Entrepreneurs and Facilitation

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Abstract

Fast-growing visionary entrepreneurs organize and structure the resources around them to help realise their vision. A careful study of the way they organize their activity systems reveals that growing numbers of entrepreneurs now use facilitators who play a key role in supporting their vision. The following text presents an overview of research into the role played by facilitators and looks at how they complement and differ from the entrepreneurs they support. The text briefly considers the entrepreneur/facilitator activity system and relationship within the context of a visionary process. Case studies cited in this text are Canadian.

Introduction

Most entrepreneurs who build large companies are visionaries. They have ambition, think projectively about what they want to achieve, and need to surround themselves with people who have complementary skills and can make things happen. Without Steve Wozniak, Steve Jobs would probably not have been able to market the first personal computer. And without Daniel Gauthier, Guy Laliberté is unlikely to have enjoyed the same level of success with Cirque du Soleil.

Research aim and literature

This research examines the way visionary entrepreneurs and facilitators work together to realize visions and grow firms.

Because this paper is short, a literature review has not been presented. However, it is important to note that there have been very few studies of entrepreneurial facilitation. A handful of researchers have considered the relationship between the RBV and entrepreneurship, but not from the same standpoint as this research. The main focus here is on how facilitators complement entrepreneurs within a visionary process. To our knowledge, this topic has not been studied before.

Methodology

Over the last 30 years we have interviewed an average of 40 entrepreneurs per year, for a total of more than 1,000. These interviews lasted an average of three to five hours each, and some were longer (20 hours in one case). Almost all were recorded, and most were transcribed. The interviews were conducted for a variety of research projects and focused on different aspects of entrepreneurial activity systems: for example, how entrepreneurs think and learn to do what they do. It became obvious over time that a key aspect for the design and implementation of innovative activity systems is the selection of support systems and resources. Penrose (1959) has already insisted on the importance of resources to support small business growth, and our interviews clearly showed that the activity systems of growing entrepreneurs

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require multiple resources to support a visionary process that is often still in a liquid and fuzzy state. If they are to grow, entrepreneurs need people around them who understand what they want to achieve: people who can help clarify their vision as it emerges, and work to achieve the complementary visions required to realize the central vision the entrepreneur is in the process of defining.

A good example of facilitation can be found in the case of a very well-known entrepreneur: Coco Chanel, the first and only woman to have built a multinational corporation. Her enterprise had more than 4,000 employees when the Second World War broke out in 1939. We studied more than 20 biographical documents, including 12 books and two films, and produced a 40-page case study divided into four sections. Coco Chanel had a very tumultuous life. She was orphaned when she was 11 years old, moved from one orphanage to another, never married, but had many lovers. The *House of Chanel* would never have existed if three of her lovers had not played a facilitation role and taught her the entrepreneurial craft. These three men, successful entrepreneurs in their own right, were also shrewd and very rich businessmen (one, the Duke of Westminster, was considered the richest man on the planet). They supported her financially, providing premises for her work, guaranteeing loans and so on. After being in business for several years, Chanel was angry to discover that the bank was so helpful only because her lover had secretly endorsed an unlimited line of credit for her. While this is a special case of facilitation, it is not unusual for facilitators also to impact the personal lives of their entrepreneurs.

We then designed a specific study to look at facilitation patterns. Five entrepreneurs who had built multinational corporations from the ground up were interviewed (interviews lasting three to eight hours each), and their organizations were studied. They were: Alain Bouchard (Couche-Tard), Jean Coutu (the Jean Coutu Group), Pierre Ducros (DMR), Guy Laliberté (Cirque du Soleil) and Rémi Marcoux (Transcontinental). Alain Bouchard's enterprise (a convenience store conglomerate) was the biggest of the five, with more than 80,000 employees in 2015. Guy Laliberté's was the smallest, employing about 4,000 people. The firm built by Pierre Ducros, DMR, employed more than 3,000 information technology programmers when he sold it to Fujitsu in 1996. As for the Jean Coutu Group and Transcontinental, they employ more than 15,000 people each, although Rémi Marcoux, the entrepreneur who built Transcontinental from scratch, is now part of a team coaching a program to transform the enterprise from printing to high technology. The number of employees will therefore be reduced to 10,000 in the coming year (2016).

In addition to these interviews, 17 entrepreneurs who built successful small to medium-sized enterprises were also interviewed, along with five facilitators (interviews lasting three to five hours). All these interviews were made in the presence of a research assistant, and were recorded and transcribed. Cases were written on all the subjects interviewed except two.

Research results

This paper is the first to be written on this subject. A five-page paper is too short for a detailed analysis of the data, but the basic elements are presented in table 1 below. The first two elements are commented in the paragraphs below the table.

First, it is important to say a few words about the selection process. High-growth entrepreneurs select external and internal resources to support them. Some of the people they choose are already or will become close acquaintances or relations. The main facilitator is often a close relation: this was the case for three of the five top entrepreneurs in this sample, and eight of the 17 other entrepreneurs (about 50 percent). All the facilitators in the sample were resourceful people who were able to get things done. Some had been entrepreneurs before. Interestingly, however, those who had not been entrepreneurs before but tried to become entrepreneurs afterwards were rarely successful. When asked, they said they could not design opportunities or visions themselves, but could be instrumental in helping others define and implement theirs.

Table 1 shows the major differences and complementary aspects of entrepreneurs and facilitators:

Table 1
Differences and Complementary Aspects of Entrepreneurs and Facilitators

Entrepreneur	Facilitator
Originates ideas	Develops ideas into structured projects
Focuses on understanding future market needs	Works on different ways of achieving results
Makes contacts with the external world	Knows the organization, the people and their skills
Dreams and thinks in abstract terms, not always concerned about profits	Practical mind, two feet on the ground; profit oriented
Can take the enterprise to a high level of risk	Risk-averse; works hard to reduce risk
The passion can become intense. Consideration for the use of resource can become secondary.	Can assess what is achievable. Concerned about resource use.
Works like an artist and often finds it hard to set boundaries	Preoccupied by boundaries but can tolerate a high level of uncertainty when following the leader
Designs large-scale projects and is motivated by a passion to change the world Action-driven	Realistic but highly creative about what can be done to realize a vision; action-oriented on specific tasks
Does not have clear boundaries between personal and professional life. Does not want to retire. The business is his or her life.	Sets fairly clear boundaries between different aspects of life: family, work, sports, hobbies, etc. Happy to retire. Does not always cope well with stress over the years.
Controls through vision, enthusiasm and the movements they generate	Controls through responsibilities established around functions

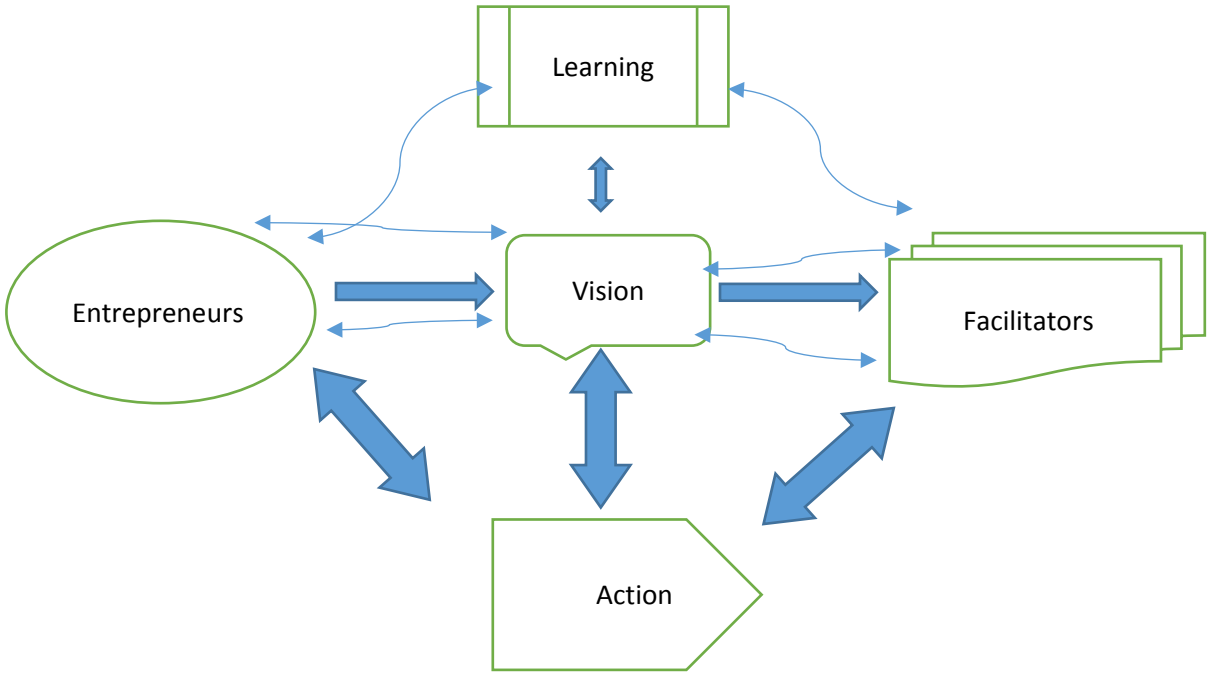
Entrepreneurs originate ideas. They are definers of contexts. They know there are things they cannot do themselves and they select people to help them. For example, Daniel Langlois was an artist making films. He designed an award-winning movie animation software package but did not know how to sell it. Pierre Nelis was a marketing executive with a large pharmaceutical company at the time. He read about the award in a newspaper, called Langlois and offered to help him to sell his software. Langlois hired him, and Nelis was able to sell the product to several movie studios, one of which used it to make a film called Jurassic Park shortly afterwards. Langlois' company Softimage had 14 employees when Nelis arrived; all were product developers. Two years later, Nelis had opened offices in Hollywood, Paris, London, Bollywood and Singapore, and the firm had grown to 400 employees. It was eventually purchased by Bill Gates for US$150 million. Nelis became a multi-millionaire as a result, and moved to Seattle to become a facilitator for Gates and Balmer. He knew how to make things happen but was never able to start a successful business on his own. However, he continued to be an exceptionally creative facilitator.

As for Alain Bouchard (Couche Tard), he started out with a weekend job in the franchised convenience store run by his older brother. He began to buy cheap gadgets from wholesalers, which he displayed on the counter and sold for a few dollars each. To his surprise, he made more money with this than he did from his salary. Eventually, he decided to open his own convenience store. This first venture was followed by others, and ultimately he turned to acquisitions as a means of growth, hiring a consultant to help him. The consultant in question, Réal Plourde, was an engineer with an MBA. He structured a complex due-diligence process that was almost fool-proof, classifying potential acquisitions into four categories (A, B, C and D) and identifying the price limits for each store. Couche Tard, built by Bouchard with Plourde's help, became an acquisition machine, purchasing thousands of convenience stores and growing into the world's largest convenience store conglomerate. Bouchard became a billionaire as a result. While Bouchard is a visionary with incredible ideas about what the convenience store of the future will be, Plourde is a genius organizer and realistic facilitator able to design innovative approaches, including an organizational system where the head office (of an enterprise with 80,000 employees) employs only 18 people.

As for the activity systems of entrepreneurs and facilitators, entrepreneurs work to understand needs and create opportunities in the form of products or services to meet those needs. Growing entrepreneurs design visions of the place they want their enterprise to occupy on the market, and they share those visions. However, they need help to implement them, in the shape of internal and external resources, collaborators and facilitators, one of whom will become a key facilitator and develop a close relationship with the entrepreneur because he or she understands the vision and what needs to be done to realize it. Sometimes the facilitator may originally have been hired to perform a specific task that is strategic in realizing the vision.

In almost all cases, the facilitator has an influence on the vision and helps to reframe it. Usually, this influence will have all kinds of secondary impacts on the way the entrepreneur approaches the visionary process, and this will change how roles are shaped in the visionary implementation process. The process is interactive, and the adjustments made will influence learning and the choice of actions needed to support realization of the vision. This is shown in Figure 1 below.

Figure 1
Activity System of Visionary Entrepreneurs and Facilitators



Conclusion

We are in an era of ongoing change through innovation, and organizations need to reinvent themselves constantly. The visionary process provides a powerful thinking framework that allows organizations to redefine themselves. This is especially true for fast-growing organizations, where the speed at which the vision can be implemented is influenced by how the resources around the entrepreneur are organized and structured. In the last decade, many of the structures around visionary entrepreneurs have included facilitators, who are highly effective people committed to and focused on implementing the vision. This emerging role has created a gap in organizations. On the one hand, there are the managers and executives who keep the enterprise going, and on the other, there are the facilitators who play a crucial role in devising the innovative practices needed to grow the firm and help it stand apart from the competition. Today's business school students want to become professionals (e.g. accountants), managers or entrepreneurs. However, there now seems to be a need for courses to prepare those who want to become facilitators.

Bibliography

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