

DOING BUSINESS DIFFERENTLY

BY BRIAN C.K. HANSEN

Understanding culture overcomes bias and creates profitable businesses

As National Lead for Indigenous Exporters at Export Development Canada (EDC), Todd Evans leads the company in providing Indigenous entrepreneurs with new business opportunities through raising awareness of EDC's services and removing barriers to accessing them. "EDC has their own knowledge resources, guidance tips, how-to's and a whole range of products to help companies understand the export market," says Evans. "We try to help companies, in general, understand the international trading network."

Evans has been with EDC for 25 years, but he is the first person to step into the National Lead for Indigenous Exporters role—a necessary move as Indigenous business steadily grows. Along with growing business comes an ever-increasing need for capital. "When the National Aboriginal Capital Corporations Association got their first injection of capital, it was 30 years ago," Evans says. "That has not been replenished, so they've had to build this up on their own as a lending resource over time."

Through his role at EDC, Evans has familiarized himself with the ways that Indigenous entrepreneurs approach and run their business, and how they differ from non-Indigenous business operations. As an example, Evans notes that Indigenous business usually have a much stronger social perspective than non-Indigenous businesses do.

"Giving back to community can reduce profit on paper and be viewed as more of a social enterprise," says Evans. "Their profits may be lower, but this is by choice—they specifically choose to give back to the community. They make an effort to hire more youth. Things like this might impact overall profits, and a bank can look at this and see it as a negative because they don't understand the social aspect behind it."

There are also geographical factors prevalent in Indigenous businesses. "Many Indigenous businesses are in remote or rural communities, where services are typically lower and they may not have the same access to support networks and opportunities," explains Evans.

According to Evans, contrasting worldviews also present themselves when Indigenous entrepreneurs are looking at a project. "Indigenous worldview is more community-focused and longer-term," he says. "It's about being more contemplative and considering your impact on things like the next seven generations to come. Indigenous businesses have less of a short-term view."

This can conflict with the philosophies of major financial institutions. "Banks are all about quarterly financial planning and things that are short-term," he says. "Whereas Indigenous business owners tend to focus more on the long-term benefits."

Another cultural difference is the transfer of wealth between generations. "There is much more intergenerational wealth transfer between non-Indigenous people," says Evans. "Many [Indigenous entrepreneurs] often don't have collateral for operating loans and lines of credit. Some of this is related to the *Indian Act*, and some just don't have as big of a support network to turn to."

However, lack of capital doesn't necessarily correlate with a lack of knowledge. "With Indigenous Peoples, there is a higher transfer of intergenerational knowledge as

opposed to just money." Knowledge sharing can be just as valuable, considering the recent growth of Indigenous businesses.


But even with these differences and extra challenges, Evans also notes similarities. "Meeting payroll, paying rent, all these expenses are something that all businesses are going through that have choppy cash-flow," he says.

How should entrepreneurs approach partnerships between two businesses that may cultural differences? "Just be open minded

and listen. Make sure that you don't simply dismiss the Indigenous business right away," advises Evans. "If you don't understand a culture, then you'll deem it higher risk. There are plenty of businesses out there who have learned these differences and have built very successful business portfolios that are very profitable."

Most importantly, non-Indigenous businesses have a lot to learn from their Indigenous partners—or, rather, a lot to *unlearn*, especially when it comes to cultural biases.

"There is opportunity, once you get past the systemic bias that has been built up in this country for 200 years," says Evans. "It's important to understand the socioeconomic past—there is a reason that Indigenous businesses and Indigenous Peoples have these historical challenges, and why they're here to this day."

"There are a lot of sad metrics out there that are based on misunderstanding," reflects Evans. But when compared to the growing success of today, "we can be optimistic about the future," he concludes. 



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