

How To Make Your Band A Million Dollars

Today, First Nations have opportunities for generating wealth that our grandparents could have only dreamed about. Yes, there still are antiquated laws and policies that need to be rectified. But there are tremendous opportunities today that we have much better access to.

Moreover, we now have ample cases of "how to make a million" in land and resource development, manufacturing, tourism, and the list goes on.

Here are the three most critical things that successful First Nation businesses do that lead to their success.

First, they get into the right business. Many of our communities are sitting on goldmine opportunities. But some fail to capitalize on these and end up muddling in less lucrative businesses.

Remember, you can make a lot more money fumbling with the right strategy than executing the wrong strategy.

Personally, I always enjoyed working in the natural resources sectors. Mining, gas and forestry all have great upsides to them, especially for First Nations. Some of the best money-makers I have seen were those that provided services to the resource sector.

Second, they find the right partners and structure the right deals.

I remember in one of my MBA courses we had a guest speaker who was a self-made millionaire. His number one tip: Pick your business partners carefully. He said selecting a business partner is like choosing a spouse; it can make your life a beaming success or a living hell.

Having examined hundreds of First Nations businesses, I have seen more failed business partnerships than successes. Yes, we are the same as "the mainstream" in this regard: Most of our businesses fail.

No doubt, we are collectively learning from our mistakes. Gone are the days of giving access to our massive resources for a few crappy jobs.

Still, many First Nations are making decades-old mistakes: partnering with some slick talker who has little capital and needs us much more than we need him.



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The worst partnerships I have seen are those where cash-strapped partners control the financial information and the management, and base the partnership on profit-splitting. Beware of those deals!

Finally, successful First Nation businesses hire the absolute best senior manager to oversee their operations. This is your most important decision. An excellent manager will make you millions.

But I have seen many First Nations fail because they either hired the wrong person or they hired the right person but structured their relationship so poorly that it inevitably collapsed.

Hiring the wrong person happens a lot. If your hire doesn't have experience making millions—and this is what you want—then you are setting yourself up for a windy, bumpy ride (or probably worse).

Hiring the right person but structuring the relationship poorly includes not being clear or focused on what you expect him or her to achieve, not tying compensation to performance and meddling too much in operations (micromanaging).

A common story I hear about business failure is that the Band hired the wrong business manager. But a closer look at some of these stories reveals that the right person was probably hired. The Band just didn't manage that relationship very well.

In sum, to make a million dollars:

- Get Into the Right Business
- Find the Right Partners
- Hire the Right People

There are a few other important things to do but these three are the most important. Do these three things well and you will make a million.



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