

Small Business Engagement Report

Final Report



Presented to

The Tumbler Ridge District Council

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INTRODUCTION

THE SMALL BUSINESS ENGAGEMENT COORDINATOR PROGRAM

Tumbler Ridge, BC is emerging from the recent economic downturn with a strong sense of renewal and economic momentum. Economic diversification has also occurred with the renewal of mining (coal being the main resource), oil and gas exploration, forestry, and recreational tourism in the area. Further development of industry and resource extraction the need for a trained and skilled labour force being needed the Small Business Engagement program was developed to support the future growth of small businesses in the District. The co- existence of big business such as mining and resource extraction needs to be supported and encouraged by all business sectors in the region.

This executive report summarizes the key issues for small business in the District. The report provides insights into possible new and continued progress and growth in the business development of the Tumbler Ridge District. By identifying and addressing the issues raised by small business owners now, the District can continue to provide quality services and goods for the local economy. The information gathered during consultations which included: one on one interviews, phone interviews, emailed survey's to locally registered small businesses. 80 respondents expressed interest and responded during the consultation period that was held throughout September 2012 to December 2012.

Based on these consultations, the report concludes with immediate and future recommendations that can be acted upon by the District Council or by a new Chamber of Commerce or Small Business Association. The issues identified in this report are challenging the growth and success of small businesses in the District. These recommendations can be achieved over time and with dedication. The Tumbler Ridge District can actively support small business maintenance and development in the area. It is vital that we collectively find ways to ensure our small business community thrives and grows. This report is one way to guide our future growth and development.

RATIONAL

The Small Business Engagement program was initiated with the growing awareness that the District needs an organization to bring its business people together to support the small business needs as a collective to secure an improvement in local business conditions.

The Small Business Engagement Program was developed to assess the small business climate in the District of Tumbler Ridge. The Coordinator was hired to contact and engage all the small businesses, conduct surveys and find out how the District can improve its services and support for small businesses in Tumbler Ridge. With the on-set of industry growth and the need to recruit and retain a work force the District is looking to the small businesses for feedback on how to improve and support the small businesses and their expected growth now and in the future.

The goal of this survey and questionnaire was to engage with all of those in the small business community by assessing concerns, identifying issues that are desired to support future growth for the small business community and measure the interest of introducing a Chamber of Commerce or a Small Business Association in the Tumbler Ridge District.

It is clear from the many discussions that the small business owners of Tumbler Ridge are more alert than ever to the need for united efforts in meeting the problems faced by their respective communities. Other communities across Canada not unlike Tumbler Ridge identify the same issues faced by small business owners in this report. The need for big business and small business to co-exist has never been greater. The results show that there is interest in the establishment of a Chamber of Commerce or a Small Business Association. There is a general trend towards the use of the "Chamber of Commerce" to foster trade and industry, stimulate civic development and promote the welfare of the community and its surrounding areas. There are short term and long term goals that the District can implement in order to support and advocate for on behalf of the small businesses in Tumbler Ridge.

OUR APPROACH

The program was initiated with the approval from District Council to support a contract position for a Small Business Engagement Coordinator. The objectives of this position was to engage with all of the small businesses with active business licences in the District of Tumbler Ridge including commercial and the home business community.

THE STRATEGY

The program strategy was developed through a series of meetings with Susan Schwab, Small Business Engagement Coordinator and Kelly Brian, Community Development Officer. The strategy was developed initially from extracting a list of active 2012 business licences recorded from the District`s database.

DATA SOURCE

A total of 224 business licenses were recorded from the list of active 2012 business licences recorded from the District`s database. We analyzed the active licenses and define the types from business: Commercial (including Industrial and Storefront), Home Based, Out of District and Inactive. This was all compiled on an Excel spreadsheet and updated as each business was contacted via the methods identified latter in this document. Our next step was to post an announcement through the local newspaper introducing the program with the goal to inform the small business community of the program and our priority to engage with all small business in the area.

SURVEY AND QUESTIONNAIRE

As part of our research strategy we developed a Survey and Questionnaire. This document would be used to guide our conversations with small business owners in Tumbler Ridge. The Survey consisted of 17 survey questions and 13 open-ended questions divided into the following sections;

- Section 1: General Business/Contact Information
- Section 2: Small Business Survey

- Section 3: Company, Market, and Labour Force Information
- Section 4: District of Tumbler Ridge Services and Support-Feedback

DATA TRACKING

An Engagement tracking system was developed to ensure and record that all of the District's small businesses have been actively and consistently engaged.

The business engagement list is derived from data retrieved from District Business Licences and imported to an excel spreadsheet. This was developed to track engagement process throughout the program by recording the following data and information;

- Recording interviews and one on one meetings
- Telephone interviews
- Tracking emailed survey's and questionnaires.
- Tracking initial engagement
- Identifying those businesses in need of follow-up
- Recording comments
- Recording successful engagements
- Recording and identifying those who are not interested in participating
- Recording and identifying businesses no longer operating business and whose telephone number is out of service
- Documenting and updating contact information for local small businesses

DATA ANALYSIS

Data Analysis was developed using a single point system for each response from the Survey. This was tallied and reported upon in this report. The Questionnaires opened ended questions are summarized from the recorded interviews.

STATISTICAL REPORT ON FINDINGS

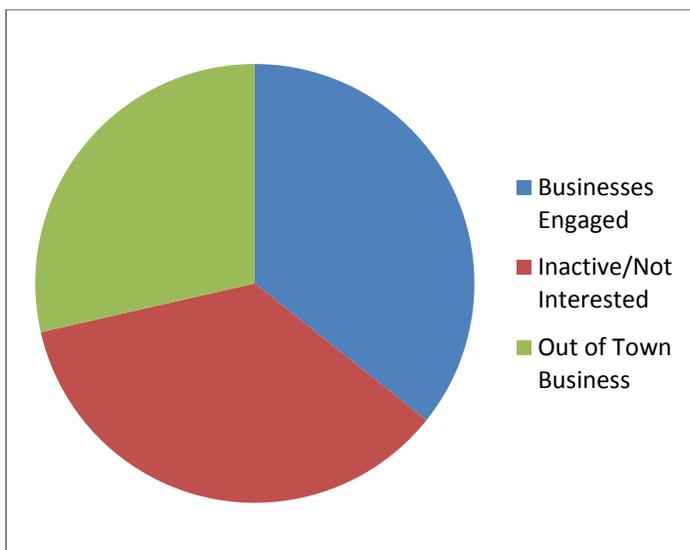
This section provides highlights of our activities as well as examples of concerns voiced by the Tumbler Ridge Small Business Community. This final report is derived from the data collected from the successful engagement of 80 licenced businesses from September to December 2012.

Businesses Engaged	80
Inactive/Not Interested	80
Out of Town Business	64
Total Business Licences	224

There were 224 Business Licences registered with the District's database and in our survey and questionnaire work we engaged with 80.

We found that there were 80 businesses that were Inactive meaning that the businesses were not in operation and/or were not interested in participating in the survey/questionnaire. Out of the home-based businesses 30 were engaged in the survey/questionnaire.

64 out of the 224 businesses with licenses were out of town businesses and we concentrated on local small businesses.



SURVEY RESULTS

SECTION 1: GENERAL BUSINESS/CONTACT INFORMATION

This information is kept private to ensure confidentiality of survey results for this report. This contact information will assist us later with follow up and provide us with accurate contact information for our information and use later on as we establish better communication and marketing for small businesses in Tumbler Ridge.

SECTION 2: SMALL BUSINESS SURVEY RESULTS

Q 1: How many years has the business operated within the community?

A:

Less than 1 year	7
1 to 3 years	12
4 to 10 years	37
11 to 25 years	14
26 years or over	10
Don't know or No comment	0

Q 2: What is your general impression of doing business in the community?

A:

Excellent	15
Good	38
Fair	21
Poor	6
Don't know or No comment	0

Q 3: Is your business family-owned?

A: Yes	55
No	23
Don't know or No comment	2

Q 4: If “Yes”; do you have a succession plan for transferring ownership of your business?

A: Yes	21
No	53
Don` t know or No comment	6

Q 5: How would you rate the availability of workers for your business needs?

A: Excellent	8
Good	14
Fair	10
Poor	38
Don` t know or No comment	10

Q 6: How would you rate the quality of the labour force that is available within your community with respect to your business needs?

A: Excellent	10
Good	10
Fair	22
Poor	25
Don` t know or No comment	13

Q 7: Do you have specific labour shortages now that you could fill if qualified workers were available?

A: Yes	36
No	35
Don` t know or No comment	9

Q 8: What would you say best relates to your plans over the next three years?

A: Expand	35
Remain the same	29
Downsize	2
Relocate	3
Exit the business	5
Don` t know or No comment	6

Q 9: Based on the prior answer; will the number of employees in your business?

A:	Increase	44
	Remain the same	22
	Decrease	4
	Don't know or No comment	10

Q 10: Do you expect to introduce new products or services over the next 3 years?

A:	Yes	44
	No	33
	Don't know or No comment	3

Q 11: Is the District's over-all performance with regards to the growing needs of the community?

A:	Excellent	3
	Good	27
	Fair	22
	Poor	21
	Don't know or No comment	7

Q 12: Overall, what has been your business' experience of District of Tumbler Ridge staff?

A:	Excellent	22
	Good	39
	Fair	14
	Poor	2
	Don't know or No comment	3

Q 13: How would you assess their Accessibility?

A:	Excellent	25
	Good	44
	Fair	4
	Poor	3
	Don't know or No comment	4

Q 14: Professionalism?

A:	Excellent	21
	Good	40
	Fair	10
	Poor	4
	Don't know or No comment	5

Q 15: Approach to customer service?

	Excellent	24
	Good	39
	Fair	11
	Poor	2
	Don't know or No comment	4

Q 16: Expertise?

A:	Excellent	19
	Good	34
	Fair	22
	Poor	1
	Don't know or No comment	4

Q 17: Effectiveness?

A:	Excellent	18
	Good	35
	Fair	14
	Poor	8
	Don't know or No comment	5

SECTION 3: OPEN ENDED QUESTIONS & ANSWERS

Q 1: How many employees does your company employ? (Total Employed within the Districts Small Business Community)

A:	Full-time	363
	Part-time	72
	Casual	31
	Vacant	44
	Self-Employment	14

Q 2: What opportunities are you currently assessing to expand your business and/or markets?

A: 45% said "Yes" they were assessing to expand their business and market by bringing in new product and services, finding more commercial space to expand, and establishing new contracts.

Q 3: Have you ever used external resources (government agencies or business consultants) to get help with your business? If "yes"; which resources?

A: 20% have used external resources (government agencies or business consultants) to get help with their Business's; Community Futures Hire a Student, BDB.

Q 4: Is your business currently facing any constraints to growth or challenges? What are the specific areas of the economy and how are they specifically impacting your company's revenue or profitability? (Skilled workers, Trades, Financing, New technologies, Local Servicing Capacities etc.)

A: 95% said that they were currently facing constraints to growth or challenges in the areas of:

- Skilled Labour, Trades and Service Trades
- Non-Skilled Labour
- Service industry
- Local Servicing capacity

These are the factors affecting their revenue or profitability;

Creating Labour shortages, in all areas of Business

They have to go out of town or have the service come to them and this is very costly.

SECTION 4: DISTRICT OF TUMBLER RIDGE SERVICES AND SUPPORT – FEEDBACK

Q 5: In your opinion, what is the District doing well in regards to attraction, retention and expansion of local business?

A: 90% Said, “Nothing”
8% Said, “They don’t pay attention”
2% Marketing

Q 6: In what areas could the District improve regarding attraction, retention, and expansion of local business (i.e. what are the top two or three actions the District could or should take to encourage growth or make the District of Tumbler Ridge a better and easier place to do business?)?

A: #1.Top Action: more affordable, available space for Businesses, Retail, Commercial and industrial
#2.Top Action: Is lower taxes
#3.Top Action: develop more land for sale

Q 7: What are the District’s key infrastructures needs, e.g. water, sewer, power, telecommunications, roads, rail, schools, hospitals, and entertainment?

A: Upgrades to all
Entertainment for Adults and Children

Q 8: What barriers to business growth do you see in the community?

A: Lack of land for Development: Commercial, Retail, cost of housing too high, not enough affordable housing,
Lack of residential housing
Taxes too high
Leasing too expensive
Customers prefer to shop out of town

Q 9: What are some of the greatest opportunities?

A: Lots of Jobs with High wages (in mining/resource sector)

Lots of Opportunity

Great community to raise children

Beautiful place to live

Outdoor activities

Q 10: Are there specific business sectors that the District should be working to attract?

A: Grocery Store, Charter Bank, Retail Clothing Store, Fast Food, Better Medical services including; Dentist and Chiropractor, More entertainment for families; Movie Theatre, Bowling Alley; Ski Hill; Service trades, Veterinary Clinic, Storage Facilities for Heavy Duty Equipment; More Recreational RV Parks.

Q 11: Based on everything we've discussed in this interview, what would you say is the #1 issue currently faced by your business?

A Lack of affordable space to buy or lease

Q 12: Are there any questions that I can answer for you or take down and get back to you with an answer?

A: What is the District's budget for Small Business? What is the Future plan for growth for the District of Tumbler Ridge? Why do rules apply for some and not for others?

Q 13: Would you be interested in representing your Business in attending an event (sponsored by the District) to discuss the resurgence of a Chamber of Commerce/Business Association?

A: Yes 98%

No 2%

Q 14: Do you have any suggestions for agenda items/topics?

1. Explain how come the taxes are so much higher in Tumbler Ridge compared to similar communities in the area and explanation on property assessment in the District?
2. How come it seems that rules apply to some and not to others?

BREAK DOWN BY CATEGORIES AND RESULTS FROM THE OPEN ENDED QUESTIONS

Business Market

- Tumbler Ridge is not business friendly - No support for small business
- Cost of Business is too expensive
- Taxes are too high
- No services to support businesses
- Land is too expensive
- Lack of Commercial space and leases are too expensive
- No customers (rather shop out of town)
- Mining Industry controls the business sector and makes it hard for businesses to be successful
- Shipping and Receiving is expensive with no-where to store inventory

Customer Attitudes

- Inflated prices

- Would rather shop out of town mentality and an excuse to leave town
- Never have what we need or want

Labour and Human Resources Issues

- Can't compete with the mining industries high wages
- Quality of work force is poor
- Shortage of skilled workers
- Shortage of quality work force
- Rents are too high for staff housing and not affordable can't attract or retain labour force if there is nowhere for them to live or unable to afford housing.

Tumbler Ridge Services and Support

- District caters to big business
- Offices out of Downtown core and out of retail area
- District services and staff are good to excellent
- Business's unhappy with some of Councils decisions
- Over-all ``Yes``, to attending a Chamber Event
- District needs better communication
- Council is improving and "Happy with the Mayor"

What is the District doing well?

- Over-all good to excellent customer service
- Excellent Marketing of Tumbler Ridge (TV Commercial)

Why a ``Yes`` to a Chamber of Commerce or a Business Association?

- Stronger Business Community
- Networking
- Support
- Provide Benefits i.e., Medical, Dental
- Resource for the Business Community

Why a ``NO``, to a Chamber of Commerce or a Business Association?

- Only 3 Business's interviewed said, ``Not interested`` reasons are from past experience to of lack of time.

RECOMMENDATIONS TO THE DISTRICT

There are short-term recommendations that the District can do right away to solve the problems and issues identified by the small businesses in Tumbler Ridge.

- Plan and host a New Years Business Open House event and ensure communication strategy is used to ensure participation by all small and big businesses in Tumbler Ridge
- Develop community service group and regional initiative activities event calendar. This type of engagement can be a source of insights to potential new business opportunities for diversification and development.
- Develop a communications strategy to instil consumer and business confidence and transparency from the District.
- Provide small business with list of big business needs to ensure mutual support and community building relationships.
- Offer information and marketing plan packages, supporting ``New Business``.
- Marketing Plan to encourage and support new and current businesses

There are longer term plans that need to be developed, implemented, and evaluated for their success in increasing the viability of small business retention, growth and development in Tumbler Ridge District, some of which include:

- Develop a Community Plan for infrastructure to support community needs and growth.
- Continue holding consultations with small business to obtain regular feedback when developing District and Government policy and programs.
- Develop a Business Liaison Budget to “Attract” Small Business Engagement
- Encourage the community to “shop local” and develop incentives to reward local shoppers
- Consider ways to encourage small business development and growth, such as reducing the regulatory burden
- Support Small Businesses, in recruitment, retention, succession planning and support them through funding and grants to enable new businesses to start-up and targeted skills training programs.

- Support the Foreign Worker Program in order to meet the labour market needs. Specifically in the service industry where wages are inferior to the local mine wages
- Continue encouraging small business to leverage new technologies, innovations and ideas to increase productivity.
- Continue investing to diversify Tumbler Ridge's economy (i.e. natural resource extraction industries)
- Commit to further communication and transportation infrastructure improvements in the District
- Focus on factors that stimulate small business growth
- Partner with local communities to provide training to more rural areas through video conferencing centres and other remote communication tools
- Invest in research and development, feasibility studies, business planning, start-up capital, marketing development, bridge financing, and operational capital
- Continue to reduce regulatory burden on small business
- Further enhance the entrepreneurial culture in Tumbler Ridge
- Continue to raise the profile of small business and their contribution to the provincial and local government economies through Small Business Week.
- Ensure company's human resource plan accommodates the major changes taking place in the labour market due to B.C.'s aging population and lack of skilled workers.
- Remain competitive by ensuring staff has appropriate skills sets for today.
- Create employee retention strategies.
- Grow the expertise you need by investing in the capabilities of your employees and community.
- Support training and labour market development
- Recruit potential employees from equity groups: such as women, Aboriginals, seniors, immigrants, and those with disabilities.
- Support families by establishing daycares and provide subsidies and increased family leave benefits

CONCLUSION

This project has achieved its goals to engage with 80 small businesses in Tumbler Ridge. The surveys and questionnaire were used to gather comments, concerns, barriers and opportunities that affect the small businesses in Tumbler Ridge. Through this research we have assessed a strong support for the development of a Chamber of Commerce or a Small Business Association.

The District of Tumbler Ridge is in crisis when it comes to the mentality of putting ``the cart before the horse``. This can be attributed to the past history and economic boom and bust cycle of Tumbler Ridge. Although there is opportunity for revitalization of the mining industry and other resource based economies the future is unstable with current coal prices at a low. With unstable markets this is causing a hold on future develops and investment into the local economy by outside organizations. There is good news though for small businesses in Tumbler Ridge. Small businesses in Tumbler Ridge are currently thriving. Small businesses are looking forward to the expansion of current mining company and the reopening of Quintette. In the past mining industries would fully support community infrastructure that was required for an influx in population due to increased labour force and ensuing the need for local services and products.

Solutions to the crisis we face can be solved with local innovation, community support and smart business decisions. We need to see how we can get big business like mining and other resource companies to invest locally and shop locally. We also need to get our local population to shop locally and support small businesses. Increasing communications and marketing opportunities both locally and provincially can achieve increased awareness of what is available locally. There are longer-term goals that need to be addressed as well and this will take more consultation and long term planning. It has become the District's responsibility to provide the infrastructure to accommodate the growing population. In these trying times and with the world economy in chaos there is great reluctance for investment. We need to find ways to continue to provide quality services and products by building our infrastructure up.

Tumbler Ridge is a small community but we can make big changes to support local small business and attract big business as well. We know more about local businesses, their needs, and their concerns and suggestions for improvement. It is up to us to act and move forward to support local small businesses in our community.