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SUPPORTING PASSIONATE PEOPLE ON THEIR OWN TERMS

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Human creativity, rather than natural resources or location, is now widely recognized as the driver of economic growth. But all too frequently, economic development strategies are stuck in the past. In a world geared to the needs of institutions, the entrepreneurial spirit collides daily with regulations, program requirements, and persistent beliefs that only big business counts, or that development comes from somewhere else. Entrepreneurs are isolated by their dedication and by the risks they face. Four out of five will fail.

In northeast Oregon, citizens in two rural counties have chosen to support the creativity of their people on its own terms. Wallowa and Baker counties each have formed a volunteer committee—more of an association than an institution—of twenty people committed to helping local entrepreneurs succeed. Each committee has raised funds and hired a facilitator who provides free, confidential, and one-on-one business coaching, for as long as it takes, to anyone who is serious about pursuing an idea, whether they are an established business or just a person with a dream. After three years, these efforts have helped create 227 new jobs, 82 new businesses, and 29 business expansions.

They learned the method from Ernesto Sirolli, an Italian-born political scientist. As a young volunteer in Zambia in 1971, Sirolli realized that trying to turn hunter-gatherers into farmers was irresponsible as well as harmful. Though others have suspected as much, Sirolli grew obsessed with finding a successful alternative to top-down development schemes. In the 1980s, he put his radical ideas to the test in rural Australia. Instead of trying to motivate people, or implement projects on behalf of those considered ignorant or helpless, Sirolli made himself available as business coach and advocate for anyone who was truly passionate about something.

By treating economic development as a byproduct of personal growth and self-actualization, Sirolli was able to make a quantum leap in the effectiveness of business coaching, as well as create local miracles of economic development. He has devoted himself since to teaching civic leaders how to turn the creativity, skills, and passions of local people into viable businesses. Beginning in the 1990s, communities in Canada

and the U.S. have responded to the challenge and promise of Enterprise Facilitation, as Sirolli calls his philosophy and method.

In northeast Oregon, growth in tourism and services has not offset declines in agriculture and timber. Pressures to recruit industry and promote tourism remain strong. But there are smoldering conflicts over growth, development, gentrification, and change.

Baker Enterprise Growth Initiative (BEGIN)

In 1999, Sirolli was invited to both counties. Gordon Zimmerman, then city manager for Baker City, says that when he heard Sirolli outline his philosophy and method, "I just knew that it would work here." With Zimmerman as a catalyst, a group of civic leaders, activists, and business people coalesced around the idea. The city and county committed funds, followed by state and federal agencies.

After a one-day training with Sirolli, the committee (which called itself BEGIN) began to recruit a facilitator—a mature person with broad experience in small business, a good listener and people person, who wanted to help people succeed on their own terms.

"We didn't advertise for an economic developer," says Nancy Peyron, who chairs the BEGIN committee. "We needed someone to help steer, not row the boat." They hired Ruth Townsend, a grandmother with a background in agricultural marketing. Sirolli did a week-long training with ten committee members plus Ruth, who started meeting with interested local entrepreneurs in June 2000.

Explains Ruth, "I coach. I prompt, empathize, teach, and support. I guide people through the myriad steps to starting a business. I tell them, I will get in the business boat with you, but I won't row. I don't motivate. If they don't call me back, I don't pursue them, no matter how much I want to." She works out of her home and car.

The BEGIN committee of twenty call themselves a board, but there are differences. "The board is loosely organized, self-selected, open, no limit, and not much voting," says Jennifer Watkins, a board member who works for Baker City in economic and community development. "Meetings are friendly and positive."

Policy decisions or debate are almost nonexistent. "The board is there to help people succeed," says Nancy. "Nobody has asked anybody to stop anything."

Board members personally introduced Ruth to people they knew. Because everyone knows someone with an idea, inquiries start coming in. Ruth asks for ideas and resources for the entrepreneurs she works with (called clients) at monthly board meetings, which are also bound by a confidentiality agreement.

Says board member Cheri Smith, who used to direct the Chamber of Commerce, "Ruth will bring up a client and almost everybody talks. The meetings are fun because of the energy and intelligence, with a life of their own. Twenty heads are better than one. You can glean the right ideas from twenty people giving theirs."

Jean O'Brien was sewing and selling fleece garments. She wanted her own business, from her home, so that she could be with her children. She heard about Ruth Townsend from some friends.

“She came. We talked. She’s really helped me a lot, seeing where I’m at now, and where I’d like to be. How to branch out and go the next steps.”

Sole proprietors or small partnerships must fulfill the three functions needed in business: (1) production of the product or service, (2) financial management, and (3) marketing. What Sirolli discovered while coaching entrepreneurs was that most people will botch or procrastinate one of these crucial, but dissimilar, functions. A store owner may have a wonderful product and know how to market it, but avoid dealing with pricing, cash flow, or inventory control. When profits dip, she will try to sell more because that is what she knows, not realizing that her problem is one of financial management.

Whether the business is Microsoft or a lemonade stand, successful entrepreneurship, says Sirolli, is built on teamwork—finding people who love to do what you hate. Those who cannot afford to hire others can barter. Jean says, “I like to make and sell the product, and I decided not to try to do the financial. Now I have a bookkeeper, and I trade her jackets, and make stuff for her grandkids.”

She designs and sews for her Arctic Fleece label. Her husband does some of the pattern work. “It’s grown pretty fast. I tend to want to just do it. Ruth has helped me pull back a little, and put the business into bite-sized chunks for me.”

Ruth helped her with a business plan that got O’Brien a line of credit from a local credit union to buy materials and pay the people who sew for her. “It’s people helping people. I think that’s really important in a small community.”

“It’s a good life. I can be at home with my kids and be a support to my family. My business has done so much better because of Ruth.” Recently O’Brien dropped her retail operation to better concentrate on wholesale and corporate accounts.

The town of Halfway, population 345, is in a remote valley an hour’s drive on mountain roads from Baker. Tami Waldron worked on the ambulance crew. After seeing how deaths were handled for families, she knew that she wanted to do her own funeral home. She apprenticed in Baker and got her funeral director’s license.

The town mayor (also a BEGIN board member) recommended she see Ruth. There were grants available, often for women in small business. Tami’s 19 applications were turned down. “But Ruth and BEGIN were so encouraging, like a cheerleader squad. Ruth was willing to come to Halfway.”

Says Ruth, “she wanted to care for families, and she didn’t want to gouge them.” Tami worked as a firefighter to save money, and began acquiring used equipment—a 1969 side-loading Cadillac hearse, a cooler, furnishings for the sitting room. Tami’s Pine Valley Funeral Home opened in April 2001 on Main Street—50 years after the last funeral home in Halfway closed. She has no debt.

“I take care of all of it, including the removals. I’ll come to your house. Families love it that they know me.” A young boy, at his grandfather’s funeral, asked her to check to see if his picture was in his grandfather’s jacket pocket as planned.

“I have the most unbelievable passion for funeral service. Most people don’t have that, so I’m essential. I can’t make the pain of death easier but I can make the journey of choices easier. I want every family to be treated perfectly every time. If I can make all those pieces fit together, it makes for positive grieving.”

She has made the front of her funeral parlor into a memory window, as a validation of life and showcase for mementos of the deceased—a rocking chair, photos, a fiddle, embroidery work. A light resembling a candle is on all night.

A local cabinetmaker now makes pine caskets, the liners are sewed locally, and her printing is done locally too. With a local teamster, she offers a horse-drawn hearse service. In all, twenty local people supply her with services and part time help. She started out with about one funeral a month, and since then her business has tripled. She has the strong support of local business. Tami is now on the BEGIN board, “which is really fun. I love that people have ideas.”

For Ruth, “this job has been the most exciting thing, the most wonderful adventure of my life. Everything I’ve done has led me here.”

The businesses she has aided are small, and three out of four clients are female. “We’re going to find more and more cottage-type businesses in the future,” she says.

Some “old guard” economic development people remain skeptical of BEGIN’s successes, or don’t believe that small businesses are significant or worth the effort. Some businesses fear additional competition. “It’s been a long hard fight to be recognized,” observes Gordon.

“The impact is still in people’s garages,” notes Cheri Smith. “It’s very subsurface. BEGIN has been able to give people who are just working at jobs the confidence that they can follow a dream. It improves the opportunities in this community. It has to do with the joy of creating something you can call your own. I’m thrilled that BEGIN is in Baker City. It outshines other economic development projects by far. It has kept people here who want to be here.”

Cheri has now opened her own fitness center, and has consulted with Ruth, an attorney, and financial person on BEGIN’s board. “I’ve never thought of owning my own business but service on BEGIN has given me confidence. It’s more personal. When you’re working with people, you need personal. Traditional economic development has a place but it’s far overadministered and it’s not people-centered.”

“There is no mold to force people into,” observes Gordon. “There is no time frame but their own. There is no passion except what they possess. BEGIN is successful because it develops the person, not just the business. It takes people where they are at, and challenges them to take small steps until a business whole is achieved—one that includes the people, the product, the marketing, and the money.”

Wallowa County Business

Facilitation (WCBF)

In Wallowa County, as in Baker, both liberals and conservatives were drawn to Sirolli’s method, which concentrated on free and individualized coaching for anyone serious enough to ask for it, rather than programs, planning, or large projects. Said one committee member, “almost everything that comes up here has people polarized. This so far has not.”

A quarter of Wallowa County’s workforce is self-employed. Supporting individual creativity was a cost-effective way to take responsibility for the future, ease conflicts over growth and development, and create

economic activity. As in Baker, it required a different style of organization, one that was responsive rather than top-down.

Remembers Lisa Dawson, director of the economic development district, “we recognized that there was a potential for local residents to have better success in business if they made better decisions, and we knew that we had a lot of creativity here locally. Second, we had activists in the community who were willing to go to the mat to get this funded and operational.”

Dawson got federal and state grants, and the county pledged \$30,000. In October 2000, the committee offered the facilitator job to Myron Kirkpatrick, 59, who was enthusiastic about Sirolli’s methods. He had been chief financial officer of large corporations, had taught accounting, and been in business himself.

Myron works out of his home and car. He doesn’t administer, direct, or fundraise. Says board member Jerry Perren, “It starts with a person, rather than trying to create the climate to attract business. You allow the entrepreneurs to do that work.”

With his experience and low-key approach, Myron has been able to help a variety of businesses and startups make better decisions, and to form complementary teams. Not every idea is viable, and the consequences of poor decisions include bankruptcy and divorce. The responsibility of following through, of making the decision, always rests with the entrepreneur.

Ray Cameron was interested in producing rough-sawn lumber for the agricultural market. A friend told him about Myron. “I was pretty rough about financial and marketing. Myron gave us lots of help, brought up a lot of things that I’d never thought of.” Myron helped him develop a pricing model, and encouraged him to find and talk with lumber buyers. “The help we’ve gotten is great, and the price is right.” Ray has decided not to proceed for now, and has confidence that his decision is sound.

Says Lisa, “The major challenges are in keeping the program funded and making sure we’re having the results we need. I’ve had some frustration that we can’t always create the complementary teams, with production, financial management, and marketing that Sirolli talks about. If we can’t get these teams in place, we revert to the business advice that we’ve already had.”

Nancy in Baker concurs. “We have a challenge with teams. The challenge is cultural.” Finding funding for the bottom-up method “is a struggle between autonomy and dependence.”

“There are a lot of people with great ideas, but they had no way to carry them through,” says Terry Drever-Gee, an entrepreneur and BEGIN board member. “If you really want to make a difference in your community, it has to be grassroots.”



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