

That's Enterprising

Dr. Ernesto Sirolli The Pioneer of Enterprise Facilitation

Italian-born, Dr. Ernesto Sirolli received a Laurea di Dottore in Political Science from Rome University in 1976 and a Ph.D. from Murdoch University in Perth, Western Australia in 2004. He has worked in Europe, Africa, Australia, New Zealand, Canada, the U.S.A. and the United Kingdom in the field of economic development.

In 1985, he pioneered in Esperance, a small rural community in Western Australia, a unique economic development approach based on harnessing the passion, determination, intelligence, and resourcefulness of the local people.

The striking results of "The Esperance Experience" have prompted more than 250 communities around the world to adopt responsive, person-centered approaches to local economic development similar to the Enterprise Facilitation® model pioneered in Esperance.



What is Enterprise Facilitation?

(From Wikipreneurship)

A Description of the Approach

A bottom-up approach to stimulating people to pursue entrepreneurship is provided by Enterprise Facilitation®. This "people centered approach to community and economic development" is the brainchild of Ernesto Sirolli developed and tested in Western Australia and has attracted much attention across rural America in the past five years.

Sirolli's view is that a successful business requires competency in three areas: technical ability to produce a product or service, ability to market the product or service, and ability to manage the finances of the venture, and that few individual entrepreneurs have competency across all three areas. Consequently, teams of competence have to be built around the entrepreneur to achieve success. In practice, Enterprise Facilitation® comprises two elements. The first is an enterprise facilitator who serves as the initial point of contact for business owners and aspiring entrepreneurs, and who provides confidential, free services within his or her local community. The second element is a

Continued on following page

STOP PRESS - Red Hot News

Tips for Business

Facilitators \$20 (FREE to AIEF members)

We will explore the need for business facilitators to understand the special requirements of small business owner/managers.

Characteristics and skills of effective facilitators will be discussed and a number of tips for more effective facilitation will be developed.

**AIEF Members Free recording, email
info@aief.org.au**

Dealing with Difficult

Clients - \$20 (FREE to AIEF members)

We will explore a number of the difficulties sometimes faced by facilitators with their clients. Methodologies for addressing these difficulties will be discussed and we will develop some ideas

for assisting clients to understand how their behaviour may be influencing the performance of their business.

Both Webinars are presented by Dr John Bailey, Founder AIEF, Chairman, The Carlton Consulting Group Pty. Ltd

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community board, composed of anywhere between 20 to 50 local residents, which supports the facilitator by providing introductions to community leaders and potential clients.

The enterprise facilitator is someone who is a good listener, supportive, well-networked, and able to evaluate the skills and needs of entrepreneurs.

The community board includes local business and civic leaders, economic development practitioners, and private sector professionals, and is responsible for hiring and supporting the facilitator.

Board members are trained by the Sirolli Institute.

<http://sirolli.com/>

Evaluation of Enterprise Facilitation

Sirolli is famously critical of evaluators claiming that traditional methods of counting jobs and enterprise created are not capable of capturing the subtleties of his approach.

Despite the almost total lack of independent evaluations. One notable exception is the evaluation is of the Kansas work) and is featured on the website. This appears to be a competent piece of work.

Good evaluators would attempt to measure aspects that are harder to capture in program targets.

Could include issues like network development, progression, changes in attitudes towards entrepreneurship, changes in civic leadership approach to the local economy etc.

Ernesto Sirolli gave an inspiring talk in Christchurch, New Zealand on 1 Sep 2012.

His key ideas were:

- Entrepreneurs never come to community meetings



- You don't need infrastructure - sit in a café or bar and talk to people - word will get round
- Shut up and listen - don't offer advice, offer people with passion the information they need
- Offer confidentiality
- Peter Drucker: planning is the kiss of death for entrepreneurship
- Nobody started a company alone. The person has not been born who could do all 3 critical jobs:
 - make it
 - sell it
 - look after the money

Over 25 years Enterprise Facilitation has demonstrated that the provision of caring, competent, dedicated coaching and support to entrepreneurs is as important as the development of physical infrastructures to the development of a stable and successful economy.

This is because true economic development walks on two legs. The first leg is the creation of infrastructure for development and the second leg is building the capacity of entrepreneurs to colonize and better utilize infrastructures.

Enterprise Facilitation offers a compassionate, cost effective, complementary strategy to infrastructure development

“The future of any community lies in capturing the passion, the imagination and the resources of its people” Dr Ernesto Sirolli. ✓



PROTECT YOUR IDEAS

There are only three ways to protect intellectual property: patents, trademarks and copyrights. A patent applies to a specific product design; a trademark to a name, phrase or symbol; and a copyright to a written document.

All three methods have limitations; there's no one perfect way to protect an idea. Successfully licensing an invention or taking a product to market requires research and the ability to talk to people about your invention. For good reason, many inventors are reluctant to share their invention with people they don't know.

However, it is impossible for a manufacturer or retail buyer to commit to a product without seeing it.

People often ask if they can sell an idea of a new product or service to a company that will implement it. But ideas that can't be protected are worth relatively little.

I don't mean necessarily legally protected, but at the very least, protected with marketing momentum, image, and awareness.

Relatively few of the well-known successful start-ups depended on the ideas. What matters is doing it, starting it up, getting it done. For example, when Apple Computer started in 1976, thousands of people had the same idea.

Altair and MIPS were already producing. Every hobbyist club in

the country talked about it in their meetings. Apple Computers, however, did it. They found the resources, contracted people, took the risks, and started up.

There are plenty of good examples. Was Federal Express patentable? No, but they did it. Look at Amazon.com — it was a good idea, but very easy to copy or imitate. In that case they knew they had to move fast and gain visibility very quickly to pre-empt competition.

What about McDonald's?

There are companies whose main advantage is the idea. Kodak, Polaroid, and Xerox are examples, but these are exceptions, not the rule.

By the time you've had a good idea, so have hundreds or thousands of others. So how do you approach a large company with a good idea? I suggest that you **don't**; at least not until you have momentum.

Sure, some ideas need larger companies to move them forward, but if your idea is that good and not legally protectable, why shouldn't the big company move in on it?

Managers are charged with enhancing the value of the company they work for, and you're saying there's no patent, so why not? They aren't bad people, it's just that you don't own the idea.

Besides, larger companies move very slowly, and unless you've proven the idea and developed the concept, it's even harder to think they'll do it better.



My advice is to build some advantage first, develop this idea, bear down, and make it work. After that, then you will have something sell.

Even without patents, you could have trademarks, service marks, and legal protection against people trying to trade on your company's name and trademarks.

Think of it from the buyer's point of view, for awhile. Which would you rather buy, an idea, or a business? Turn your idea into a business that works, with sales and employees and a market position, and then you have something to sell.

Companies really don't pay for an idea, patent or trademark. What they pay for is the work you've done to get an idea to market-ready status.

Remember that there are almost always people proposing ideas to large companies, and you'll have to make sure the contact in the company understands that you might have something that's very worthwhile.

It's hard for me to think you can do that without building it first, then selling it.

Think about what it is you own that they would need your participation for—perhaps it's your expertise or name in an industry.





Problem-Solving Skills Do You Have Them?



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If you are a skilled “Problem Solver” then you have a key skill, and it's one that can make a big difference to your career and life.

Problems are usually at the centre of what many Facilitators do every day. You are either solving a problem for a client, supporting those who are solving problems, or discovering new problems to solve.

The problems you face can be large or small, simple or complex, and easy or difficult to solve. Regardless of the nature of the problems, a fundamental part of every Facilitator's role is finding ways to solve them. So, being a confident problem solver is crucial to your success.

A skilled Facilitator usually has a good process to use when approaching a problem, which assists you to generally solve problems effectively.

There are four basic steps in problem solving:

- Defining the problem.
- Considering alternatives.
- Evaluating and selecting alternatives.
- Implementing solutions.

Defining the Problem

We all know that the key to solving any problem is ensuring that you deal with the real problem – not its symptoms. For example, if performance in your clients' business is below par, you might

think the problem is with the individual employees. However, if you look a bit deeper, the real problem might be inadequate equipment, a lack of training, or an unreasonable workload.

Understanding Complexity: When your problem is simple, then, quite often, the solution is usually obvious, and you don't need to follow the four steps outlined above.

So it follows that when you decide to take this more formal approach, your problem is likely to be complex and difficult to understand, because there's a number of interrelated issues.

Quite often, what may seem to be a single problem turns out to be a whole series of problems.

The four-step approach to problem solving will serve you well in many situations.

Strategies to help you understand the problem:

Clarify the problem. It is always easier to solve a specific problem than an ambiguous one. So always clarify the problem before you start looking for a solution.

Identify key elements of the problem. Problems come to us with varying amounts of importance. Focusing on useless information distracts us and wastes time. So identify the key elements of the problem before you start looking for a solution.

Visualize the problem or relevant process or situation. Sometimes we

can see the problem and all its important details right in front of us. This helps us understand the problem. Other times we can't see important elements because they have already occurred or are not visible. In these cases, it is valuable to visualize important elements of the problem.

Draw a picture or diagram of the problem or a relevant process or situation. Visualizing a problem can help to understand it. However, we can keep only some much visual information in our minds at once, and it is often useful to draw a picture or diagram.

Simulate or act out a key element of the problem. Understanding complex or ambiguous problems can be difficult. Simulating or acting out some key element of the problem can sometimes be extremely productive.

Consider a specific example. Problems often come to us in the abstract. Creating a concrete example helps us explore the problem.

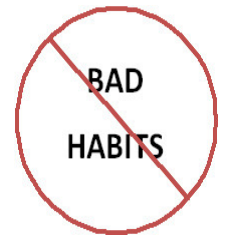
Finally, never, never, underestimate the power of **Mind Mapping** and **Brain Storming** with your clients to assist in solving their problem.

As a skilled professional, you don't need me to remind you of the potential immense power of these activities.





The Potential of Good Habits



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Small Business Opportunities in Energy Efficiency

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The TCF Australia ONLINE ENERGY EFFICIENCY Training & Mentoring Project is able to offer an extensive range of specialist energy efficiency services to small businesses in the fashion, textile, clothing, footwear, leather (TCF) creative, retailers and associated industries and small businesses across Australia.

Small businesses can register for FREE Online Training Webinars, ONLINE Energy Efficiency FREE 'ASK AN EXPERT' Forums and FREE mentoring.

For most TCF businesses in Australia, the energy consumption of their suppliers far outweighs their own energy consumption.

According to the McKinsey Quarterly in 2008, consumer goods makers (such as fashion garment makers), between 40% and 60% of a company's carbon footprint resides upstream in its supply chain.

Upstream supply chain includes raw materials, transport, packaging and manufacturing. For retailers, the carbon footprint can be up to 80%.

Even more significant, however, can be the 'downstream' energy usage associated with TCF products. Examples of downstream usage includes energy used to wash and maintain products like clothing over their lifetime.

Business owners should consider both their upstream and downstream energy usage to and come up with innovative ways to save power.

TCF Australia ONLINE ENERGY EFFICIENCY Training & Mentoring Project manager Carol Hanlon said, "after undertaking extensive research into the upstream and downstream usage within the TCF, fashion and



textile industries, did I really realise the extent of energy wasted and as a result the TCF ONLINE Energy Project has developed a massive range of quick and easy ideas to assist small business to conserve energy usage."

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"We are recommending that a small businesses can reduce input costs by discussing energy usage with their suppliers, improve sustainability by examining their water and chemical usage, and most valuably being able to discuss innovative energy saving ideas with industry peers by registering for a free mentor", Carol said.

One of the possible upstream manufacturing sector energy efficiency opportunities include reducing peak power consumption.

The main benefit of managing site-wide electrical loads in this way is a reduction in electricity costs as large businesses are typically charged additional tariffs for the size of their peak electrical load.

Businesses could examine their machine scheduling, automatic load control and power factor correction to increase energy efficiency.

Also, businesses that use electric motors, pumps and fans in the textile manufacturing industry can make sure that regular maintenance is undertaken, install variable speed drives to better match motor speed with load requirements and replace v-belts with cog-belts.

If the speed of a pump is halved, the flow rate will also be halved, but the input energy required will drop by over 85%.

This is because the energy usage of motors is approximately proportional to the cube of flow rate.

Another area to improve efficiency in is use of compressed air systems.

More than 85% of the electrical energy used by an air compressor is lost as waste heat, leaving less than 15% of the energy converted into useable compressed air energy.

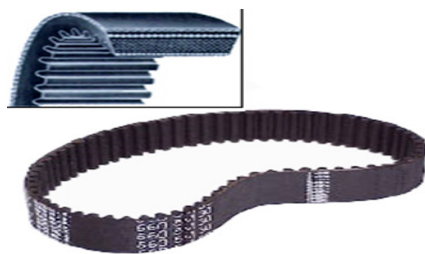
To reduce consumption TCF businesses could reduce usage time of compressor systems, reduce the intake air temperature (as a rule of thumb, each 3°C reduction will save 1% compressor energy use) or recover compressor waste heat for other purposes such as space heating, process heat, water heating, or boiler water pre-heating.

In a case-study conducted by Georgia Technical Institute (USA), it was found that by reducing air leakage from 12% to 6% and lowering system air pressure by 16 psi, a saving of about US\$440,000 annually is expected for a compressed air system operating 500 looms (weaving machines).

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The efficiency of boiler/steam systems can also be improved. Steam systems are often found in textile plants and can account for a significant amount of end-use energy consumption.

To reduce energy consumption businesses should ensure that their boilers are regularly maintained, that they are the appropriate size, fouling and pipe scaling should be removed and boiler feed water can be preheated with heat from flue gas.

Carol said, “TCF Australia makes a concerted effort to encourage use of renewable energy sources in small businesses where possible and more importantly to promote to developers to include this aspect in building upgrades”.

Textile manufacturers might consider using naturally powered ventilation and air

extraction systems, natural lighting to supplement or replace artificial lighting, direct solar energy for fibre drying, solar energy for water heating or process energy pre-heating and solar photovoltaic panels and wind turbines for on-site power generation.

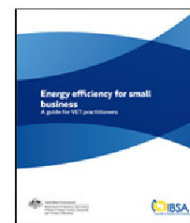
There are also many ideas to reduce downstream energy wastage. While the energy usage on the supply side of TCF businesses is often significant, the demand or consumer side often remains even more substantial.

Some areas to examine include garment packaging, labels, hangers, shopping bags, washing and drying requirements. Carol said, “Some ideas that we are promoting is use of care labelling and to include using ‘cold water wash’ and ‘line dry’ instructions on garment hang tag and care labels, and eliminating stockpiles of products in obsolete colours by redyeing the stock to saleable darker colours.”

In addition to the direct benefits of reducing energy consumption, the other benefits your business may enjoy include being eligible for government assistance to drive innovation in this area. More information on these grant programs can be found at www.ausindustry.gov.au: Re the Textile, Clothing and Footwear (TCF) Small Business Program (SBP)

To find out more about the Energy Efficiency ONLINE Training & Mentoring Project business advisory services offered, or register your interest to host a ‘Ask an Expert’ Energy Forum in your region please visit www.tcfaustralia.com/greenenergy or email greenenergy@tcfaustralia.com

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Energy Efficiency Guide for Practitioners Working with Small Business

This guide provides information to assist VET practitioners to work with small businesses to improve energy efficiency skills.

The term ‘VET practitioners’ is used to cover a range of roles in vocational education and training, including trainers, assessors, training managers, VET consultants, learning/assessment materials developers, instructional designers and business development managers.

Industry bodies, associations and other consultants working with small business may also find the guide useful.

The guide takes a business consultancy approach to working with small/micro business, so different aspects of the guide might be helpful to these diverse practitioners.

Click [HERE](#) to download the Guide

AIEF Code of Conduct

All AIEF members are obliged to maintain professional standards and ensure the legitimate interests of their clients are paramount. They must ensure that any conflicts of interests are avoided and confidentiality maintained. Members are required to adhere to the highest standards of facilitation, advice, referral, information provision, support and client care through undertaking ongoing professional development.

The process of becoming an MIEF

In order to become a full Member of the AIEF (an MIEF) a person submits an application form (see www.aief.org.au) under Membership) to the AIEF Secretariat.

The AIEF Accreditation Committee assesses their experience and qualifications and will make the decision. Often this decision is partly based on Recognition of Prior Learning (RPL) in which the committee takes into account the equivalent experience of the candidate.

The new MIEF is provided with a certificate, is invited to have their name listed on the website and can immediately use the post nominal MIEF after their name.

Whether it is a concern about business start-up or growth, a marketing issue, an HR issue or a

financial matter, a Member of the Australasian Institute of Enterprise Facilitators (MIEF) can provide effective guidance and support to business owners and managers of business enterprises.

Benefits of Membership

Some benefits include:

Recognition of the professional qualifications of Member of the Institute of Enterprise Facilitators (MIEF) and Fellow of the Institute of Enterprise Facilitators (FIEF) in Australia and New Zealand.

The ability to use the post-nominals, MIEF and FIEF in promoting their activities and achieve:

- credibility/validation as an enterprise facilitator
- a premium for services
- client confidence and direct benefits to their business secure and regular employment/use as a business facilitator and enhanced market/business opportunities

Personal confidence and increasing business:

- through business support organisations including training providers and centres increasingly requiring counsellors/advisers to be professionally trained and experienced facilitators
- achieved through the formal recognition of practitioner skills
- by becoming preferred contractors.

The sharing of knowledge and

skills and growth of new business through:

- peer networking and interchange of ideas with other Members and Fellows
- peer mentoring of other Members and potential Members
- enabling contacts (formal and informal) with peer organisations and alliances

Regular electronic Newsletters and communications that:

- disseminate news of major developments in the business support industry
- notify Members of relevant conferences and events
- keep Members up to date with current issues
- notify Members about opportunities in professional development

Development of business facilitation skills and knowledge through the provision of:

- notification of opportunities to participate in ongoing targeted and specific professional development
- access to professional development in recommended training courses
- the best and most up to date information on business and training/facilitation.

Representation to others (government and non-government) on Members behalf on issues affecting business facilitation.

The Aims of the Institute

- To establish and uphold professional standards of competence, responsibility, objectivity and integrity in enterprise facilitation.
- To identify, promote or provide the required training for the maintenance of professional standards, and the continuing professional development of members.
- To provide through conferences, seminars, meetings and publications, the necessary information to keep all interested parties up to date with the latest techniques and developments in the field of enterprise facilitation.
- To promote the Institute's goals and objectives to industry at large in order to ensure a maximum utilisation of the Institute's services.
- To encourage, undertake and support research into the art and science of enterprise facilitation and related topics.
- To encompass all professions and professionals involved with enterprise facilitation and related support services who can uphold the Institute's code and high standards of competence and quality.
- To advise and inform government, industry and business at all levels on matters relating to the development of an enterprise culture in Australia.

Australasian Institute of Enterprise Facilitators

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"That's Enterprising" is distributed to all Members and Associate Members of the AIEF.

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Australasian Institute of Enterprise Facilitators

