culture supports hierarchical relationships in which some people have to tell other people what to do are often good candidates for large enterprises in which there are several levels of authority. In such communities, it is not a problem to have one member of the community (a boss) telling another what to do at work. Communities in which the culture resists hierarchies are often poor candidates for large enterprises that require multiple levels of authority.

> Does your culture tolerate hierarchy (bosses telling workers what to do) (circle one)?

> Yes   No

> Some Indian communities encourage individual initiative and success, and give high prestige to those individuals who step out of the crowd and build a record of individual achievement, including wealth. Such communities often are good candidates for retail enterprises, which demand high individual commitment to quality of service and market sensitivity, or for individual entrepreneurship more generally. Other Indian cultures are less individualistic, giving more prestige to those who subordinate their own interests to those of the community as a whole. Such communities often are better candidates for tribally-run enterprises.

How would you describe the culture of your community (check one)?

More individualistic	_____
Somewhere between the two	_____
Less individualistic	_____

Some Indian communities encourage relationships with outsiders, find it easy to work with outsiders (including non-Indians), or don't mind having outsiders around. Such communities may be good candidates for tourism, for retail operations that market to non-members, or for operations that involve a mixed member and non-member labor force. Other Indian communities are less tolerant of such relationships, find working with outsiders difficult, or don't like having outsiders around the community in large numbers. Such communities may not be good candidates for these kinds of enterprises, although they may be good candidates for gaming or for resort tourism in which outsiders are concentrated in a single and relatively small geographical area.

How would you describe the culture of your community (check one)?

Insular (we generally don't like working with outsiders or having them around)   _____

Less insular (we really don't mind working with outsiders or having them around)   _____

The answers to these questions should assist you in thinking about development options. Those that fit the cultural preferences of the community along the dimensions described in the questions above are more likely to succeed than those that don't.

V. Assets

By assets we refer to the human, cultural, financial, natural, and other resources that the nation or entrepreneur can contribute to economic development or to specific business activities.

CAPITAL

What funds, if any, does the tribe, community, or entrepreneur control that can be used for a business start-up?

_____

_____

What has to happen for those funds to be made available (e.g., council decision, shareholder decision, managerial decision, etc.)?

_____

_____

What other sources of capital are available or might be available to the tribe or community or to an entrepreneur within the community (e.g., is there a credit association that makes business loans, does the community have a good relationship with a bank, are there federal grant or loan programs that are applicable and that the community might qualify for)?

_____

_____

Other than the trust status of Native lands, are there other obstacles that may prevent the tribe or community from obtaining otherwise available funds?

_____

_____

Given your answers to these questions, how would you describe your capital situation?

Accessible capital (in tribe's hands)	High	Med	Low
Loan possibilities	High	Med	Low
Grant possibilities (bear in mind that there are very few grants to fund for-profit activities)	High	Med	Low

NATURAL RESOURCES

What natural resources does the tribe or community control that can be used in development or as the basis of a business?

_____

_____

_____

What has to happen for those resources to be made available (e.g., land use planning board has to decide, clan has to give permission, council has to approve lease, etc.)?

_____

_____

PEOPLE

What, in general, is the educational level of the community (check one)?

High (a lot of people have some college or professional training) _____
Medium (most adults are high school graduates)   _____
Low (few adults are high school graduates)   _____

What, in general, is the skill level of the community (check one)?

High (a lot of people have worked in skilled jobs or know
    skilled crafts)   _____
Medium (some people have worked in skilled jobs or know
    skilled crafts)   _____
Low (few people have worked in skilled jobs or know skilled
    crafts)   _____

Are there particular skills that are widespread in the community? If so, what are they?

_____

_____

_____

Are there other characteristics, attributes, or qualities that you see in the people of the community or tribe that should be considered a community asset and that might help in economic development or in business activity? If so, what are they?

_____

_____

CULTURE

What cultural resources in the community or tribe may be marketable or otherwise useful in economic development (check all that apply)?

Artistic or craft abilities   _____
Knowledge of the land or animals   _____
Dense kinship ties and other social relations   _____
Other (specify) _____

LOCATION

Are there reasons, other than the natural resources of the area, why your location may be important in economic development (e.g., a pipeline or railroad or important waterway crosses or will have to cross your land).

_____

_____

The answers to these questions should be useful in thinking about development strategies and in considering development proposals. What resources do you have to work with? Do you have the skills necessary to do the things you are considering? Could you train people in those skills? What advantages do your assets give you? What gaps do you need to fill?

VI. Project Analysis

Also known as a Project Selection Filter, this section helps you evaluate the pros and cons of pursuing particular development proposals or projects. It may be especially useful if you are considering a range of possible business opportunities. The Project Analysis can give you a preliminary view of how promising each opportunity is, allowing you to reduce the list of options fairly quickly to the two or three most promising candidates. You can then move on to a more detailed feasibility analysis of those.

A. Enterprise Requirements

For each proposed project, answer the following questions, filling in the blanks or circling the best response:

Initial capital investment required   High   Med   Low   estimate (if you can) _____

Continuing capital needs (are you
likely to have to put in additional
capital down the road for
equipment, expansion, etc.?)   High   Med   Low   estimate (if you can) _____

Skills (will this require highly
skilled labor, moderately skilled
labor, or unskilled labor)?   High   Med   Low   mixed (specify) _____

Is the right mix of labor supply available?   Yes   No

Infrastructure needed:
    physical (utilities, roads, etc.)   _____

_____

    bureaucratic (a support system
           of personnel)   _____

_____

What is the appropriate organizational
form (e.g., does this activity require a
large organization with lots of bosses?
can it be done with household labor?
can small units be competitive?)   _____

Does it make sense for this
enterprise to be owned by the tribe
(public sector) or by an individual
entrepreneur (private sector)   Public   Private

System fit (is the fit with other
activities in the area good or bad?)   Good   Bad

If bad, why?   _____

B. The Business Context

For each proposed project, answer the following questions as best you can:

Where's the market?   _____

                                      _____

How big is it? (your best estimate)   _____

                                      _____

What's the competition?   _____

                                      _____

Given the size of the market,
would you say there is lots of
competition, some competition,
not much competition?   Lots   Some   Not much

What's the sector outlook?   Growing   Stable   Declining

C. Your Assets

For each project and to the best of your ability, estimate whether the assets you have are
adequate *for this project*. Bear in mind that conditions may change over the life of the
business (check in appropriate columns).

Assets	Adequate	Inadequate	Likely to Improve	Likely to Deteriorate
Natural resources				
Access to financial capital				
Skills				
Institutional foundation (do your governing institutions protect investments; are they stable; can they get things done?)				

What do you have that gives you *a competitive advantage* over others who are already in the same business or may enter it? (check as many as you think you have)

Experience   _____   Access to market   _____
Skills   _____   Regulatory relief   _____
Labor costs   _____   Tax relief   _____
Access to materials/resources _____   Culture   _____
Other (specify) _____

D. Cultural Considerations

Different kinds of enterprises work better using different kinds of organizational forms. For example, capital-intensive extractive industry (such as mining) tends to require large, centralized organization if it is to be efficient. Service-intensive retail operations, on the other hand, often work best on a smaller scale and with private (as opposed to tribal) ownership. But some of these forms work better in some cultures than in others. Other cultural considerations may include the presence of non-tribal members in positions of authority, the presence of non-tribal members on Native lands, and certain uses of natural resources.

For each project, answer the following questions as best you can.

Does the appropriate organizational form for this enterprise meet the cultural preferences of the community?

Scale (large vs. small)	Yes	No
Authority (centralized vs. decentralized)	Yes	No
Form of ownership (tribe vs. individual/family)	Yes	No

Will it require outsiders in management positions?	Yes	No
If yes, is this acceptable to people in the community?	Yes	No
Will it draw outsiders to the tribe's lands?	Yes	No
If yes, is this acceptable to people in the community?	Yes	No
In the view of the community is this likely to be an acceptable use of natural resources?	Yes	No

E. Strategic Priorities and Concerns

Which of the priorities you identified in Section II on Priorities and Concerns (see above) does this project support?

_____

_____

_____

Which of the concerns you identified in Section II on Priorities and Concerns (see above) does this project raise?

_____

_____

_____

F. Comparing Projects

On the final page of this instrument is a matrix that brings together the various pieces of the Project Analysis. It is intended to allow you to quickly and simply compare the various projects you are considering in terms of the questions you have answered in this section. The graph suffers from being compressed onto a single page (you can easily make up a more expansive version of it), but it can be used in the following manner.

1. Number the projects you are considering (1, 2, 3...).

2. Enter those numbers in the left-hand column (Project).

3. For each project, under each of the remaining columns enter a check *if the project looks promising* in terms of that column heading. Enter an X *if the project does not look promising* in terms of that column heading. In other words, enter a check (positive) if the project looks good in terms of (for example) skills or system fit or competitive advantage; enter an X (negative) if it does not.

4. Compare projects in terms of their overall profiles and in terms of which issues they raise for you or the community.

Note: This method gives equal weight to every consideration. You may wish to weight things differently. Also note that you can expand or reorganize this graph to provide you with more information or to add considerations that are not included here.

					Project	
					Initial Capital Investment	Enterprise Requirements
					Continuing Capital Needs	
					Skills	
					Infrastructure	
					Organizational Form	
					Ownership	
					System Fit	
					What Market	Business Context
					How Big?	
					Competition	
					Sector Outlook	
					Natural Resources	Tribal Assets
					Financial Capital Access	
					Competitive Advantage	
					Institutional Foundation	
					Skills	
					Organizational/Cultural Fit	Cultural Issues
					Outside Management	
					Draws Outsiders?	
					Acceptable Use?	
					Which Priorities?	Strategic Fit
					Which Concerns?	

Project Selection Filter (PSF)