# DEFINING ECONOMIC SUCCESS AS IT PERTAINS TO NATIVE AMERICAN OWNED BUSINESSES LOCATED ON/OR ADJACENT TO NORTH DAKOTA RESERVATIONS.

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#### Title

# DEFINING ECONOMIC SUCCESS AS IT PERTAINS TO NATIVE AMERICAN OWNED BUSINESSES LOCATED ON/OR ADJACENT TO NORTH DAKOTA RESERVATIONS

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#### **DOCTOR OF PHILOSOPHY**

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#### **ABSTRACT**

Successful economic development is essential in building and sustaining a healthy community. The purpose of this study was to identify indicators of successful economic development as it pertained to Native American owned businesses located on/or adjacent to North Dakota reservations. More specifically this study sought to explore specific relationships between the perceived level of importance of knowledge, skills, and attitudes and sustainable Native American owned business ventures. Using a quantitative correlation research design, 194 Native American owned businesses located on/or adjacent to the four reservations in North Dakota: Spirit Lake, Standing Rock, Fort Berthold, and Turtle Mountain responded to a selfadministered 69 item survey instrument. The instrument was designed to gain an understanding of how important each factor was to the business owner and to what extent the business owner used each factor. The compiled research data was analyzed in addressing the following questions: (a) How important are knowledge, skills, and attitudes to the sustainability of Native American owned businesses? and (b) To what extent are Native American environmental factors, knowledge, skills, and attitudes significant for emerging verses mature Native American owned businesses?

Native American owned businesses play a significant role in their communities. This research indicated Native American owned businesses need planning and organization skills to be successful. Strategic planning, operational planning, communication, managing change, innovation, and human resources are all essential planning and organization skills that both emerging and mature businesses need.

Emerging Native American business owners also need to be technically proficient in their field. Therefore, they should be encouraged to participate in training which focuses on technical

skills. They also need to solicit critical suggestions from a business network to be successful.

Receiving constant feedback on the performance of the business will assist emerging business owners in identifying and correcting issues which would otherwise hold a business back or cause it to go out of business.

Tribal administrations and tribal economic development offices may benefit from this study by providing foundational knowledge to advance their economic development efforts. The results from this study may also benefit higher education business departments who offer economic development courses.

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#### **DEDICATION**

This dissertation is dedicated to my family. My husband Jim, my beautiful daughters, Chelsea and Haley, my sons, daughter-in-laws and grandkids; Jason, April, Brandee, Brooke, Corey, Erika, McKenna, Landon, Brent and Ashley. Jim you were always there for me, you'll never know how much it meant to me. You were my rock. Chelsea and Haley, your ultimate sacrifice of being without "mom" on many, many occasions will never be forgotten. Kids your never-ending love and support has allowed me to reach this goal. It is also dedicated to my mom, Audrey Manson, who in spirit was always looking over my shoulder. I did it Ma.....

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#### **CHAPTER 1. INTRODUCTION**

This study examines economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations. More specifically this study seeks to explore relationships between the perceived level of importance of knowledge, skills, and attitudes and sustainable business. Economic success and sustainability will be used interchangeably for this paper. Adjacent to a reservation will constitute a radius of approximately 25 miles. The term Native American will be used throughout this paper in describing members of tribes. For this study emerging business will be defined as a business that has been in business less than five years and a mature business will be defined as a business that has been in business more than five years.

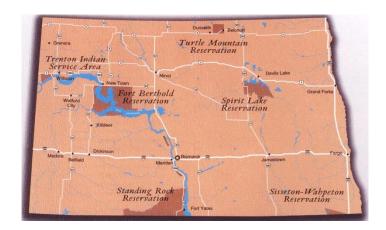
In their pursuit of self-determination and self-governance, Native American tribes' economic conditions and outlooks have considerably changed (Tirado, 2008). Economic development for Native Americans is very different than other ethnic groups. According to Trosper (1999), "Indian and mainstream values differ, but few have spelled out the implications of these differences for economic development policy" (p. 139). Emery, Wall, Bregendahl, Flora and Schmitt (2006) found that the approaches for economic development used in mainstream America are not appropriate for Indian country because of political and cultural characteristics unique to each reservation. They reviewed four documents that identified indicators of successful businesses and opportunities for economic development in rural reservation communities. They concluded that while local natural resources and governance structures help shape the context for economic development, social capital in the business community is critical. This study seeks to expand on the research of Emery et al. by investigating the importance of knowledge, skills, and attitudes and sustainable businesses located on North Dakota reservations.

#### Statement of the Problem

From an Economic Development Director perspective, working primarily with tribal organizations in North Dakota, the challenges that tribes have had to face are very apparent. In general, Indian country lacks the technology, the infrastructure, the financial capital, and the human resources necessary to successfully achieve economic opportunity. Successful economic development is essential in building and sustaining an economically healthy community.

Goreham, Rathge and Hess (1994), indicated Native Americans represented the largest minority group in the Great Plains and accounted for more than 76,000 residents in the states of North Dakota and South Dakota. The Native American population comprised nearly 6% of the population, however they owned less than 1% of the businesses in the two-state area. Goreham et al. (1994) compared two business cultures, the Anglo model and the Native American Model. Differences were found when comparing the two especially in the area of business and business management. An unpublished report from the Office of the Assistant Secretary for Policy, Management, and Budget of the US Department of Interior (as cited in Robinson & Hogan, 1994) indicated that "Indian businesses adopting the Anglo Model have succeeded at only one-tenth the average rate for all new American business start-ups" (Blending Models, n.d. Adapting Cultures section, para. 1).

In the state of North Dakota there are four reservations: Spirit Lake, Standing Rock, Three Affiliated, and Turtle Mountain (Figure 1). Each tribe is linguistically, socially, and culturally unique.



*Figure 1*. Map of reservations in North Dakota (North Dakota Indian Affairs Commission, 2010).

#### **Purpose of the Study**

The purpose of this study is to define economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations. More specifically this study seeks to explore relationships between the perceived level of importance of knowledge, skills, and attitudes and sustainable business. For this study, a successful business is defined as one that is in operation for at least five consecutive years. Adjacent to a reservation will constitute a radius of approximately 25 miles.

The following study questions guided this study:

- RQ1. How important are knowledge, skills, and attitudes to the sustainability of Native American owned businesses?
- RQ2. To what extent are Native American environmental factors, knowledge, skills, and attitudes significant for emerging verses mature Native American owned businesses?

A quantitative method of research was implemented and a survey instrument was used to collect data. Results of the study will be shared with tribal administrations and tribal economic

development offices to assist them with their economic development efforts. This may include developing curriculum specific to knowledge, skills, and attitudes of business owners.

#### **Importance of the Study**

According to Garsombke and Garsombke (2000), there is limited research on Native American entrepreneurship and small businesses. In a study conducted by Baker and Lynch (1994), research indicated education plays a critical role in economic development. Education was regarded as a very serious and compelling force for tribal improvement. Tribal colleges all play important roles in the future development of Native American reservation communities, especially in establishing the foundation for future growth through skills development, technical assistance, and other efforts. Research findings also indicated each organization is different and for economic development to be successful it must combine the governance of the tribe and education. This study is important for the field of education in that the results may be used in developing curriculum specific to knowledge, skills, and attitudes of business owners. The curriculum developed will benefit teachers of higher education business departments who teach economic development courses. Tribal administrations and tribal economic development offices will also benefit from this study by assisting them with their economic development efforts.

Cornell and Kalt (2003) commented on the economic challenges faced by Indian Nations in the United States:

American Indian societies are phenomenally resilient. In the last several centuries, they have faced winds of economic, political, and cultural change that have blown as fiercely over them as over any people in history. These winds have brought military violence and subjugation, epidemics of disease, seizures of land and property, vicious racism, and economic deprivation. Yet, as the 21<sup>st</sup> century begins, hundreds of distinct Indian nations

built upon dozens of cultural lineages still persevere and grow, variously bound together by ties of family, language, history, and culture. The lesson from Indian Country is a lesson of strength.

This strength is still being tested. Among the most formidable challenges facing Native peoples today are those rooted in economic conditions. American Indians living on the nation's nearly 300 reservations are among the poorest people in the United States. On most reservations, sustained economic development, while much discussed, has yet to make a significant dent in a long history of poverty and powerlessness. (p. 3)

Rural reservations throughout the United States face similar economic development, social, health and cultural challenges. Employment opportunities are severely limited on reservations, attributing to high unemployment rates. Continuing high unemployment rates have lead to high rates of domestic violence, alcoholism and poverty (Smith, 2000). In general, Indian country lacks the technology, the infrastructure, the financial capital, and the human resources necessary to successfully achieve economic opportunity.

Tribal communities generally are located far from urban centers, therefore do not benefit from the services that larger communities offer. Services that are typically not found on North Dakota reservations include household maintenance services, financial institutions, small appliance repair, accounting services, printing and publication services, reliable telecommunications support and other services required to successfully operate a business. They are also located at a significant distance from other reservations. This geographical isolation coupled with cultural and political uniqueness causes them to develop economic development strategies in isolation of each other. As a result, North Dakota reservations remain at different stages of economic development.

#### **Definition of Terms**

This section provides definitions of key terms that are used in this study.

American Indian reservation: An area of land that has been reserved for a tribe or tribes through a treaty or other agreement with the United States, executive order, or federal statute or administrative action as permanent tribal homelands, and where the federal government holds title to the land in trust on behalf of the tribe (U. S. Department of Interior, 2011).

Attitude: The preference of an individual or organization towards or away from things, events or people (Frank & Smith, 1999).

Bureau of Indian Affairs: An agency of the federal government of the United States, which is within the Department of the Interior (U. S. Department of Interior, 2011).

Correlation: Describes how strong the relationship is between variables (Salkind, 2008). Size of the correlation 0.2 to 0.4 is considered a weak relationship, 0.4 to 0.6 is considered a moderate relationship, and 0.6 to 0.8 is considered a strong relationship (Salkind, 2008).

Deteriorate: To diminish or impair in quality, character, or value.

Economic success and sustainability: Process whereby the tribe meets the needs of the present without compromising the ability of future generations to meet their own needs (World Commission on Environment and Development, 1987).

Federally recognized tribe: An American Indian or Alaska Native tribal entity is recognized as having a government-to-government relationship with the United States. It also holds the responsibilities, powers; limitations, obligations attached to the designation, and are eligible for funding and services from the Bureau of Indian Affairs (U. S. Department of Interior, 2011).

Indian Self-Determination and Education Assistance Act (PL 93-638): Allows tribes and tribal organizations to acquire increased control over the management of federal programs that impact their members, resources and governments (U. S. Department of Interior, 2011).

Native American: A member of any of the indigenous peoples of America. Other terms often used when describing Native Americans are: Indian, American Indian, Indian Nation and Indigenous.

Stagnant: Period of no or slow economic growth or of economic decline in real (inflation-adjusted) terms (All Business, n.d.).

Tribal Employment Rights Ordinance (TERO): Requires the fair employment of Indians within the boundaries of a reservation. TERO also prevents reservation employers from discriminating against Indians throughout their employment practices on the reservation (Turtle Mountain, 2011).

*Tribal self-governance:* The right to become self-sufficient, self-determining, and self-governing societies.

*Tribal sovereignty:* The inherent authority of indigenous tribes to govern themselves.

#### Assumptions

A major assumption for this study was whether the entrepreneurs who had business skills were actually making use of those skills. The listings of Native American businesses operating on the reservations were assumed to be current. Another assumption was that the respondents answered the questions on the survey honestly in regards to the importance and performance of their business. It was also assumed that respondents would return their survey's in a timely manner.

#### Limitations

A limitation of this study was the limited scope in which the research was conducted. The research was limited to the four reservations in North Dakota and encompassed only those Native American owned businesses located on or adjacent to a reservation. It should be noted if the tribal administration did not give its approval for the researcher to conduct research on their reservation this would be a limitation. Another limitation was the limited research on Native American entrepreneurship and small businesses in general (Garsombke & Garsombke, 2000). Very few studies have been done on the successes of Native American owned businesses. Most studies have been about the success of non-Native businesses. In identifying another limitation, in mailing out the survey it was assumed the addresses were correct. The survey was also not accessible by internet; therefore the only response was by U.S. postal service. A more significant limitation regarding the instrument was that it was not created by Native Americans; therefore cultural values were not taken into account.

#### **Delimitations**

Preferably the sample size would include all Native American owned businesses located in the United States. Due to limitations of time, funds and access to entrepreneurs, this study was limited to North Dakota Native American owned businesses located on/or adjacent to North Dakota reservations. Another delimitation was the interpretation of the survey questions and the response to the questions by the respondents.

#### **Organization of the Remaining Chapters**

The dissertation is organized into five chapters. Chapter 1 provides the introduction to the study. Chapter 2 provides a review of the literature and related research that supports the study design and concept. It includes background information about economic development on North

Dakota reservations and how this attributes to successes on the reservations. The chapter also summarizes current literature on Native American owned businesses and how they operate on reservations. The practices provide the foundation for the study.

Chapter 3 outlines the research design and methodology. It contains information about the population and sample in the study, outlines the instrumentation used, and describes the data collection process. Chapter 4 provides the methodology of the data collection and the results obtained from the research. Chapter 5 provides the summary, conclusions, and recommendations of the study.

#### **CHAPTER 2. LITERATURE REVIEW**

This study examines economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations. More specifically this study seeks to explore relationships between the identified level of importance of knowledge, skills, and attitudes and sustainable business.

The review of the literature begins with a description of the history of Native economic development on reservations. It establishes the uniqueness of how economic development is viewed on reservations. In addition, a review of the literature about Native entrepreneurs clearly demonstrates the challenges that face Native owned businesses on reservations. Determining economic success and how education and economic development are intertwined are discussed in this literature review.

#### **History of Native Economic Development**

Economic development is not a new concept to reservations. Economic development has a long history of policies and programs through collaboration with federal agencies. Some of these were more successful than others (Cornell & Kalt, 1992). When federal agencies are involved, they are the primary decision-makers for the endeavor. Grants and contracts with the federal government are driven by federal need rather than the needs of the tribe. However, when Native American tribes assume more responsibility for making development decisions they are more likely to succeed (Cornell & Kalt, 1992).

Tribal nations have always engaged in various forms of commerce (Thompson, 2010). Market centers were established from one end of the continent to the other. These trade routes were the basis for the roads and highways of what they are today. Tribal commerce focused around seasonal gatherings that are still in effect today. At certain times of the year, large trade

gatherings were held amongst the tribes in the Great Plains region (Thompson, 2010). In the summer months many members of tribes gathered to exchange a variety of agricultural products from other members (Eagle Woman, 2009). According to Eagle Woman (2009), summer is the most logical time for members to participate in trade due to weather conditions. June, July and August are typically powwow season.

Many historical events impacted tribal economies during 1790-1934. From 1790-1834 the Trade and Intercourse Acts were enacted. The Acts allowed for recognition of the tribal nations as sovereign (Smith, 2000). It was common practice at that time for traders to exchange land for goods that were provided by tribes. Under the Trade and Intercourse Acts, Indian lands could only be purchased by the federal government. Prohibiting individuals and states from purchasing lands directly from tribes protected tribes from land deals that were considered deceptive (O'Brien, 1989).

Three additional major acts impacted tribes and their economies: the Indian Removal Act of 1830, the General Allotment Act of 1887 and the Indian Reorganization Act of 1934 (Figure 2).

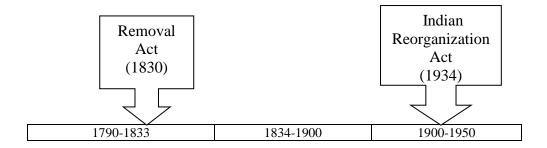


Figure 2. Trade and intercourse acts (Smith, 2000).

In 1830, the Indian Removal Bill was passed. The Removal Act of 1830 (CHAP. CXLVIII) allowed for tribes to have a choice to move west or stay where they were and follow the respective state laws. Approximately 30 tribes moved west, including the Cherokee, where almost 4,000 tribal members died during the move (O'Brien, 1989).

According to Welch (2006), tribes were forced to move to areas that were far different from their original lands. Many were moved to areas which lacked fishing and hunting, which were historically important to these tribes' survival. They were resilient, though. Ranching became a part of life for these tribes. With the onset of settlers moving to the west, many tribes started businesses to meet the needs of these travelers. These businesses engaged in providing supplies, horses, and oxen.

According to Black (1994), Native Americans were expected to change their way of life and their cultures to those of mainstream America. This didn't happen for many of these tribes. Once the tribes moved west, the government realized their effort to assimilate the Native Americans to the American culture was not working. Native Americans continued to practice their religious ceremonies such as the Corn Festival and Sun Dance. Instead of the typical mainstream practices of father, mother and children, extended family culture was practiced (Welch, 2006). Native Americans were determined to retain their cultural values despite the efforts of the government to destroy their traditional practices and way of life.

The General Allotment Act (24 Stat. 388), also known as the Dawes Act, was passed in 1887. This act was another attempt to acculturate and assimilate the Native Americans into white society (Smith, 2000). Each household was given 160 acres of land. To protect the owner, this land was to be held in trust for 25 years. That means that even though the household was allotted 160 acres, the owner didn't take possession of the land for 25 years. In 1887, reservation lands

consisted of approximately 138 million acres. After each reservation was allotted the 160 acres, the rest of the reservation land was declared surplus and opened up to non-Indian settlers for homestead. By 1934, only 48 million acres of reservation land remained (Welch, 2006). The land allocated to the Native Americans was not considered prime land, therefore farming and ranching was very poor. Indian land owners were provided basic farming techniques to try and compete with non-Indian settlers who received the more prosperous land (O'Brien, 1989).

The Indian Reorganization Act of 1934 (Wheeler-Howard Act - 48 Stat. 984 - 25 U.S.C. § 461) created federally sponsored tribal governments (Tootle, 1996). Although the Indian Reorganization Act (IRA) recognized tribes as sovereign nations, it did not acknowledge the tribal culture. Many tribes in this region accepted the IRA. There were also many tribes in the nation who did not accept the IRA and were determined to follow their traditional ways (Welch, 2006). Tribes who accepted the IRA would develop new government structures for their reservations. The new form of government would open up opportunities for the tribes to access federal loans and federal assistance with tribal administration (Rosier, 2004). The IRA tribes were to use constitutions established by the Bureau of Indian Affairs. Using a BIA-developed constitution limited tribal control over tribal affairs (Smith, 2000), but it also provided for the tribes to be recognized as sovereign nations. Other benefits of the IRA included encouragement and promotion of economic activity as well as tribal self-governance (Arnold, 2004). The IRA authorized the creation of tribal corporations. Most tribes adopted corporate charters. These were developed by individuals who did not take into account the cultural form of government that existed with tribes (Trosper, 1999). Most corporations were governed by a board of directors. This meant that decisions did not require consensus of the community, which went against the tribes' values (Welch, 2006).

According to Cornell and Kalt (1992), in spite of the cultural disconnects, tribes, for the most part, have operated fairly well under the IRA. An example would be the success of the Apache tribes. Corporate leaders, who displayed strong leadership, were selected, following the example of the IRA. Leaders demonstrated authority both at the administrative level as well as the community level. Those who abused their authority were simply abandoned by the citizens. Joining the cultural based structure and those of the government were keys to a successful economic development environment for the Apache tribes.

During the 1940s and 1950s, the federal government attempted to dismantle the reservation system. The government adopted policies design to terminate its responsibilities to tribes (O'Brien, 1989). Reservations in New York, California, Florida, and Texas were among the first to be identified for termination. Tribes included in the initial termination were the Flathead, Klamath, Menominee, Potawatomis and the Turtle Mountain Band of Chippewa (Welch, 2006). The economic impact of the proposed termination was profound as these reservations were rich in resources. For example, the Menominee tribe in Wisconsin had rich timber resources which provided a successful economy for the tribe. The land was acquired by non-tribal members who wanted to capitalize on these resources (Trosper, 1999). Through termination of the reservation, the Menominee tribe was vulnerable to the structure of a county government. With the end to government funding, tribes were required to rely on state appropriations, further limiting economic progression (O'Brien, 1989).

Taking of lands from the Mandan, Hidatsa, Arikara nation for the Garrison Dam in North Dakota resulted in significant economic impact for that tribe. Over the years, lands of over 12 million acres were reduced to just over 1 million acres (MHA Nation, n.d.). Lost was the way of life for the Mandan, Hidatsa and Arikara nation. Farm land and ranching were diminished. The

building of the Garrison Dam required flooding approximately 152,360 acres (MHA Nation, n.d.). Communities, which were the center of the tribe's economy, were lost to the flood. Elbowoods was considered the main business community for the tribe. When it was flooded, lost was the hospital and school. Other communities, such as Nishu, Red Butte, and Shell Creek, all had churches, parks, and cemeteries that were loss to the flood. The loss of these communities had a profound impact on the economies for the Mandan, Hidatsa, and Arikara nation as these resources would never be replaced (MHA Nation, n.d.).

Efforts by tribal groups such as the National Congress of American Indians (NCAI), the American Indian Movement (AIM), and the United Indians of All Tribes were groups that made their voices heard in protest of termination. The NCAI, founded in 1944, worked closely with tribes in protecting their treaty and sovereign rights. NCAI was diligent in informing the public and congress on the rights of Native Americans (NCAI, n.d.). AIM, established in 1968, was an organization that also fought for Native rights. Demonstrations, by AIM members, were held throughout the United States protesting government rulings on the destroying of tribal culture and Indian civil rights (O'Brien, 1989). The United Indians of All Tribes also became a voice in the 1970s for the rights of Native people. Located in Seattle, Washington the United Indians of All Tribes were able to bring attention to the needs of the Natives in the Seattle area and reclaim a land base for them (United Indians of All Tribes, n.d.). In the 1970s, the federal government acknowledged its acceptance of tribal self-government and its treaty responsibilities (Mathews, 2008).

According to the American Indian Higher Education Consortium (AIHEC) (1999), in the last 40 years other events have impacted tribal economies. The creation of tribally controlled community colleges (TCU) is one event that impacted tribal economies. Tribes looked at higher

education as a means of encouraging self-determination. In 1968, the Navajo Nation created the first tribally controlled college. Today there are 36 tribal colleges. TCUs came about in order for Native Americans to educate their own people in a culturally responsive and respectful way. Tribal colleges were founded with a simple mission. According to Boyer (1992), they were designed to prepare students for work, especially for work available in their own communities. Tribal colleges work to strengthen the larger economic environment of their communities. By 2008, approximately 32 tribal colleges attained land grant status. Land grant status allows tribal colleges to access research and extension programs offered by the United State Department of Agriculture (AIHEC, 1999). As a land grant college, support is provided to colleges to offer agricultural, science and engineering courses. Individuals who receive degrees in these particular fields support tribal efforts toward becoming self sufficient.

Gaming was another major economic event that impacted tribes in the 1980s. The Indian Gaming Regulatory Act (IGRA) was passed in 1988. The Act was passed for the regulation of gaming operations on reservations. For some tribes, the success of gaming on their reservations has resulted in being less dependent on the government (Rosier, 2003). Some tribes are more successful than others with gaming. The success of the Seminole tribe is one example of a tribe with strong economy resulting from its gaming ventures (Cattelino, 2004). Revenues from gaming have allowed the Seminole tribe to subsidize ventures such as smoke shops and tourism businesses. Gaming ventures have also attracted outside investors to the reservations. Outside investors strengthen the economy of the reservations by investing resources in developing areas such as infrastructure (Smith, 2000). Successful gaming ventures also attributed to lowering unemployment rates, thus reducing the dependency on government programs.

High unemployment rates continue to be prevalent on most reservations and poverty continues to be an issue. From the wealthiest tribes to the poorest reservations, the historical events have all impacted the economies of every tribe. As tribes pursue their quest to become truly sovereign nations, these events will continue to have an effect on them for years to come.

#### **Economic Development on Reservations**

Economic development on reservations is not just the development of businesses. It includes development in every part of the environment, specifically family, health care, and social services. Economic development is defined as increasing development of natural and human resources and economic activity in a community (Cornell & Jorgensen, 2007; Smith, 2000). Smith (2000) indicated rural reservations throughout the United States face similar economic development, social, health and cultural challenges. Lack of technology and infrastructure are highly limited on reservations in addition to access to financial capital and human resources. Many reservations in rural America are land rich but cash poor. However, the land is underdeveloped. Undeveloped land leads to untapped resources for tribes (Wall & Montonya, 2007). According to Smith (2000), reservations throughout the nation typically have natural and human resources that are underutilized and underdeveloped. Indian Country has a substantial labor force but tribes do not tap into these resources as a means to improve economic development on reservations (Emery et al. 2006). The majority of jobs on the reservations are with the tribal government, Bureau of Indian Affairs, schools, and a few private businesses. This, coupled with startling high unemployment rates, causes the economic structures of Native American reservations to differ considerably from non-reservation economies of similar population or land area. Continuing high unemployment rates have lead to high rates of domestic violence, alcoholism and poverty (Smith, 2000).

In the 1960s, the BIA dominated the decision-making process for tribes in the selection of economic development strategies on reservations (Vinje, 1996). The decision-making process was controlled through only funding projects the BIA thought was important. Strategies that worked in small rural non-Indian communities were expected to work on reservations. When specific types of funding became available to tribes, these would be the types of projects the tribe would follow (Cornell & Jorgenson, 2007). This was the start of the manufacturing plant era on reservations. Federal funding was provided to tribes to encourage firms, such as manufacturing, to locate on reservations. An increase in business activity followed the development of manufacturing plants. The development of manufacturing plants assisted in reducing unemployment on reservations.

Turtle Mountain Manufacturing Corporation (TMMC) was incorporated in 1979 to establish an economic enterprise on the reservation to reduce unemployment and to provide economic stability for the Turtle Mountain Band of Chippewa. At its peak production TMMC employed approximately 300 employees (TMMC, n.d.) Contracts with the US Department of Defense allowed TMMC to manufacture trailers and metal fabricated assemblies (TMMC). Sioux Manufacturing Corporation (SMC) was also created to reduce unemployment for the Spirit Lake Nation. An estimated 250 employees worked at SMC during the 1970s and 1980s. A manufacturer of camouflage systems, SMC also received a majority of their contracts through the US Department of Defense (SMC, n.d.).

In the 1970s, tribes began to assert more authority and regulation of the types of businesses and economic development that was conducted on their reservations (Vinje, 1996). Self-determination efforts resulted in the development of tribal enterprises. This transition towards taking more control over tribal administration and economic activities allowed tribes the

opportunity to begin taking over services historically provided by BIA, such as health care and education. The Indian Financing Act of 1974 (25 U.S.C. §§ 1451-1544) was passed to promote reservation businesses (Welch, 2006). Under the Act, tribal businesses were provided grants under the Indian Business Development Grant program to be used as seed money for business start ups. Assessment of the Aberdeen Area Office Indian Business Development Grant, conducted from 1987 through 1992 by Robert McLaughlin, a financial and economic consultant, indicated that 89% of Native business owners, who received an Indian Business Development Grant, were outstandingly successful (McLaughlin, 1992).

The national economic downturn in the 1980s impacted reservations. Funding was cut across all federal programs forcing the tribes to make some tough financial decisions. Funding was also reduced for economic development programs. Tribes that had benefited from government support in the 1970s struggled to maintain the programs it had created (Welch, 2006). The 1980s saw a change in funding by the government, more specifically in the area of the manufacturing industry. While successful, manufacturing plants did not have the staying power (Vinje, 1996). Manufacturing plants were no longer receiving support from the government resulting in downsizing of the labor force. The government was no longer advocating for manufacturing jobs on reservations (Tootle, 1996).

Support from the federal government continued to decline in the 1990s. During the 1990s, gaming became an important economic development tool for tribes (Vinje, 1996). Gaming profits were used to supplement tribes programs. The Seminole tribe in Florida set the precedence for tribal gaming when it won its court case against the state of Florida (Rosier, 2003). The case, *Seminole Tribe of Florida v. Butterworth* (1981) was important to Native Americans as tribal sovereignty was finally being recognized. Exercising its right as a sovereign

nation, the Seminole tribe was able to expand its operations, which generated millions in revenue (Rosier). Tribes such as the Cabazon Band of Mission Indians and the Mashantucket Pequot have both become successful gaming tribes (Welch, 2006). Housing, education and infrastructure on these reservations have all benefited from the revenues of gaming, decreasing federal support for these programs.

A study conducted by the Harvard Project on American Indian Economic Development identified three areas that contribute to economic development: sovereignty, culture, and institutions (Jorgenson & Taylor, 2000). Sovereignty means that tribes are self-governing and they have the same powers as federal and state governments to regulate their internal affairs. Tribes who make their own decisions about what approaches to take and what resources to develop were more likely to successful. An important aspect to maintaining tribes as sovereign nations is to maintain culture and language. Sovereignty and culture are interdependent. "Developing reservation economies is vital to sustaining and developing cultural identities" (Smith, 2000, p. 19). In many instances economic activity outweighs cultural issues and cultural development is not equal to economic development. Many tribes have exercised their sovereignty by adopting commercial codes and independent judiciaries, and experience an increase in economic activity (Keohane, 2006). Tribes are investing in themselves and their economies are growing as a result.

Reservation communities are growing at a faster rate than other communities in North Dakota. While the rest of the state is growing at an average of only 4.7%, the Native American population is growing at 22.1% (US Census Bureau, 2010). Between 2000 and 2010, the population for most of North Dakota reservations increased significantly. The Three Affiliated Tribes population increased by 7%, whereas both the Spirit Lake Tribe and the Turtle Mountain

Band of Chippewa increased by 5% (US Census Bureau, 2010). In Rolette County, location of the Turtle Mountain reservation, there were significant increases in older age groups. For example, for ages 45 to 64 there was an increase of 32% (North Dakota State Data Center, 2010). For most Native Americans, family ties are the reason they retire to their home reservations. It is also common for Native Americans to have big families leading to increased population on reservations. While the state of North Dakota has seen a significant outmigration of individuals from 2000 to 2005, the reservations did not (US Census Bureau, 2010).

Individuals who are retiring to their home reservations are returning with basic needs.

The necessity for housing, health care and social services provides opportunities for entrepreneurs to meet these needs. Employment opportunities are presented to those in the construction and the health care field aiding in the expansion of economic development on the reservation. Increasing populations for tribes can be viewed as positive. Several resources, such as the US Department of Housing and Urban Development (HUD) Renewal Communities and Entrepreneurial centers are available to meet the growing needs on the reservations.

In 2002, the Turtle Mountain Band of Chippewa was designated as a Renewal Community by HUD. This permitted the tribe to encourage economic and community development on the reservation (Turtle Mountain Renewal Community, n.d.). As a renewal community, the tribe was eligible for tax incentives to stimulate growth and provide for affordable housing.

The Standing Rock Sioux Tribe/Sitting Bull Community College Entrepreneurial Center is another resource that is assisting the tribe in promoting economic development on the reservation. Entrepreneurship plays a role in economic development in Indian Country (Emery, 2007). The Entrepreneurial Center was established to assist the reservation economy by creating

and expanding of small businesses. These small businesses provide employment opportunities for members of the tribe. The center provides technical assistance, financial resources and business incubator services to small businesses (Sitting Bull College, n.d.).

Emery (2007) identified many underutilized assets on reservations, such as: natural, cultural, human and social capital, on reservations. Natural resources located on reservations in North Dakota include forestry, water, land, minerals, and wind. Cultural resources include language and religion (Smith, 2000). There continues to be a movement to integrate languages that were nearly lost in the era of assimilation back into society through education. This in turn increases the need for tribal members to become teachers, therefore impacting the economy of tribes.

In traditional approaches to job and business development, these assets are typically ignored. However, economic development is gaining a lot of attention in Indian Country not only because of the casino wealth that is generated but also through the tribes owning tribal enterprises (Emery, 2007).

Cornell and Kalt (1998) identified two different approaches to economic development. The first approach was the "jobs and income" approach. Tribes develop businesses to reduce unemployment and providing income to individuals. Many of these businesses are successful at the beginning but typically fail because of no long range planning. The second approach was the "nation-building" approach. This approach is to build a nation in which both businesses and individuals succeed. By building an environment favorable to investors, businesses benefit from the investments (Cornell & Kalt).

For many tribes, land is a valuable asset. Tribes sometimes have difficulty promoting economic development because most land on reservations, held in trust by the BIA, cannot be

used as collateral. In addition, many tracts of land owned by Indians are 'fractionated" as a result of the Dawes Act (Clement, 2006). Over the years this land has been divided among heirs numerous times making it unusable. Some of the tracts of land are as small as a CD case. In order to grant permission for land use, whether for mineral extraction, wind energy development, or other economically advantageous venture, all owners of the fractioned land must be contacted for permission. This can be a very difficult task which impedes timely development.

Economic development for Native Americans in North Dakota is very different than other ethnic minority groups. According to Tirado (2008), Native American tribe's economic conditions and outlooks have considerably changed. Emery et al. (2006) indicated a one-size fits all approach to economic development will not work in Indian country. Approaches for economic development used in mainstream America are not appropriate for Indian country because of political and cultural characteristics unique to each reservation.

#### **Tribal Colleges and Economic Development**

Tribal colleges and universities (TCUs) have always played critical roles in reservation economic development, starting with training students for jobs (Ambler, 1992). Tribal colleges work to strengthen the larger economic environment of their communities. The reservations on which most TCUs serve face high unemployment rates and low per capita income. The unemployment rate on the Fort Berthold reservation (served by UTTC and Fort Berthold Community College) has been as high as 69.99%. In 2005, 95% of students served at these two TCUs were classified as low income (Paulson, 2005).

#### **Culturally-Relevant Programs**

TCUs exist to serve primarily Native American people, which are among the poorest racial and culturally diverse groups in the nation. Tribally controlled community colleges came

about in order for Indian people to educate their own in a culturally responsive and respectful way. They also provide postsecondary access to Native American students who might not otherwise be able to attend college (Fann, 2002). TCUs differ from mainstream institutions in their missions: (a) to rebuild, reinforce, and explore traditional tribal culture through specially designed curricula, settings; while at the same time (b) addressing Western models of learning by providing courses in traditional disciplines that are transferable to four-year mainstream institutions (Tierney, 1992).

The history of TCUs is relatively short. The Navajo Nation founded the first TCU, Dine College in 1968. It was followed by TCUs in California, North Dakota and South Dakota. Today there are 37 tribally chartered colleges and three federally charted Native American colleges in 13 states (Kim, Crasco, & Weiner, 2005). These institutions serve over 30,000 students each year (Boyer, 2002). They differ in several stages including development, structure, size and others.

Several studies (AIHEC, 1999, Boyer, 1997; Kim et al., 2005; O'Brien, 1992; Pavel, Swisher, & Ward, 1995) indicated every one of the colleges is unique, reflecting the local, economic, and cultural needs of the community and surrounding area it serves. However, TCUs share some basic features. The majority are less than 30 years old, have small student bodies that are mostly Native American, most are located on reservations, have open admission policies, and began as two-year institutions. Additionally, 31 are accredited by regional accreditation agencies. Each TCU offer associate's degrees and most offer short-term certificate programs as well. They are all similarly organized and 26 are funded similarly. Even though there is diversity among them, it is possible to summarize their administration, community and student body, and financial needs

In many ways TCUs are like their mainstream counterparts. However, TCUs are different from mainstream institutions in respect to their dual missions: to rebuild and reinforce traditional tribal cultures, using cultural responsive curricula and institutional settings. Concurrently they work to address Western models of learning by providing courses that will be transferable to mainstream four-year institutions (Tierney, 1992). Another factor that sets TCUs apart from mainstream institutions is their ability to provide the personal and cultural attention to the students served thus aiding the students in overcoming the economic and social barriers to postsecondary success (Benham & Stein, 2003; Federico Cunningham & Parker, 1998). TCUs are characterized by their family-like atmosphere and strong personal relationships between students, instructors, and staff (Austin, 2005; Boyer, 1997; Tierney, 1992).

Tribal colleges are unique in that they combine personal attention to students with cultural relevance in such a way that it encourages Native Americans, especially those living on reservations or geographically isolated areas, to overcome the obstacles to obtaining a postsecondary degree (AIHEC, 1999, Austin, 2005). Obstacles to obtaining a postsecondary degree lie within the context of their socioeconomic circumstances. Their uniqueness reflects the local communities' cultural identity. Many of the institutions are involved in a far-reaching range of community efforts-including basic education, economic development, and counseling services. TCU curricula are designed from a Native American perspective, and the individual courses reflect this effort.

### **Roles in Reservation Economic Development**

Another role TCUs play in their communities is one of economic development. Many colleges offer entrepreneurial business courses and sponsor small business economic

development centers to encourage private sector growth in the TCU service area (Casey, 1997). These sites offer technical assistance and advice to tribal members.

The tribal colleges also have hosted strategy seminars and provided leadership, relevant curricula and a data base of economic information. By expanding their current involvement in these arenas, development strategists believe that tribal colleges can serve their communities better (Ambler, 1992). Tribal colleges were founded with a simple mission: they were expected to prepare students for work, especially for work available in their own communities (Boyer, 1992).

According to Boyer (1992), reservation economic development requires more than skilled employees. It also requires the presence of a healthy business climate, outside investment, wise use of natural resources and support to tribal entrepreneurs. Cunningham (2000), through a collaborative effort between the American Indian Higher Education Consortium (AIHEC) and the American Indian College Fund (AICF), prepared a report that described some of the economic development efforts of the tribal colleges. The author indicated tribal colleges are at different stages in the process of assisting and sustaining local community development. Tribal colleges all play important roles in the future development of Native American reservation communities, especially in establishing the foundation for future growth through skills development, technical assistance, and other efforts.

Cunningham (2000) indicated by building on their strengths as community centers and support institutions, tribal colleges actively promoted entrepreneurship in a number of ways.

Many tribal colleges match their business curricula to existing local economic needs. In doing so, they link entrepreneurship with housing, the environment, health and culture.

Beyond education and training, tribal colleges promote entrepreneurship and small business growth in their communities through workshops and leadership development. They deliver technical assistance via small business centers and other outlets (Bly, 2005). Many of the tribal colleges maintain community entrepreneurship initiatives that reach beyond their core education programs. A variety of these initiatives reveals the extent of entrepreneurship development approaches that tribal colleges pursue (Bly, 2005).

Tribal colleges are offering the reservations and tribal communities the chance to build knowledge, skills, confidence, and pride in a way not possible for non-Indian institutions to offer (Boyer, 1997). Colleges try to match curricula to existing local economic needs, but they also try to develop programs that encourage the creation of new small businesses and other entrepreneurial activities (Cunningham, 2000).

In a study conducted by Baker and Lynch (1994), research indicated education plays a critical role in economic development. Education was regarded as a very serious and compelling force for tribal improvement. Research findings also indicated each organization is different and for economic development to be successful it must combine the governance of the tribe and education.

# **Determining Economic Success**

According to Cornell and Kalt (1998), successful economic development depends on three important factors: sovereignty, institutional strength and strategies. Tribes that effectively exercised their right of sovereignty were more likely to have successful economic development on their reservations then those who did not (Capriccioso, 2007). According to Cross (2009), efficient problem solving is important within a sovereign society. Besides being culturally sensitive, the institution must also have the full trust and faith of the people they are governing.

Jorgenson and Taylor (2000) indicated poverty in Indian Country is a political problem not an economic one. Strategies with policies must also be in place to have successful economic development on reservations (Cornell & Kalt, 1998). According to Emery et al. (2006), most institutions implement models that are most often used outside Indian Country. These models do not consider the social and financial issues that are unique to reservations.

According to Grobsmith (1981), business development on reservations is difficult for individual Indians because of the collateral needed to obtain loans and because of the lack of management training and experience that prepares one for beginning business. Sandefur (1989) indicated many tribes have attempted to develop their own businesses or attract private business to the reservation. Tribal businesses have either deteriorated or remained stagnate because of a lack of business experience or because of the difficulties in marketing goods produced on the reservation. Most state laws do not protect private businesses intending to locate on reservations, therefore inhibiting these efforts to spurn economic development.

Cornell (2006) focused his research on five factors that can have a significant effect on business performance that are sometimes ignored in building successful Native owned businesses. The author indicated these factors included: clarity about enterprise goals, effective management of the politics-business-connection, the purpose, power, and composition of enterprise boards, independent and reliable resolution of disputes, and the critical need to educate the community about enterprise goals and activity. Cornell's (2006) research found successful businesses also depended on having adequate start-up funds, a supply of good workers, smart management, adequate infrastructure, a dose of good fortune, and a host of other things if they were to survive and yield the benefits they so often promised. By addressing these five issues,

Native businesses significantly increased their chances of building sustainable and productive enterprises.

A statistical analysis was conducted by Jorgenson and Taylor (2007) from surveys of 70 respondents on a number of questions including: does using technical assistance help firms, does employing tribal or other Indian workers increase firms' success, and does advertising more help. The authors indicated separating politics from business were among the key findings, as well as, tribal ownership of enterprises were linked with reducing success in the enterprise. Other findings concluded there was no correlation between advertising and success and management turnover did not affect success.

Recent research from the North Central Regional Center for Rural Development,
Heartland Center for Leadership Development, and United Tribes Technical College (Emery et
al. 2006) indicated successful economic development indicators are those that are considered to
be most valued by those on reservations. These indicators are most often not necessarily always
viewed in a monetary way. For example, there are many untapped assets, including natural,
human, and social capital assets. In traditional approaches to job and business development,
these assets are typically ignored. The author's research indicates Indian Country does have
successful entrepreneurs.

In a case study report conducted by Mantonya and Wall (2007) in conjunction with United Tribes Technical College, the communities that were studied were found to have a positive economic environment. The purpose of the study was to determine best practices in Indian Country and to develop a tool for tribal administrations to use in their economic development efforts. Teaching materials were derived from the study were used by tribal planners in the Great Plains as a means to expand on their economic development efforts.

Approximately five reservations, located in the Great Plains were part of the study. These reservations included: Flathead, Turtle Mountain, Wind River, Winnebago, and Rosebud reservation. The methodology of the research was conducted using interviews and surveys.

According to Mantonya and Wall (2007), the research found 25 characteristics of reservations positioned for sustainable economic development success (see Table 1).

Characteristics of Reservations Positioned for Sustainable Economic Development Success

Table 1

Characteristics of Reservations Positioned for Sustainable Economic Development Success			
Capacity	Characteristics		
Cultural Retention	Balance between traditional wisdom and new approaches		
	Recognition of the importance of cultural relevance		
Sovereignty	Commitment to economic self sufficiency		
	Recognition of the importance of sovereignty		
	Evidence that the tribe is discarding "the BIA mentality."		
Leadership	Proactive council that works in tandem with economic development professionals.		
	Separation of politics and business.		
	Continuity in tribal government.		
	Tribal commitment to supporting entrepreneurial efforts and encouraging entrepreneurial spirit.		
	In-place structure guaranteeing an autonomous judiciary.		
	Importance of having "champions" for community and economic development.		
Strategic Agenda	Evidence of an investment culture.		
2 1 111 8 1 1 -8 1 1 11	Adoption and/or creation of a uniform commercial code.		
	Positioned to take advantage of incentive programs such as 8A, 638.		
	Use of failures and successes to build collective knowledge about managing enterprises.		
	Evidence of a strategic focus in both economic and community development.		
	Willingness to collaborate within the tribe and with other entities.		
	Proactive stance with respect to both internal and external opportunities.		
Strong Local Economy	Multiple revenue streams created through diversified economic strategies. Keen awareness of internal assets combined with smart use of external resources.		
	Emphasis on the value of spending dollars locally.		

Table 1. Characteristics of Reservations Positioned for Sustainable Economic Development Success (continued)

Capacity	Characteristics
Emphasis on Community Capitals	Attention to multiple capitals that include social and cultural networks, human capital, financial capital and infrastructure.  Strategy to develop tribal financial institutions and/or build successful partnership with external financial institutions.  Support for child care, K-16 and lifelong education.  Importance of strong, locally-based institutions (health and wellness, socials services, education, etc.).

According to Mantonya and Wall (2007), entrepreneurial activity was flourishing on the reservations studied. Interviews were conducted with local individuals to learn what their tribal organizations and administrations were doing, if any, to generate economic development on the reservation. The research indicated businesses that showed signs of deterioration or stagnation, by implementing the 25 characteristics derived from this study, would contribute to strengthening the business.

# **Native Entrepreneurs**

Goreham and Rathge (1991) conducted a study in which interviews were conducted with 21 Native American entrepreneurs who lived on North Dakota reservations. The purpose of the study was to determine factors associated with entrepreneurial success on the reservations. The research indicated Native entrepreneurs in North Dakota were found to be most successful if they had knowledge, experience, and managerial skills along with aggressive business attitudes. Work related skills and previous education were considered to be most important for the entrepreneur. Malkin and Aseron (2007) attested to these findings through their own research. The authors conducted extensive research on two reservations in South Dakota. The authors indicated in order for a business to grow and be sustainable, it must have critical skills, like those mentioned

by Goreham and Rathge, necessary to be successful. These skills included expanding on entrepreneurship education through various programs available in elementary and high schools.

In a study conducted by Goreham, Rathge and Hess (1994) the authors indicated reservations in the Great Plains needed to find other economic development avenues to pursue because of the low numbers of Native American businesses compared with non-Native owned businesses. Native Americans represented the largest minority group in the Great Plains and accounted for more than 76,000 residents in the states of North Dakota and South Dakota. The Native American population comprises 7.1% of the population, however they owned less than 1.9% of the businesses in the two-state area. In 2010, the U. S. Census Bureau reported Native Americans once again represented the largest minority group in the Great Plains. In North and South Dakota there were approximately 108,000 residents comprising of nearly 8% of the population (U.S. Census Bureau, 2010).

The U.S. Census Bureau, Survey of Business Owners (2007) showed that business ownership rates are far lower for Native Americans than for Americans as a whole. In the states of North and South Dakota, between 2002 and 2007, there was a significant increase in Native owned businesses. For North and South Dakota there was an increase of 18% and 32% respectively. An increase in receipts was also shown for these states of 75% and 56% respectively. These statistics indicate a significant growth trend among Native owned businesses (Figure 3).

Jorgenson and Taylor's (2000) research indicated tribal enterprises that are free from political pressure tend to be more successful. Tribal enterprises that are run by tribes that have control over their own government are more likely to succeed. The authors indicated tribes that

have government structures that are tailored after mainstream systems are more likely to be economically successful. In a 1992 study by Cornell and Kalt, the authors agreed with the findings of Jorgenson and Taylor by indicting Native owned businesses, whether private or tribally owned, who are isolated from tribal administration political interactions are more likely to be successful.

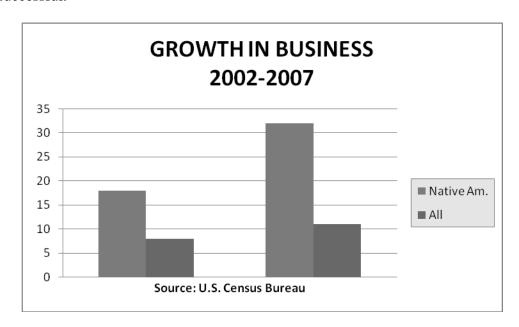


Figure 3. Growth in Native owned businesses (U.S. Census Bureau, 2002-2007).

Jahrig (1996) pointed out that Native American businesses have succeeded at only one-tenth the average for all new American business start-ups. According to Robinson and Hogan (1994), different cultural values may be the cause for this wide range. Native Americans have always been barters and traders. For an entrepreneur, these traits are vital in conducting business (Jahrig, 1997). In Native American culture it is respectful if someone gives you something, you give something back. Robinson and Hogan (1994) indicated mainstream America's business culture is driven by materialistic success. Native Americans on the other hand view family values and community support as being more important. In Jahrig's 1997 study, the author

entrepreneurs tend to frown upon materialistic success and want to have the support of the community. According to Goreham and Rathge (1991), although having community and tribal support is very important in having a successful business, this support is very limited due to many issues facing Native owned businesses; jealousy being one of them. There is a reluctance to support each other. Another reason for the lack of community support is that many times individuals from another tribe live on a reservation that they are not enrolled in. This makes it difficult for entrepreneurs to gain business deals.

According to Jahrig (1997), sometimes community and business development is not always highly regarded on the reservation. While some tribal councils encourage business development, there are still those who actively discourage it. Research conducted by Goreham and Rathge (1991) indicated tribes are changing their attitudes toward business and economic development and the effect it has on their reservations. Native owned-businesses are increasing. The 2002 Census Bureau report (2002) indicated an 18% increase of Native American owned businesses. Emorie Davis-Bird, the Economic Development planner for the Blackfeet Tribe and enrolled member of the Blackfeet Tribe indicated that Native Americans are moving back to the reservation and starting businesses (Jahrig, 2007).

In their study, Malkin, Dabson, Pate, and Mathews (2004) found "entrepreneurship development has the potential to contribute positively to wealth creation, economic development, and poverty easing and can be compatible with Native traditional cultures" (Conclusion section, para. 1). The author's found significant barriers in Native communities to include political, financial, and legal issues. Understanding tribal sovereignty and the alleged notion of non-Natives finding it difficult to conduct businesses on the reservations have limited

entrepreneurship. The legal relationship between state and tribal government is complicated and jurisdiction issues continue to be argued about on reservations. State laws differ widely throughout Indian Country. "State laws cannot be enforced in Indian country and state courts are without jurisdiction to hear lawsuits brought by non-Indians against tribes, tribal entities, and tribal members about matters that occur on reservations" (Malkin et al., 2004, p. 25). These issues add to the already normal challenges facing many entrepreneurs on reservations.

Access to capital is another significant barrier found to limit entrepreneurship on reservations. First Nations Development Institute (FNDI) (1998) conducted a region wide study on accessing commercial financing by Native owned businesses. The survey results indicated the lack of access to capital discourages entrepreneurs and limits business development on reservations. The inability to access mainstream financial institutions is a huge problem for those entrepreneurs seeking to start or expand a business on a reservation. In comparison with non-Native businesses, Native communities do not have the opportunity to access capital, credit, and other financial services resulting in the deterioration and stagnation of reservation businesses (Malkin et al., 2004).

For many tribes, land is a valuable asset. Tribes sometimes have difficulty promoting economic development because most land on reservations, held in trust by the BIA, cannot be used as collateral. In addition, many tracts of land owned by Indians are 'fractionated' as a result of the Dawes Act (Clement, 2006). Over the years this land has been divided among heirs numerous times making it unusable. Some of the tracts of land are as small as a CD case. In order to grant permission for land use, whether for mineral extraction, wind energy development, or other economically advantageous venture, all owners of the fractioned land must be contacted for permission. This can be a very difficult task which impedes timely development.

According to Adamson and King (2002), limited business expertise, lack of marketing knowledge, business plan development, credit and general business practices, are also significant barriers for Native entrepreneurs. The authors found that many prospective Native entrepreneurs often lack the necessary business knowledge and management skills to successfully start and grow businesses. Educating entrepreneurs with basic business skills will help to promote community and economic development on reservations.

### **CHAPTER 3. METHODOLOGY**

This study examines economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations. More specifically this study seeks to explore relationships between the identified level of importance of knowledge, skills, and attitudes and sustainable business.

This chapter outlines the research design and methodology. It contains information about the population and sample in the study, outlines the instrumentation used, describes the data collection process, and provides information on the data analysis and interpretation.

Standing Rock Sioux Tribe consists of eight districts with approximately 8,250 enrolled members. Its major economic occupation is cattle, ranching and farming. They have established various industries for the Tribe on the reservation and plan to develop more enterprises. The unemployment rate averages 79%. A labor force of 3,761 is available for work.

Spirit Lake Nation is located in east central North Dakota. Its members consist of an estimated 4,500 people and live in the four major communities within the reservation.

Unemployment rates typically are in the range of 60-80% during the winter months. It is estimated that between 1999 and 2000 there has been a 24% increase in the population of the reservation.

The Three Affiliated Tribes consist of the Mandan, Hidatsa and Arikara nations. The Fort Berthold reservation has one of the largest land bases in the state of North Dakota. Their unemployment rates average 42%. The major economic operation of the reservation is cattle, ranching and farming for a number of tribal operators.

Turtle Mountain reservation is home to the Turtle Mountain Band of Chippewa Indians.

According to the 2010 Census (U. S. Census Bureau, 2010), the Turtle Mountain reservation has

approximately 8,669 members living on the reservation. The Bureau of Indian Affairs census (2010) estimates a total membership of the Chippewa as 30,000. The tribe experiences unemployment rates of about 50-60% at various times during the year (U.S. Census Bureau, 2010).

The credibility of a study depends extensively on the quality of the research design, data collection, data management, and data analysis (Creswell, 2002).

### **Research Design**

According to Creswell (2002), quantitative research is used to study research problems requiring a description of trends or an explanation of the relationship among variables. Creswell (2002) indicated in this type of study, the research problem can best be answered by a study in which the researcher seeks to establish the overall tendency of responses from individuals and to note how this tendency varies among people. The primary input for the design chosen for this research was the literature review and another study in entrepreneurship (Sun, 2004). A quantitative descriptive method design, using correlation research, was used when conducting research on this project. This research method was chosen to obtain first hand data from the respondents to formulation rational and sound conclusions and recommendations for the study (Creswell, 2002). The research included a survey instrument, which was used to explore relationships between the identified level of importance of knowledge, skills, and attitudes and sustainable business.

The research design measured successful Native American business owner's belief concerning the importance of the knowledge areas relating to Native American environmental factors, planning and organizing, self-leadership, interpersonal leadership, and systems management. Details of the research design can be found in Figure 4.

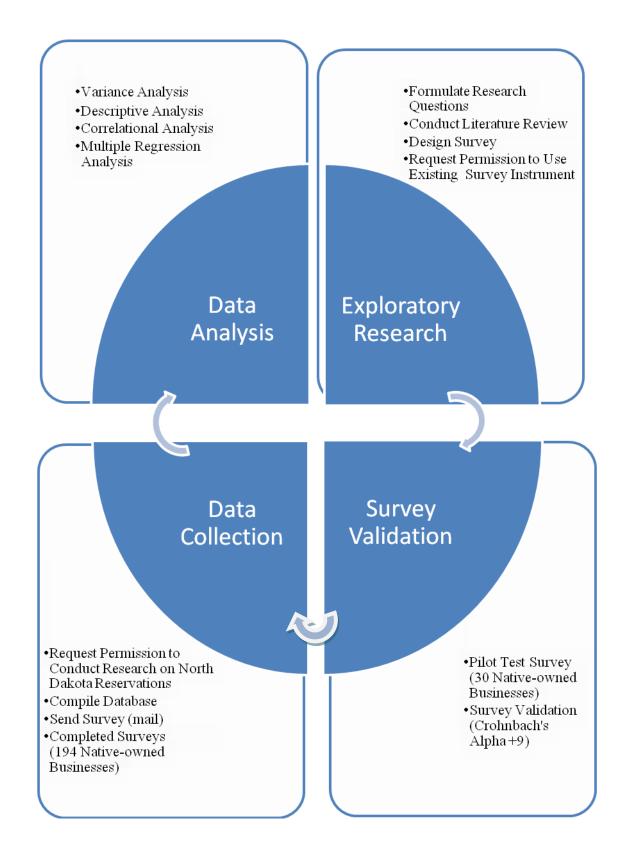


Figure 4. Research design overview.

A quantitative research study is appropriate for this study to explore relationships between the identified level of importance of knowledge, skills, and attitudes and sustainable business (Creswell, 2002). The entrepreneur study conducted by Sun (2004) guided the research approach. This study investigated the knowledge, skills, and attitudes required for entrepreneurial success through correlation descriptive study using a Likert-type scaled survey. In this correlation research study, by analyzing specific knowledge, skills, and attitudes utilized by successful Native American business owners, there could be a correlation between knowledge, skills, and attitudes and sustainable business.

According to Creswell (2002), identifying variables is important to providing direction to a study. In order to choose which quantitative data to use to answer the research questions, the researcher identifies the variables. This study contained both independent and dependent variables. The independent variables are the knowledge, skills, and attitudes that are possessed by Native American business owners. The independent variables acted as the factors that impacted the dependent variable-sustainable business. This was measured through the metrics of sales, profit and net worth of the business owner.

In this correlation research study, the researcher did not influence any of the variables listed but only measured them and looked for the relationship between the two (Creswell, 2002). In this study the research focused on what relationship there is between the identified level of importance of the knowledge, skills, and attitudes of Native American business owners and sustainable business. The following questions guided the direction of the study:

RQ1. How important are knowledge, skills, and attitudes to the sustainability of Native American owned businesses?

RQ2. To what extent are Native American environmental factors, knowledge, skills, and attitudes significant for emerging verses mature Native American owned businesses?

# **Population and Sample**

The population were all Native American business owners located on/or adjacent to the four reservations in North Dakota. These are; Spirit Lake, Standing Rock, Fort Berthold and Turtle Mountain. Each tribe is unique linguistically, socially, and culturally.

A challenge for most reservations is the rural location in the state. These reservations are isolated from benefits that are offered by larger communities such as major shopping centers. For example, the Turtle Mountain reservation is located over 100 miles to the closest major shopping center and services. Spirit Lake is located 20 miles from the nearest hospital thus hindering immediate health care. On the Fort Berthold reservation, many outlying communities have to drive 150 miles one-way for any type of service. The Standing Rock reservation is 72 miles from the nearest metropolitan area. In order for individuals to receive specialized technical support they must pay for the support to come to the reservation.

A master database of all operating Native American owned businesses was compiled for each North Dakota reservation. When compiling data, all methods to obtain lists of current Native American owned businesses operating on/or adjacent to the reservations in North Dakota were exhausted. Contact was made with individuals engaged in tribal economic development (e.g., tribal planners), Tribal Employment Rights Office (TERO) and the Tribal business licensing offices to request assistance in identifying Native American businesses located on the reservation. Other resources included the State Data Center at North Dakota State University and the Minneapolis Federal Reserve Bank located in Minneapolis, Minnesota.

This study intended to select as large a sample as possible from the population or from the individuals available (Creswell, 2002). According to the U.S. Census Bureau (2010), there is an estimated 800 Native American owned businesses located in the state of North Dakota. The master database listed approximately 384 Native American owned businesses located on/or adjacent to the four reservations in North Dakota, which all were sampled. The larger the sample, the more similar it will be to the population. Creswell (2002) stated in a correlation study, such as this one, the group needs to be of adequate size for use of the correlation statistic, such as N = 30; larger sizes contribute to less error variance and better claims of representativeness.

The Native American business owners selected to participate in the study completed a survey to explore relationships between the identified level of importance of knowledge, skills, and attitudes and sustainable business. The results of the survey were then translated into a form appropriate for analysis by a computer (Fowler, 2009). The computed values were compared to the Likert scale for data interpretation using SPSS. Relevant literature was also used to support the gathered data (Fowler, 2009). Further explanation of the justification for use of a survey is addressed in the data collection section of this chapter.

# **Survey Instrument**

A survey was designed to obtain input from Native American business owners on North Dakota reservations. Respondents answered questions that measured how important they perceived a variety of knowledge, skills, and attitudes that are often required for operating a successful business.

The research instrument is a questionnaire-type survey (Appendix A). Literature research relating to Native American owned businesses was used as well as questions derived from the research instrument used by Sun (2004). Permission was received from the author for the use of

the questionnaire (Appendix B). Sun's dissertation guided this instrument. The Native American environmental questions are detailed in the questionnaire design (Appendix C). Details of the remaining questions can be found in Sun's dissertation (2004).

Tribal nations always engaged in various forms of commerce. Successful Native

American business owners understand the culture and environment of where their businesses are
established. Native American environmental factor questions were added to the questionnaire
design (Appendix C) to capture these environmental factors. Seventeen items that measured
environment were developed (see Table 2).

### Table 2

### List of Environmental Factors

I encourage the development of Native American owned private businesses that are not tribally owned.

I meet with Native American business owners to share goals, visions, and concerns.

I convene groups or committees to determine what kind of cultural property is appropriate for sale or public access.

I involve tribal community members and advocates in planning and decisions that support Native American business owners.

I bring Native American entrepreneurs and tribal leaders together to learn about political barriers facing business owners and what tribal leaders can do to remove them.

My business hosts conferences or summits to exchange ideas about economic development opportunities.

I encourage adopting uniform commercial codes to set procedures and protocols to ease investor anxiety about supporting business in Indian country.

I build trust and cooperate with Native American entrepreneurs.

I provide business support that addresses issues such as tax assistance, marketing, budgeting, insurance, credit and business planning.

I coordinate cooperation between lending institutions, foundations, private companies, and federal agencies to establish a community revolving loan fund or small business loan program.

I establish a way for local business owners to work together to lower insurance and marketing costs.

I facilitate cooperation between local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and creative business plans.

I situate technology within overall nation-building goals as one tool to improve economic development on tribal lands.

I support partnerships between tribal governments, tribal colleges, business development centers, business owners, and tribal members to help business owners in their business development efforts.

I establish collaborative relations between local K-12 schools, business owners, and community members to optimize and enhance technology skills.

I form committees or groups to establish an enforceable copyright or trademark registration system to protect Native American business owners from unlawful Internet reproducing of tribal intellectual property.

I set up mentoring programs among various tribal business owners to provide computer support such as Web site development, Internet sales, trademark or copyright protection.

# **Questionnaire Development**

The survey was divided into six sections: environmental factors, planning and organizing, self leadership, interpersonal leadership, systems management, and success measures. Each section was designed to identify the indicators of successful economic development on reservations, address why some businesses develop economically while others remain stagnant or deteriorate, and what knowledge, skills, and attitudes do Native American business owners need to be successful.

Respondents answered 60 questions that measured how important they perceived a variety of knowledge, skills, and attitudes that are often required for operating a successful business. There were 17 questions addressing the environmental factors, 10 questions for planning and organization, six questions for self-leadership, eight questions for interpersonal leadership, and 11 questions for systems management. Under the success measures, eight

questions were asked. Nine demographic questions pertaining to years of operation, gender, number employees, revenue, position in the business, education level, and hours worked in the business were also part of the survey.

#### **Instrument Scales**

Sun's instrument used a 5-point Likert scale where the scales were labeled from A through E. For this study the scales were labeled 1 through 5. The score was calculated from the responses. The "degree of importance scale" was defined as: (a) very unimportant; (b) unimportant; (c) neither unimportant nor important; (d) important; and (e) very important. The "to what extent scale" was defined as: (a) never; (b) rarely; (c) sometimes; (d) often; and (e) always. The "satisfaction of performance scale" was designed as follows: (a) very dissatisfied; (b) somewhat dissatisfied; (c) neither satisfied nor dissatisfied; (d) somewhat satisfied; and (e) very satisfied.

# Validity

To test the validity of the instrument, it was pilot tested to 30 Native American business owners not part of the main sample. The survey instrument validation was also increased by the correlational coefficient test that was conducted by Sun (2004). A correlational coefficient of 0.857 was found and created the acceptability of construct validity.

### **Pilot Test Procedures**

A letter was sent to those selected inviting them to be part of the pilot test (Appendix D). The participants were provided a copy of the research cover letter and were requested to fill out the survey and to provide comments on a comment form (Appendix E). Participants were asked to provide comments to the following questions: (a) Did the cover letter and questionnaire clearly indicate the purpose of the survey? (b) Were the instructions clear? (c) Is each of the

questions clearly written? (d) Were there any items unclear or ambiguous? (e) Did you find any problems or difficulties in answering the questions? (f) Was the scale easy to use? (g) How long did it take to complete? and (h) Was the length and structure of the questionnaire satisfactory? Approximately 20 participants responded to the pilot test.

### **Pilot Test Results**

For this study, data from the pilot test of the survey was inputted into the computer using SPSS to compute Cronbach's *alpha*. Cronbach's *alpha* splits all the questions on the instrument every possible way and computes correlation values for them all (Salkind, 2008). The computer output will generate one number for Cronbach's *alpha*. According to Radhakrishna (2007), a reliability coefficient (*alpha*) of .70 or higher is considered acceptable reliability. Cronbach's *alpha* for the survey instrument (Appendix F) was reported as 0.926.

Based on the feedback of those responding to the pilot test, one spelling error was corrected on the cover letter. There were no changes to the instrument.

### **Data Collection**

Approval was received from the committee and from the institutional review board prior to conducting the research. The data collection process was to identify the four North Dakota tribes who were willing to participate in the project. This was done by personally making a telephone call to the tribal chairman on each reservation and explaining the research to be conducted on their reservation. Official letters requesting permission to conduct research on the reservations were sent to the tribal administration (Appendix G). If a tribe had a tribal IRB office, a request was made to them as well. Tribal resolutions and/or letters of approval were obtained from each tribe (Appendix H). It should be noted the Three Affiliated Tribes gave a verbal approval through Chairman Tex Hall on July 6, 2012. Contact was then made with

individuals engaged in tribal economic development (e.g., tribal planners), Tribal Employment Rights Office (TERO), and the Tribal business licensing offices to request assistance in identifying Native American businesses located on the reservation. Business owners who operate on a reservation must obtain an operating license. Licensed businesses are issued an identifier code. The lists of businesses were entered into a database to create a master list of all 384 Native American owned businesses located on/or adjacent to North Dakota reservations.

The 384 Native American owned businesses located on/or adjacent to the four reservations in North Dakota were mailed the survey along with a cover letter which explained the purpose and value of the study. The cover letter also stressed the importance of voluntary participation and anonymity of the study (Appendix I). To reduce the rate of non-response, a self-addressed stamped envelope was provided to the participants. Of the 384 businesses surveyed, 52 (13.54%) surveys were returned undeliverable for various reasons. The remaining 332 viable business addresses were sent a reminder letter one month after the initial mailing (Appendix J). Of the remaining 332 participants, 194 completed the survey for a response rate of 50.5%.

# **Data Analysis and Interpretation**

The main components for analysis of the study included descriptive, factor analysis, correlational analysis, *t*-tests, and multiple regression analysis. Descriptive and variance analysis were used for questions pertaining to years of operation, gender, position in the business, business ownership, number of employees, education, and hours worked in the business. This information was used to determine the simple summaries about the sample population. A descriptive analysis helped summarize the overall trends or tendencies of data relating to what are indicators of successful economic development on reservations. The analysis provided an

understanding of how varied the scores might be, and provided insight into where one score stands in comparison with others. The results of the descriptive and variance analysis are discussed in Chapter 4.

Multiple regression and correlation analysis was conducted for the remaining questions. Results from this survey were analyzed to establish potential correlations among how important each knowledge, skill or attitude is perceived by the respondent and the level of success in operating a business. The Pearson product-moment correlation statistical technique was chosen for this study because it described and measured the degree of relationship between the two variables. Multiple regression analysis was used to determine if there was a linear relationship between the dependent variable (sustainable business) and the independent variables (knowledge, skills, and attitudes). Independent samples *t*-tests were run to determine if there was a statistically difference between emerging versus mature Native American owned businesses.

For this correlation research project, SPSS was used to analyze the relationship between two variables, the identified level of importance of knowledge, skills, and attitudes and sustainable business. When using the Pearson correlation statistic, the data for this study was assumed to be normally distributed. The correlation value was computed using SPSS as indicated previously. This indicated whether the coefficient statistics are statistically significantly correlated at the p < .05 and p < .01 levels (Creswell, 2002).

### **Study Instrument**

As indicated earlier the entrepreneur study conducted by Sun (2004) guided the research approach. This study investigated the knowledge, skills, and attitudes required for entrepreneurial success through correlation descriptive study using a Likert-type scaled survey.

The data analysis from this study found some inadequacies that indicated this study was significantly different from the approach Sun took.

Sun's (2004) study identified four factors as being important for entrepreneurs: Planning and organization, systems management, self-leadership, and interpersonal leadership. Because Sun did not test items for fit within the four factors, a factor analysis was run to determine if the items could be reduced and to identify potential clusters. Factor analysis using Varimax rotation was conducted to verify this (see Table 3).

### Factor Analysis-Knowledge, Skills, and Attitudes-Importance

The analysis found the factors did not load the way Sun indicated they would. Some loaded correctly, while some did not. Table 3 shows that 10 items cross-loaded and are listed at the bottom of the table. These items did not pertain to this study therefore were removed. Table 3 provides the results of the analysis which indicated a new set of items to be used for the four factors. As can be seen in Table 3, eight items were associated with planning and organization factor, six items with the systems management factor, four items with interpersonal leadership factor, and five items with self-leadership factor.

The final factor loadings for the 35 questions relating to the relationship between knowledge, skills, and attitudes and successful Native American owned businesses are listed in Table 3. The analysis yielded four factors explaining a total of 60.950% of the variance for the entire set of variables. The variables account for 61% of all variance in all the answers respondents provided which would indicate there could be four factors called **planning and organization**, systems management, interpersonal leadership, and self-leadership. Factor 1 was labeled **planning and organization** due to the high loadings by the following factors: (a) I understand how financial statements depict my business; (b) I exhibit a high degree of technical

50

Table 3

Factor Loadings for Varimax Four-Factor Solution for the Item Entrepreneur Knowledge, Skills, and Attitudes - Importance

Factor Loadings for Varimax Four-Factor Solution for the Item Entrepreneur Knowledge, Skills Factors	α	$f_1$	$f_2$	$f_3$	$f_4$
Factor 1: Planning and Organization	.900				
I understand how financial statements depict my business		.792	.388	.154	.069
I exhibit a high degree of technical proficiency in my field		.775	.367	.162	.115
I know what my gross margins are		.729	127	.253	175
I have a written business plan		.724	.227	006	254
I am aware of external economic events		.688	.364	214	107
I actively seek knowledge about my customers and the market place		.672	.376	.198	.192
I value long-term potential over short-term thinking		.659	.294	.256	.231
On average, I tend to work a lot more hours in the business compared to other employees		.651	.068	.217	.240
I actively engage in surveying my customers		.505	.242	.322	022
I act as a role model to communicate my values to subordinates		.424	.079	.088	.129
Factor 2: Systems Management	.779				
When planning, I use information from stakeholders such as customers, suppliers, and employees.		.292	.740	.111	161
I am aware of events occurring outside the company		.283	.687	.013	.021
I measure the results of important goal-achieving actions and their impact		.395	.585	.206	.317
I solicit critical suggestions to improve my performance		.332	.559	.169	.218
I encourage decisions to be made at the lowest level of accurate information		348	.522	.353	.322
I encourage cooperation and collaboration across functional areas of my business		.135	.507	.231	001
Factor 3: Interpersonal Leadership	.851				
I provide training and development to my employees		.314	.168	.808	.039
I successfully select people		.055	.188	.811	.047
Decisions in the business are based on information from my staff		.218	.256	.797	061
I encourage my employees to experiment with new ideas and concepts to create innovative approaches		.060	.181	.659	.179
Factor 4: Self-Leadership	.774				
My business cannot survive without me, since I am responsible for producing products and services		130	.000	203	.814
My employees know they should avoid failure in my business at all costs		049	103	.100	.793
I am quick to take action without spending a lot of time to find out all the information about the situation		058	032	.201	.601
I make most of the decisions in the business		.371	.285	.011	.512
I make the effort to react to events as they occur rather than make detailed plans		.118	.363	.103	.487

Total Variance Explained 60.950%

Table 3. Factor Loadings for Varimax Four-Factor Solution for the Item Entrepreneur Knowledge, Skills, and Attitudes – Importance (continued)

Factors		$f_1$	$\mathbf{f}_2$	$f_3$	$f_4$
Items Removed:	Expected				
	Loading:				
I take the time to plan the path of my business	$f_1$	.641	.447	.148	.090
My employees can clearly articulate the goals and values of my company	$f_1$	.541	.000	.590	.042
I make constant changes to my business plan according to the economy and business	$f_1$				
factors		.420	.627	.312	.155
I am aware of the product/services and pricing structure of my competitors	$f_2$	.678	.441	.131	.104
I know the return on investment of my advertising campaigns	$f_2$	.402	.001	.359	.507
To keep updated with technology and information, I participate in learning activities	$f_2$				
through seminars, workshops, tradeshows, and/or talking with suppliers		.755	.451	.191	.005
I critically analyze past performance and future opportunities and take actions to enhance	$f_2$				
performance		.512	.502	.316	.214
I am actively involved in market analysis	$f_2$	.492	.560	.388	.009
I have the courage to make commitments that would be considered risky by others	$f_4$	.545	.362	.026	.491
I project a high degree of self-confidence	$f_4$	.408	.249	122	.581
27 7 1 11 10 10 11 110					

*Note*. Factor loadings > .40 are in boldface.

proficiency in my field; (c) I know what my gross margins are; (d) I have a written business plan; (e) I am aware of external economic events; (f) I actively seek knowledge about my customers and the market place; (g) I value long-term potential over short-term thinking, on average; (h) I tend to work a lot more hours in the business compared to other employees; (i) I actively engage in surveying my customers, and (j) I act as a role model to communicate my values to subordinates. The first factor explained 38.704% of the variance. The second factor was labeled systems management. This factor was labeled as such due to the high loadings by the following factors: (a) when planning, I use information from stakeholders such as customers, suppliers, and employees; (b) I am aware of events occurring outside the company; (c) I measure the results of important goal-achieving actions and their impact; (d) I solicit critical suggestions to improve my performance; (e) I encourage decisions to be made at the lowest level of accurate information, and (f) I encourage cooperation and collaboration across functional areas of my business. The variance explained by the factor was 9.499%. The third factor was labeled **interpersonal** leadership due to the high loadings by the following factors: (a) I provide training and development to my employees; (b) I successfully select people; decisions in the business are based on information from my staff, and (c) I encourage my employees to experiment with new ideas and concepts to create innovative approaches. The third factor explained 7.643% of the variance. The fourth factor was labeled **self-leadership** due to the high loadings by the following factors: (a) my business cannot survive without me, since I am responsible for producing products and services; (b) my employees know they should avoid failure in my business at all costs; (c) I am quick to take action without spending a lot of time to find out all the information about the situation; (d) I make most of the decisions in the business, and (e) I make the effort to react to events as they occur rather than make detailed plans.

Except for one item, the communalities values were all above .3. This meant each item shared some common variance with other items.

## Factor Analysis-Knowledge, Skills, and Attitudes-Extent

The next step was to run a factor analysis on the four independent variables-extent to identify potential clusters and to determine whether the data should be reduced. Factor analysis using Varimax rotation was conducted to verify this (see Table 4). Table 4 shows nine cross loaded items and two items which loaded less than 0.4 and are listed at the bottom of this study. These items did not pertain to this study therefore were removed. As seen in Table 4, eight items were associated with the planning and organization factor, five items with the systems management factor, six items with the interpersonal leadership factor, and four items with the self-leadership factor.

The final factor loadings for the 35 questions relating "to what extent" relationship between knowledge, skills, and attitudes and successful Native American owned businesses are listed in Table 4. The analysis yielded four factors explaining a total of 53.725% of the variance for the entire set of variables. The variables account for 54% of all variance in all the answers respondents provided which would indicate there could be four factors called planning and organization, systems management, interpersonal leadership, and self-leadership. Factor 1 was labeled **planning and organization** due to the high loadings by the following: (a) I understand how financial statements depict my business, (b) to keep updated with technology and information, I participate in learning activities through seminars, workshops, tradeshows, and/or talking with suppliers, (c) I am aware of external economic events, (d) I am actively involved in market analysis, (e) I am aware of the product/services and pricing structure of my competitors, (f) I actively engage in surveying my customers, (g) I critically analyze past performance and

future opportunities and take actions to enhance performance, and (h) I have the courage to make commitments that would be considered risky by others. The first factor explained 32.133% of the variance. The second factor was labeled systems management. This factor was labeled as such due to the high loadings by the following factors: (a) I successfully select people, (b) my employees can clearly articulate the goals and values of my company, (c) I provide training and development to my employees, (d) on average, I tend to work a lot more hours in the business compared to other employees, (e) I value long-term potential over short-term thinking, and (f) I encourage my employees to experiment with new ideas and concepts to create innovative approaches. The second factor explained 9.188% of the variance. The third factor was labeled **interpersonal leadership** due to the high loadings by the following factors: (a) my business cannot survive without me, (b) I make most of the decisions in the business, (c) I project a high degree of self-confidence, (d) I make the effort to react to events as they occur rather than make detailed plans, (e) I am quick to take action without spending a lot of time to find out all the information about the situation, and (f) I am aware of events occurring outside the company. The third factor explained 6.917% of the variance. The fourth factor was labeled **self-leadership** due to the high loadings by the following factors: (a) I solicit critical suggestions to improve my performance, (b) decisions in the business are based on information from my staff, (c) I encourage decisions to be made at the lowest level of accurate information, and when planning, (d) I use information from stakeholders such as customers, suppliers, and employees. Except for one item, the communalities values were all above .3. This meant each item shared some common variance with other items.

Table 4

Factor Loadings for Varimax Four-Factor Solution for the Item Entrepreneur Knowledge, Skills, and Attitudes -Extent

Factors	α	$f_1$	$f_2$	$f_3$	$f_4$
Factor 1: Planning and Organization	.869				
I understand how financial statements depict my business		.822	.226	.084	.045
To keep updated with technology and information, I participate in learning activities through seminars, workshops, tradeshows, and/or talking with suppliers		.768	.082	.116	.204
I am aware of external economic events		.760	.056	264	081
I am actively involved in market analysis		.696	.041	.119	.329
I am aware of the product/services and pricing structure of my competitors		.679	.292	.121	.256
I actively engage in surveying my customers		.576	.074	.228	.242
I critically analyze past performance and future opportunities and take actions to enhance performance		.527	.349	.191	.202
I have the courage to make commitments that would be considered risky by others		.400	.168	.253	.358
Factor 2: Systems Management	.807				
I successfully select people		.144	.707	.047	.269
My employees can clearly articulate the goals and values of my company		.205	.688	.204	107
I provide training and development to my employees		.119	.669	.123	.292
On average, I tend to work a lot more hours in the business compared to other employees		.073	.608	.299	.164
I value long-term potential over short-term thinking		.383	.520	.221	.144
I encourage my employees to experiment with new ideas and concepts to create innovative approaches		.097	.513	.140	.299
Factor 3: Interpersonal Leadership	.728				
My business cannot survive without me, since I am responsible for producing products and services		044	107	.771	283
I make most of the decisions in the business		018	.296	.672	.055
I project a high degree of self-confidence		.305	.303	.600	.080
I make the effort to react to events as they occur rather than make detailed plans		.161	.034	.539	.146
I am quick to take action without spending a lot of time to find out all the information about the situation		036	.166	.532	.224
I am aware of events occurring outside the company		.291	.190	.517	.394
Factor 4: Self-Leadership	.660				
I solicit critical suggestions to improve my performance		.302	.180	.112	.671
Decisions in the business are based on information from my staff		045	.331	199	.656
I encourage decisions to be made at the lowest level of accurate information		.077	004	.075	.613
When planning, I use information from stakeholders such as customers, suppliers, and employees.		.077	004	.075	.613

Total Variance Explained 53.725%

Table 4. Factor Loadings for Varimax Four-Factor Solution for the Item Entrepreneur Knowledge, Skills, and Attitudes –Extent (continued)

Factors		$\mathbf{f}_1$	$f_2$	$f_3$	$f_4$
Items Removed:	Expected				
	Loading:				
I take the time to plan the path of my business	$f_1$	.453	.614	.099	.100
I have a written business plan	$\mathbf{f}^1$	.541	.413	.075	325
I act as a role model to communicate my values to subordinates	$f^1$	.336	.459	.515	062
I make constant changes to my business plan according to the economy and business	$f^1$	.450	.311	.491	.107
factors					
I exhibit a high degree of technical proficiency in my field	$f^2$	.453	.462	.315	.295
I encourage cooperation and collaboration across functional areas of my business	$f^3$	.490	.172	071	.410
My employees know they should avoid failure in my business at all costs	$f^3$	029	.461	.515	334
I know the return on investment of my advertising campaigns	$\mathrm{f}^4$	.596	.252	.407	261
I know what my gross margins are	$f_4$	.515	.566	435	105
I measure the results of important goal-achieving actions and their impact	$f_4$	.309	.309	.207	.225
I actively seek knowledge about my customers and the market place	$f_4$	.333	.350	.325	.329
N F 1 1 1 40 1 1 1 10					

*Note.* Factor loadings > .40 are in boldface.

### **CHAPTER 4. RESULTS**

This study examined economic success as it pertained to Native American owned businesses located on/or adjacent to North Dakota reservations. More specifically this study sought to explore relationships between the perceived level of importance of knowledge, skills, and attitudes and sustainable business. The previous chapters presented the research questions and developed the foundation and methodology of the research. Chapter four will present the results from two measures: "degree of importance" and "to what extent" of the data collected from the self-administered survey. The "degree of importance scale" measured how important the business owner felt the statement was to the success of the business, and the "to what extent scale" measured how often this statement pertained to the owners business.

The following research questions guided the direction of this study:

- RQ1. How important are knowledge, skills, and attitudes to the sustainability of Native American owned businesses?
- RQ2. To what extent are Native American environmental factors, knowledge, skills, and attitudes significant for emerging verses mature Native American owned businesses?

This correlation research study, by analyzing specific knowledge, skills, and attitudes utilized by successful Native American business owners, determined there was a correlation between knowledge, skills, and attitudes and sustainable business. The research data compiled was analyzed using descriptive, factor analysis, correlations, *t*-tests, and regression analysis.

### **Missing Data**

Prior to testing, the data was inputted into SPSS to examine missing data. The results indicated participants did not fill out 294 items on the survey. This meant of the 23,280 items to

be filled out by the 194 participants, less than one percent of all items were left blank for unknown reasons. Due to the large sample size, the series mean method was chosen as the best method to address the missing data. Using SPSS, the series mean method was used to replace the missing values with the mean for the entire series.

# **Demographics**

The participants who responded to the self-administered survey are described in the following tables. The categories for the demographics included: years of operation, gender, business role, business acquisition, number of employees, revenue size of the firm, educational level and background, and hours worked.

Over one-half of the entrepreneurs (55%) indicated they had been in business for over 7 years (see Table 5). This is significant in the data collected on the level of importance of knowledge skills, and attitudes by entrepreneurs who have been in operation for at least five consecutive years.

Table 5

Demographics: Years of Operation

Years	N	%
1-3	40	21
3-5	22	11
5-7	26	13
7+	106	55

The majority of the participants were male at 75% (see Table 6).

Table 6

Demographics: Gender

Gender	N	%
Female	49	25
Male	145	75

Approximately 52% of the participants held the position of President/CEO of the company, while 36% were sole proprietors (see Table 7). The remaining 12% had partners who were involved with the company.

Table 7

Table 8

Demographics:Business Role

Role	N	%
President/CEO	102	52
Partner	23	12
Sole Proprietor/Principal	69	36

Approximately 71% of the participants personally started their own business, while 16% inherited the business or it was transferred in some other way (see Table 8).

Demographics:Business Acquisition

Acquisition	N	%
Personally started the business	138	71
Purchased the business from someone else	26	13
Inherited the business or it was transferred in some other way	30	16

The majority of the entrepreneurs (67%) had fewer than 20 employees, whereas only 13 indicated they had over 100 employees (see Table 9).

Table 9

Demographics:Number of Employees

Employees	N	%
1-3	58	30
4-20	72	37
21-50	38	20
51-100	11	6
100+	13	7

A higher percentage of the participants had under \$10 million in revenue (93%). The remaining 7% had above the \$10 million dollar revenue (see Table 10).

Table 10

Demographics: Revenue Range

Revenue <\$500K	N 82	% 42
\$500K - \$1M	31	16
\$ 1M-\$10M	67	35
\$ 10M- \$100M	8	5
\$100M+	3	2

Table 11 indicates the educational attainment of the respondents. Of all the participants sampled, only 3% indicated they did not finish high school.

Table 11

Demographics: Level of Education and Background

Education	N	%
Did not finish school	6	3
High school graduate	32	17
Some college	72	37
Some graduate school	16	8
Graduate/professional degree	67	35
Background	N	%
Science, engineering or technical	35	18
Social Science or Humanities	13	7
Business	85	44
Professional (law, health field, social services)	19	10
Other educational background	41	21

Most of the entrepreneurs worked over 50 hours per week (51%). Research by Cornell (2006) attested to this (see Table 12).

Table 12

Demographics: Hours Worked

Hours per week	N	%
10-20	23	12
21-30	9	5
31-40	16	8
41-50	46	24
51-60	52	27
61-70	12	6
70+	35	18

#### **Pearson Correlation for Success Measures**

In Sun's dissertation (2004), he identified sales, profits, and net worth as items which he considered measures of success. To determine whether these items were related to each other or if they were independent from each other, Pearson correlation statistical technique was used to determine the relationship between the items. The correlation matrix was computed using SPSS and the data was assumed to be normally distributed. The test was run to determine whether the items were significantly related, and if so, could they be combined into one dependent variable-success. The correlation analysis indicated that the items were all positively correlated. The correlation analysis of success measures in Table 13 indicated sales growth, net profit and yearly increase of your personal net worth were found to be strongly correlated. Items that were found to be moderately correlated included: (a) I feel satisfied with owning my own business, (b) I consider myself to be successful in my life and the pursuit of my goals, (c) I receive personal gratification working in my field, and (d) I have achieved my own personal happiness and

fulfillment. The item, I enjoy complete independence and control over my life was found to have the weakest correlation.

The relationship between sales growth and I enjoy complete independence and control over my life is much weaker than the relationship between I feel satisfied with owning my own business and I consider myself to be successful in my life and the pursuit of my goals. Meaning if people feel satisfied with owning their own business, chances are there is a higher relationship with them in considering themselves to be successful in their life and in the pursuit of their goals.

Whereas, the weaker relationship between sales growth and net profit, and I enjoy complete independence and control over my life would mean sales growth and net profit do not necessarily mean that I enjoy complete independence and control over my life. They are not as closely related as the previous experience.

Table 13

Pearson Product Moment Correlations for Success Measures

	1	2	3	4	5	6	7	8
Sales growth		.626**	.676**	.428**	.363**	.579**	.488**	.502**
Net profit	.626**		.718**	.371**	.324**	.558**	.527**	.487**
Yearly increase of your personal net worth.	.676**	.718**		.548**	.445**	.694**	.577**	.568**
I have achieved my own personal happiness and fulfillment.	.428**	.371**	.548**		.628**	.631**	.666**	.644**
I enjoy complete independence and control over my life.	.363**	.324**	.445**	.628**		.608**	.561**	.680**
I feel satisfied with owning my own business.	.579**	.558**	.694**	.631**	.608**		.773**	.802**
I receive personal gratification working in my field.	.488**	.527**	.577**	.666**	.561**	.773**		.756**
I consider myself to be successful in my life and the pursuit of my goals.	.502**	.487**	.568**	.644**	.680**	.802**	.756**	

*Note.* N = 194.

<sup>\*\*</sup>p < .01, two-tailed.

#### **Factor Analysis-Success Measures**

Since the test indicated the items were significantly correlated, the next step was to run a factor analysis to find out if all of these items loaded on a single factor (see Table 14). A factor analysis was run to determine whether the eight items would load on a single factor or if there were additional factors they would load to. It was also run to determine whether a single factor could be created for these items. Principal component analysis with Varimax rotation was performed using SPSS to determine the relationship of the items to each other. Communality values were well-defined by this factor analysis, with all variables exceeding .40. The total analysis explained a total of 63.615% of the variance for the entire set of variables. The variables account for 64% of all the variance in all the answers respondents provided which would indicate there could be a single factor called **success**.

Table 14

Factor Loadings from Principal Component Factor Analysis: Communalities, Eigenvalues, and Percentages of Variance for Items for Success

1 ereemages of variance for news for success	Factor	
Item	loading	Communality
I feel satisfied with owning my own business.	.895	.802
I consider myself to be successful in my life and the pursuit of my goals.	.862	.743
I receive personal gratification working in my field.	.848	.719
Yearly increase of your personal net worth.	.819	.671
I have achieved my own personal happiness and fulfillment.	.773	.598
Sales growth	.724	.524
I enjoy complete independence and control over my life.	.722	.521
Net profit	.716	.513
Eigenvalue	5.089	
% of variance	63.615	

In calculating the reliability analysis, the Cronbach's *alpha* was .915 indicating the items were very reliable. Based on the results of the correlation analysis, factor analysis, and the Cronbach *alpha*, the items considered measures of success can be combined together into one dependent variable called **success**. The scores ranged from 8-40 in the dataset.

### **Research Question 1: How Important Are the Items to the Business?**

To get a general picture and pattern of responses and to determine how responses compared to each other, descriptive analysis was conducted for each factor: environmental factors, planning and organization, self-leadership, interpersonal leadership, and systems management. Respondents were given a set of items to determine **how important** the business owner felt the statement was to the success of their business. Using SPSS software, data from these responses were used to compute measures of central tendency and variability of responses to each factor. Mean and standard deviation values were then extracted and tabulated.

Data from the responses to the **environmental factor** items are shown in Table 15 and Table 16. Of the total respondents, 84% indicated it was important or very important (M = 4.363; SD = 1.049) to encourage the development of Native American owned private businesses that are not tribally owned (EFQ1); 76% indicated it was important or very important (M = 3.995; SD = 1.227) to support partnerships between tribal governments, tribal colleges, business development centers, business owners, and tribal members to help business owners in their business development efforts (EFQ14); 70% indicated it was important or very important (M = 3.979; SD = 1.142) to build trust and cooperate with Native American entrepreneurs (EFQ8); 66% indicated it was important or very important (M = 3.649; SD = 1.118) to establish collaborative relations between K-12 schools, business owners, and community members to optimize and enhance technology skills (EFQ15); and 66% indicated it was important or very

important (M = 3.583; SD = 1.347) to encourage adopting uniform commercial codes to set procedures and protocols to ease investor anxiety about supporting business in Indian country (EFQ7).

On the other hand, only 32% indicated it was important or very important (M = 2.702; SD = 1.335) for the business to hosts conferences or summits to exchange ideas about economic development opportunities (EFQ6); 32% of all respondents indicated it was important or very important (M = 2.865; SD = 1.308) to convene groups or committees to determine what kind of cultural property is appropriate for sale or public access (EFQ3); 43% indicated it was important or very important (M = 3.011; SD = 1.225) to set up mentoring programs among various tribal business owners to provide computer support such as Web site development, Internet sales, trademark or copyright protection (EFQ17); and 49% indicated it was important or very important (M = 3.220; SD = 1.297) to establish a way for local business owners to work together to lower insurance and marketing costs (EFQ11).

Therefore, based on percentages, means and standard deviation values, respondents indicated the **environmental factor** items they felt were **important** or **very important** to the success of the business were: encourage the development of Native American owned private businesses that are not tribally owned (EFQ1); support partnerships between tribal governments, tribal colleges, business development centers, business owners, and tribal members to help business owners in their business development efforts (EFQ14); build trust and cooperate with Native American entrepreneurs (EFQ8); to establish collaborative relations between K-12 schools, business owners, and community members to optimize and enhance technology skills (EFQ15); and to encourage adopting uniform commercial codes to set procedures and protocols to ease investor anxiety about supporting business in Indian country (EFQ7).

The **environmental factor** items the respondents felt were **least important** to the success of the business were: for a business to hosts conferences or summits to exchange ideas about economic development opportunities (EFQ6); convene groups or committees to determine what kind of cultural property is appropriate for sale or public access (EFQ3); to set up mentoring programs among various tribal business owners to provide computer support such as Web site development, Internet sales, trademark or copyright protection (EFQ17); and to establish a way for local business owners to work together to lower insurance and marketing costs (EFQ11).

Table 15

Frequency Statistics-Environmental Factors-Importance

VU = Very unimportant; U = Unimportant; NUI = Neither unimportant nor important;						
I = Important; VI = Very impo	rtant; $N = Sa$	ample Size				
Environmental Factors	VU	U	NUI	I	VI	N
I encourage the development of Native American owned private businesses that are not tribally owned (EFQ1).	7 (3.6%)	9 (4.6%)	15 (7.7%)	39 (20.2%)	124 (63.9%)	194
I support partnerships between tribal governments, tribal colleges, business development centers, business owners, and tribal members to help business owners in their business development efforts (EFQ14).	18 (9.3%)	5 (2.6%)	23 (11.9%)	62 (31.9%)	86 (44.3%)	194
I build trust and cooperate with Native American entrepreneurs (EFQ8).	14 (7.2%)	0	44 (22.7%)	54 (27.8%)	82 (42.3%)	194
I meet with Native American business owners to share goals, visions, and concerns (EFQ2).	11 (5.7%)	16 (8.2%)	56 (28.9%)	51 (26.3%)	60 (30.9%)	194

 $Table\ 15.\ Frequency\ Statistics\text{-}Environmental\ Factors\text{-}Importance\ (continued)$ 

VU = Very unimportant; U = Unimportant; NUI = Neither unimportant nor important; I = Important; VI = Very important; N = Sample Size						
Environmental Factors I involve tribal community members and advocates in planning and decisions that support Native American business owners (EFQ4).	VU 24 (12.4%)	UN 9 (4.6%)	UI 38 (19.6%)	I 62 (32%)	VI 61 (31.4%)	N 194
I establish collaborative relations between local K-12 schools, business owners, and community members to optimize and enhance technology skills (EFQ15).	15 (7.7%)	12 (6.2%)	40 (20.6%)	85 (43.9%)	42 (21.6%)	194
I encourage adopting uniform commercial codes to set procedures and protocols to ease investor anxiety about supporting business in Indian country (EFQ7).	27 (13.9%)	15 (7.7%)	25 (12.9%)	71 (36.6%)	56 (28.9%)	194
I provide business support that addresses issues such as tax assistance, marketing, budgeting, insurance, credit and business planning (EFQ9).	20 (10.3%)	19 (9.8%)	42 (21.6%)	59 (30.5%)	54 (27.8%)	194
I bring Native American entrepreneurs and tribal leaders together to learn about political barriers facing business owners and what tribal leaders can do to remove them (EFQ5).	23 (11.9%)	17 (8.8%)	44 (22.7%)	57 (29.3%)	53 (27.3%)	194
I facilitate cooperation between local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and creative business plans (EFQ12).	27 (13.9%)	6 (3.1%)	44 (22.7%)	82 (42.3%)	35 (18.0%)	194

 $Table\ 15.\ Frequency\ Statistics\text{-}Environmental\ Factors\text{-}Importance\ (continued)$ 

VU = Very unimportant; U = Unimportant; NUI = Neither unimportant nor important; I = Important; VI = Very important; N = Sample Size						
Environmental Factors	VU	UN	UI	I	VI	N
I situate technology within overall nation-building goals as one tool to improve economic development on tribal lands (EFQ13).	21 (10.8%)	13 (6.7%)	56 (28.9%)	71 (36.6%)	33 (17.0%)	194
I coordinate cooperation between lending institutions, foundations, private companies, and federal agencies to establish a community revolving loan fund or small business loan program (EFQ10)	25 (12.9%)	21 (10.8%)	48 (24.7%)	50 (25.8%)	50 (25.8%)	194
I form committees or groups to establish an enforceable copyright or trademark registration system to protect Native American business owners from unlawful Internet reproducing of tribal intellectual property (EFQ16).	26 (13.4%)	16 (8.2%)	76 (39.3%)	42 (21.6%)	34 (17.5%)	194
I establish a way for local business owners to work together to lower insurance and marketing costs. (EFQ11).	29 (14.9%)	27 (13.9%)	43 (22.2%)	63 (32.5%)	32 (16.5%)	194
I set up mentoring programs among various tribal business owners to provide computer support such as Web site development, Internet sales, trademark or copyright protection (EFQ17).	39 (20.1%)	15 (7.7%)	57 (29.4%)	71 (36.6%)	12 (6.2%)	194
I convene groups or committees to determine what kind of cultural property is appropriate for sale or public access (EFQ3).	43 (22.2%)	26 (13.4%)	64 (32.9%)	36 (18.6%)	25 (12.9%)	194
My business hosts conferences or summits to exchange ideas about economic development opportunities (EFQ6).	52 (26.8%)	34 (17.5%)	46 (23.7%)	43 (22.2%)	19 (9.8%)	194

Table 16

Descriptive Statistics for Environmental Factors-Importance

Item	N	M	SD
I encourage the development of Native American owned private businesses that are not tribally owned (EFQ1).	194	4.363	1.0496
I support partnerships between tribal governments, tribal colleges, business development centers, business owners, and tribal members to help business owners in their business development efforts (EFQ14).	194	3.995	1.2279
I build trust and cooperate with Native American entrepreneurs (EFQ8).	194	3.979	1.1425
I meet with Native American business owners to share goals, visions, and concerns (EFQ2).	194	3.686	1.1603
I involve tribal community members and advocates in planning and decisions that support Native American business owners (EFQ4).	194	3.651	1.3029
I establish collaborative relations between local K-12 schools, business owners, and community members to optimize and enhance technology skills (EFQ15).	194	3.649	1.1186
I encourage adopting uniform commercial codes to set procedures and protocols to ease investor anxiety about supporting business in Indian country (EFQ7).	194	3.583	1.3479
I provide business support that addresses issues such as tax assistance, marketing, budgeting, insurance, credit and business planning (EFQ9).	194	3.547	1.2736
I bring Native American entrepreneurs and tribal leaders together to learn about political barriers facing business owners and what tribal leaders can do to remove them (EFQ5).	194	3.513	1.3001
I facilitate cooperation between local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and creative business plans (EFQ12).	194	3.457	1.2272
I situate technology within overall nation-building goals as one tool to improve economic development on tribal lands (EFQ13).	194	3.434	1.1705
I coordinate cooperation between lending institutions, foundations, private companies, and federal agencies to establish a community revolving loan fund or small business loan program (EFQ10).	194	3.414	1.3240

Table 16. Descriptive Statistics for Environmental Factors-Importance (continued)

Item	N	M	SD
I establish a way for local business owners to work together to lower	194	3.220	1.2972
insurance and marketing costs (EFQ11). I set up mentoring programs among various tribal business owners to provide computer support such as Web site development, Internet sales, trademark or copyright protection (EFQ17).	194	3.011	1.2258
I convene groups or committees to determine what kind of cultural property is appropriate for sale or public access (EFQ3).	194	2.865	1.3086
My business hosts conferences or summits to exchange ideas about economic development opportunities (EFQ6).	194	2.702	1.3350

Data from the responses to the **planning and organization** items are shown in Table 17 and Table 18. Of the total respondents, 91% indicated it was important or very important (M = 4.510; SD = .7769) to take time to plan the path of the business (POQ18); 88% indicated it was important or very important (M = 4.473; SD = .7229) to act as a role model to communicate my values to subordinates (POQ23); 89% indicated it was important or very important (M = 4.445; SD = .8492) to work a lot more hours in the business compared to other employees (POQ21); 91% indicated it was important or very important (M = 4.389; SD = .7681) to be aware of events occurring outside the company (POQ25); and 88% indicated it was important or very important (M = 4.326; SD = .8770) to value long-term potential over short-term thinking (POQ20).

On the other hand, 60% of all respondents indicated it was important or very important (M = 3.518; SD = 1.164) to make the effort to react to events as they occur rather than make detailed plans (POQ24).

Therefore, based on percentages, means and standard deviation values, respondents indicated the **planning and organization** items they felt were **important or very important** to the success of the business were: take time to plan the path of the business (POQ18); act as a role model to communicate my values to subordinates (POQ23); work a lot more hours in the

business compared to other employees (POQ21); be aware of events occurring outside the company (POQ25); and value long-term potential over short-term thinking (POQ20).

The **planning and organization** item the respondents felt was **least important** to the success of the business was: to make the effort to react to events as they occur rather than make detailed plans (POQ24).

Table 17

Frequency Statistics-Planning and Organization-Importance

VU = Very unimportant; U = Unimportant; NUI = Neither unimportant nor important;

I = Important; VI = Very important; N = Sample Size

Planning and Organization	VU	U	NUI	I	VI	N
I take time to plan the path of my business (POQ18).	3 (1.5%)	1 (.5%)	13 (6.7%)	54 (27.9%)	123 (63.4%)	194
I act as a role model to communicate my values to subordinates (POQ23).	0	2 (1.0%)	21 (10.8%)	51 (26.3%)	120 (61.9%)	194
On average, I tend to work a lot more hours in the business compared to other employees (POQ21).	3 (1.5%)	5 (2.6%)	13 (6.7%)	56 (28.9%)	117 (60.3%)	194
I am aware of events occurring outside the company (POQ25).	0	8 (4.1%)	10 (5.2%)	75 (38.6%)	101 (52.1%)	194
I value long-term potential over short-term thinking (POQ20).	3 (1.5%)	7 (3.6%)	14 (7.2%)	70 (36.2%)	100 (51.5%)	194
When planning, I use information from stakeholders such as customers, suppliers, and employees (POQ26).	0	15 (7.7%)	19 (9.8%)	65 (33.5%)	95 (49.0%)	194
I make constant changes to my business plan according to the economy and business factors (POQ27).	5 (2.6%)	11 (5.7%)	19 (9.8%)	59 (30.4%)	100 (51.5%)	194
My employees can clearly articulate the goals and values of my company (POQ19).	5 (2.6%)	9 (4.6%)	23 (11.9%)	60 (30.9%)	97 (50.0%)	194

Table 17. Frequency Statistics-Planning and Organization-Importance (continued)

VU = Very unimportant; U = Unimportant; NUI = Neither unimportant nor important; I = Important; VI = Very important; N = Sample SizePlanning and Organization NUI VI N VU I have a written business plan 11 (5.7%) 5 (2.6%) 32 (16.5%) 54 (27.8%) 92 (47.4%) 194 (POQ22). I make the effort to react to events 21 (10.8%) 8 (4.1%) 49 (25.3%) 80 (41.2%) 36 (18.6%) 194

as they occur rather than make detailed plans (POQ24).

Table 18

Descriptive Statistics for Planning and Organization-Importance

Item	N	M	SD
I take time to plan the path of my business (POQ18).	194	4.510	.7769
I act as a role model to communicate my values to subordinates (POQ23).	194	4.473	.7229
On average, I tend to work a lot more hours in the business compared to other employees (POQ21).	194	4.445	.8492
I am aware of events occurring outside the company (POQ25).	194	4.389	.7681
I value long-term potential over short-term thinking (POQ20).	194	4.326	.8770
When planning, I use information from stakeholders such as customers, suppliers, and employees (POQ26).	194	4.240	.9189
I make constant changes to my business plan according to the economy and business factors (POQ27).	194	4.229	1.0127
My employees can clearly articulate the goals and values of my company (POQ19).	194	4.217	.9977
I have a written business plan (POQ22).	194	4.089	1.1186
I make the effort to react to events as they occur rather than make detailed plans (POQ24).	194	3.518	1.1644

**Self-leadership** item responses are shown in Table 18 and Table 19. Of the total respondents, 88% indicated it was important or very important (M = 4.289; SD = .8202) to project a high degree of self-confidence (SLQ32); 85% indicated it was important or very

important (M = 4.268; SD = .9107) to exhibit a high degree of technical proficiency in the field (SLQ28); and 82% indicated it was important or very important (M = 4.147; SD = .8391) to solicit critical suggestions to improve performance (SLQ33)

On the other hand, 52% of all respondents indicated it was important or very important (M = 3.440; SD = 1.1862) to be quick to take action without spending a lot of time to find out all the information about the situation (SLQ30).

Therefore, based on percentages, means and standard deviation values, respondents felt the **self-leadership** items which were **important** or **very important** to the success of the business were: project a high degree of self-confidence (SLQ32); exhibit a high degree of technical proficiency in the field (SLQ28); and solicit critical suggestions to improve performance (SLQ33).

Table 19

Frequency Statistics-Self-Leadership-Importance

VU = Very unimportant; U = Uni	mportant; NU	$I = Neither \iota$	ınimportant n	or important;		
I = Important; VI = Very important	nt; N = Sampl	e Size				
Self-Leadership	VU	U	NUI	I	VI	N
I project a high degree of self-confidence (SLQ32).	3 (1.5%)	3 (1.5%)	18 (9.3%)	81 (41.8%)	89 (45.9%)	194
I exhibit a high degree of technical proficiency in my field (SLQ28).	3 (1.5%)	8 (4.1%)	19 (9.8%)	68 (35.1%)	96 (49.5%)	194
I solicit critical suggestions to improve my performance (SLQ33).	3 (1.5%)	3 (1.5%)	29 (14.9%)	87 (45%)	72 (37.1%)	194
I have the courage to make commitments that would be considered risky by others (SLQ29).	5 (2.6%)	6 (3.1%)	43 (22.2%)	75 (38.6%)	65 (33.5%)	194
My business cannot survive without me, since I am responsible for producing products and services (SLQ31).	24 (12.4%)	13 (6.7%)	37 (19.1%)	60 (30.9%)	60 (30.9%)	194
I am quick to take action without spending a lot of time to find out all the information about the situation (SLQ30).	21 (10.8%)	11 (5.7%)	62 (31.9%)	62 (32.0%)	38 (19.6%)	194

Table 20

Descriptive Statistics for Self-Leadership-Importance

Item	N	M	SD
I project a high degree of self-confidence (SLQ32).	194	4.289	.8202
I exhibit a high degree of technical proficiency in my field (SLQ28).	194	4.268	.9107
I solicit critical suggestions to improve my performance (SLQ33).	194	4.147	.8391
I have the courage to make commitments that would be considered risky by others (SLQ29).	194	3.974	.9573
My business cannot survive without me, since I am responsible for producing products and services (SLQ31).	194	3.611	1.3192
I am quick to take action without spending a lot of time to find out all the information about the situation (SLQ30).	194	3.440	1.1862

**Interpersonal leadership** item responses are shown in Table 20 and Table 21. Of the total respondents, 88% indicated it was important or very important (M = 4.432; SD = .7502) to encourage cooperation and collaboration across functional areas of the business (ILQ36); 86% indicated it was important or very important (M = 4.340; SD = .9224) to provide training and development to the employees (ILQ39); and 85% indicated it was important or very important (M = 4.222; SD = 1.0268) to make most of the decisions in the business (ILQ34).

On the other hand, 53% of all respondents indicated it was important or very important (M = 3.565; SD = 1.0101) to encourage decisions to be made at the lowest level of accurate information (ILQ35).

Based on percentages, means and standard deviation values, respondents felt the **interpersonal leadership** items which were **important or very important** to the success of the business were: encourage cooperation and collaboration across functional areas of the business ILQ36); provide training and development to the employees (ILQ39); and make most of the decisions in the business (ILQ34).

Table 21

Frequency Statistics-Interpersonal Leadership-Importance

 $\overline{VU} = Very unimportant; U = Unimportant; NUI = Neither unimportant nor important; I = Important; VI = Very important; <math>N = Sample Size$ 

Interpersonal Leadership	VU	U	NUI	I	VI	N
I encourage cooperation and collaboration across functional areas of my business (ILQ36).	0	4 (2.1%)	19 (9.8%)	62 (31.9%)	109 (56.2%)	194
I provide training and development to my employees (ILQ39).	6 (3.1%)	2 (1.0%)	19 (9.8%)	62 (32%)	105 (54.1%)	194
I make most of the decisions in the business (ILQ34).	9 (4.6%)	5 (2.6%)	16 (8.2%)	68 (35.1%)	96 (49.5%)	194
I successfully select people (ILQ40).	9 (4.6%)	6 (3.1%)	16 (8.2%)	85 (43.9%)	78 (40.2%)	194
I encourage my employees to experiment with new ideas and concepts to create innovative approaches (ILQ37).	6 (3.1%)	10 (5.2%)	24 (12.4%)	83 (42.7%)	71 (36.6%)	194
Decisions in the business are based on information from my staff (ILQ41).	8 (4.1%)	8 (4.1%)	23 (11.9%)	110 (56.7%)	45 (23.2%)	194
My employees know they should avoid failure in my business at all costs (ILQ38).	29 (14.9%)	0	40 (20.6%)	57 (29.4%)	68 (35.1%)	194
I encourage decisions to be made at the lowest level of accurate information (ILQ35).	6 (3.1%)	18 (9.3%)	68 (35.1%)	63 (32.4%)	39 (20.1%)	194

Descriptive Statistics for Interpersonal Leadership-Importance

Table 22

	Item	N	М	SD
I encourage cooperation and collabusiness (ILQ36).	aboration across functional areas of my	194	4.432	.7502
I provide training and developme	nt to my employees (ILQ39).	194	4.340	.9224
I make most of the decisions in the	ne business (ILQ34).	194	4.222	1.0268
I successfully select people (ILQ4	40).	194	4.124	1.0081

Table 22. Descriptive Statistics for Interpersonal Leadership-Importance (continued)

Item	N	M	SD
I encourage my employees to experiment with new ideas and concepts to create innovative approaches ((ILQ37).	194	4.048	.9885
Decisions in the business are based on information from my staff (ILQ41).	194	3.904	.9393
My employees know they should avoid failure in my business at all costs (ILQ38).	194	3.688	1.3478
I encourage decisions to be made at the lowest level of accurate information (ILQ35).	194	3.565	1.0101

Data from the responses to the **systems management** items are shown in Table 23 and Table 24. Of the total respondents, 86% indicated it was important or very important (M = 4.285; SD = .9852) to understand how financial statements depict the business( SYMQ48); 83% indicated it was important or very important (M = 4.269; SD = .9048) to be aware of the product/services and pricing structure of competitors (SYMQ44); 83% indicated it was important or very important (M = 4.262; SD = .9244) to know what the business's gross margins (SYMQ46) and 84% indicated it was important or very important (M = 4.167; SD = 1.0197) to critically analyze past performance and future opportunities and take actions to enhance performance (SYMQ50).

On the other hand, a total of 70% respondents indicated it was important or very important (M = 3.771; SD = 1.0329) to be actively involved in market analysis (SYMQ51).

Based on percentages, means and standard deviation values, respondents indicated the **systems management** items they felt were **important or very important** to the success of the business were: understand how financial statements depict the business (SYMQ48); be aware of the product/services and pricing structure of my competitors (SYMQ44); know what the

business's gross margins are (SYMQ46); and critically analyze past performance and future opportunities and take actions to enhance performance (SYMQ50).

The **systems management** item the respondents felt was **least important** to the success of the business was: to be actively involved in market analysis (SYMQ51).

Table 23

Frequency Statistics-Systems Management-Importance

VU = Very unimportant; U = Unimportant; NUI = Neither unimportant nor important;

I = Important; VI = Very important; N = Sample Size

Systems Management	VU	U	NUI	I	VI	N
I understand how financial statements depict my business (SYMQ48).	8 (4.1%)	3 (1.5%)	17 (8.8%)	64 (33%)	102 (52.6%)	194
I am aware of the product/services and pricing structure of my competitors (SYMQ44).	3 (1.5%)	6 (3.1%)	24 (12.4%)	64 (33%)	97 (50.0%)	194
I know what my gross margins are (SYMQ46).	6 (3.1%)	0	28 (14.4%)	64 (33%)	96 (49.5%)	194
I critically analyze past performance and future opportunities and take actions to enhance performance (SYMQ50).	11 (5.7%)	0	21 (10.8%)	76 (39.2%)	86 (44.3%)	194
I actively seek knowledge about my customers and the market place (SYMQ43).	6 (3.1%)	5 (2.6%)	27 (13.9%)	72 (37.1%)	84 (43.3%)	194
I am aware of external economic events (SYMQ49).	5 (2.6%)	3 (1.5%)	22 (11.3%)	96 (49.5%)	68 (35.1%)	194
To keep updated with technology and information, I participate in learning activities through seminars, workshops, tradeshows, and/or talking with suppliers (SYMQ47).	11 (5.7%)	11 (5.7%)	29 (14.9%)	71 (36.6%)	72 (37.1%)	194
I measure the results of important goal-achieving actions and their impact (SYMQ42)	9 (4.6%)	0	43 (22.2%)	92 (47.4%)	50 (25.8%)	194

Table 23. Frequency Statistics-Systems Management-Importance (continued)

I know the return on 7 (3.6%) 8 (4.1%) 56 (28.9%) 62 (32%) 61 (31.4%) 194 investment of my advertising campaigns (SYMQ45).

I am actively involved in market analysis (SYMQ51). 11 (5.7%) 8 (4.1%) 40 (20.6%) 90 (46.4%) 45 (23.2%) 194

Table 24

Descriptive Statistics for Systems Management-Importance

Item	N	М	SD
I understand how financial statements depict my business (SYMQ48).	194	4.285	.9852
I am aware of the product/services and pricing structure of my competitors (SYMQ44)	194	4.269	.9048
I know what my gross margins are (SYMQ46)	194	4.262	.9244
I critically analyze past performance and future opportunities and take actions to enhance performance (SYMQ50).	194	4.167	1.0197
I actively seek knowledge about my customers and the market place (SYMQ43).	194	4.150	.9675
I am aware of external economic events (SYMQ49).	194	4.131	.8630
To keep updated with technology and information, I participate in learning activities through seminars, workshops, tradeshows, and/or talking with suppliers (SYMQ47).	194	3.937	1.1226
I measure the results of important goal-achieving actions and their impact (SYMQ42).	194	3.895	.9438
I actively engage in surveying my customers (SYMQ52).	194	3.854	1.1009
I know the return on investment of my advertising campaigns (SYMQ45).	194	3.832	1.0347
I am actively involved in market analysis (SYMQ51).	194	3.771	1.0329

# **Pearson Correlation for Environmental Factors-Importance**

Using the first measure of "degree of importance", to determine whether the 17 environmental factors were related to each other or if they were independent from each other, Pearson correlation analysis was computed using SPSS. The test was run to determine whether the items were significantly related, and if so, could they be combined into one independent variable-environmental factors-importance.

The correlation analysis of environmental factors in Table 25 indicated the items were all positively correlated. The correlation analysis of environmental factors-importance indicated the relationships ranged from weak to strong correlations. The items found to have the strongest correlation included: (a) I meet with Native American business owners to share goals, visions, and concerns, (b) I build trust and cooperate with Native American entrepreneurs, and (c) I facilitate cooperation between local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and create business plans. Two items were found to have the weakest correlation: (a) I convene groups or committees to determine what kind of cultural property is appropriate for sale or public access and (b) my business hosts conferences or summits to exchange ideas about economic development opportunities. The remaining items were found to be moderately correlated.

The relationship between I encourage the development of Native American owned private businesses that are not tribally owned and I convene groups or committees to determine what kind of cultural property is appropriate for sale or public access, along with my business hosts conferences or summits to exchange ideas about economic development opportunities is much weaker than the relationship between I coordinate cooperation between lending institutions, foundations, private companies, and federal agencies to establish a community

revolving loan fund or small business loan program and I establish a way for local business owners to work together to lower insurance and marketing costs. Meaning if business owners coordinate working together with lending institutions to establish a community revolving loan fund or small business loan program, chances are there is a greater relationship with them in establishing a way for local business owners to lower insurance and marketing costs.

Whereas, the weaker relationship between I encourage the development of Native American owned private businesses that are not tribally owned and my business hosts conferences or summits to exchange ideas about economic development opportunities would mean although I encourage the development of Native American owned private businesses that are not tribally owned it does not necessarily mean that my business hosts conferences or summits to exchange ideas about economic development opportunities. They are not as closely related as the previous experience. Although I may encourage the development of Native American owned private businesses, it does not mean that the business would host conferences to promote this.

Overall, there was a strong positive correlation between I facilitate cooperation between local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and create business plans and I situate technology within overall nation-building goals as one tool to improve economic development on tribal lands. If owners work with local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and creative business plans chances are there is a greater relationship with them in situating technology within overall nation-building goals as one tool to improve economic development on tribal lands.

Table 25

Pearson Product Moment Correlations for Environmental Factors-Importance 12 13 14 15 11 16 17 .510\*\* .303\*\* 265\*\* .150\* .427\*\* .448\*\* .374\*\* 393\*\* 299\*\* .376\*\* EFO1 .170\* .361\*\* .396\*\* .356\*\* .349\*\* 364\*\* .290\*\* EFQ2 510\*\* .460\*\* .487\*\* .573\*\* .402\*\* .483\*\* .448\*\* .606\*\* .526\*\* .545\*\* .556\*\* .516\*\* .501\*\* .401\*\* .647\*\* EFO3 .170\* .460\*\* .436\*\* .607\*\* .628\*\* .453\*\* .493\*\* .501\*\* .588\*\* .634\*\* .487\*\* .452\*\* .291\*\* .426\*\* .305\*\* .427\*\* .487\*\* EFO4 303\*\* .436\*\* .627\*\* .446\*\* .493\*\* .449\*\* .600\*\* .596\*\* .599\*\* .600\*\* .512\*\* .526\*\* .450\*\* .429\*\* .612\*\* EFQ5 .265\*\* .573\*\* .607\*\* .627\*\* .675\*\* .579\*\* .473\*\* .690\*\* .632\*\* .604\*\* .558\*\* .550\*\* .425\*\* .437\*\* .474\*\* .608\*\* .400\*\* EFO6 .150\* .402\*\* .628\*\* .446\*\* .675\*\* .552\*\* .316\*\* .521\*\* .664\*\* .706\*\* .511\*\* .542\*\* .266\*\* .532\*\* .604\*\* .552\*\* EFQ7 .361\*\* .483\*\* .453\*\* .493\*\* .579\*\* .314\*\* .576\*\* .674\*\* .542\*\* .600\*\* .541\*\* .475\*\* .585\*\* .559\*\* .538\*\* .450\*\* .425\*\* EFQ8 .427\*\* .448\*\* .493\*\* .449\*\* .473\*\* .316\*\* .344\*\* .578\*\* .571\*\* .574\*\* .410\*\* .403\*\* .307\*\* .403\*\* EFO9 .396\*\* .606\*\* .501\*\* .600\*\* .690\*\* .521\*\* .576\*\* .578\*\* .727\*\* .723\*\* .744\*\* .633\*\* .588\*\* .461\*\* .490\*\* .627\*\* EFO10 .356\*\* .526\*\* .588\*\* .596\*\* .632\*\* .664\*\* .624\*\* .450\*\* .727\*\* .835\*\* .780\*\* .693\*\* .529\*\* .570\*\* .518\*\* .680\*\* .545\*\* .571\*\* .835\*\* .519\*\* EFO11 .349\*\* .634\*\* .599\*\* .604\*\* .706\*\* .542\*\* .723\*\* .711\*\* .662\*\* .438\*\* .492\*\* .666\*\* .448\*\* .556\*\* .487\*\* .600\*\* .588\*\* .511\*\* .600\*\* .574\*\* .744\*\* .780\*\* .711\*\* .821\*\* .629\*\* .680\*\* .701\*\* EFO12 .566\*\* .512\*\* .542\*\* .662\*\* .821\*\* .622\*\* EFO13 .374\*\* .516\*\* .452\*\* .550\*\* .541\*\* .410\*\* .633\*\* .693\*\* .581\*\* .593\*\* .726\*\* .393\*\* .501\*\* .291\*\* .526\*\* .425\*\* .266\*\* .475\*\* .403\*\* .588\*\* .529\*\* .438\*\* .629\*\* .581\*\* .424\*\* .483\*\* .413\*\* EFO14 EFO15 .364\*\* .290\*\* .426\*\* .450\*\* .437\*\* .400\*\* .585\*\* .425\*\* .461\*\* .570\*\* .519\*\* .680\*\* .622\*\* .424\*\* .484\*\* .503\*\* EFO16 .299\*\* .401\*\* .305\*\* .429\*\* .474\*\* .532\*\* .559\*\* .307\*\* .490\*\* .518\*\* .492\*\* .566\*\* .593\*\* .483\*\* .484\*\* .486\*\*

83

EFO17 .376\*\*

.647\*\*

.427\*\*

.612\*\*

.608\*\*

.604\*\*

.538\*\*

.403\*\*

.627\*\*

.680\*\*

.606\*\*

.701\*\*

.726\*\*

.413\*\*

.503\*\*

.486\*\*

# Table 25. Pearson Product Moment Correlations for Environmental Factors-Importance (continued)

- *Note*. N = 194
- EFQ1 = I encourage the development of Native American owned private businesses that are not tribally owned
- EFQ2 = I meet with Native American business owners to share goals, visions, and concerns
- EFQ3 = I convene groups or committees to determine what kind of cultural property is appropriate for sale or public access
- EFQ4 = I involve tribal community members and advocates in planning and decisions that support Native American business owners
- EFQ5 = I bring Native American entrepreneurs and tribal leaders together to learn about political barriers facing business owners and what tribal leaders can do to remove them
- EFQ6 = My business hosts conferences or summits to exchange ideas about economic development opportunities
- EFQ7 = I encourage adopting uniform commercial codes to set procedures and protocols to ease investor anxiety about supporting business in Indian country
- EFQ8 = I build trust and cooperate with Native American entrepreneurs
- EFQ9 = I provide business support that addresses issues such as tax assistance, marketing, budgeting, insurance, credit and business planning
- EFQ10 = I coordinate cooperation between lending institutions, foundations, private companies, and federal agencies to establish a community revolving loan fund or small business loan program
- EFQ11 = I establish a way for local business owners to work together to lower insurance and marketing costs
  - EFQ12 = I facilitate cooperation between local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and creative business plans
  - EFQ13 = I situate technology within overall nation-building goals as one tool to improve economic development on tribal lands
  - EFQ14 = I support partnerships between tribal governments, tribal colleges, business development centers, business owners, and tribal members to help business owners in their business development efforts
  - EFQ15 = I establish collaborative relations between local K-12 schools, business owners, and community members to optimize and enhance technology skills
  - EFQ16 = I form committees or groups to establish an enforceable copyright or trademark registration system to protect Native American business owners from unlawful Internet reproducing of tribal intellectual property
  - EFQ17 = I set up mentoring programs among various tribal business owners to provide computer support such as Web site development, Internet sales, trademark or copyright protection
  - \* p < .05, two-tailed. \*\*p < .01, two-tailed.

#### **Factor Analysis-Environmental Factors-Importance**

The next step was to run a factor analysis since the items indicated a strong correlation among the items. A factor analysis was run to determine whether the 17 items would load on a single factor or if there were additional factors they would load to. It was also run to determine whether a single factor could be created for these items. This was done by conducting Varimax rotation in SPSS. Table 26 indicates items 1-17 all loaded at a level greater than .4 which is an acceptable level of loading. Communality values were well-defined by this factor analysis, with all variables exceeding .40 with an exception of one which had a small amount of variance of 25%. Meaning it had very little in common with the other variables in the analysis. The total analysis explained a total of 55.422% of the variance for the entire set of variables. The variables account for 55% of the variance in all the answers respondents provided which would indicate there could be a single factor called Native American environment-importance.

Factor Loadings from Principal Component Factor Analysis: Communalities, Eigenvalues, and Percentages of Variance for Items for Native American Environment-Importance

Table 26

	Factor	
Item	loading	Communality
I facilitate cooperation between local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and creative business plans.	.880	.775
I coordinate cooperation between lending institutions, foundations, private companies, and federal agencies to establish a community revolving loan fund or small business loan program.	.867	.752
I establish a way for local business owners to work together to lower insurance and marketing costs.	.851	.724
I provide business support that addresses issues such as tax assistance, marketing, budgeting, insurance, credit and business planning.	.838	.702

Table 26. Factor Loadings from Principal Component Factor Analysis: Communalities, Eigenvalues, and Percentages of Variance for Items for Native American Environment-Importance (continued)

Item	Factor loading	Communality
I situate technology within overall nation-building goals as one tool to improve economic development on tribal lands.	.821	.674
I set up mentoring programs among various tribal business owners to provide computer support such as Web site development, Internet sales, trademark or copyright protection.	.804	.647
I bring Native American entrepreneurs and tribal leaders together to learn about political barriers facing business owners and what tribal leaders can do to remove them.	.784	.615
I encourage adopting uniform commercial codes to set procedures and protocols to ease investor anxiety about supporting business in Indian country.	.739	.546
I involve tribal community members and advocates in planning and decisions that support Native American business owners.	.731	.534
My business hosts conferences or summits to exchange ideas about economic development opportunities.	.717	.514
I meet with Native American business owners to share goals, visions, and concerns.	.707	.499
I establish collaborative relations between local K-12 schools, business owners, and community members to optimize and enhance technology skills.	.685	.469
I form committees or groups to establish an enforceable copyright or trademark registration system to protect Native American business owners from unlawful Internet reproducing of tribal intellectual property.	.667	.444
I convene groups or committees to determine what kind of cultural property is appropriate for sale or public access.	.665	.442
I support partnerships between tribal governments, tribal colleges, business development centers, business owners, and tribal members to help business owners in their business development efforts.	.660	.435
I build trust and cooperate with Native American entrepreneurs.	.632	.400
I encourage the development of Native American owned private businesses that are not tribally owned.	.498	.248
Eigenvalue % of variance	9.422 55.422	

In calculating reliability analysis, Cronbach's *alpha* was .948 indicating the items were very reliable. Based on the results of the correlation analysis, factor analysis, and the Cronbach *alpha*, the items considered environmental factors can be combined together into one independent variable called **Native American environment-importance**. Each respondent's scores within the construct were added together to create a new variable called **Native American** environment-importance. The variable scores ranged from 17-85 in the dataset.

The next step was to run a regression analysis on the dependent variable-success and the five variables. In chapter 3 four variables were identified from the analysis that was done from Sun's instrument. These four variables: planning and organization, self-leadership, interpersonal leadership, systems management and the new variable Native American environment-importance were used to run the regression analysis.

# **Regression Analysis**

As indicated previously, literature review indicated environmental factors make a difference to Native American entrepreneurs. Linear regression, using the forward selection method in SPSS, was conducted to determine the relationship between the dependent variable-success and the five variables: Native American environment, planning and organization, systems management, self-leadership, and interpersonal leadership. This method was chosen to determine the best predictor of the dependent variable-success. SPSS entered the variables into the model one at a time in an order determined by the strength of their correlation with the dependent variable. The variables that did not significantly add to the success of the model were excluded.

As indicated in Table 27, **success** is correlated with **Native American environment** but not to the degree as it is with **planning and organization**. The results indicate Native American

environment factors do contribute to the success of Native American owned businesses, but not to the degree of planning and organization. **Interpersonal leadership** is also highly correlated with **planning and organization** at .456, meaning if the Native American owned business had good **interpersonal leadership** skills, it would probably improve their ability to plan and organize.

The relationship between success and the variable self-leadership goes down as success goes up. For the entrepreneur, as the company grows and people are hired to assist in the management of the company, the company's success increases. The results in Table 27 indicate a company need not be solely dependent on its owner for its success.

The results also indicate in order for Native Americans to start up new companies, planning and organization would need to be emphasized. Planning and organization for Native American owned businesses are more dominant than any other variable in relationship to success.

Table 27

Means, Standard Deviations, and Intercorrelations for Success and Knowledge, Skills, and Attitudes Variables

Variable	M	SD	1	2	3	4	5
Success	34.09	4.85	.199**	.269**	.182*	031	.150*
Predictor Variable							
1. Native American	59.29	15.60		.512**	.368**	.093	.383**
Environment							
2. Planning and Organization	42.28	6.82			.456**	.144*	.571**
3. Interpersonal Leadership	24.67	3.63				.223**	.440**
4. Self-Leadership	14.98	3.16					.282**
5. Systems Management	18.48	4.27					

*Note.* N = 194.

In conducting a hierarchical regression analysis, the variable **Native American environment** was entered first because earlier literature stated this variable made a significant

<sup>\*</sup> p < .05, two-tailed. \*\*p < .01, two-tailed.

difference for Native American owned businesses. The results of this can be found in Table 28. Step one indicates when entered as the only variable, **Native American environment** is significant and explains a part of what success is for Native American owned businesses. The regression equation is:  $Success = 30.431 + .062 \times NAEnvir$ . The highest possible **success** score is 40 and the highest possible **Native American environment** score is 85. Applying the Native American environment score to the regression equation you would get a success score of 35.701, which is very close to the highest possible score of 40. The results indicate without any other variables, Native American environment is significant and does explain part of what success is for Native American owned businesses.

Analysis was then run to find out if there were other variables that explained success for Native American owned businesses, such as knowledge, skills, and attitudes. These were entered second using a forward method to ensure that SPSS determined which of these variables was most significant. When this happened, Native American environment was made insignificant (Table 28). Results showed when the variable **planning and organization** was included in the model, the constant decreased for Native American environment, indicating this became insignificant and planning and organization became significant (Table 28). The results indicated when other variables were looked at for the dependent variable-success, **planning and organization** tended to overpower Native American environment.

Hierarchical Regression Analysis Summary for Knowledge, Skills, and Attitudes Predicting Success (N = 194) Model 1

Step and predictor variable	B	SEB	В	$R^2$	p
Step: 1					
(Constant)	30.431	1.348			
Native American Environment	.062	.022	.199	.039	.005*
Step: 2					
(Constant)	25.754	2.133			
Native American Environment	.026	.025	.083		.307
Planning and Organization	.161	.058	.226	.077	.006*

<sup>\*</sup>p < .01.

Table 28

Based on these findings, another regression was conducted by only entering planning and organization into the model (Table 29). The test showed the significance of planning and organization increased as well as its predictive value. When the variable Native American environment was included in the first model, the predictive value was .161 whereas, when excluded in the second model, planning and organization predictive value increased to .191. Regression results showed **planning and organization** was the only significant variable that was the best predictor for the dependent variable -success. Planning and organization is the only skill that was found to have a significant relationship to success.

Table 29

Hierarchical Regression Analysis Summary for Knowledge, Skills, and Attitudes Predicting Success (N = 194) Model 2

Step and predictor variable	В	SE B	β	$R^2$	p
Step: 1					
(Constant)	26.006	2.120			
Planning and Organization	.191	.049	.269	.072	*000

<sup>\*</sup>p < .01.

### **Research Question 2: How Often Do the Items Pertain to the Business?**

Descriptive analysis was conducted for each extent factor: environmental factors, planning and organization, self-leadership, interpersonal leadership, and systems management.

Respondents were given a set of items to determine how **often** the items pertained to the success of their business. Using SPSS software, data from these responses were used to compute measures of central tendency and variability of responses to each factor. Mean and standard deviation values were then extracted and tabulated.

Data from the responses to the **environmental factor-extent** items are shown in Table 30 and Table 31. Of the total respondents, 82% indicated the business owner always (M = 4.264; SD = 1.0810) encouraged the development of Native American owned private businesses that are not tribally owned (EFQ1); 53% indicated the business owner often or always (M = 3.500; SD = 1.235) build trust and cooperate with Native American entrepreneurs (EFQ8); 39% indicated the business owner often or always (M = 3.186; SD = 1.2983) met with Native American business owners to share goals, visions, and concerns (EFQ2) and 43% to indicated the business owner often or always (M = 3.120; SD = 1.3738) supported partnerships between tribal governments, tribal colleges, business development centers, business owners, and tribal members to help business owners in their business development efforts (EFQ14).

On the other hand, only 11% indicated the business owner often or always (M = 1.875; SD = 1.1893) hosted conferences or summits to exchange ideas about economic development opportunities (EFQ6); 14% of all respondents indicated the business owner often or always (M = 1.937; SD = 1.1087) set up mentoring programs among various tribal business owners to provide computer support such as Web site development, Internet sales, trademark or copyright protection (EFQ17); 15% indicated the business owner often or always (M = 2.021; SD = 1.3114) formed committees or groups to establish an enforceable copyright or trademark registration system to protect Native American business owners from unlawful Internet reproducing of tribal intellectual property (EFQ16); and 23% indicated the business owner often

or always (M = 2.177; SD = 1.2836) established a way for local business owners to work together to lower insurance and marketing costs (EFQ11).

Therefore, based on percentages, means and standard deviation values, respondents indicated the **environmental factor-extent** items they felt **often or always** pertained to the success of their business were: encouraging the development of Native American owned private businesses that are not tribally owned (EFQ1); building trust and cooperation with Native American entrepreneurs (EFQ8); meeting with Native American business owners to share goals, visions, and concerns (EFQ2); and supporting partnerships between tribal governments, tribal colleges, business development centers, business owners, and tribal members to help business owners in their business development efforts (EFQ14).

The **environmental factor-extent** items the respondents felt **least pertained** to the success of the business were: for a business to hosts conferences or summits to exchange ideas about economic development opportunities (EFQ6); to set up mentoring programs among various tribal business owners to provide computer support such as Web site development, Internet sales, trademark or copyright protection (EFQ17); to form committees or groups to establish an enforceable copyright or trademark registration system to protect Native American business owners from unlawful Internet reproducing of tribal intellectual property (EFQ16); and to establish a way for local business owners to work together to lower insurance and marketing costs (EFQ11).

Table 30

Frequency Statistics-Environmental Factors-Extent

N = Never; R = Rarely; S = So	ometimes; O	Often; A =	Always; $N = S$	Sample Size		
Environmental Factors	N	R	S	О	A	N
I encourage the development of Native American owned private businesses that are not tribally owned (EFQ1).	7 (3.6%)	12 (6.2%)	16 (8.2%)	47 (24.3%)	112 (57.7)	194
I build trust and cooperate with Native American entrepreneurs (EFQ8).	14 (17.2%)	29 (14.9%)	49 (25.3%)	50 (25.8%)	52 (26.8%)	194
I meet with Native American business owners to share goals, visions, and concerns (EFQ2).	22 (11.3%)	39 (20.1%)	57 (29.4%)	33 (17.0%)	43 (22.2%)	194
I support partnerships between tribal governments, tribal colleges, business development centers, business owners, and tribal members to help business owners in their business development efforts (EFQ14).	29 (14.9%)	44 (22.8%)	37 (19.0%)	43 (22.2%)	41 (21.1%)	194
I involve tribal community members and advocates in planning and decisions that support Native American business owners (EFQ4).	23 (11.9%)	30 (15.5%)	75 (38.5%)	36 (18.6%)	30 (15.5%)	194
I encourage adopting uniform commercial codes to set procedures and protocols to ease investor anxiety about supporting business in Indian country (EFQ7).	30 (15.5%)	34 (17.5%)	57 (29.4%)	39 (20.1%)	34 (17.5%)	194
I provide business support that addresses issues such as tax assistance, marketing, budgeting, insurance, credit and business planning (EFQ9).	40 (20.6%)	48 (24.7%)	41 (21.2%)	32 (16.5%)	33 (17.0%)	194

Table~30.~Frequency Statistics-Environmental Factors-Extent (continued)

N = Never; R = Rarely; S = Sometimes; O = Often; A = Always; N = Sample Size						
Environmental Factors	N	R	S	0	A	N
I bring Native American entrepreneurs and tribal leaders together to learn about political barriers facing business owners and what tribal leaders can do to remove them (EFQ5).	38 (19.6%)	47 (24.2%)	57 (29.4%)	16 (8.2%)	6 (18.6%)	194
I establish collaborative relations between local K-12 schools, business owners, and community members to optimize and enhance technology skills (EFQ15).	58 (29.9%)	38 (19.6%)	43 (22.1%)	31 (16.0%)	24 (12.4%)	194
I coordinate cooperation between lending institutions, foundations, private companies, and federal agencies to establish a community revolving loan fund or small business loan program (EFQ10).	58 (29.9%)	41 (21.1%)	43 (22.2%)	24 (12.4%)	28 (14.4%)	194
I facilitate cooperation between local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and creative business plans (EFQ12).	68 (35.1%)	37 (19 %)	38 (19.6%)	38 (19.6%)	13 (6.7%)	194
I situate technology within overall nation-building goals as one tool to improve economic development on tribal lands (EFQ13).	56 (28.9%)	61 (31.3%)	36 (18.6%)	36 (18.6%)	5 (2.6%)	194
I convene groups or committees to determine what kind of cultural property is appropriate for sale or public access (EFQ3).	77 (39.7%)	48 (24.7%)	37 (19.1%)	13 (6.7%)	19 (9.8%)	194

Table~30.~Frequency~Statistics-Environmental~Factors-Extent~(continued)

N = Never; R = Rarely; S = Sometimes; O = Often; A = Always; N = Sample Size						
Environmental Factors	N	R	S	О	A	N
I establish a way for local business owners to work together to lower insurance and marketing costs (EFQ11).	91 (46.9%)	27 (13.9%)	32 (16.5%)	39 (20.1%)	5 (2.6%)	194
I form committees or groups to establish an enforceable copyright or trademark registration system to protect Native American business owners from unlawful Internet reproducing of tribal intellectual property (EFQ16).	101 (52.1%)	34 (17.4%)	30 (15.5%)	12 (6.2%)	17 (8.8%)	194
I set up mentoring programs among various tribal business owners to provide computer support such as Web site development, Internet sales, trademark or copyright protection (EFQ17).	97 (50.0%)	40 (20.7%)	29 (14.9%)	28 (14.4%)	0	194
My business hosts conferences or summits to exchange ideas about economic development opportunities (EFQ6).	107 (55.2%)	36 (18.4%)	30 (15.5%)	10 (5.2%)	11 (5.7%)	194

Table 31

Descriptive Statistics for Environmental Factors-Extent

Item	N	M	SD
I encourage the development of Native American owned private businesses that are not tribally owned (EFQ1).	194	4.264	1.0810
I build trust and cooperate with Native American entrepreneurs (EFQ8).	194	3.500	1.2353
I meet with Native American business owners to share goals, visions, and concerns (EFQ2).	194	3.186	1.2983
I support partnerships between tribal governments, tribal colleges, business development centers, business owners, and tribal members to help business owners in their business development efforts (EFQ14).	194	3.120	1.3738
I involve tribal community members and advocates in planning and decisions that support Native American business owners (EFQ4).	194	3.105	1.1956

Table 31. Descriptive Statistics for Environmental Factors-Extent (continued)

Item	N	M	SD
I encourage adopting uniform commercial codes to set procedures and protocols to ease investor anxiety about supporting business in Indian country (EFQ7).	194	3.068	1.3039
I provide business support that addresses issues such as tax assistance, marketing, budgeting, insurance, credit and business planning (EFQ9).	194	2.843	1.3795
I bring Native American entrepreneurs and tribal leaders together to learn about political barriers facing business owners and what tribal leaders can do to remove them (EFQ5).	194	2.818	1.3517
I establish collaborative relations between local K-12 schools, business owners, and community members to optimize and enhance technology skills (EFQ15).	194	2.607	1.3800
I coordinate cooperation between lending institutions, foundations, private companies, and federal agencies to establish a community revolving loan fund or small business loan program (EFQ10).	194	2.599	1.3997
I facilitate cooperation between local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and creative business plans (EFQ12)	194	2.445	1.3217
I situate technology within overall nation-building goals as one tool to improve economic development on tribal lands (EFQ13).	194	2.351	1.1551
I convene groups or committees to determine what kind of cultural property is appropriate for sale or public access (EFQ3).	194	2.222	1.3026
I establish a way for local business owners to work together to lower insurance and marketing costs (EFQ11).	194	2.177	1.2836
I form committees or groups to establish an enforceable copyright or trademark registration system to protect Native American business owners from unlawful Internet reproducing of tribal intellectual property (EFQ16).	194	2.021	1.3114
I set up mentoring programs among various tribal business owners to provide computer support such as Web site development, Internet sales, trademark or copyright protection (EFQ17).	194	1.937	1.1087
My business hosts conferences or summits to exchange ideas about economic development opportunities (EFQ6).	194	1.875	1.1893

Data from the responses to the **planning and organization-extent** items are shown in Table 32 and Table 33. Overall, the majority of the respondents indicated the business owner often or always used the planning and organization items as it pertained to the business. Of all the respondents, 86% indicated the business owner often or always (M = 4.402; SD = 8.536) took take time to plan the path of the business (POQ18); 87% indicated the business owner often or always (M = 4.396; SD = .9159) worked a lot more hours in the business compared to other employees (POQ21); and 86% indicated the business owner often or always (M = 4.280; SD = .9130) valued long-term potential over short-term thinking (POQ20).

On the other hand, 48% indicated the business owner often or always (M = 3.340; SD = 1.0552) made the effort to react to events as they occur rather than make detailed plans (POQ24); 55% indicated the business owner often or always (M = 3.712; SD = 1.2657) had a written business plan (POQ22); and 60% of all respondents indicated the business owner often or always (M = 3.799; SD = 1.0782) set up mentoring programs among various tribal business owners to provide computer support such as Web site development, Internet sales, trademark or copyright protection (POQ19).

Therefore, based on percentages, means and standard deviation values, respondents indicated the **planning and organization-extent** items which **often or always** pertained to the success of their business were: take time to plan the path of the business (POQ18); work a lot more hours in the business compared to other employees (POQ21); and value long-term potential over short-term thinking (POQ20).

The **planning and organization-extent** item the respondents felt **least pertained** to the success of the business was: to make the effort to react to events as they occur rather than make detailed plans (POQ24).

Table 32

Frequency Statistics-Planning and Organization-Extent

$\frac{1}{N} = \text{Never}; R = \text{Rarely}; S = \text{Some}$				mple Size		
Planning and Organization	N	R	S	О	A	N
I take time to plan the path of my business (POQ18).	2 (1.0%)	5 (2.6%)	20 (10.3%)	53 (27.3%)	114 (58.8%)	194
On average, I tend to work a lot more hours in the business compared to other employees (POQ21).	3 (1.5 %)	9 (4.6%)	13 (6.7%)	53 (27.4%)	116 (59.8%)	194
I value long-term potential over short-term thinking (POQ20).	5 (2.6%)	4 (2.1%)	19 (9.8%)	70 (36.0%)	96 (49.5%)	194
I act as a role model to communicate my values to subordinates (POQ23).	2 (1.0%)	5 (2.6%)	35 (18.0%)	61 (31.5%)	91 (46.9%)	194
When planning, I use information from stakeholders such as customers, suppliers, and employees (POQ26).	3 (1.5%)	10 (5.2%)	32 (16.5%)	58 (29.9%)	91 (46.9%)	194
I am aware of events occurring outside the company (POQ25).	3 (1.5%)	6 (3.1%)	41 (21.1%)	71 (36.7%)	73 (37.6%)	194
I make constant changes to my business plan according to the economy and business factors (POQ27).	8 (4.1%)	7 (3.6%)	50 (25.8%)	60 (30.9%)	69 (35.6%)	194
My employees can clearly articulate the goals and values of my company (POQ19).	11 (5.7%)	4 (2.1%)	62 (31.9%)	57 (29.4%)	60 (30.9%)	194
I have a written business plan (POQ22).	16 (8.2%)	11 (5.7%)	61 (31.4%)	30 (15.5%)	76 (39.2%)	194
I make the effort to react to events as they occur rather than make detailed plans (POQ24).	18 (9.3%)	12 (6.2%)	71 (36.6%)	73 (37.6%)	20 (10.3%)	194

Table 33

Descriptive Statistics for Planning and Organization-Extent

Item	N	М	SD
I take time to plan the path of my business (POQ18).	194	4.402	.8536
On average, I tend to work a lot more hours in the business compared to other employees (POQ21).	194	4.396	.9159
I value long-term potential over short-term thinking (POQ20).	194	4.280	.9130
I act as a role model to communicate my values to subordinates (POQ23).	194	4.213	.8976
When planning, I use information from stakeholders such as customers, suppliers, and employees (POQ26).	194	4.155	.9799
I am aware of events occurring outside the company (POQ25).	194	4.057	.9229
I make constant changes to my business plan according to the economy and business factors (POQ27).	194	3.901	1.0606
My employees can clearly articulate the goals and values of my company (POQ19).	194	3.799	1.0782
I have a written business plan (POQ22).	194	3.712	1.2657
I make the effort to react to events as they occur rather than make detailed plans (POQ24).	194	3.340	1.0552

**Self-leadership-extent** item responses are shown in Table 34 and Table 35. Of the total respondents, 78% indicated the business owner often or always (M = 4.232; SD = .8832) project a high degree of self-confidence (SLQ32); 79% indicated the business owner often or always (M = 4.144; SD = .9548) exhibited a high degree of technical proficiency in the field (SLQ28); and 73% indicated the business owner often or always (M = 4.057; SD = .9984) had the courage to make commitments that would be considered risky by others as it pertained to the success of the business (SLQ29).

On the other hand, only 42 % of all respondents indicated the business owner often or always (M = 3.171; SD = 1.2371) be quick to take action without spending a lot of time to find

out all the information about the situation (SLQ30); and 48% of all respondents indicated the business owner often or always (M = 3.415; SD = 1.4411) have the business survive without the owner as they are responsible for producing products and services (SLQ31).

Therefore, based on percentages, means and standard deviation values, respondents felt the **self-leadership-extent** items which **often or always** pertained to the success of the business were: project a high degree of self-confidence (SLQ32); exhibit a high degree of technical proficiency in the field (SLQ28); and to have the courage to make commitments that would be considered risky by others (SLQ29).

The **self-leadership-extent** item the respondents felt **least pertained** to the success of the business was: to be quick to take action without spending a lot of time to find out all the information about the situation (SLQ30).

Table 34

Frequency Statistics-Self-Leadership-Extent

N = Never; R = Rarely; S = Some	times; $O = Of$	ten; A = Alw	ays; $N = Sam$	ple Size		
Self-Leadership	N	R	S	0	A	N
I project a high degree of self-confidence (SLQ32).	3 (1.5%)	0	40 (20.6%)	57 (29.4%)	94 (48.5%)	194
I exhibit a high degree of technical proficiency in my field (SLQ28).	6 (3.1%)	3 (1.5%)	31 (16.0%)	71 (36.6%)	83 (42.8%)	194
I have the courage to make commitments that would be considered risky by others (SLQ29).	3 (1.5%)	12 (6.2%)	37 (19.1%)	61 (31.4%)	81 (41.8%)	194
I solicit critical suggestions to improve my performance (SLQ33).	6 (3.1%)	11 (5.7%)	38 (19.6%)	76 (39.1%)	63 (32.5%)	194
My business cannot survive without me, since I am responsible for producing products and services (SLQ31).	32 (16.5%)	15 (7.7%)	54 (27.9%)	27 (13.9%)	66 (34.0%)	194
I am quick to take action without spending a lot of time to find out all the information about the situation (SLQ30).	26 (13.4%)	26 (13.4%)	61 (31.4%)	51 (26.3%)	30 (15.5%)	194

Table 35

Descriptive Statistics for Self-Leadership-Extent

Item	N	М	SD
I project a high degree of self-confidence (SLQ32).	194	4.232	.8832
I exhibit a high degree of technical proficiency in my field (SLQ28).	194	4.144	.9548
I have the courage to make commitments that would be considered risky by others (SLQ29).	194	4.057	.9984
I solicit critical suggestions to improve my performance (SLQ33).	194	3.922	1.0124
My business cannot survive without me, since I am responsible for producing products and services (SLQ31).	194	3.415	1.4411
I am quick to take action without spending a lot of time to find out all the information about the situation (SLQ30).	194	3.171	1.2371

Interpersonal leadership-extent item responses are shown in Table 36 and Table 37. Of the total respondents, 81% indicated the business owner often or always (M = 4.293; SD = .9484) encouraged cooperation and collaboration across functional areas of the business (ILQ36); 84% indicated the business owner often or always (M = 4.273; SD = .8831) make most of the decisions in the business (ILQ34); and 74% indicated the business owner often or always (M = 3.931; SD = 1.0532) provide training and development to the employees (ILQ39).

On the other hand, only 35% of all respondents indicated the business owner often or always (M = 3.063; SD = 1.1634) encouraged decisions be made at the lowest level of accurate information (ILQ35).

Based on percentages, means and standard deviation values, respondents felt the interpersonal leadership-extent items which often or always pertained to the success of the business were: encourage cooperation and collaboration across functional areas of the business

(ILQ36); make most of the decisions in the business (ILQ34); and provide training and development to the employees (ILQ39).

The **interpersonal leadership-extent** item the respondents felt **least pertained** to the success of the business was: to encourage decisions be made at the lowest level of accurate information (ILQ35).

Table 36

Frequency Statistics-Interpersonal Leadership-Extent

$\frac{Frequency\ Statistics-Interper}{N = Never;\ R = Rarely;\ S = Son}$				ample Size		
Interpersonal Leadership	N	R	S	0	A	N
I encourage cooperation and collaboration across functional areas of my business (ILQ36).	6 (3.1%)	0	31 (16.0%)	52 (26.8%)	105 (54.1%)	194
I make most of the decisions in the business (ILQ34).	3 (1.5%)	5 (2.6%)	23 (11.9%)	68 (35.1%)	95 (49.0%)	194
I provide training and development to my employees. (ILQ39.	9 (4.6%)	9 (4.6%)	33 (17.0%)	78 (40.3%)	65 (33.5%)	194
I encourage my employees to experiment with new ideas and concepts to create innovative approaches (ILQ37).	11 (5.7%)	7 (3.6%)	38 (19.6%)	84 (43.3%)	54 (27.8%)	194
I successfully select people (ILQ40).	9 (4.6%)	10 (5.2%)	34 (17.5%)	110 (56.7%)	31 (16.0%)	194
My employees know they should avoid failure in my business at all costs (ILQ38).	25 (12.9%)	7 (3.6%0	60 (30.9%)	44 (22.7%)	58 (29.9%)	194
Decisions in the business are based on information from my staff (ILQ41).	18 (9.3%)	14 (7.2%)	39 (20.1%)	99 (51.0%)	24 (12.4%)	194
I encourage decisions to be made at the lowest level of accurate information (ILQ35).	28 (14.4%)	20 (10.3%)	79 (40.8%)	46 (23.7%)	21 (10.8%)	194

Table 37

Descriptive Statistics for Interpersonal Leadership-Extent

Item	N	М	SD
I encourage cooperation and collaboration across functional areas of my business (ILQ36).	194	4.293	.9484
I make most of the decisions in the business (ILQ34).	194	4.273	.8831
I provide training and development to my employees (ILQ39).	194	3.931	1.0532
I encourage my employees to experiment with new ideas and concepts to create innovative approaches (ILQ37).	194	3.837	1.0529
I successfully select people (ILQ40).	194	3.731	.9456
My employees know they should avoid failure in my business at all costs (ILQ38).	194	3.521	1.3025
Decisions in the business are based on information from my staff (ILQ41).	194	3.481	1.0933
I encourage decisions to be made at the lowest level of accurate information (ILQ35).	194	3.063	1.1634

Data from the responses to the **systems management-extent** items are shown in Table 38 and Table 39. Of the total respondents, 82% indicated the business owner often or always (M = 4.232; SD = 1.1007) know what the businesses gross margins are (SYMQ46); 79% indicated the business owner often or always (M = 4.166; SD = .9068) be aware of the product/services and pricing structure of competitors (SYMQ44); 78% indicated the business owner often or always (M = 4.073; SD = 1.0845) understand how financial statements depict the business (SYMQ48); and 70% indicated the business owner often or always (M = 4.042; SD = 1.0323) critically analyze past performance and future opportunities and take actions to enhance performance (SYMQ50).

On the other hand, only 41% of the total respondents indicated the business owner often or always (M = 3.219; SD = 1.3289) actively engage in surveying the businesses customers (SYMQ52); and 45% indicated the business owner often or always (M = 3.325; SD = 1.3655) know the return on investment of the advertising campaigns (SYMQ45).

Based on percentages, means and standard deviation values, respondents felt the **systems** management-extent items which often or always pertained to the success of the business were: know what the businesses gross margins are (SYMQ46); be aware of the product/services and pricing structure of competitors (SYMQ44); understand how financial statements depict the business (SYMQ48) and critically analyze past performance and future opportunities and take actions to enhance performance (SYMQ50).

The **systems management-extent** item the respondents felt **least pertained** to the success of the business was to actively engage in surveying the businesses customers (SYMQ52).

Table 38

Frequency Statistics-Systems Management-Extent

N = Never; R = Rarely; S = Sometimes; O = Often; A = Always; N = Sample Size											
Systems Management	N	R	S	O	A	N					
I know what my gross margins are (SYMQ46).	13 (6.7%)	0	22 (11.3%)	54 (27.9%)	105 (54.1%)	194					
I am aware of the product/services and pricing structure of my competitors (SYMQ44).	2 (1.0%)	8 (4.1%)	30 (15.5%)	70 (36.1%)	84 (43.3%)	194					
I understand how financial statements depict my business (SYMQ48).	11 (5.7%)	5 (2.6%)	26 (13.4%)	69 (35.5%)	83 (42.8%)	194					

Table~38.~Frequency Statistics-Systems Management-Extent (continued)

N = Never; R = Rarely; S = Sometimes; O = Often; A = Always; N = Sample Size											
Systems Management	N	R	S	О	A	N					
I critically analyze past performance and future opportunities and take actions to enhance performance (SYMQ50).	8 (4.1%)	0	51 (26.3%)	52 (26.8%)	83 (42.8%)	194					
I am aware of external economic events (SYMQ49).	5 (2.6%)	3 (1.5%)	41 (21.1%)	77 (39.7%)	68 (35.1%)	194					
I actively seek knowledge about my customers and the market place (SYMQ43).	11 (5.7%)	8 (4.1%)	46 (23.7%)	43 (22.2%)	86 (44.3%)	194					
To keep updated with technology and information, I participate in learning activities through seminars, workshops, tradeshows, and/or talking with suppliers (SYMQ47).	13 (6.7%)	25 (12.9%)	37 (19.1%)	65 (33.5%)	54 (27.8%)	194					
I measure the results of important goal-achieving actions and their impact (SYMQ42).	17 (8.8%)	11 (5.7%)	53 (27.3%)	66 (34%)	47 (24.2%)	194					
I am actively involved in market analysis (SYMQ51).	14 (7.2%)	20 (10.3%)	67 (34.5%)	40 (20.7%)	53 (27.3%)	194					
I know the return on investment of my advertising campaigns (SYMQ45).	27 (13.9%)	25 (12.9%)	54 (27.9%)	35 (18.0%)	53 (27.3%)	194					
I actively engage in surveying my customers (SYMQ52).	25 (12.9%)	33 (17.0%)	57 (29.4%)	33 (17.0%)	46 (23.7%)	194					

Table 39

Descriptive Statistics for Systems Management-Extent

Item	N	М	SD
I know what my gross margins are (SYMQ46).	194	4.232	1.1007
I am aware of the product/services and pricing structure of my competitors (SYMQ44).	194	4.166	.9068
I understand how financial statements depict my business (SYMQ48).	194	4.073	1.0845

Table 39. Descriptive Statistics for Systems Management-Extent (continued)

Item	N	M	SD
I critically analyze past performance and future opportunities and take actions to enhance performance (SYMQ50).	194	4.042	1.0323
I am aware of external economic events (SYMQ49).	194	4.031	.9269
I actively seek knowledge about my customers and the market place (SYMQ43).	194	3.953	1.1664
To keep updated with technology and information, I participate in learning activities through seminars, workshops, tradeshows, and/or talking with suppliers (SYMQ47).	194	3.623	1.2063
I measure the results of important goal-achieving actions and their impact (SYMQ42).	194	3.586	1.1703
I am actively involved in market analysis (SYMQ51).	194	3.503	1.2007
I know the return on investment of my advertising campaigns (SYMQ45).	194	3.325	1.3655
I actively engage in surveying my customers (SYMQ52).	194	3.219	1.3289

#### Pearson Correlation for Environmental Factors-Extent

In addressing the second research question, Pearson correlation analysis, factor analysis, and independent samples *t*-test was conducted. The second measure of "to what extent" was used to determine whether the environmental factors, were related to each other or if they were independent from each other, Pearson correlation analysis was computed using SPSS. The test was run to determine whether the items were significantly related, and if so, could they be combined into one independent variable-environmental factors-extent.

The correlation analysis of environmental factors-extent in Table 40 indicated the items were all positively correlated. The correlation analysis of environmental factors-extent indicated the relationships ranged from weak to moderate correlations. The items found to have the strongest correlation included: (a) I involve tribal community members and advocates in

planning and decisions that support Native American business owners, (b) I encourage adopting uniform commercial codes to set procedures and protocols to ease investor anxiety about supporting business in Indian country, and (c) I provide business support that addresses issues such as tax assistance, marketing, budgeting, insurance, credit and business planning. The remaining items were found to have a weak correlation.

The relationship between I encourage the development of Native American owned private businesses that are not tribally owned and I establish a way for local business owners to work together to lower insurance and marketing costs is much weaker than the relationship between I facilitate cooperation between local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and creative business plans and I establish collaborative relations between K-12 schools, business owners, and community members to optimize and enhance technology skills. Meaning if owners work with local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and creative business plans chances are there is a greater relationship with them in optimizing and enhancing technology skills through established relationships with K-12 schools, business owners and community members.

Whereas, the weaker relationship between I encourage the development of Native

American owned private businesses that are not tribally owned and I establish a way for local

business owners to work together to lower insurance and marketing costs would mean although I

encourage the development of Native American owned private businesses that are not tribally

owned it does not necessarily mean I would establish a way to lower their insurance and

marketing costs. They are not as closely related as the previous experience.

Table 40

Pearson Product Moment Correlations for Environmental Factors-Extent

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
EFQ1		.285**	.263**	.302**	.299**	.201**	.304**	.104	.347**	.096	.083	.213**	.103	.201**	.165**	.109	.078
EFQ2	.285**		.552**	.556**	.636**	.515**	.412**	.462**	.607**	.585**	.581**	.617**	.523**	.473**	.506**	.534**	.566**
EFQ3	.263**	.552**		.430**	.517**	.610**	.397**	.349**	.486**	.561**	.451**	.577**	.533**	.491**	.527**	.531**	.429**
EFQ4	.302**	.556**	.430**		.554**	.378**	.255**	.375**	.501**	.447**	.352**	.453**	.331**	.301**	.284**	.408**	.429**
EFQ5	.299**	.636**	.517**	.554**		.705**	.501**	.299**	.724**	.644**	.603**	.545**	.503**	.461**	.438**	.541**	.560**
EFQ6	.201**	.515**	.628**	.446**	.675**		.552**	.316**	.521**	.664**	.706**	.511**	.542**	.266**	.400**	.532**	.604**
EFQ7	.304**	.412**	.397**	.255**	.501**	.346**		.147*	.439**	.554**	.578**	.681**	.501**	.603**	.578**	.526**	.526**
EFQ8	.104	.462**	.349**	.375**	.299**	.151*	.147*		.394**	.387**	.250**	.393**	.241**	.318**	.377**	.205**	.276**
EFQ9	.347**	.607**	.486**	.501**	.742**	.609**	.439**	.394**		.682**	.610**	.636**	.538**	.585**	.427**	.458**	.587**
EFQ10	.096	.585**	.561**	.447**	.644**	.594**	.554**	.387**	.682**		.688**	.736**	.649**	.607**	.613**	.573**	.712**
EFQ11	.083	.581**	.451**	.352*8	.603**	.599**	.578**	.250**	.610**	.688**		.748**	.782**	.519**	.651**	.724**	.758**
EFQ12	.213**	.617**	.577**	.453**	.545**	.495**	.681**	.393**	.636**	.736**	.748**		.703**	.664**	.819**	.620**	.641**
EFQ13	.103	.523**	.533**	.331**	.503**	.542**	.501**	.241**	.538**	.649**	.728**	.703**		.430**	.625**	.717**	.713**
EFQ14	.201**	.473**	.491**	.301**	.461**	.423**	.603**	.318**	.585**	.607**	.519**	.664**	.430**		.545**	.445**	.457**
EFQ15	.165**	.506**	.527**	.284**	.438**	.393**	.578**	.377**	.427**	.613**	.651**	.819**	.625**	.545**		.629**	.523**
EFQ16	.109**	.534**	.531**	.309**	.541**	.537**	.526**	.205**	.458**	.573**	.724**	.620**	.717**	.445**	.629**		.689**
EFQ17	.078	.566**	.429**	.333**	.560**	.560**	.526**	.276**	.587**	.712**	.758**	.641**	.713**	.457**	.523**	.689**	

- *Note*. N = 194.
- EFQ1 = I encourage the development of Native American owned private businesses that are not tribally owned
- EFQ2 = I meet with Native American business owners to share goals, visions, and concerns
- EFQ3 = I convene groups or committees to determine what kind of cultural property is appropriate for sale or public access
- EFQ4 = I involve tribal community members and advocates in planning and decisions that support Native American business owners
- EFQ5 = I bring Native American entrepreneurs and tribal leaders together to learn about political barriers facing business owners and what tribal leaders can do to remove them
- EFQ6 = My business hosts conferences or summits to exchange ideas about economic development opportunities;
- EFQ7 = I encourage adopting uniform commercial codes to set procedures and protocols to ease investor anxiety about supporting business in Indian country
- EFQ8 = I build trust and cooperate with Native American entrepreneurs
- EFQ9 = I provide business support that addresses issues such as tax assistance, marketing, budgeting, insurance, credit and business planning;
- EFQ10 =I coordinate cooperation between lending institutions, foundations, private companies, and federal agencies to establish a community revolving loan fund or small business loan program
- EFQ11 =I establish a way for local business owners to work together to lower insurance and marketing costs
- EFQ12 =I facilitate cooperation between local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and creative business plan
- EFQ13 =I situate technology within overall nation-building goals as one tool to improve economic development on tribal lands;
- EFQ14 =I support partnerships between tribal governments, tribal colleges, business development centers, business owners, and tribal members to help business owners in their business development efforts
- EFQ15 =I establish collaborative relations between local K-12 schools, business owners, and community members to optimize and enhance technology skills
- EFQ16 =I form committees or groups to establish an enforceable copyright or trademark registration system to protect Native American business owners from unlawful Internet reproducing of tribal intellectual property
- EFQ17 =I set up mentoring programs among various tribal business owners to provide computer support such as Web site development, Internet sales, trademark or copyright protection
- \* p < .05, two-tailed. \*\*p < .01, two-tailed.

## **Factor Analysis-Environmental Factors-Extent**

The next step was to run a factor analysis since the items indicated a strong correlation among the items. A factor analysis was run to determine whether the 17 items would load on a single factor or if there were additional factors they would load on. It was also run to determine whether a single factor could be created for these items. This was done by conducting Varimax rotation in SPSS. Table 41 indicates items 1-17 all loaded at a level greater than .4 except item one which loaded at less than the acceptable level of loading, therefore this item was eliminated. Communality values were well-defined by this factor analysis, with all variables exceeding .40 with an exception of items four and eight which had small amounts of variance of 32% and 20%. Meaning these two items had very little in common with the other variables in the analysis; therefore these items were also eliminated from the factor. The total analysis explained a total of 60.535% of the variance for the entire set of variables. The variables account for 61% of all the variance in all the answers respondents provided which would indicate there could be a single factor called Native American environment-extent.

Table 41

Factor Loadings from Principal Component Factor Analysis: Communalities, Eigenvalues, and Percentages of Variance for Items for Native American Environment-Extent

	Factor	
Item	loading	Communality
I facilitate cooperation between local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and creative business plans.	.875	.765
I establish a way for local business owners to work together to lower insurance and marketing costs.	.861	.710
I coordinate cooperation between lending institutions, foundations, private companies, and federal agencies to establish a community revolving loan fund or small business loan program.	.849	.716

Table 41. Factor Loadings from Principal Component Factor Analysis: Communalities, Eigenvalues, and Percentages of Variance for Items for Native American Environment-Extent (continued)

Item I situate technology within overall nation-building goals as one tool to improve economic development on tribal lands.	Factor loading .811	Communality .632
I set up mentoring programs among various tribal business owners to provide computer support such as Web site development, Internet sales, trademark or copyright protection.	.808	.628
I form committees or groups to establish an enforceable copyright or trademark registration system to protect Native American business owners from unlawful Internet reproducing of tribal intellectual property.	.786	.590
I provide business support that addresses issues such as tax assistance, marketing, budgeting, insurance, credit and business planning.	.771	.618
I bring Native American entrepreneurs and tribal leaders together to learn about political barriers facing business owners and what tribal leaders can do to remove them.	.768	.609
I establish collaborative relations between local K-12 schools, business owners, and community members to optimize and enhance technology skills.	.763	.571
I meet with Native American business owners to share goals, visions, and concerns.	.744	.586
My business hosts conferences or summits to exchange ideas about economic development opportunities.	.726	.516
I support partnerships between tribal governments, tribal colleges, business development centers, business owners, and tribal members to help business owners in their business development efforts.	.703	.490
I encourage adopting uniform commercial codes to set procedures and protocols to ease investor anxiety about supporting business in Indian country.	.700	.473
I convene groups or committees to determine what kind of cultural property is appropriate for sale or public access.	.698	.501
Eigenvalue	8.475	
% of variance	60.535	

In calculating reliability analysis, after eliminating items one, four and eight, Cronbach's *alpha* was .949 indicating the remaining items were very reliable. Based on the results of the correlation analysis, factor analysis, and the Cronbach's *alpha*, the fourteen environmental factors can be combined together into one independent variable called **Native American environment-extent**. Each respondent's scores within the construct were added together to create a new variable called Native American environment-extent. The scores ranged from 14-70 in the dataset.

## **Independent T-Test**

The final step was to run an independent samples t-test to determine if there was a statistically significant difference between emerging versus mature Native American owned businesses. In a recent report by the Small Business Administration (SBA) almost half of all new businesses survive five years or more and about one-third survive 10 years or more (SBA, 2012). Many of these businesses are successful at the beginning but typically fail because of no long range planning (Cornell & Kalt, 1998). In determining which businesses would be considered emerging, the respondents who indicated their years of operation were 1-3 and 3-5 were defined as emerging (N = 62). The businesses who indicated their years of operation as greater than five were considered mature (N = 132).

A composite score of the environmental factors-extent was used for the test. For Native American environmental factors-extent, the preliminary Levene's test for equality of variances indicated that the variances of the two groups, emerging versus mature businesses, were **not significantly different** (p = .518), therefore an independent sample t-test was performed that assumes equal variances. The results indicated when comparing Native American environmental factors in emerging versus mature Native American owned businesses, the mature businesses

were **significantly different** (M = 48.01, SD = 15.95) versus emerging businesses (M = 42.15, SD = 14.14), t(192) = -2.48, p = 0.01. Mature Native American owned businesses had significantly higher means than emerging businesses when comparing Native American environmental factors. Based on these results, this would suggest that mature Native American owned businesses understand that even though Native American environmental factors showed little significance under the measure "degree of importance", these items still made a difference in making them a mature business.

The preliminary Levene's test was run for the factor planning and organization-extent. The Levene's test for equality of variances indicated that the variances of the two groups, emerging versus mature businesses, were **significantly different** (p = 0.001), therefore an independent sample t-test was performed where equal variances were not assumed. The t-test results indicated there is **no significance difference** when comparing the factor planning and organization-extent and emerging versus mature Native American owned businesses. Planning and organization-extent factors for emerging businesses (M = 31.37, SD = 3.93) were not significantly different from mature businesses (M = 30.40, SD = 7.17), t(187.421) = 1.209, p = 0.228.

For systems management factors-extent, the preliminary Levene's test for equality of variances indicated that the variances of the two groups, emerging versus mature businesses, were **significantly different** (p = 0.000), therefore an independent sample t-test was performed where equal variances were not assumed. The t-test results indicated there is **no significance difference** when comparing the factor systems management-extent and emerging versus mature Native American owned businesses. Systems management-extent factors for emerging

businesses (M = 23.96, SD = 2.82) were not significantly different from mature businesses (M = 23.98, SD = 4.80), t(182.69) = -0.033, p = 0.974.

For interpersonal leadership factors-extent, the preliminary Levene's test for equality of variances indicated that the variances of the two groups, emerging versus mature businesses, were **significantly different** (p = 0.003), therefore an independent sample t-test was performed, where equal variances were not assumed. The t-test results indicated there is **no significance difference** when comparing the factor interpersonal leadership-extent and emerging versus mature Native American owned businesses. Interpersonal leadership-extent factors for emerging businesses (M = 22.48, SD = 3.10) were not significantly different from mature businesses (M = 22.49, SD = 4.72), t(171.50) = -0.022, p = 0.983.

For self-leadership factors-extent, the preliminary Levene's test for equality of variances indicated that the variances of the two groups, emerging versus mature businesses, were **not significantly different** (p =.079), therefore an independent sample t-test was performed that assumes equal variances. The results indicated when comparing self-leadership factors in emerging versus mature Native American owned businesses, the mature businesses were **significantly different** (M = 14.31, SD = 3.13) versus emerging businesses (M = 15.28, SD = 2.58), t(192) = 2.125, p = 0.04. These results suggest the use of self-leadership skills do make a difference for mature Native American owned businesses versus emerging businesses. Specifically the results suggest that when emerging business owners' exhibit skills such as displaying high degree of technical proficiency and project a high degree of self-confidence they are more apt to be successful.

## CHAPTER 5. SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

In summary, the purpose of this study was to identify indicators of successful economic development as it pertained to Native American owned businesses located on/or adjacent to North Dakota reservations. More specifically this study sought to explore specific relationships between the perceived level of importance of knowledge, skills, and attitudes and sustainable Native American owned business ventures. The following research questions guided this study:

- RQ1. How important are knowledge, skills, and attitudes to the sustainability of Native American owned businesses?
- RQ2. To what extent are Native American environmental factors, knowledge, skills, and attitudes significant for emerging verses mature Native American owned businesses?

It is believed that Native American owned businesses located on/or adjacent to North Dakota reservations differ from mainstream America because of political and cultural characteristics unique to the reservation. Mainstream America's business culture is driven by materialistic success, whereas Native American businesses on the other hand view family values and community support as being more important. Previous research has found that Native Americans who are successful in owning a business understand the culture and environment where their business is located (Emery, et. al., 2006).

Using a quantitative correlation research design, 194 Native American owned businesses located on/or adjacent to the four reservations in North Dakota: Spirit Lake, Standing Rock, Fort Berthold, and Turtle Mountain responded to a self-administered 69 item survey instrument. The instrument utilized for this study was an instrument that was used in a study conducted by Sun (2004) and was designed to gain an understanding of how important each factor was to the

business owner and to what extent the business owner used each factor. The compiled research data was analyzed using descriptive, factor analysis, correlations, *t*-tests, and regression analysis.

#### **Conclusions**

In this section of Chapter 5, the results from Chapter 4 will be discussed focusing on the two major issues of how important are knowledge, skills, and attitudes to Native American owned businesses and the extent of their usage by the business owners.

## **Conclusions for Research Question 1**

Upon examining the means and standard deviation data from the environmental factorsimportance descriptive table (Table 16), results indicate Native American business owners are
more apt to encourage the development of Native American private businesses that are not
tribally owned rather than having their business host conferences or summits to exchange ideas
about economic development opportunities. The results indicate of the 17 environmental factor
items, only three items were considered to be important with the remaining items being
considered unimportant in attributing to the success of their business. Building trust and
cooperating with Native American entrepreneurs as well as partnering with tribal governments
and tribal colleges are also considered to be important.

In analyzing the descriptive results of the planning and organization-importance factor, all but one item was found to be important (Table 18). Taking time to plan the path of the business was considered to be the most important, whereas the businesses effort to react to events as they occur was the least important.

In examining the descriptive table for the self-leadership factor-importance, Native

American owned business owners felt there were the same amount of items which would be
considered important as unimportant (Table 20). The number of unimportant items counteracted

the important items therefore making this factor even. The same can be concluded for the Interpersonal Leadership-importance factor (Table 22). Results indicate five of the eight items were deemed important, while the remaining three items were considered unimportant. The results for the Systems Management-importance factor also had almost the same equal amount of responses for the important and unimportant items (Table 24). In reviewing the means and standard deviations for all the independent variables, it can be concluded that it's possible to already see why some of the independent variables might not be factors in the success of a Native American owned business.

To determine which of these independent variables made an impact on business owners success, a hierarchical regression was conducted between the dependent variable-success and the five independent variables-environmental factors, planning and organization, self-leadership, interpersonal leadership, and systems management.

The variable Native American environmental factor was entered first into the regression, because earlier literature stated this variable made a significant difference for Native American owned businesses. The results of the regression indicate this factor does make a significant impact on Native American owned businesses (Table 28). However, when the other variables were included in the regression, Native American environmental factor no longer was significant. The only variable that was significant was planning and organization which is consistent with the results indicated above in which all of the items in that factor, except for one, were found to be important by Native American business owners. Additional information on the importance of planning and organization will be further addressed in the recommendation section.

## **Conclusions for Research Question 2**

While it is useful to know how important these factors are, it is critical to know whether the business owners use these factors or not and are the factors being used differently by emerging versus mature businesses.

Upon examining the means and standard deviation data from the environmental factors-extent descriptive table (Table 31), results indicate Native American business owners always encouraged the development of Native American private businesses that are not tribally owned more often than any other item in this factor. This finding is the same as what was found under the importance finding. Business owners were also more likely to never host conferences or summits to exchange ideas about economic development opportunities.

In analyzing the descriptive results of the planning and organization-extent factor, Native American business owners felt the majority of the items always pertained to their business (Table 33). Results indicate Native American business owners always took time to plan the path of the business but only sometimes made the effort to react to events as they occurred. This finding is also the same as what was found under the importance finding.

In examining the descriptive table for the self-leadership factor-extent, Native American owned business owners felt there were the same amount of items which pertained to their business as those items that did not (Table 35). Results indicate Native American business owners most always projected a high degree of self-confidence; whereas, they seldom took quick action without spending a lot of time to find out all the information about the situation. The items which most pertained to the business counteracted the items which did not pertain, therefore making this factor even.

Upon examining the means and standard deviation data from the interpersonal leadership-extent factor descriptive table (Table 37), results indicate only 2 of the 8 items pertained to the Native American owned business. Native American business owners always encouraged cooperation and collaboration across functional areas of the business and were most likely to make most of the decisions in the business. The results for the systems management-extent factor also had almost the same equal amount of responses for how the items pertained to the business (Table 39).

We can conclude at this point, that Native American environmental factors are not very important and are used very little and that it is the planning and organization factors that the Native business owners are using. The means and standard deviation data is showing us that the Native American environmental factors do not matter but planning and organization factors do.

However, this is not the end of the story. It is also critical to determine the usage of the factors by emerging versus mature businesses; therefore independent *t*-tests were conducted to compare emerging versus mature business owners.

When the two groups are subdivided, the results indicate mature businesses use Native American environmental factors more than emerging businesses. Planning and organization factors, systems management and interpersonal leadership factors were all used equally by both emerging and mature businesses. For the self-leadership factor, results indicate emerging businesses used this factor more than mature businesses.

Table 42 illustrates the results of the analyses on whether the factors are important and whether the factors are being used by emerging and mature businesses.

Summary of Analyses of Importance and Usage of Factors

Table 42

Factor	Importance	Used	
Native American Environmental	Not	Mature	
Planning and Organization	Is	Both	
Systems Management	Not	Neither	
Interpersonal Leadership	Not	Neither	
Self-Leadership	Not	Emerging	

The data for the Native American environmental factor indicates this factor is not important however the mature business owners are using this factor. Planning and organization is important and both emerging and mature businesses are using this factor. Systems management and interpersonal leadership are both considered not important and neither of these factors is being used. Self-leadership data indicates it is not important although emerging business owners are using this factor.

These mixed conclusions require further analysis which will be done in the discussion section.

### **Discussion**

When the independent *t*-tests were conducted on the Native American environmental factor, the results indicated collaboration and cooperation are the key elements for mature businesses (Table 43). Mature businesses have the time and the resources available to them to focus on these elements. The businesses have matured to a point where business owners do not have to spend a significant amount of time worrying about the business. The business owner can now start collaborating and cooperating with lending institutions and local tribal colleges. The emerging businesses do not have the time and resources available to them therefore they do not

use these items. Some of the Native American environmental factors are important but the business owners can only really implement the factors once the business owners get the business up to a point where the owner can take some time to use it at the owner's discretion. Once a business matures, we then see the owners focusing on collaboration and cooperation of different factors within the Native American businesses.

Table 43

Native American Environmental Factor Items-Extent

	Emerging		<u>Mature</u>				
Environmental Items	M	SD	M	SD	df	t	p
I convene groups or committees to determine what kind of cultural property is appropriate for sale or public access (EFQ3).	1.823	1.1092	2.409	1.3476	192	-3.200	.002
I involve tribal community members and advocates in planning and decisions that support Native American business owners (EFQ4).	2.840	1.1194	3.229	1.2141	192	-2.193	.030
I coordinate cooperation between lending institutions, foundations, private companies, and federal agencies to establish a community revolving loan fund or small business loan program (EFQ10).	2.032	1.1590	2.865	1.4274	192	-4.324	.000
I facilitate cooperation between local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and creative business plans (EFQ12).	1.982	1.2172	2.662	1.3171	192	-3.5335	.001
I support partnerships between tribal governments, tribal colleges, business development centers, business owners, and tribal members to help business owners in their business development efforts (EFQ14).	2.568	1.2770	3.379	1.3452	192	-4.051	.000
I establish collaborative relations between local K-12 schools, business owners, and community members to optimize and enhance technology skills (EFQ15).	2.310	1.3476	2.747	1.3779	192	-2.092	.039

When the independent *t*-tests were conducted for the self-leadership factor items, the results indicated technical proficiency in the owner's field and soliciting critical suggestions for the business are key elements for emerging businesses (Table 44). The results indicate emerging businesses are proficient in their field, but are constantly looking for feedback about how the owner is performing. Those business owners that are emerging most likely will use their technical proficiency to start their company and solicit feedback from others.

Table 44

Self-Leadership Factor Items-Extent

	Emerging		Mature				
Self-Leadership Items	M	SD	M	SD	df	t	p
I exhibit a high degree of technical proficiency in my field (SLQ28).	4.355	.6798	4.045	1.0475	192	2.464	.015
I solicit critical suggestions to improve my performance (SLQ33).	4.258	.7668	3.764	1.0760	192	3.657	.000

What we should expect then, would be for new business startups to have some type of technical proficiencies in their field. Emerging businesses would not be expected to spend a significant amount of time in collaborating and cooperating with other Native owned businesses until they get past the emerging stage of the first five years. Upon reaching the mature level, the business would then have discretionary time to focus on these items.

## Recommendations

This section of Chapter 5 will cover recommendations that emerged from the research. It will cover the recommendations for practice, which are based on the study's findings and conclusions, and recommendations for future study.

#### **Recommendations for Practice**

Within the Native American community there is a tradition of respect for the importance of family and the honoring of elders. An elder is a man or woman, who is usually older than the others in the family and community, and who is widely recognized and highly respected for their wisdom and spiritual leadership (Welch, 2006). A mature Native American owned business could be comparable to an elder in a Native American community. Elders are often known for their vast knowledge and wisdom that is gained from life experiences. Mature businesses that have been in business over 5 years also have gained vast knowledge about their business and about business in general. Elders are considered to be the decision makers in a tribe, as are mature business owners. Mature businesses have established creditably among their peers as do elders within a tribe. According to Kouzes and Posner (2003), creditability is something that is earned over time and that is does make a difference. The recommendation is to consider mature business owners as mentors to emerging business owners in various areas, such as building collaborative relationships with lending institutions and tribal colleges. This may include establishing a local Native American business council consisting of Native owned businesses on the reservation. The business council may act as a forum for sharing information and mutual support. Another example of collaboration which mature and emerging businesses should consider is the exploration and development of collaborations among tribal colleges, state universities, and other partners related to entrepreneurial activities. Mature and emerging businesses could benefit from the resources educational institutions have to offer, such as training and technical assistance in the entrepreneurial field.

Another recommendation is to encourage Native American business owners to participate in training which focuses on technical skills. This could be at a two or a four-year college or a

trade school. The data clearly indicates business owners need to be technically proficient in their field to be considered successful. A new business start-up has a tendency to start out lacking these technical competencies. Attending an educational institution, which offers the type of skills training required by their business, would benefit an emerging business. Many tribal colleges match their business curricula to existing local economic needs. Tribal colleges also promote entrepreneurship and small business growth in their communities through workshops and leadership development. Emerging businesses could benefit from attending these programs.

Another aspect is for an emerging business to have some form of professional development or continuing education in requesting feedback on the performance of the business so improvements can be made. This can entail developing a network of businesses who meet monthly to discuss certain business issues as it pertains to their company. The business would agree to participate in this network which would be facilitated by a tribal college or an educational institution. Assistance to the businesses in this network could be provided by the facilitator in overcoming the identified challenges. This could be conducted in a group setting or in an individual setting. Requiring participation by the network businesses at meetings in three or six month increments could be implemented. By establishing a network of businesses, feedback on the performance of the business will assist business owners in identifying and correcting issues which would otherwise hold a business back or cause it to go out of business. While emerging business owners need both technical proficiency and the willingness to engage in feedback sessions about the development of their business, both mature and emerging business owners need planning and organizing.

The next recommendation is to develop professional development or training in planning and organization. Four leading authors (Griffen, 2005; Kreitner, 2007; Robbins, 1984; &

Williams, 2007) have identified a portion of the essential planning and organization skills needed by emerging and mature businesses. Table 45 illustrates the essential planning skills as identified by Griffen, 2005; Kreitner, 2007; Robbins, 1984; and Williams, 2007. Communication, coordination, and organizing are all common themes among these four authors. Emerging businesses that do not possess these essential skills could prevent their business from moving forward.

Table 45

# Essential Planning Skills

### Skill

Formulating a business model-the overall set of structural elements and the relationships among those elements used to manage the total organization.

Strategy planning (5 years or greater)-outlining decisions of resource allocation, priorities, and action steps necessary to reach strategic goals.

Strategic initiatives-the method by which strategies are executed within the organization.

Tactical planning (1 to 5 years)-achieving tactical goals and implementing specific parts of a strategic plan.

Tactical goals-a goal set by and for middle managers of the organization.

Operational planning (day to day to 1 year)-process of linking strategic goals and objectives to tactical goals and objectives.

Operational objectives-short-term goal who attainment moves an organization towards achieving its strategic or long-term goals.

Contingency planning-the determination of alternative courses of action to be taken if an intended pan in unexpectedly disrupted or rendered inappropriate.

Communication- Making sure employees understand the plan and how their role fits to the overall plan.

Table 46 illustrates the essential organizing skills as identified by Griffen, 2005; Kreitner, 2007; Robbins, 1984; and Williams, 2007. Task structure, coordination, managing change, innovation and human resources are all essential organization skills that emerging businesses need to be successful.

Table 46

## Essential Organization Skills

## Skill

Organizing-effectively designing work responsibilities.

Task structure-identifying who, what and how the tasks are going to be completed.

Coordination-the process of linking the activities of various functions to the overall plan.

Managing change-transitioning individuals within an organization to a desired future state.

Managing innovation-the ability to manage the effort of an organization to develop new products or services for existing products or services.

Managing human resources-the ability to attract, develop, and maintain an effective workforce.

It is recommended emerging business owners receive extensive professional development and training in these skills in order for them to be successful and that mature business owners receive refresher courses to keep them current with new trends in planning and organization.

## **Recommendations for Further Study**

All studies, including this one, have limitations. This section will identify the limitations of the study and simultaneously address recommendations for future research.

One of the limitations of this study was the sample size. This sample was limited to the four reservations in North Dakota and encompassed only those Native American owned businesses located on/or adjacent to a North Dakota reservation. Future research may include a broader sample of Native American owned businesses that are not located on reservations to get their perspective, such as all of the Native American owned business located in the United States. Since this study was limited to the four reservations in North Dakota, future research may also include expanding the study to the 26 tribes within the region. Future studies may also include replicating this study in other geographical regions of the country and compare the findings with the findings of this study. Since only Native American owned businesses were the focus of this study, future studies may include conducting research on other behaviors located on reservations such social services and housing programs.

An additional limitation was the use of Sun's self-administered instrument. When using the principal component analysis, this limitation became evident when attempting to identify the factor structure of the instrument. The data analysis from the study (N = 194), found some inadequacies that indicated the current study was significantly different from the approach Sun took. A future study would be to collect additional data from a very large sample to determine if the factor structure of the instrument will remain sound.

Another limitation was that the instrument was not accessible by internet; therefore the only response was by U.S. postal service. Every effort was made to ensure the return of the sample by enclosing a self-addressed envelope which resulted in a response rate of 51%. The survey was distributed to the respondents through the U.S. postal service only. Future research may include putting the survey online for better access.

A more significant limitation regarding the instrument was that it was not created by Native Americans; therefore cultural values were not taken into account. Since the survey was replicated from this other study not all questions were developed by Native Americans. Future studies may include re-writing the survey with culturally adaptive statements and compare the findings with the findings of this study.

This study was a quantitative study which gathered data through a survey. Further studies may include conducting a qualitative study to get the reactions of mature Native American owned businesses and their thoughts on running a successful business.

This study only asked for the level of education attained by the business owner. Future research may include comparing those business owners who had advanced education with those who did not. Future studies may include conducting research on those individuals who indicated they had a college education to find out if they had attended a tribal college and compare it to those who had not.

## **A Closing Thought**

Native American owned businesses play a significant role in their communities. To foster the entrepreneurial spirit, according to Clifton (2013) entrepreneurship should begin in elementary schools. This research indicated that emerging Native American business owners need to be technically proficient in their field in order to find the spark to start their own business. Therefore, they should be encouraged to participate in training which focuses on technical skills. An individual wishing to start their own business would benefit by acquiring technical proficiency skills at a higher education institution. For example, a welder or electrician could attend a two-year college or trade school to attain these skills, whereas an individual who

pursues a degree as a certified public accountant would attend a four-year college to develop these technical skills.

Establishing a network of emerging business owners is also critical to the success of a Native American business. Receiving constant feedback on the performance of the business will assist emerging business owners in identifying and correcting issues which would otherwise hold a business back or cause it to go out of business. Because of this, Native American businesses will have a greater chance of lasting longer than five years.

Native American owned businesses also need to plan and organize. Decision-making, establishing relationships, and task structures are all essential organization skills that emerging businesses need to be successful. Although mature businesses have the time and resources available to them to focus on these elements, they still need refresher courses in this area to keep them current with new trends in planning and organizing. Mature businesses use Native American environmental factors more than emerging businesses, therefore we would want these businesses to help all businesses, whether they are emerging or mature businesses. Tribal administration and tribal economic development offices should benefit from this study by providing foundational knowledge to advance their economic development efforts.

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#### APPENDIX A. NATIVE AMERICAN ENTREPRENEUR SURVEY

Date:	
Date:	

#### NATIVE AMERICAN ENTREPRENEUR SURVEY

This is a questionnaire to help discover the knowledge required by a Native American Entrepreneur to be successful in creating and running a business. This study will attempt to identify those factors that attribute to economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations.

You must be a Native American business owner to participate. Please disregard if you are not a Native American business owner.

Your input is appreciated and all information provided will be kept strictly confidential.

**INSTRUCTIONS:** 

The following questions are designed to gain an understanding on your thoughts on specific knowledge, skills, and levels of attitudes (abilities) you possess. If an item does not apply, or if you are uncertain or do not know how to answer, simply leave the answer blank.

The "degree of importance scale" is meant to determine <u>how important you feel the</u> statement is to your success.

The following key applies to the "Degree of Importance Scale":

- 1 Very Unimportant
- 2- Unimportant
- 3- Neither unimportant nor important
- 4– Important
- 5– Very important

The "To What Extent Scale" is meant to determine <u>how often this statement pertains to</u> your business.

The following key applies to the "To What Extent Scale":

- 1–Never
- 2-Rarely
- 3-Sometimes
- 4– Often
- 5- Always

<b>Environmental Factors</b>	Degree of Importance	To What Extent Scale
I encourage the development of Native American owned private businesses that are not tribally owned.	Scale 1 2 3 4 5	1 2 3 4 5
I meet with Native American business owners to share goals, visions, and concerns.	1 2 3 4 5	1 2 3 4 5
3. I convene groups or committees to determine what kind of cultural property is appropriate for sale or public access.	1 2 3 4 5	1 2 3 4 5
4. I involve tribal community members and advocates in planning and decisions that support Native American business owners.	1 2 3 4 5	1 2 3 4 5
5. I bring Native American entrepreneurs and tribal leaders together to learn about political barriers facing business owners and what tribal leaders can do to remove them.	1 2 3 4 5	1 2 3 4 5
6. My business hosts conferences or summits to exchange ideas about economic development opportunities.	1 2 3 4 5	1 2 3 4 5
7. I encourage adopting uniform commercial codes to set procedures and protocols to ease investor anxiety about supporting business in Indian country.	1 2 3 4 5	1 2 3 4 5
8. I build trust and cooperate with Native American entrepreneurs.	1 2 3 4 5	1 2 3 4 5
9. I provide business support that addresses issues such as tax assistance, marketing, budgeting, insurance, credit and business planning.	1 2 3 4 5	1 2 3 4 5
10. I coordinate cooperation between lending institutions, foundations, private companies, and federal agencies to establish a community revolving loan fund or small business loan program.	1 2 3 4 5	1 2 3 4 5
11. I establish a way for local business owners to work together to lower insurance and marketing costs.	1 2 3 4 5	1 2 3 4 5
12. I facilitate cooperation between local tribal colleges, tribal education centers, or business development centers to help business owners develop sound and creative business plans.	1 2 3 4 5	1 2 3 4 5
13. I situate technology within overall nation-building goals as one tool to improve economic development on tribal lands.	1 2 3 4 5	1 2 3 4 5
14. I support partnerships between tribal governments, tribal colleges, business development centers, business owners, and tribal members to help business owners in their business development efforts.	1 2 3 4 5	1 2 3 4 5
15. I establish collaborative relations between local K-12 schools, business owners, and community members to optimize and enhance technology skills.	1 2 3 4 5	1 2 3 4 5
16. I form committees or groups to establish an enforceable copyright or trademark registration system to protect Native American business owners from unlawful Internet reproducing of tribal intellectual property.	1 2 3 4 5	1 2 3 4 5

17. I set up mentoring programs among various tribal business	1 2 2 4 5	1 2 2 4 5
	1 2 3 4 5	1 2 3 4 5
owners to provide computer support such as Web site		
development, Internet sales, trademark or copyright		
protection.	_	
Planning and Organizing	Degree of	To What Extent
	Importance	Scale
	Scale	
18. I take time to plan the path of my business.	1 2 3 4 5	1 2 3 4 5
19. My employees can clearly articulate the goals and values	1 2 3 4 5	1 2 3 4 5
of my company.	1 2 2 4 5	1 2 2 4 5
20. I value long-term potential over short-term thinking.	1 2 3 4 5	1 2 3 4 5
21. On average, I tend to work a lot more hours in the business compared to other employees.	1 2 3 4 5	1 2 3 4 5
22. I have a written business plan.	1 2 3 4 5	1 2 3 4 5
23. I act as a role model to communicate my values to	1 2 3 4 5	1 2 3 4 5
subordinates.		
24. I make the effort to react to events as they occur rather	1 2 3 4 5	1 2 3 4 5
than make detailed plans.		
25. I am aware of events occurring outside the company.	1 2 3 4 5	1 2 3 4 5
26. When planning, I use information from stakeholders such	1 2 3 4 5	1 2 3 4 5
as customers, suppliers, and employees.		
27. I make constant changes to my business plan according to	1 2 3 4 5	1 2 3 4 5
the economy and business factors.		
Self Leadership	Degree of	To What Extent
	<del>8</del>	
	Importance	Scale
	Importance Scale	Scale
28. I exhibit a high degree of technical proficiency in my field.	Scale	
<ul><li>28. I exhibit a high degree of technical proficiency in my field.</li><li>29. I have the courage to make commitments that would be</li></ul>	Scale 1 2 3 4 5	1 2 3 4 5
29. I have the courage to make commitments that would be	Scale	
29. I have the courage to make commitments that would be considered risky by others.	Scale 1 2 3 4 5	1 2 3 4 5
29. I have the courage to make commitments that would be	Scale 1 2 3 4 5 1 2 3 4 5	1 2 3 4 5 1 2 3 4 5
<ul><li>29. I have the courage to make commitments that would be considered risky by others.</li><li>30. I am quick to take action without spending a lot of time to find out all the information about the situation.</li></ul>	Scale 1 2 3 4 5 1 2 3 4 5	1 2 3 4 5 1 2 3 4 5
<ul> <li>29. I have the courage to make commitments that would be considered risky by others.</li> <li>30. I am quick to take action without spending a lot of time to find out all the information about the situation.</li> <li>31. My business cannot survive without me, since I am</li> </ul>	Scale 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5	1 2 3 4 5 1 2 3 4 5 1 2 3 4 5
<ul> <li>29. I have the courage to make commitments that would be considered risky by others.</li> <li>30. I am quick to take action without spending a lot of time to find out all the information about the situation.</li> <li>31. My business cannot survive without me, since I am responsible for producing products and services.</li> </ul>	Scale 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5	1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5
<ul> <li>29. I have the courage to make commitments that would be considered risky by others.</li> <li>30. I am quick to take action without spending a lot of time to find out all the information about the situation.</li> <li>31. My business cannot survive without me, since I am responsible for producing products and services.</li> <li>32. I project a high degree of self-confidence.</li> </ul>	Scale  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5	1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5
<ul> <li>29. I have the courage to make commitments that would be considered risky by others.</li> <li>30. I am quick to take action without spending a lot of time to find out all the information about the situation.</li> <li>31. My business cannot survive without me, since I am responsible for producing products and services.</li> <li>32. I project a high degree of self-confidence.</li> <li>33. I solicit critical suggestions to improve my performance.</li> </ul>	Scale  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5	1 2 3 4 5 1 2 3 4 5
<ul> <li>29. I have the courage to make commitments that would be considered risky by others.</li> <li>30. I am quick to take action without spending a lot of time to find out all the information about the situation.</li> <li>31. My business cannot survive without me, since I am responsible for producing products and services.</li> <li>32. I project a high degree of self-confidence.</li> </ul>	Scale  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  Degree of Importance	1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5
<ul> <li>29. I have the courage to make commitments that would be considered risky by others.</li> <li>30. I am quick to take action without spending a lot of time to find out all the information about the situation.</li> <li>31. My business cannot survive without me, since I am responsible for producing products and services.</li> <li>32. I project a high degree of self-confidence.</li> <li>33. I solicit critical suggestions to improve my performance.</li> <li>Interpersonal Leadership</li> </ul>	Scale  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  Degree of Importance Scale	1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 To What Extent Scale
<ul> <li>29. I have the courage to make commitments that would be considered risky by others.</li> <li>30. I am quick to take action without spending a lot of time to find out all the information about the situation.</li> <li>31. My business cannot survive without me, since I am responsible for producing products and services.</li> <li>32. I project a high degree of self-confidence.</li> <li>33. I solicit critical suggestions to improve my performance.</li> <li>Interpersonal Leadership</li> <li>34. I make most of the decisions in the business.</li> </ul>	1 2 3 4 5   1 3 4 5   1 3 4	1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 To What Extent Scale 1 2 3 4 5
<ul> <li>29. I have the courage to make commitments that would be considered risky by others.</li> <li>30. I am quick to take action without spending a lot of time to find out all the information about the situation.</li> <li>31. My business cannot survive without me, since I am responsible for producing products and services.</li> <li>32. I project a high degree of self-confidence.</li> <li>33. I solicit critical suggestions to improve my performance.</li> <li>Interpersonal Leadership</li> </ul>	Scale  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  Degree of Importance Scale	1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 To What Extent Scale
<ul> <li>29. I have the courage to make commitments that would be considered risky by others.</li> <li>30. I am quick to take action without spending a lot of time to find out all the information about the situation.</li> <li>31. My business cannot survive without me, since I am responsible for producing products and services.</li> <li>32. I project a high degree of self-confidence.</li> <li>33. I solicit critical suggestions to improve my performance.</li> <li>Interpersonal Leadership</li> <li>34. I make most of the decisions in the business.</li> <li>35. I encourage decisions to be made at the lowest level of</li> </ul>	1 2 3 4 5   1 3 4 5   1 3 4	1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 To What Extent Scale
<ul> <li>29. I have the courage to make commitments that would be considered risky by others.</li> <li>30. I am quick to take action without spending a lot of time to find out all the information about the situation.</li> <li>31. My business cannot survive without me, since I am responsible for producing products and services.</li> <li>32. I project a high degree of self-confidence.</li> <li>33. I solicit critical suggestions to improve my performance.</li> <li>Interpersonal Leadership</li> <li>34. I make most of the decisions in the business.</li> <li>35. I encourage decisions to be made at the lowest level of accurate information.</li> </ul>	Scale  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  Degree of Importance Scale  1 2 3 4 5  1 2 3 4 5	1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 To What Extent Scale 1 2 3 4 5 1 2 3 4 5
<ul> <li>29. I have the courage to make commitments that would be considered risky by others.</li> <li>30. I am quick to take action without spending a lot of time to find out all the information about the situation.</li> <li>31. My business cannot survive without me, since I am responsible for producing products and services.</li> <li>32. I project a high degree of self-confidence.</li> <li>33. I solicit critical suggestions to improve my performance.</li> <li>Interpersonal Leadership</li> <li>34. I make most of the decisions in the business.</li> <li>35. I encourage decisions to be made at the lowest level of accurate information.</li> <li>36. I encourage cooperation and collaboration across</li> </ul>	Scale  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  Degree of Importance Scale  1 2 3 4 5  1 2 3 4 5	1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 To What Extent Scale 1 2 3 4 5 1 2 3 4 5
<ul> <li>29. I have the courage to make commitments that would be considered risky by others.</li> <li>30. I am quick to take action without spending a lot of time to find out all the information about the situation.</li> <li>31. My business cannot survive without me, since I am responsible for producing products and services.</li> <li>32. I project a high degree of self-confidence.</li> <li>33. I solicit critical suggestions to improve my performance.</li> <li>Interpersonal Leadership</li> <li>34. I make most of the decisions in the business.</li> <li>35. I encourage decisions to be made at the lowest level of accurate information.</li> <li>36. I encourage cooperation and collaboration across functional areas of my business.</li> </ul>	Scale  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  Degree of Importance Scale  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5	1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 To What Extent Scale  1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5
<ul> <li>29. I have the courage to make commitments that would be considered risky by others.</li> <li>30. I am quick to take action without spending a lot of time to find out all the information about the situation.</li> <li>31. My business cannot survive without me, since I am responsible for producing products and services.</li> <li>32. I project a high degree of self-confidence.</li> <li>33. I solicit critical suggestions to improve my performance.</li> <li>Interpersonal Leadership</li> <li>34. I make most of the decisions in the business.</li> <li>35. I encourage decisions to be made at the lowest level of accurate information.</li> <li>36. I encourage cooperation and collaboration across functional areas of my business.</li> <li>37. I encourage my employees to experiment with new ideas</li> </ul>	Scale  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  Degree of Importance Scale  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5  1 2 3 4 5	1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5 To What Extent Scale 1 2 3 4 5 1 2 3 4 5 1 2 3 4 5

39. I provide training and development to my employees.	1 2 3 4 5	1 2 3 4 5
40. I successfully select people.	1 2 3 4 5	1 2 3 4 5
41. Decisions in the business are based on information from	1 2 3 4 5	1 2 3 4 5
my staff.		
Systems Management	Degree of	To What Extent
	Importance	Scale
	Scale	
42. I measure the results of important goal-achieving actions	1 2 3 4 5	1 2 3 4 5
and their impact.		
43. I actively seek knowledge about my customers and the	1 2 3 4 5	1 2 3 4 5
market place.		
44. I am aware of the product/services and pricing structure of	1 2 3 4 5	1 2 3 4 5
my competitors.		
45. I know the return on investment of my advertising	1 2 3 4 5	1 2 3 4 5
campaigns.		
46. I know what my gross margins are.	1 2 3 4 5	1 2 3 4 5
47. To keep updated with technology and information, I	1 2 3 4 5	1 2 3 4 5
participate in learning activities through seminars,		
workshops, tradeshows, and/or talking with suppliers.		
48. I understand how financial statements depict my business.	1 2 3 4 5	1 2 3 4 5
49. I am aware of external economic events.	1 2 3 4 5	1 2 3 4 5
50. I critically analyze past performance and future	1 2 3 4 5	1 2 3 4 5
opportunities and take actions to enhance performance.		
51. I am actively involved in market analysis	1 2 3 4 5	1 2 3 4 5
52. I actively engage in surveying my customers.	1 2 3 4 5	1 2 3 4 5

The following key applies to the rest of the questions:

The "degree of importance scale" is meant to determine <u>how important you feel the statement is to your success</u>.

The following key applies to the "Degree of Importance Scale":

- 1 -Very Unimportant
- 2– Unimportant
- 3– Neither unimportant nor important
- 4– Important
- 5– Very important

The "satisfaction of performance scale" is designed to <u>seek your level of knowledge on the statement</u>. The following key applies to the "Satisfaction of Performance Scale":

The following key applies to the "Satisfaction of Performance Scale":

- $1-Very\ dissatisfied$
- 2 Somewhat dissatisfied
- 3 Neither satisfied nor dissatisfied
- 4 Somewhat satisfied
- 5 Very satisfied

Success Measures	Degree of Importance Scale	Satisfaction of Performance Scale
53. Sales growth	1 2 3 4 5	1 2 3 4 5
54. Net Profit	1 2 3 4 5	1 2 3 4 5
55. Yearly increase of your personal net worth	1 2 3 4 5	1 2 3 4 5
56. I have achieved my own personal happiness and fulfillment.	1 2 3 4 5	1 2 3 4 5
57. I enjoy complete independence and control over my life.	1 2 3 4 5	1 2 3 4 5
58. I feel satisfied with owning my own business.	1 2 3 4 5	1 2 3 4 5
59. I receive personal gratification working in my field.	1 2 3 4 5	1 2 3 4 5
60. I consider myself to be successful in my life and the pursuit of my goals.	1 2 3 4 5	1 2 3 4 5

Only a few more questions. These items allow us to learn more about you and your business.

61. Years of operation:1-33-55-77+
62. Gender: Male Female
63. Please identify your position in the business: President/CEOPartnerSole Proprietor/Principal
64. Which of the following applies to your business:  Personally started the business  Purchased the business from someone else  Inherited the business or it was transferred in some other way
65. Number of employees: 1-34-2021-5051-100100+
66. Revenue range:<\$ 500k

	_\$ 500k- \$1M
	\$1M - 10M
	\$10M - 100M
	\$100M+
67.	Indicate your level of formal education:
	_Did not finish school
	_High School graduate
	_Some college
	_Some graduate school
	_Graduate/professional degree
68.	Primary Educational Background (Mark the item most appropriate.)
	_Science, engineering or technical
	_Social Science or Humanities
	_Business
	_Professional (law, health field, social services)
	Other educational background
69.	On average, how many hours do you work in the business?
	_10-20 hours/week
	_21-30 hours/week
	_31-40 hours/week
	41-50 hours/week
	51-60 hours/week
	61-70 hours/week
	70   hours/week

Thank you again for participating in this questionnaire. <u>Please return it to me in the enclosed postage paid reply envelope.</u>

#### APPENDIX B. PERMISSION TO USE SUN'S (2004) INSTRUMENT

From: drtedsun@gmail.com To: jimsbarb@hotmail.com

Subject: RE: Request to use research instrument

Date: Sun, 1 Jul 2012 12:13:32 -0400

Hi Barbara,

Sure, you're welcome to use it, as long as you don't mind sharing your research. I'd like to see how it's being used and the findings as well.

Dr<sup>2</sup>.Ted Sun

Chief Dream Maker & International Professor

Executive Balance Ph: (614) 538-1664 Fax: (614) 245-0605

Vice Chancellor of Academics School of Business SMC University

Adult Lead Faculty Leadership Worthington

**From:** Barbara Schmitt [mailto:jimsbarb@hotmail.com]

**Sent:** Sunday, July 01, 2012 11:50 AM

**To:** adultinstructor@leadershipworthington.org **Subject:** Request to use research instrument

Dear Dr. Sun,

My name is Barbara Schmitt. I am a graduate student at North Dakota State University working on my dissertation. I would like to request permission to use your instrument from your 2004 study on Knowledge Required to Achieve Entrepreneurial Success.

Thank you,

Please reply back to this email.

Barbara

### APPENDIX C. QUESTIONNAIRE DESIGN

Degree of	Environmental Factors	To what
Importance Scale		Extent Scale
1 2 3 4 5	EFQ1. I encourage the development of Native American	1 2 3 4 5
	owned private businesses that are not tribally owned.	
	<ul> <li>Source: Adopted from McLaughlin (1992).</li> <li>This statement was designed to measure the development of Native American owned private businesses (McLaughlin, 1992).</li> <li>The Indian Financing Act of 1974 was important in promoting reservation businesses (Welch, 2006).</li> <li>Native American businesses have succeeded at only one-tenth the average for all new American business start-ups (Jahrig, 1996).</li> </ul>	
1 2 3 4 5	EFQ2. I meet with Native American business owners to share goals, visions, and concerns.	1 2 3 4 5
	<ul> <li>Source: Adopted from Emery et al. (2006).</li> <li>This statement was designed to measure the approaches for economic development and how its use in mainstream America compared to Indian country (Emery et al., 2006).</li> <li>Native Americans view family values and community support as being important (Robinson &amp; Hogan, 1994).</li> </ul>	

1 2 3 4 5	EFQ3. I convene groups or committees to determine	1 2 3 4 5
	what kind of cultural property is appropriate for sale or	
	public access.	
	<ul> <li>Source: Adopted from Mantonya &amp; Wall (2007).</li> <li>This statement was designed to measure the recognition of the importance of cultural relevance (Mantonya &amp;Wall, 2007).</li> <li>Tribal nations have always engaged in various forms of commerce (Thompson, 2010).</li> </ul>	
1 2 3 4 5	EFQ4. I involve tribal community members and advocates in planning and decisions that support Native American business owners.	12345
	<ul> <li>Source: Adopted from Goreham &amp; Rathge (1991).</li> <li>This statement was designed to measure the community and tribal support (Goreham &amp; Rathge, 1991).</li> <li>Community and business development is not always highly regarded on the reservation (Jahrig, 1997).</li> </ul>	

1 2 3 4 5	EFQ5. I bring Native American entrepreneurs and tribal	1 2 3 4 5
	leaders together to learn about political barriers facing	
	business owners and what tribal leaders can do to remove	
	them.	
	Source: Adopted from Mantonya & Wall (2007)	
	and Jorgenson & Taylor (2007).	
	This statement was designed to measure tribal	
	commitment in supporting entrepreneurial efforts	
	(Mantonya &Wall, 2007; Jorgenson & Taylor,	
	2007).	
	Self-determination efforts resulted in the	
	development of tribal enterprises (Vinje, 1996).	
1 2 3 4 5	EFQ6. My business hosts conferences or summits to	1 2 3 4 5
	exchange ideas about economic development	
	opportunities.	
1	opportunities.	
	Source: Adopted from Thompson (2010).	
	Source: Adopted from Thompson (2010).	
	<ul> <li>Source: Adopted from Thompson (2010).</li> <li>This statement was designed to measure the effect</li> </ul>	
	<ul> <li>Source: Adopted from Thompson (2010).</li> <li>This statement was designed to measure the effect of large trade gatherings.</li> </ul>	
	<ul> <li>Source: Adopted from Thompson (2010).</li> <li>This statement was designed to measure the effect of large trade gatherings.</li> <li>Many members of tribes gathered to exchange a</li> </ul>	
	<ul> <li>Source: Adopted from Thompson (2010).</li> <li>This statement was designed to measure the effect of large trade gatherings.</li> <li>Many members of tribes gathered to exchange a variety of products from other members (Eagle</li> </ul>	

1 2 3 4 5	EFQ7. I encourage adopting uniform commercial codes	1 2 3 4 5
	to set procedures and protocols to ease investor anxiety	
	about supporting business in Indian country.	
	Source: Adopted from Keohane (2006).	
	Many tribes have increased their economic	
	activity by exercising their sovereignty (Keohane,	
	2006).	
	This statement was designed to measure the	
	characteristic positioned for sustainable economic	
	development success (Mantonya & Wall, 2007).	
	State laws differ widely throughout Indian	
	Country (Malkin et al., 2004).	
1 2 3 4 5	EFQ8. I build trust and cooperate with Native American	1 2 3 4 5
1 2 3 4 5	EFQ8. I build trust and cooperate with Native American entrepreneurs.	1 2 3 4 5
1 2 3 4 5	_	1 2 3 4 5
1 2 3 4 5	_	1 2 3 4 5
1 2 3 4 5	entrepreneurs.	1 2 3 4 5
1 2 3 4 5	Source: Adopted from Goreham & Rathge	1 2 3 4 5
1 2 3 4 5	Source: Adopted from Goreham & Rathge     (1991).	12345
1 2 3 4 5	<ul> <li>Source: Adopted from Goreham &amp; Rathge (1991).</li> <li>This statement was designed to measure the</li> </ul>	12345
1 2 3 4 5	<ul> <li>Source: Adopted from Goreham &amp; Rathge (1991).</li> <li>This statement was designed to measure the individual community support or therefore lack of</li> </ul>	12345
1 2 3 4 5	<ul> <li>Source: Adopted from Goreham &amp; Rathge (1991).</li> <li>This statement was designed to measure the individual community support or therefore lack of (Goreham &amp; Rathge, 1991).</li> </ul>	12345
1 2 3 4 5	<ul> <li>Source: Adopted from Goreham &amp; Rathge (1991).</li> <li>This statement was designed to measure the individual community support or therefore lack of (Goreham &amp; Rathge, 1991).</li> <li>Support is very limited due to many issues</li> </ul>	12345

1 2 3 4 5	EFQ9. I provide business support that addresses issues	1 2 3 4 5
	such as tax assistance, marketing, budgeting, insurance,	
	credit and business planning.	
	<ul> <li>Source: Adopted from Malkin et al. (2004) and Adamson &amp; King (2002).</li> <li>This statement was designed to measure the business knowledge of the entrepreneur (Adamson &amp; King, 2002).</li> <li>Educating entrepreneurs with basic business skills will promote economic development on reservations (Adamson &amp; King, 2002).</li> </ul>	
1 2 3 4 5	EFQ10. I coordinate cooperation between lending institutions, foundations, private companies, and federal agencies to establish a community revolving loan fund or small business loan program.	12345
	<ul> <li>Source: Adopted from Malkin et al. (2004) and Adamson &amp; King (2002).</li> <li>This statement was designed to measure the business knowledge of the entrepreneur (Adamson &amp; King, 2002).</li> <li>Educating entrepreneurs with basic business skills will promote economic development on reservations (Adamson &amp; King, 2002).</li> </ul>	

1 2 3 4 5	EFQ11. I establish a way for local business owners to	1 2 3 4 5
	work together to lower insurance and marketing costs.	
	Source: Adopted from Malkin et al. (2004) and	
	Adamson & King (2002).	
	This statement was designed to measure the	
	business knowledge of the entrepreneur	
	(Adamson & King, 2002).	
	Educating entrepreneurs with basic business skills	
	will promote economic development on	
	reservations (Adamson & King, 2002).	
1 2 3 4 5	EFQ12. I facilitate cooperation between local tribal	1 2 3 4 5
	colleges, tribal education centers, or business	
	development centers to help business owners develop	
	sound and creative business plans.	
	Source: Adopted from Goreham & Rathge	
	(1991), Malkin & Aseron (2007) and Casey	
	(1997).	
	This statement was designed to measure the	
	education and/or training needed for	
	entrepreneurial success (Goreham & Rathge,	
	1991).	
	Tribal colleges play critical roles in reservation	
	economic development, starting with training	
	students for jobs (Ambler, 1992).	

1 2 3 4 5	EFQ13. I situate technology within overall nation-	1 2 3 4 5
	building goals as one tool to improve economic	
	development on tribal lands.	
	<ul> <li>Source: Adopted from Smith (2000) and Cornell &amp; Kalt (2003).</li> <li>This statement was designed to measure how technology is important to economic development on reservations (Smith, 2000).</li> </ul>	
1 2 3 4 5	EFQ14. I support partnerships between tribal	1 2 3 4 5
	governments, tribal colleges, business development	
	centers, business owners, and tribal members to help	
	business owners in their business development efforts.	
	<ul> <li>Source: Adopted from Goreham &amp; Rathge (1991), Malkin &amp; Aseron (2007) and Casey (1997).</li> <li>This statement was designed to measure the education and/or training needed for entrepreneurial success (Goreham &amp; Rathge, 1991).</li> <li>Tribal colleges play critical roles in reservation economic development, starting with training students for jobs (Ambler, 1992).</li> </ul>	

12345	<ul> <li>EFQ15. I establish collaborative relations between local K-12 schools, business owners, and community members to optimize and enhance technology skills.</li> <li>Source: Adopted from Smith (2000) and Cornell &amp; Kalt (2003).</li> <li>This statement was designed to measure how technology is important to economic development on reservations (Smith, 2000).</li> </ul>	1 2 3 4 5
12345	EFQ16. I form committees or groups to establish an enforceable copyright or trademark registration system to protect Native American business owners from unlawful Internet reproducing of tribal intellectual property.	12345
	<ul> <li>Source: Adopted from Malkin &amp; Aseron (2007) and Mantonya &amp; Wall (2007).</li> <li>This statement was designed to measure the skills necessary to protect the property of the tribes (Malkin &amp; Aseron, 2007).</li> <li>Important to have "champions" for community and economic development (Mantonya &amp; Wall, 2007).</li> </ul>	

12345	EFQ17. I set up mentoring programs among various tribal business owners to provide computer support such as Web site development, Internet sales, trademark or copyright protection.	1 2 3 4 5
	<ul> <li>Source: Adopted from Sitting Bull College, (n.d.) and Emery (2007).</li> <li>This statement was designed to measure the support through mentoring programs that is provided by community members (Emery, 2007).</li> <li>Entrepreneurial centers are resources in assisting tribes with economic development (Emery, 2007).</li> </ul>	

#### APPENDIX D. PILOT TEST PARTICIPANT REQUEST LETTER

701.231.7202 Fax 701.231.7416 ndsu.grad.school@ndsu.edu

# NDSU NORTH DAKOTA STATE UNIVERSITY

Education Doctoral Program School of Education

Barbara Schmitt 9220 Plainview Drive Bismarck, ND 58503 701/527-0931

Title of Research Study: Defining economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations.

Dear :

My name is Barbara (Manson) Schmitt. I am a graduate student in Education at North Dakota State University, and I am conducting a research project on defining economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations. It is our hope, that with this research, we will learn more about exploring relationships between the perceived level of importance of knowledge, skills, and attitudes and sustainable business.

I would like to invite you to assist me with the **pilot study** of my research. This is a crucial step in validating the research instrument. Attached is the cover letter and survey

instrument that will be distributed to Native American owned businesses located on/or adjacent to the North Dakota reservations.

As part of the validation required, I would like for you to review and comment on the cover letter and survey using the attached comment form. It should be noted, the survey that is being used is a modification of a survey that was used in a 1994 study by Dr. Ted Sun.

Your views are very important. This study is anonymous therefore no one, not even members of the research team, will know that the information you give comes from you. Please fill out the survey then answer the questions on the comment form. Return the survey and comment form in the enclosed self-addressed stamped envelope no later than July 13, 2012.

Again, I thank you for your time and assistance in helping me accomplish my dream and sharing your expertise.

If you have any questions about this project, please contact me at 701/527-0931 or at my email address, jimsbarb@hotmail.com, or contact my advisor at Dr. Myron Eighmy, 701-231-5775 Email: Myron.Eighmy@ndsu.edu.

Sincerely,

Barbara Schmitt

#### APPENDIX E. PILOT TEST COMMENT FORM

# NATIVE AMERICAN ENTREPRENEUR SURVEY COVER LETTER/SURVEY FEEDBACK QUESTIONS

1.	Did the cover letter and questionnaire clearly indicate the purpose of the survey? If not,
su	ggest improvement
2.	Were the instructions clear? If not, suggest improvement
3.	Is each of the questions clearly written? If not, suggest improvement
4.	Were there any items unclear or ambiguous? If so, which ones?
	Did you find any problems or difficulties in answering the questions? If yes, suggest provement
6.	Was the scale easy to use? If not, suggest improvement

7. How long did it take to complete?
8. Was the length and structure of the questionnaire satisfactory?
Please provide additional comments below:

#### APPENDIX F. PILOT TEST CRONBACH'S ALPHA

### Reliability Statistics

Cronbach's Alpha	N of Items
.926	60

#### APPENDIX G. REQUEST FOR PERMISSION LETTER

701.231.7202 Fax 701.231.7416 ndsu.grad.school@ndsu.edu

# NDSU NORTH DAKOTA STATE UNIVERSITY

Education Doctoral Program School of Education

Barbara Schmitt 9220 Plainview Drive Bismarck, ND 58503 701/527-0931

Title of Research Study: Defining economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations.

Dear Chairman Yankton:

My name is Barbara (Manson) Schmitt. I am a graduate student in Education at North Dakota State University, and I am conducting a research project on defining economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations. It is our hope, that with this research, we will learn more about exploring relationships between the perceived level of importance of knowledge, skills, and attitudes and sustainable business.

I am writing to request permission to conduct research on the Spirit Lake reservation. Can you please provide me the process necessary to obtain the consent of Spirit Lake Nation?

A survey will be provided to Native American business owners located on/or adjacent to the Spirit Lake reservation. Participants will be asked questions about the knowledge, skills, and attitudes of Native American business owners. The findings may benefit the Spirit Lake Nation in your economic development efforts as well as benefit the tribal economic development office.

It is not possible to identify all potential risks in research procedures, but we have taken reasonable safeguards to minimize any known risks. These known risks include loss of confidentiality. We may publish the results of the study; however, this study is anonymous therefore no one, not even members of the research team, will know the information provided came from your reservation.

If you have any questions about this project, please contact me at 701/527-0931 or at my email address, jimsbarb@hotmail.com, or contact my advisor at Dr. Myron Eighmy, 701-231-5775 Email: Myron.Eighmy@ndsu.edu.

The Spirit Lake Nation's consent to conduct research on the Spirit Lake reservation would be appreciated. Please send the approval/disapproval to the address listed above. If you wish to receive a copy of the results, please send a written request also to this address.

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#### Barbara Schmitt

701.231.7202 Fax 701.231.7416 ndsu.grad.school@ndsu.edu

### NDSU NORTH DAKOTA STATE UNIVERSITY

Education Doctoral Program School of Education

Barbara Schmitt 9220 Plainview Drive Bismarck, ND 58503 701/527-0931

Title of Research Study: Defining economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations.

Dear Chairman Murphy:

My name is Barbara (Manson) Schmitt. I am a graduate student in Education at North Dakota State University, and I am conducting a research project on defining economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations. It is our hope, that with this research, we will learn more about exploring relationships between the perceived level of importance of knowledge, skills, and attitudes and sustainable business.

I am writing to request permission to conduct research on the Standing Rock reservation. Can you please provide me the process necessary to obtain the consent of the Standing Rock Sioux Tribe?

A survey will be provided to Native American business owners located on/or adjacent to the Standing Rock reservation. Participants will be asked questions about the knowledge, skills, and attitudes of Native American business owners. The findings may benefit the Standing Rock

Sioux Tribe in your economic development efforts as well as benefit the tribal economic development office.

It is not possible to identify all potential risks in research procedures, but we have taken reasonable safeguards to minimize any known risks. These known risks include loss of confidentiality. We may publish the results of the study; however, this study is anonymous therefore no one, not even members of the research team, will know the information provided came from your reservation.

If you have any questions about this project, please contact me at 701/527-0931 or at my email address, jimsbarb@hotmail.com, or contact my advisor at Dr. Myron Eighmy, 701-231-5775 Email: Myron.Eighmy@ndsu.edu.

The Standing Rock Sioux Tribe's consent to conduct research on the Standing Rock reservation would be appreciated. Please send the approval/disapproval to the address listed above. If you wish to receive a copy of the results, please send a written request also to this address.

Sincerely,

#### Barbara Schmitt

701.231.7202 Fax 701.231.7416 ndsu.grad.school@ndsu.edu

## NDSU NORTH DAKOTA STATE UNIVERSITY

Education Doctoral Program School of Education

Barbara Schmitt 9220 Plainview Drive Bismarck, ND 58503 701/527-0931

Title of Research Study: Defining economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations.

Dear Chairman Hall:

My name is Barbara (Manson) Schmitt. I am a graduate student in Education at North Dakota State University, and I am conducting a research project on defining economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations. It is our hope, that with this research, we will learn more about exploring relationships between the perceived level of importance of knowledge, skills, and attitudes and sustainable business.

I am writing to request permission to conduct research on the Fort Berthold reservation. Can you please provide me the process necessary to obtain the consent of the Three Affiliated Tribes?

A survey will be provided to Native American business owners located on/or adjacent to the Fort Berthold reservation. Participants will be asked questions about the knowledge, skills, and attitudes of Native American business owners. The findings may benefit the Three Affiliated Tribes in your economic development efforts as well as benefit the tribal economic development office.

It is not possible to identify all potential risks in research procedures, but we have taken reasonable safeguards to minimize any known risks. These known risks include loss of confidentiality. We may publish the results of the study; however, this study is anonymous therefore no one, not even members of the research team, will know the information provided came from your reservation.

If you have any questions about this project, please contact me at 701/527-0931 or at my email address, jimsbarb@hotmail.com, or contact my advisor at Dr. Myron Eighmy, 701-231-5775 Email: Myron.Eighmy@ndsu.edu.

The Three Affiliated Tribe's consent to conduct research on the Fort Berthold reservation would be appreciated. Please send the approval/disapproval to the address listed above. If you wish to receive a copy of the results, please send a written request also to this address.

Sincerely,

#### Barbara Schmitt

701.231.7202 Fax 701.231.7416 ndsu.grad.school@ndsu.edu

## NDSU NORTH DAKOTA STATE UNIVERSITY

Education Doctoral Program School of Education

Barbara Schmitt 9220 Plainview Drive Bismarck, ND 58503 701/527-0931

Title of Research Study: Defining economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations.

Dear Chairman St. Claire:

My name is Barbara (Manson) Schmitt. I am a graduate student in Education at North Dakota State University, and I am conducting a research project on defining economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations. It is our hope, that with this research, we will learn more about exploring relationships between the perceived level of importance of knowledge, skills, and attitudes and sustainable business.

I am writing to request permission to conduct research on the Turtle Mountain reservation. Can you please provide me the process necessary to obtain the consent of the Turtle Mountain Tribe?

A survey will be provided to Native American business owners located on/or adjacent to the Turtle Mountain reservation. Participants will be asked questions about the knowledge, skills, and attitudes of Native American business owners. The findings may benefit the Turtle Mountain Tribe in your economic development efforts as well as benefit the tribal economic development office.

It is not possible to identify all potential risks in research procedures, but we have taken reasonable safeguards to minimize any known risks. These known risks include loss of confidentiality. We may publish the results of the study; however, this study is anonymous therefore no one, not even members of the research team, will know the information provided came from your reservation.

If you have any questions about this project, please contact me at 701/527-0931 or at my email address, jimsbarb@hotmail.com, or contact my advisor at Dr. Myron Eighmy, 701-231-5775 Email: Myron.Eighmy@ndsu.edu.

The Turtle Mountain Tribe's consent to conduct research on the Turtle Mountain reservation would be appreciated. Please send the approval/disapproval to the address listed above. If you wish to receive a copy of the results, please send a written request also to this address.

Sincerely,

#### Barbara Schmitt

#### APPENDIX H. TRIBAL RESOLUTIONS/LETTERS



# **SPIRIT LAKE TRIBE**

OFFICE OF THE TRIBAL CHAIRMAN

ROGER YANKTON SR.

80.BOX.359 • FORT TOTTEN NO 58833 • PHONE 701-766-4221 • FAX 701-765-4136

August 7 2012

Barbara Schmitt

9220 Plainview Drive

Bismarck, ND 58503

701-527-0931

Re: Research Study

Dear Ms. Schmitt:

On behalf of the Spirit Lake Tribe, permission is hereby granted to conduct research via interviews and/or survey the Native American owned businesses that agree to participate in your study; "Defining economic success as it pertains to Native American owned businesses located an/or adjacent to North Dakota Reservations". Economic development: the private sector creation and sustainability are very important to the Tribe.

Please feel free to contact me if you need any further assistance on this research project. The Tribe is also requesting a summary of the findings from the study once the project is completed.

Respectfully,

Roger Yagaten, Sr., Chairman

Spirit Lake Tribe

File copy

# RESOLUTION NUMBER TMBC839-07-12 OF THE DULY ELECTED AND CERTIFIED GOVERNING BODY OF THE TURTLE MOUNTAIN BAND OF CHIPPEWA INDIANS

WHEREAS, the Turtle Mountain Band of Chippewa Indians, hereinafter referred to as the Tribe, is an unincorporated Band acting under a revised Constitution and By-Laws approved by the Secretary of the Interior on June 16th, 1959 and amendments thereto approved; and

WHEREAS, Article IX (a) Section 1 of the Turtle Mountain Constitution and By-Laws empowers the Tribal Council with the authority to represent the Band and to negotiate with Federal, State, and Local Governments and with private persons; and

WHEREAS, Barbara (Manson) Schmitt is a graduate student in Education at North Dakota State University, and is conducting a research project on defining economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations, in the hopes that with this research, they will learn more about exploring relationships between the perceived level of importance of knowledge, skills, and attitudes and sustainable business; and

WHEREAS, Mrs. Schmitt is requesting permission to conduct research on the Turtle Mountain reservation; and

WHEREAS, a survey will be provided to Native American business owners located on/or adjacent to the Turtle Mountain reservation. Participants will be asked questions about the knowledge, skills, and attitudes of Native American business owners. The findings may benefit the Turtle Mountain Tribe in your economic development efforts as well as benefit the tribal economic development office. It is not possible to identify all potential risks in research procedures, but we have taken reasonable safeguards to minimize any known risks. These known risks include loss of confidentiality. We may publish the results of the study; however, this study is anonymous therefore no one, not even members of the research team, will know the information provided came from your reservation; now

THEREFORE BE IT RESOLVED that the Tribe is authorizing Barbara Schmitt to conduct research with Native American business owners on the Turtle Mountain Indian Reservation; and

BE IT FURTHER RESOLVED that specific information collected may not be released in any form to individuals, agencies, or organizations without additional tribal authorization.

#### CERTIFICATION

I, the undersigned Tribal Secretary of the Turtle Mountain Band C Council is composed of nine (9) members of whom five (5) constitution called, convened and held on the 2 <sup>nd</sup> day of July, 2012, that the formation of four (4) in favor – Representatives Jeff 'BJ' Deforme, Zelfour (4) absent-Representatives Mike Malaterre, Cindy Malaterre, not voting.  SIGNED INTO LAW/Dated this day of day of votice that the formation of the control of	tuting a quorum were present at a meeting duly pregoing resolution was adopted by an affirmative lima Peltier, Elmer Davis, Jr. and Larry DeCoteau; Curtis L. Poitra and Lorne Jay; with the Chairman Jolean A. Morin, Tribal Secretary
	Merle St. Claire, Chairman

#### TRIBAL COUNCIL (AT LARGE)

Jesse "Jay" Taken Alive

Ronald C. Brownotter

Avis Little Eagle

Paul Archambault

Phyllis Young

Randal J. White Sr.

Mike Faith
Wee Churman

Adele M. White Secretary

July 12, 2012

Charles W. Murphy

Barbara Schmitt 9220 Plainview Drive Bismarck, ND 58503 701/527-0931

Re: Title of Research Study

Dear Barbara Schmitt,

On behalf of the Standing Rock Sioux Tribe, I give you permission to interview/survey the Native American owned businesses that wish to participate in your study, "Defining economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota Reservations". Economic development: the private sector creation and sustainability are very important to the Tribe. Please feel free to contact me if you need any further assistance on this research project.

Respectfully,

Charles W. Murphy, CHAIRMAN Standing Rock Sioux Tribe TRIBAL COUNCIL (DISTRICTS)

Sharon Two Bears

Henry Harrison Long Soldier District

Duane Claymore
Wakpala District

Kerby St. John Kenel District

Errol D. Crow Ghost

Milton Brown Otter

Frank Jamerson Jr.

Samuel B. Harrison

#### APPENDIX I. PARTICIPANT REQUEST COVER LETTER

701.231.7202 Fax 701.231.7416 ndsu.grad.school@ndsu.edu

### **NDSU**

#### NORTH DAKOTA STATE UNIVERSITY

Education Doctoral Program School of Education

Barbara Schmitt 9220 Plainview Drive Bismarck, ND 58503 701/527-0931

Title of Research Study: Defining economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations.

Dear Entrepreneur:

My name is Barbara (Manson) Schmitt. I am a graduate student in Education at North Dakota State University, and I am conducting a research project on defining economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations. This is a questionnaire to help discover the knowledge required by a Native American Entrepreneur to be successful in creating and running a business. This study will attempt to identify those factors that attribute to economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations.

Because you are a Native American business owner, you are invited to take part in this research project. Your participation is entirely your choice, and you may change your mind or quit participating at any time, with no penalty to you. It is not possible to identify all potential risks in research procedures, but we have taken reasonable safeguards to minimize any known risks. These known risks include loss of confidentiality.

By taking part in this research, the findings may benefit you in your economic development efforts. Benefits to others may include the tribal administration and the tribal economic development office.

It should take about 15 minutes to complete the survey, which asks questions about the knowledge, skills, and attitudes of Native American business owners. Every attempt is being made to maintain confidentiality. Your information will be combined with information from other people taking part in the study, we will write about the combined information that we have gathered. You will not be identified in these written materials. We may publish the results of the study; however, this study is anonymous therefore no one, not even members of the research team, will know that the information you give comes from you.

# <u>Please fill out the survey and return it in the self-addressed stamped envelope</u> provided as soon as possible.

If you have any questions about this project, please contact me at 701/527-0931 or at my email address, jimsbarb@hotmail.com, or contact my advisor at Dr. Myron Eighmy, 701-231-5775 Email: Myron.Eighmy@ndsu.edu.

Thank you for your taking part in this research. If you wish to receive a copy of the results, please send a written request to my address listed above.

Sincerely,

#### Barbara Schmitt

#### APPENDIX J. PARTICIPANT REMINDER LETTER

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#### Dear Entrepreneur:

The questionnaire I sent to you recently is vital to the research I am conducting of Native American entrepreneurs. I am an enrolled member of the Turtle Mountain Band of Chippewa who has worked in the field of tribal economic development for almost 25 years. I am very passionate about discovering ways to assist Native American entrepreneurs in their endeavors.

As indicated in the earlier letter I sent to you, the questionnaire is to help discover the knowledge required by a Native American Entrepreneur to be successful in creating and running a business. This study will attempt to identify those factors that attribute to economic success as it pertains to Native American owned businesses located on/or adjacent to North Dakota reservations. Your answers to the questionnaire are very important to this research.

Will you please fill out the questionnaire and return it in the enclosed envelope as soon as possible. Your participation is entirely your choice, and you may change your mind or quit participating at any time, with no penalty to you. Every attempt is being made to maintain confidentiality. You will not be identified in the written materials. I would hope that you would support this research and return the questionnaire at your earliest convenience. I would appreciate it very much.

If you have any questions about this project, please contact me at 701/527-0931 or at my email address, jimsbarb@hotmail.com, or contact my advisor at Dr. Myron Eighmy, 701-231-5775 Email: Myron.Eighmy@ndsu.edu.

Thank you again for your taking part in this research. If you wish to receive a copy of the results, please send a written request to my address listed above.

Sincerely,

#### Barbara Schmitt