

# Expanding the Scope of Microenterprise: Analysis of microenterprises and small businesses in the context of small island culture

Project 2.7B

Indigenous Community Development : Phase II – Microenterprise

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# Introduction

- This project aims to research microenterprise as a vessel for empowerment and inclusion of marginalized people with regard to economic development and cultural survival. Microenterprise is increasingly important for those who are of low income or who inhabit marginalized sectors of society.
- This project explores the ways in which people engage with microenterprise in order to enhance their economic autonomy and quality of life.
- This is done with particular attention to the insularity involved with being situated on an island; the added constraints related to living in a rural district; issues of gender in relation to economic development; and indigenous populations, particularly with consideration to the importance of cultural survival, land and sea rights in relation to economic development.



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# Background and Rationale

- Microenterprise promotes social stability and provides a means for people of low-income status to mobilize themselves away from poverty. Often such efforts are supported by social economy organizations such as co-ops, credit unions, social justice NGOs and community economic development groups. This research also aims to identify how such organizations can address needs of the people in the community.



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# Community/University Collaboration (partnership)

## **Process of building research partnership:**

- The research partnership between University researchers and the overseas community partner organizations is an ongoing process and relationship that began several years ago and continues to develop, with the third consecutive CIDA-ACIC- funded internship currently in place.

## **Partner contributions to project, anticipated outcomes for partners:**

- Partner contributions included orientation to the culture and social landscape; permission to participate in and gather information from various people involved with the Williche Council of Chiefs regarding the culture's needs and challenges. Providing the researcher with supervision; intellectual contribution; knowledge application; networking opportunities.
- Outcomes for partners on an ongoing level include a strengthening of knowledge-exchange and relationships which allow for further and increasingly significant efforts, projects involving them (i.e. CURA proposal). Partners always have access to the information regarding research results, therefore, the partner organization may also benefit from certain research findings that include suggestions and recommendations for improvements regarding the themes of marginalization and microenterprise.

## **Knowledge mobilization within and beyond the partnership – community, academic, government and student partners:**

- The nature of this particular research and theme is relevant on a larger plane in an age where globalization and economic pressures are infiltrating almost every crevice of the globe. Although, this research deals with a very small sample size of people, the issues that it examines are very commonplace and important ones to consider on a broad scale. Therefore, the research findings can be looked to for comparison, insight or supplementary information in relation to issues of microenterprise and the realities of women, indigenous populations, rural and island-dwellers.



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# Project Methodology

- Accounts of microenterprise endeavors were analyzed to reveal the various challenges and opportunities inherent in positions of marginalization and economic constraint.
- Research on the island of Chiloé included participant-observation and interviews with people who have started their own small-scale businesses regarding benefits and challenges of their work with consideration to their demographics.



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# Main Findings To Date

## Benefits:

Small and craft-scale business owners report high level of satisfaction - working with cultural and natural materials. Signifies a value in their occupation beyond that of economic gain. Community and economic development need to take these components into consideration.

## Challenges:

Areas of need - according to these small business owners, there were a variety of areas that could use improvement or that inhibit optimal ease and success. Overall, it appeared that coordination was one of the key aspects that was lacking and in need of improvement. i.e. appropriately coordinating available resources with the needs of people.



“[There is] tremendous satisfaction.. It doesn’t compare to other things, I don’t think, because I like it, and it’s so nice when people value what you do.”  
--one of the interviewees regarding the benefits of her work.



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# Deliverables

- **Expected Audience \*A C M**
- 1. Research report (**M**): being edited
- 2. Community Workshops & Report (**M**) : (@ UPEI - April 26, 2008)
- 3. Recommendations to SE partners regarding appropriate models of small business development - pending
  
- **\*audience - academic, community, or mixed**



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# How Students Benefited from the Project

- **How are students involved:** Student/intern was able to participate as a researcher and travel to Chiloé in order to conduct this research.
- **Skills gained by students:** Student/intern gained experience with social research, including cross-cultural experience, conducting interviews, proposal writing, exposure to different cultural realities, increased understanding of the research topic, developed Spanish language skills, increased opportunities via media exposure, and other various opportunities that arise from being associated with the University, internship program and social economy research network.



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# Conclusions and Next Steps

Particularly in places like Chiloé, a sustainable framework needs to be considered when looking at microenterprise development. This would entail conducting a multi-dimensional analysis based on various factors that consider the difficulties and challenges faced by indigenous, rural, island dwellers and women in trying to run a successful microenterprise.

Next Steps and Recommendations include: creative outreach, continued efforts to diversify products, combine traditional and modern appeal, pool resources, facilitate workshops re: business and marketing development/education, and creating a directory of resources. Also further research into the potential roles of integrating coops into this community.



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