

"The future of every community lies in capturing the passion, intelligence, imagination and resources of its people."

—Ernesto Sirolli

Sustainability of Enterprise Facilitation®

Now and then communities involved in Enterprise Facilitation bring up the subject of “sustainability” of their projects and I would like to offer some thoughts on the topic that have been with us since Esperance 24 years ago. (By the way the Esperance project is still there!)

It seems that Enterprise Facilitation projects that have survived had both good results and good management. In other words they had a **good service** (provided by the Enterprise Facilitator and the volunteers), **good fundraising and communications** (ability to tell the story and provide funders with the data to insure future funding) and **good financial** management.

With strong and well publicized results the projects then followed different paths to sustainability according to the skills, aptitudes, experience and political acumen of the people on the volunteer resource board (panel).

Some boards became politically active and lobbied to be given “some of their taxes back”. They advocated for the project and, having demonstrated the cost/benefit of Enterprise Facilitation, assumed responsibility for working closely with government (local, state, federal) in exchange for continued good outcomes and the sharing of the kudos with the funding agency/ies.

Some boards went the “diversified” route looking for many small investors from both local government and private sector friends. An example of this approach is a project in South Dakota that has more than 40 funders for the salary of the Enterprise Facilitator (est. 1997).

The route to follow is entirely up to the local board since only they know the skills and human resources that they can bring to the task.

Enterprise Facilitation is not a mainstream program as yet and there isn't a funding stream for it. All our projects to date have been “demonstration” projects i.e. have been projects that governments have funded not because they wanted Enterprise Facilitation to become a complementary strategic tool in economic development but rather to prove or disprove its efficacy in their territory. Often the funding of the “demonstration” was politically motivated (politicians wanted it) but the further funding was then left to government agencies that had their own programs and agendas. Without strong community involvement and endorsement Enterprise Facilitation can easily be lost in bureaucratic shuffles especially if the original politicians who wanted the trial have left or have changed portfolios.

We can say without a doubt that the survival of Enterprise Facilitation depends on the skills and determination of local passionate champions. Neither economic development bureaucracies nor politicians will move a finger in its support unless the local people want it...a lot!

For years we have been asked whether a formula for sustainability could be charging clients for the Enterprise Facilitation service. We have never seen any project going down that path probably because it takes up to 5 years for the average business to become profitable and it would take a large number of profitable businesses to donate to the Enterprise Facilitation project just to cover the salary of the Facilitator.

Philosophically we maintain that the public already pays taxes and some of it comes back to the community in the form of programs for economic development. The argument is whether Enterprise Facilitation is as cost effective as other programs in delivering new jobs, new businesses, new income and new taxes to enhance the local economy.

Often we are asked to measure our outcomes so that others can make that assessment; some communities have used the argument quite differently asking the government to use the same parameters, used to quantify Enterprise Facilitation' effectiveness, on other government projects whose funding was ongoing. The results has often been that, dollar per dollar, Enterprise Facilitation was by far the cheapest, most effective way to achieve the abovementioned outcomes.

In regards to the Sirolli Institute offering to license communities and thus allowing them to gain an income selling and implementing new projects, this has only been done once in Rossendale, England where our oldest project, after 4 years of successful practice, asked whether we would consider allowing them to promote Enterprise Facilitation among communities in Lancashire.

We gave them a limited license and, we are happy to say, the relationship has generated additional projects in the region. In general terms we would be interested in discussing with successful Enterprise Facilitation projects a similar agreement but, yet again, the interests, skills and human resources that a community has at its disposal will determine the outcome of such an arrangement. In other words if a community has a problem in sustaining the salary of one person (the Enterprise Facilitator) how can that community find the resources to keep the original project going and, on top of that, find a way to sell additional Enterprise Facilitation projects? Who would do it? Paid by whom?

Enterprise Facilitation is a new idea in local economic development. Its success or demise depends upon well documented results at the grassroots. Enterprise Facilitation pushes against an entrenched view of what economic development is and, more importantly, who is in charge of it. You know well what we think about the status quo! But we cannot win this battle alone. We can "demonstrate" forever and nobody will care ...it is only the local, concerned, passionate citizens who have the power to endorse, protect and advocate for Enterprise Facilitation.

One thing is sure since 1985 we have seen that when they do so... they often succeed.

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