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BRE

Business Retention and Expansion

Report
September 2019





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Executive Summary

Business development and job creation are key factors in developing healthy and vibrant communities. Small businesses (less than 100 employees) employ 97.7% of the workforce in Ontario¹. The Township of Laurentian Valley received funding through the Rural Economic Development Fund (RED) to conduct a BR+E project that would take the pulse of the business community. Laurentian Valley hired the consulting firm Strexer Harrop & Associates to conduct the BR+E project, which included interviewing local businesses.

Business Retention and Expansion (BR+E) is an economic development initiative supported by Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA). It promotes job growth by helping communities learn about issues and concerns of, as well as opportunities for, local businesses and set priorities for projects to address these needs.

BR+E Objectives

- Provide support for local businesses
- Identify and address immediate concerns of businesses
- Let local businesses know how much they are valued
- Increase the competitiveness of local businesses
- Establish and implement a strategic action plan for economic development
- Promote business development and job creation

The project was completed in four phases:

1. Preparation
2. Collect and Analyze
3. Develop Goals and Priorities
4. Implementation

The project ran from March to September 2019. Thirty-four businesses completed the survey, representing 17% of the businesses in the Laurentian Valley BR+E database. Eight industries were represented in the project.

Industries Surveyed



¹ Key Small Business Statistics, January 2019 http://www.ic.gc.ca/eic/site/061.nsf/eng/h_03090.html

Methodology



Stage 1 - Preparation

Database Development

OMAFRA's Analyst Business Location Size Data Set report was used as a baseline to identify the number of businesses within the Township. The report indicated there were 294 businesses with employees. A contact list was created using information from The Township of Laurentian Valley, The Upper Ottawa Valley Chamber of Commerce and online research. Strexer Harrop & Associates was able to create a database of 203 businesses.

The Township determined that the scope of the project would be a broad-based approach and all industries were to be included.



Stage 2 - Collect & Analyze

A website was designed (www.lvbre.ca) to inform the business community of the project, to allow for businesses to sign up for an interview or to take the survey online. Businesses could select their preferred method to complete the survey.

In-person Interviews

Confidential interviews took place at respondents' place of business and the Township office. Twenty-two in-person interviews were completed.

The in-person interviews were held:

- April 24th & 25th
- May 29th & 30th and
- June 18th & 19th, 2019

Phone Interviews

For businesses that were unable to meet in person, interviews were conducted via phone. Three phone interviews were completed.

Online Survey

On June 16th, an online survey was launched to reach the businesses who had not completed an in-person or telephone survey. It was open for 3 weeks and resulted in 9 completed surveys.



1) Break - 2:30



Stage 3 - Develop Goals & Priorities

Strexer Harrop and Associates analyzed the survey data. A preliminary survey analysis report was created. A BR+E workshop took place on July 31, 2019. Business owners, Township staff as well as key community representatives and organizations came together to review the detailed survey results that had been collected. Small group formats were utilized to help members share observations and to identify key findings and priority areas for all business sectors in Laurentian Valley.

Priorities were discussed and categorized across four major themes: Marketing and Communications, Workforce Development, Training and Economic Development.

Following the workshop, a priority action item survey was distributed to all participants of the project to help prioritize the action items.



Stage 4 - Implementation

The final BR+E report was compiled. An action plan was created and will be used to develop community based economic development strategies.

The Township of Laurentian Valley will implement the action items as per staff reports and approval from Council.

Recommendations & Priority Actions

The following action item possibilities have been identified as the most important, realistic and attainable action items for the community to pursue.

Action Items	Staff Lead	Target Audience
1. Establish an eNewsletter for all residents that details local businesses and employment opportunities: business anniversaries, business profiles, grand openings.	Communications	Residents
2. Establish an eNewsletter for businesses to include information for funding opportunities, training/courses, networking events, and "how to's" such as building permit process.	Communications	Businesses
3. Build upon the new online business directory. Ensure all contact information is included and correct and links are active (phone, website, email). Ensure businesses are aware of the directory and promote the directory to the public.	Communications	Residents
4. Create a page on the Laurentian Valley website with links to employment/job boards.	Communications	Residents
5. Promote the online directory of resources "Business Events and Training Sessions to Support Your Business and Skills Development" link. Ensure the page is up-to-date with relevant training, networking and funding information.	Communications	Businesses
6. Design and install a map showing business areas at parks & recreation facilities.	Communications	Residents & Visitors
7. Establish an annual tradeshow for residents to learn about what is available locally.	Economic Development	Residents & Businesses
8. Inform employers that a welcome package is available for businesses to give to employees who are relocating to the area.	Communications	Businesses

Action Items	Staff Lead	Target Audience
9. Facilitate the development of a database for matching employees & employers to better fulfill employment needs.	Economic Development	Residents & Businesses
10. Build awareness of the different information sessions that currently take place between Algonquin College and employment service agencies.	Economic Development	Businesses
11. Work with the County to produce annual salary/wage reports by occupation at the Township level to better inform employers and employees.	Economic Development	Businesses Residents
12. Work with partner agencies to promote and execute business development workshops. The most requested workshops included: Customer Service Training, Finance, Health & Safety, Teambuilding, Succession Planning, WHIMS Training and Computer and Online Training (ie. Microsoft Word & Excel, Google My Business, eCommerce, and Social Media).	Economic Development	Residents & Businesses
13. Work with Internet Service Providers to provide high speed access to 100% of the businesses within Laurentian Valley.	Economic Development	Businesses
14. Establish a target for the number of business consultations with the EDO.	Economic Development	Businesses
15. Establish a business concierge program to simplify the development and permitting process, to make it easier for businesses to achieve their goals.	Economic Development	Businesses
16. Work with stakeholders to develop a transportation plan that meets the needs of employees and employers. It was recognized that mass transit would not suitable, whereas ride share services (or similar) could be a viable solution.	Economic Development	Resident & Businesses
17. Work with Public Works department to obtain feedback from businesses for priorities for road repairs and snowplowing and how schedules may impact their business deliveries and customer visits.	Economic Development	Businesses

Survey Results

Business Information

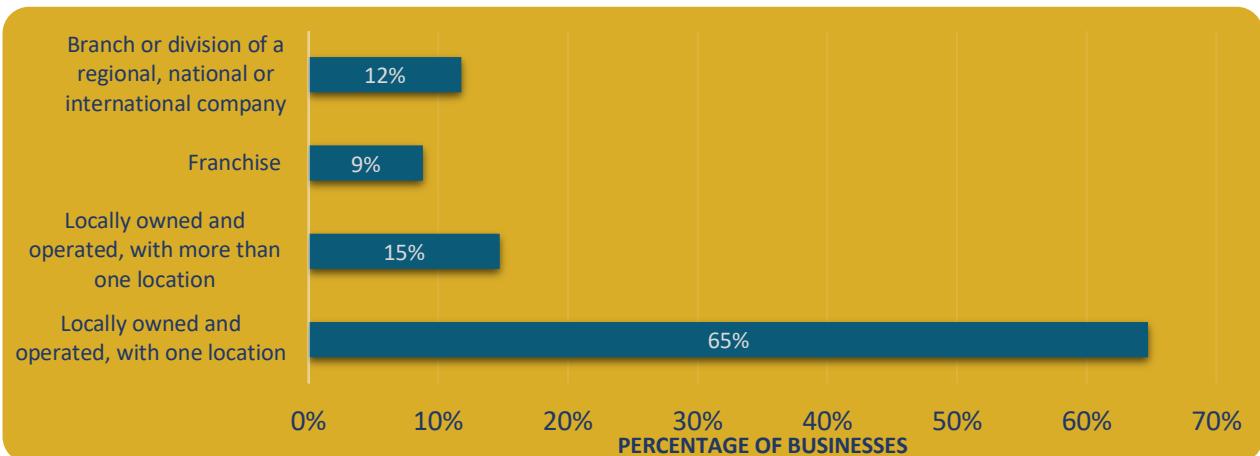
Thirty-four businesses completed the survey, representing 17% of the businesses in the BR+E database. Eight industries were represented in the project:

Industry	Percent of the Industry Surveyed	*Percent of Industry for Total Businesses in Laurentian Valley
Professional Services	15%	16%
Retail Trade and Wholesale Trade	11%	26%
Agriculture	15%	5%
Other Services (Automotive, Personal)	11%	12%
Manufacturing	33%	4%
Healthcare	17%	6%
Construction	3%	24%
Food Services	6%	6%

*Source: OMAFRA Analyst Business Location Size Data Set Report

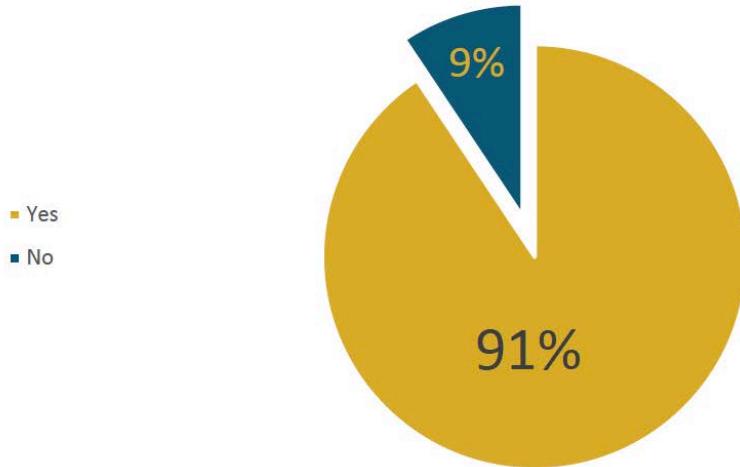
Nearly 40% of respondents have been operating their businesses in Laurentian Valley for more than 35 years and nearly 60% of the businesses surveyed have less than 10 employees. Over 75% of the businesses surveyed employ nearly 60% of their staff on a permanent full-time basis.

BI1. Which of the following best describes your business?



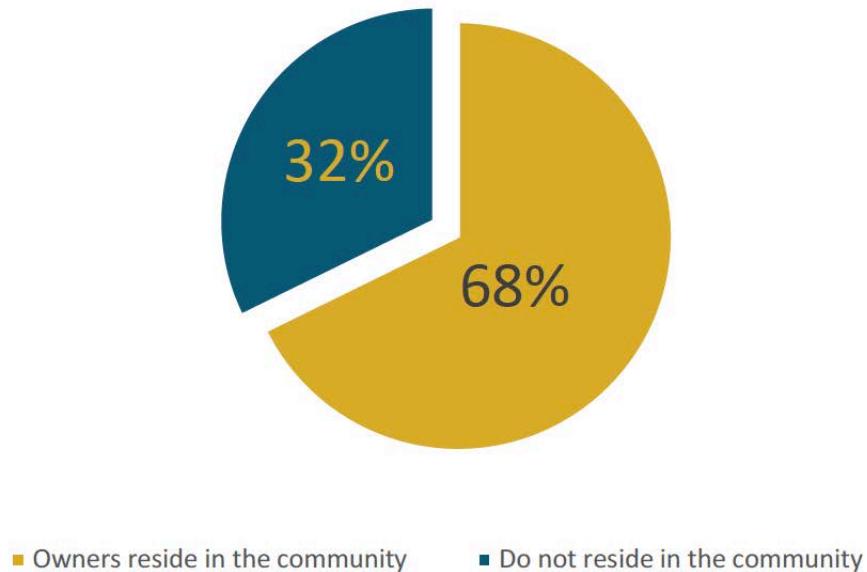
- The majority (65%) of respondents' businesses are locally owned and operated with one location.

BI2. Is at least one of the owners involved in the day-to-day operation of the business?



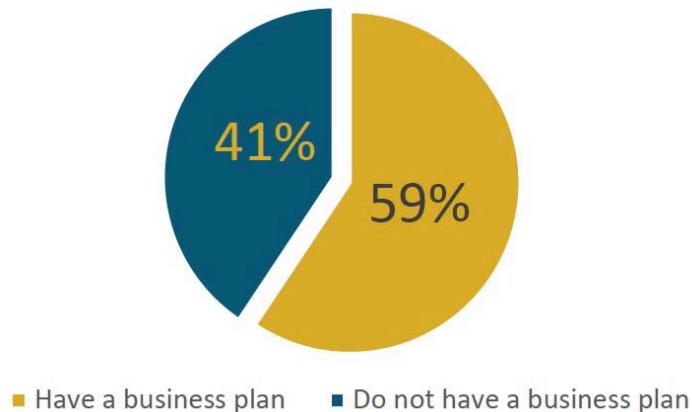
- Over 90% of the respondents are involved with the day to day operations of the business.

BI3. Is at least one of the owners a resident of Laurentian Valley Township?



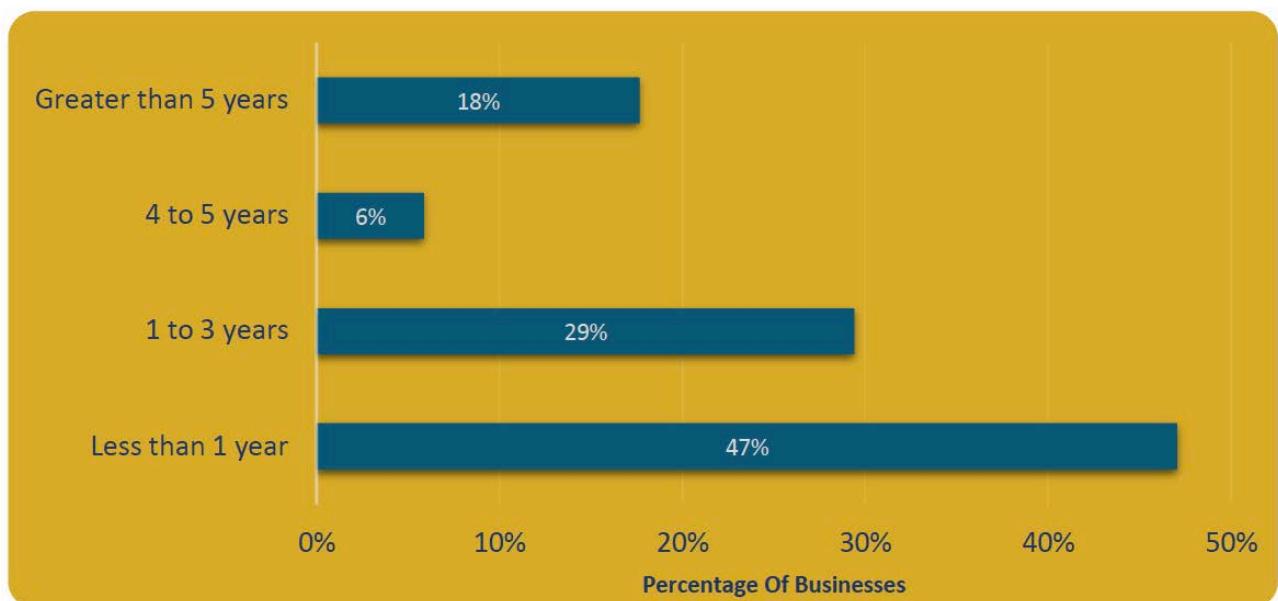
- Nearly 70% of the business owners are residents in Laurentian Valley Township.

BI4. a) Does your business have a business plan?



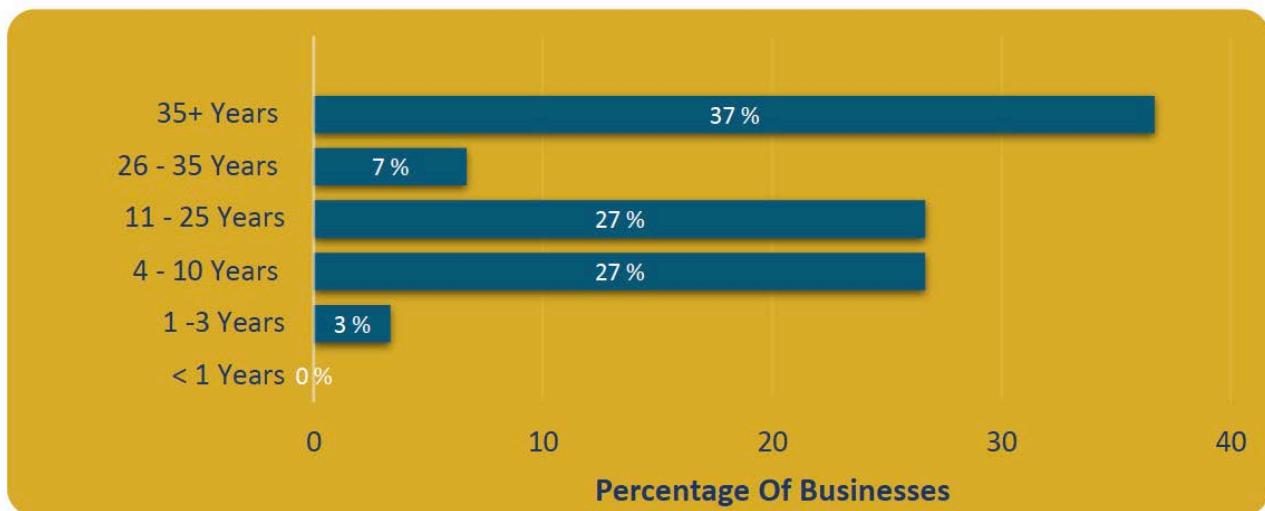
- Nearly 60% of the businesses have a business plan.

b) When was it last updated?



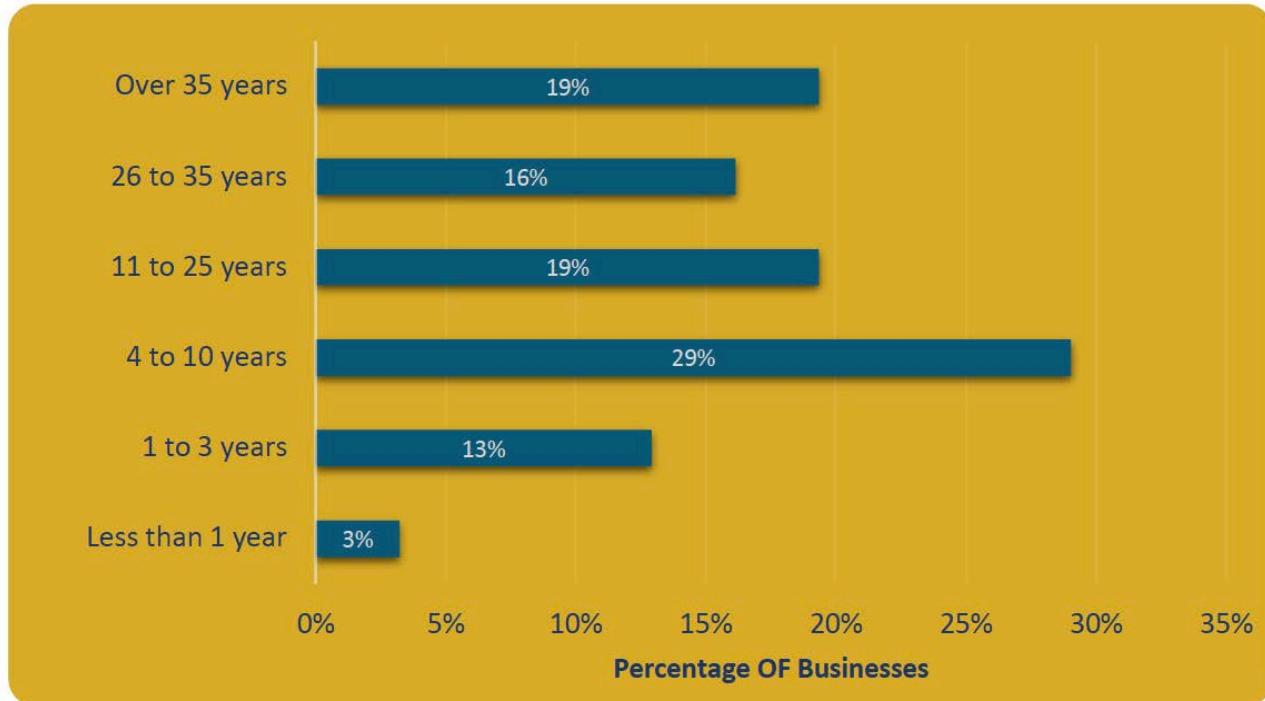
- Nearly half (47%) of the respondents said their business plan was updated in the past year.

BI5. How many years has your business been in operation in Laurentian Valley?



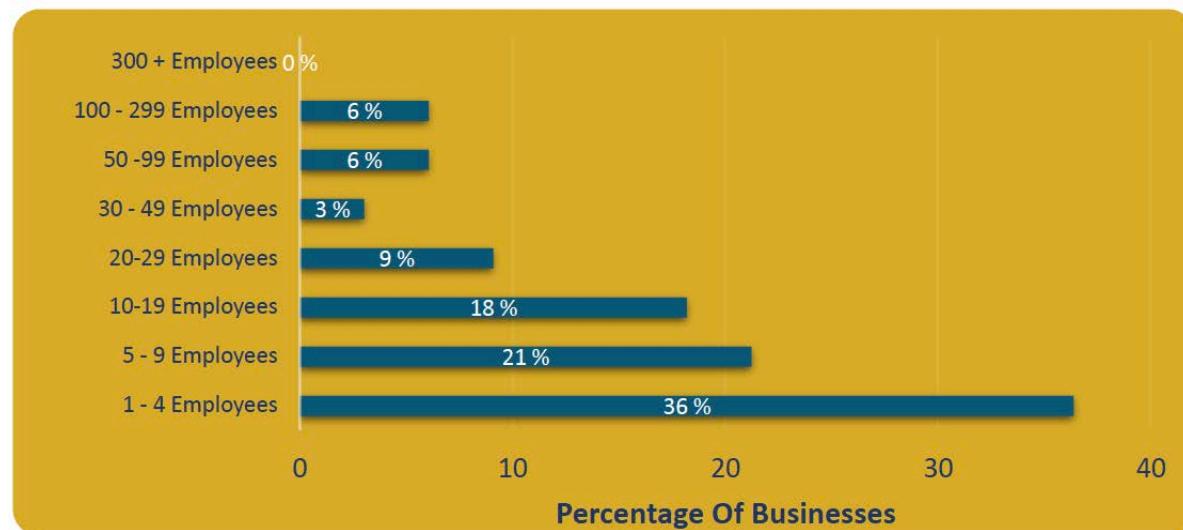
- Nearly 40% of the respondents said their business has been in operation in Laurentian Valley for over 35 years.

BI6. How many years have the current owner/owners been operating this business?



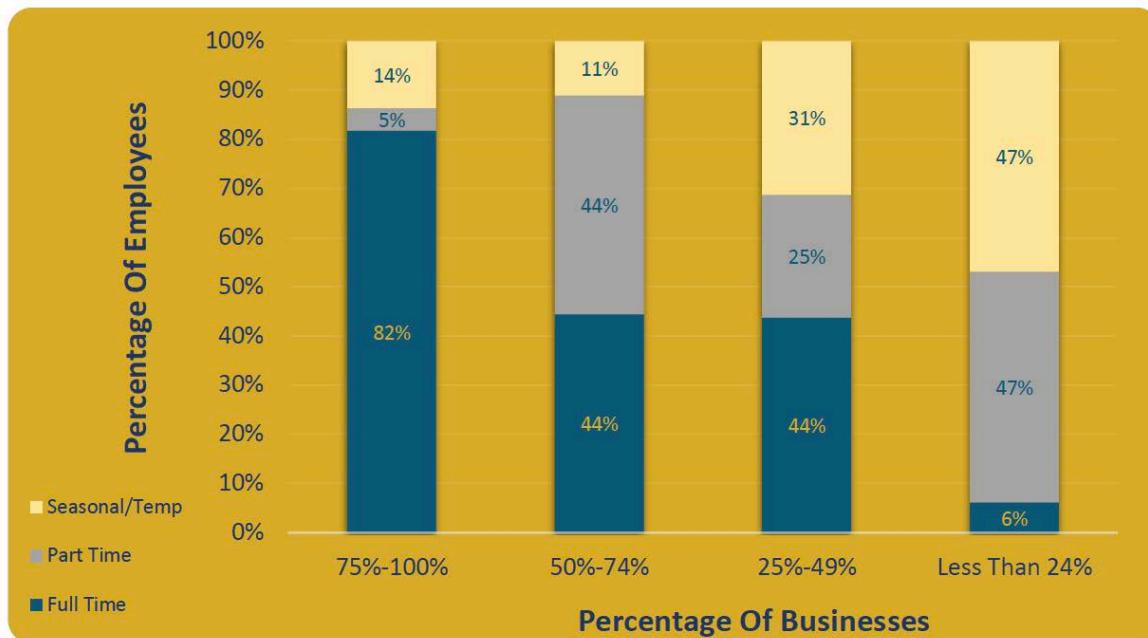
- Only 19% of the respondents have been operating their business for over 35 years.

BI7. Including the owners, how many employees work at this location?



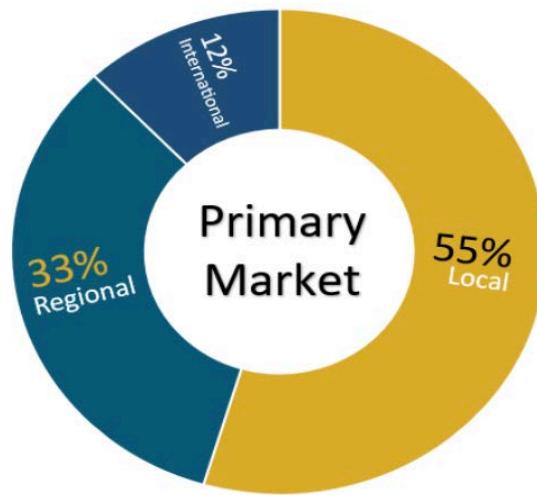
- Thirty-six percent of respondents have 1 to 4 employees. The majority of businesses (57%) have 9 or fewer employees.

BI8. What percentage of your employees are full time, part time and temporary/seasonal?



- Over 75% of the businesses surveyed are comprised of mostly full time employees (82%). Less than 24% of businesses surveyed have nearly 50% part time staff and 50% seasonal.

BI9. The primary market of your business is:



- The majority (55%) of businesses surveyed said their primary market is local.



Business Climate

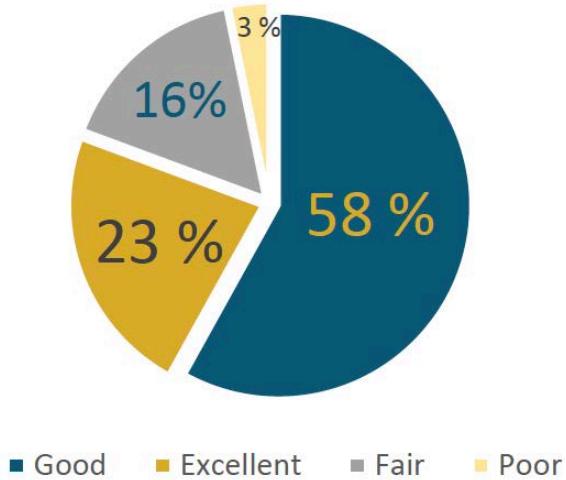
Eighty-one percent of respondents think Laurentian Valley is a good or excellent place to do business.

Nearly half (48%) of the respondents have had no change in attitude towards the Township in the past 3 years, while 34% have had a positive attitude change. Reasons for this positive attitude change includes marketing and branding as well as actions taken by the current Council. Seventeen percent (17%) of respondents have had a negative attitude change over the past 3 years. The top reasons were little assistance from the Township when starting a business and overall lack of communication from the Township.

Snow removal, parks and open spaces, police services, recreational facilities and fire services were rated the highest for community and local government services. Street and road repair received the lowest satisfaction rating.

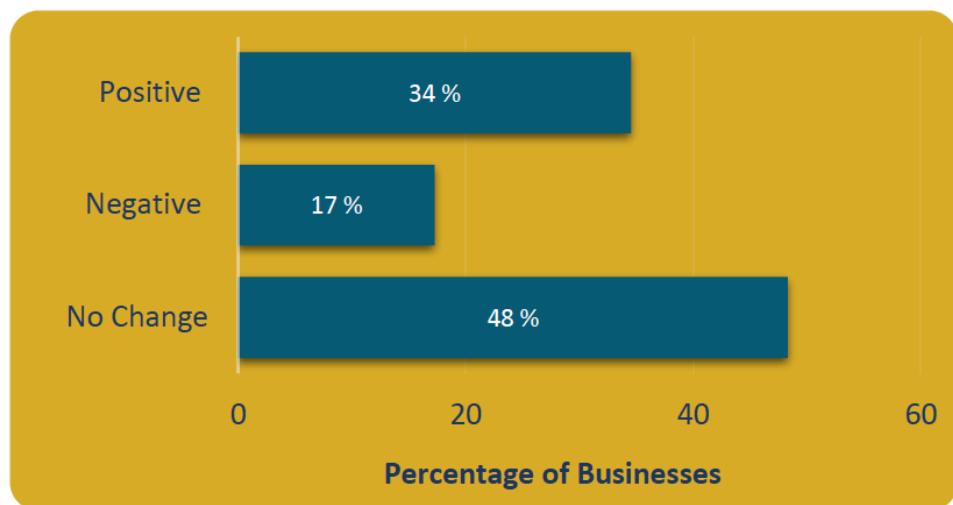
Support from local residents and quality of life received the highest satisfaction ratings for community and business factors. Local roads and streets and cost of electricity received the lowest satisfaction ratings.

BC1. What is your general impression of Laurentian Valley as a place to do business?



- The majority of respondents (81%) have a good or excellent impression of Laurentian Valley as a place to do business.

BC2. In the past 3 years has your attitude about doing business in Laurentian Valley changed?



Top reasons for positive attitude change	Top reasons for negative attitude change
Marketing and Branding	Little assistance when starting a business
Actions from Council	Lack of communication from Township

Over the past 3 years, 34% of respondents have had a positive attitude change about

- doing business in Laurentian Valley. Top reasons for this change include marketing and branding and actions from Council.



BC3. How would you rate the following factors of doing business in Laurentian Valley?

Factors	Good/Excellent Score	Fair/Poor Score	N/A
Support from local residents	27	4	1
Quality of life	26	4	2
Availability of adequate electricity	23	4	5
Support from other businesses	22	8	2
Availability of adequate housing	20	7	5
Availability health and medical services	19	11	2
Cellular phone service	19	11	2
Municipal property taxes	16	9	7
Internet service	16	15	1
Availability of natural gas	15	8	9
Land Costs	14	6	12
Regional/provincial roads and highways	14	17	1
Support from municipality	14	12	6
Workforce	11	13	8
Local roads and streets	11	19	2
Cost of natural gas	10	9	13
Water/wastewater capacity	9	3	20
Availability of spaces for rent or lease	7	10	15
Development/building permit process	7	8	17
Development charges	7	7	18
Cost of electricity	7	19	6
Availability of serviced land	6	3	23
Water/wastewater fees	6	2	24
Proximity to rail and airports	3	13	16

- Support from residents, quality of life and adequate electricity were given the highest satisfaction ratings of factors of doing business in Laurentian Valley.
- The factors of doing business in Laurentian Valley that received the lowest ratings were cost of electricity, local roads and streets and regional/provincial roads and highways.

BC4. From the perspective of your business, rate your level of satisfaction with each of the following community services and local government services.

Service	Good/Excellent Score	Fair/Poor Score	N/A
Snow removal	24	6	2
Parks and open spaces	23	5	4
Police services	23	3	6
Recreation facilities	22	5	5
Fire services	22	2	8
Schools (elementary and secondary)	21	1	10
Garbage/recycling	20	8	4
Library services	17	2	13
Post-secondary education	16	5	11
Health department / Health unit approvals	14	4	14
Chamber of Commerce	14	6	12
CFDC	12	4	16
Street/Road repair	10	19	3
Planning, engineering, zoning and building permits	9	9	14
Small Business Enterprise Centre	8	1	23
Workforce planning/Development board	7	4	21
Cultural facilities	7	7	18
Economic development services	6	8	18
Child care services	6	6	20

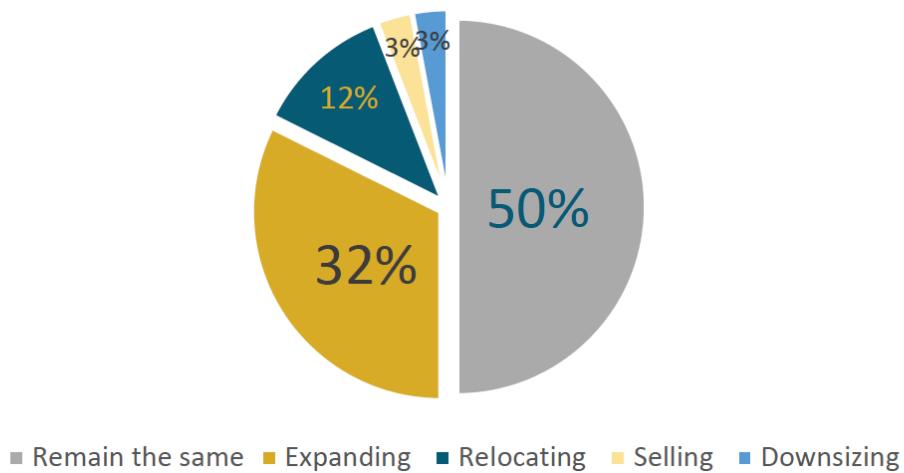
- Respondents were most satisfied with snow removal, parks and open spaces and police services.
- Respondents were least satisfied with street and road repair.



Future Plans

Thirty-two percent (32%) of respondents plan on expanding their business over the next 18 months and 12% said they were going to relocate. Of the 12% that are relocating, 50% will remain in Laurentian Valley and 50% are moving outside the community. Of the 50% that are moving outside the community, planning and expansion difficulties and a need for a larger clientele base were the reasons for relocating.

FP1. Within the next 18 months, do you plan on remaining the same, expanding, downsizing, relocating, selling or closing?



Reasons for the change over the next 18 months	
Expanding	Sales have increased and more staff required
Relocating	Of the 12% that are relocating, 50% will remain in Laurentian Valley and 50% are moving outside the community. Of the 50% that are moving outside the community, planning and expansion difficulties and a need for a larger clientele base were the reasons for relocating.
Selling	Retirement
Downsizing	Labour shortage

- Half of the respondents plan on remaining the same over the next 18 months, while 32% plan to expand their business due to increased sales.

Business Development

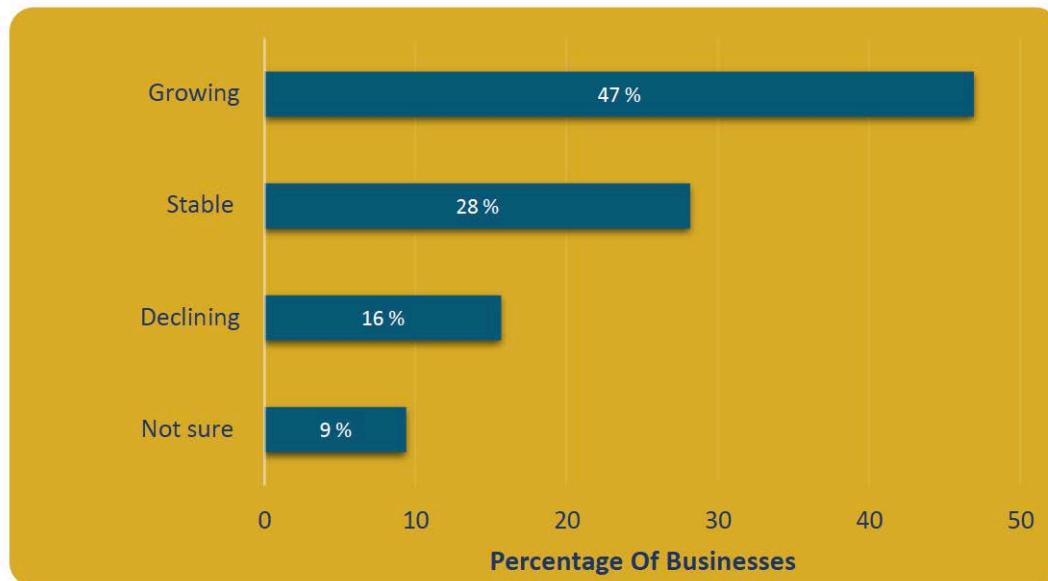
Of those surveyed, nearly half (47%) feel their industry is growing and nearly 30% said their industry is stable.

The majority of respondents (53%) anticipate that their sales will increase over the next year. Thirty percent (30%) anticipate no change in sales.

The majority of respondents (52%) rate their use of technology as high or very high. Of the respondents who are currently experiencing barriers related to their Information Technology requirements, Internet access and knowledge and training were the top barriers affecting their business.

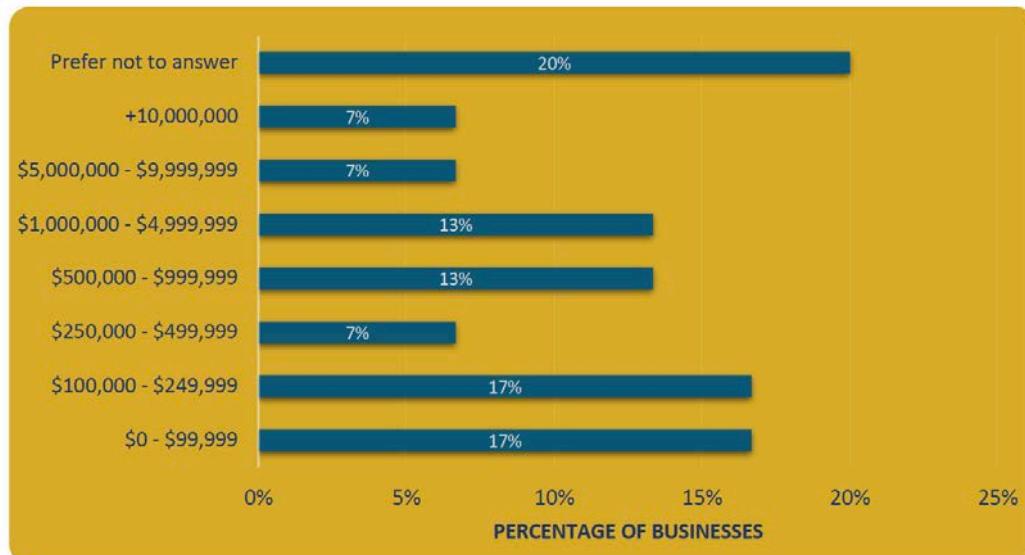
Over 30% of respondents are interested in working co-operatively with other businesses in the areas of networking and information sharing, followed by 28% of respondents interested in joint marketing.

BD1. What is the outlook for your industry?



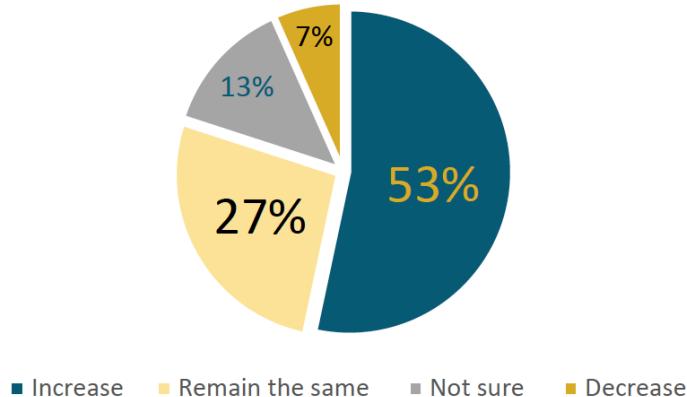
- Three quarters (75%) of the respondents said their industry is growing or stable.

BD2. Please give an approximate annual sales range for your business:



- A third of respondents (34%) have annual sales of less than \$250,000. A third (33%) have annual sales between \$250,000 and \$4.99 million and a third (34%) have annual sales of \$5 million or more.

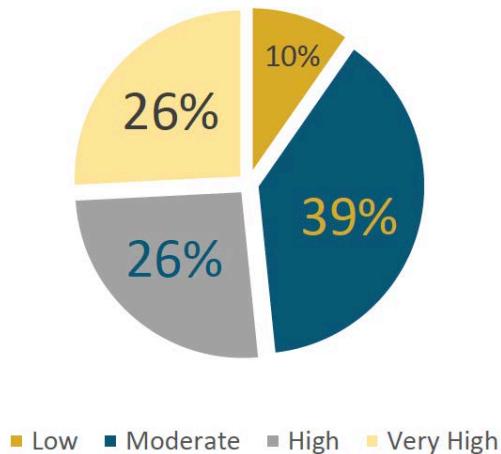
BD3. Are your projected sales in the next year expected to increase, decrease, remain the same or not sure?



Main reasons for the change in sales	
Increase	Better Customer Service, Improved Systems
Decrease	Labor Shortages

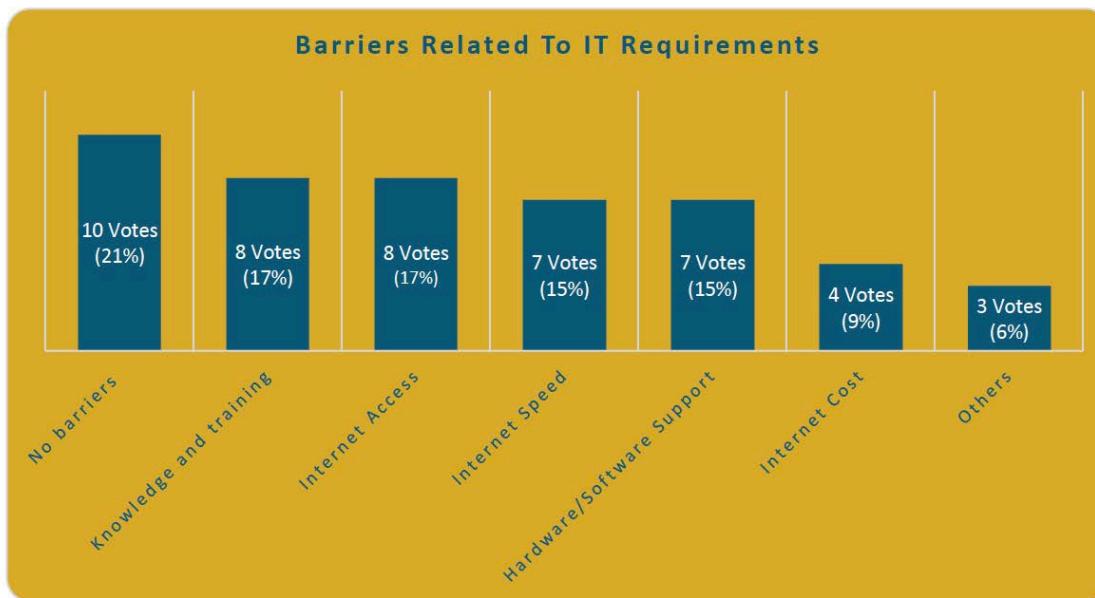
- The majority of respondents (80%) expect their sales to increase or remain the same in the next year.

BD4. How would you rate your business related to the use of technology?



- Nearly half of the respondents (49%) rated their use of technology as low or moderate.
- The majority of respondents (52%) rated their use of technology as high or very high.

BD5. Is your business currently experiencing any barriers related to Information Technology requirements?

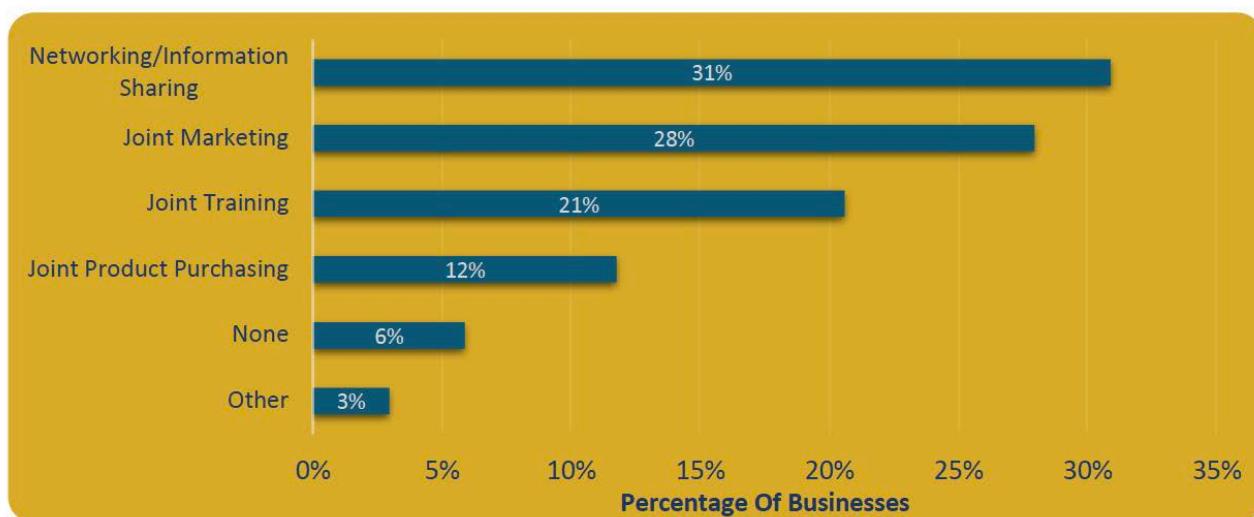


- Knowledge and training and Internet access were the top two barriers affecting respondents' business.

BD6. What products/services would you like to purchase locally that are now being purchased outside the area?

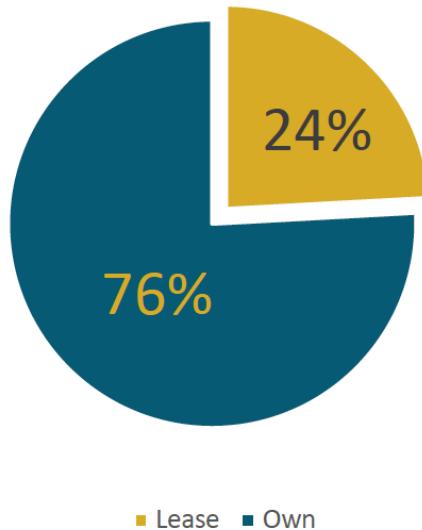
- Water testing accredited labs
- Dental supplies
- Big bulk grocery/Costco
- Farming tools and parts
- Temp agency
- Vegetables and meats
- Professional photo printing
- Software support
- Tires
- Atv's

BD7. Are you interested in working co-operatively with other businesses in the community to pursue any of the following?



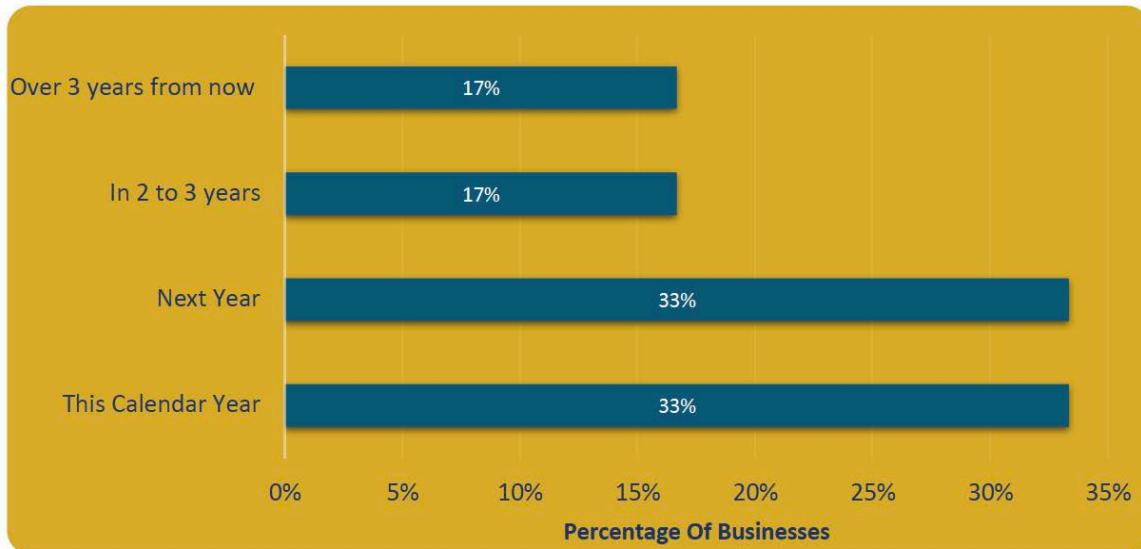
- Over 30% of respondents said they would be interested in working co-operatively with other businesses to pursue networking and information sharing.
- Nearly 30% of respondents said they would be interested in working co-operatively with other businesses to pursue joint marketing.

BD8. a) Does your business own or lease its facilities?



- Over three quarters of respondents (76%) own their businesses facility.

b) When does the lease expire?



- Of the respondents who lease their facility, 66% said their lease is up this year or next.

c) Do you anticipate any problems renewing the lease?

- Of the respondents who lease, 100% do not anticipate any problems renewing the lease.

Workforce

Nearly 60% of respondents have maintained a steady workforce over the past 3 years. The same percentage indicated they do not have difficulties hiring and 72% said they do not have difficulties retaining employees.

Of the 39% of respondents that have difficulties hiring, lack of appropriate skills or training (35%) and lack of relevant experience (27%) were the top reasons for the difficulties.

Respondents are not satisfied with the availability of qualified workers in the area. According to the respondents, hiring challenges are related equally to the community and to their specific industry.

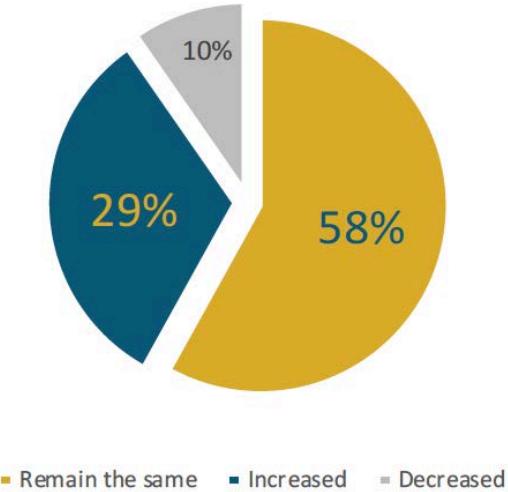
Occupations that respondents have difficulty recruiting include: cooks, retail workers, tradespeople, healthcare workers and general labourers.

Nearly 70% of respondents use external training. Cost of training and availability of local training are top barriers for employee training.

Respondents included training in finance, e-commerce, health and safety, team building and succession planning would be beneficial to them and their employees.



WF1. During the past 3 years, has the number of people you employ in this business increased, decreased or stayed the same?



	Employee # increased	Employee # decreased
Top reason for the change	Business Expansion	Unable to find workers
Average # of employee change	16	12

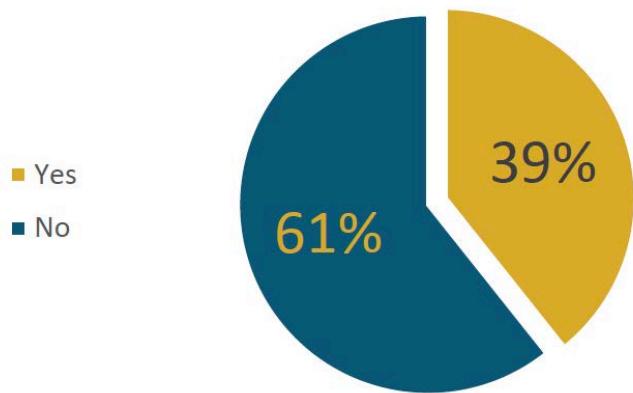
- The majority of respondents (58%) have kept the same number of employees for the past 3 years.

WF2. How would you rate the following factors in this community for your business needs?

Factor	Good/Excellent Score	Fair/Poor Score	N/A
Availability of qualified workers	4	23	4
Stability of the workforce	9	15	7
Ability to attract new employees	11	15	5
Ability to retain new employees	12	14	5

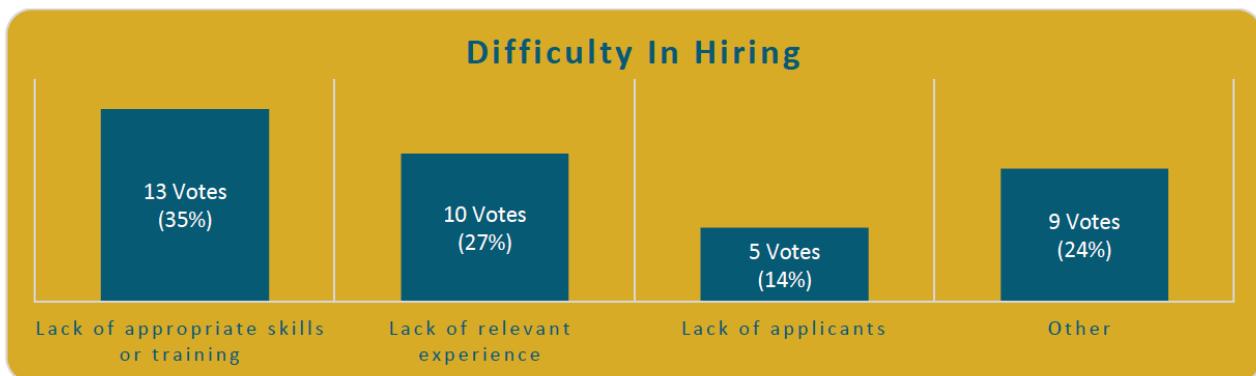
- The availability of qualified workers received the lowest rating for respondent's business needs.

WF3. a) Does your business currently have difficulty hiring?



- Less than 40% of respondents said they have difficulty hiring.

b) How would you describe your company's hiring challenges?

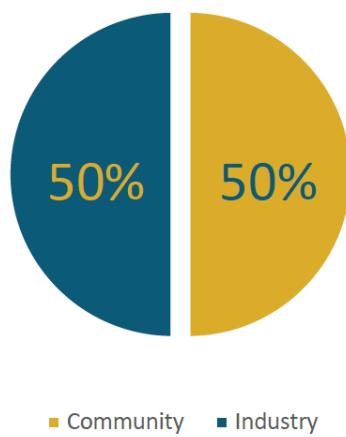


Other: Lack of work ethic, people have multiple jobs, compensation

- Lack of appropriate skills or training was the number one reason for hiring difficulties, followed by lack of relevant experience.

c) Are the hiring challenges specifically related to the community or industry?

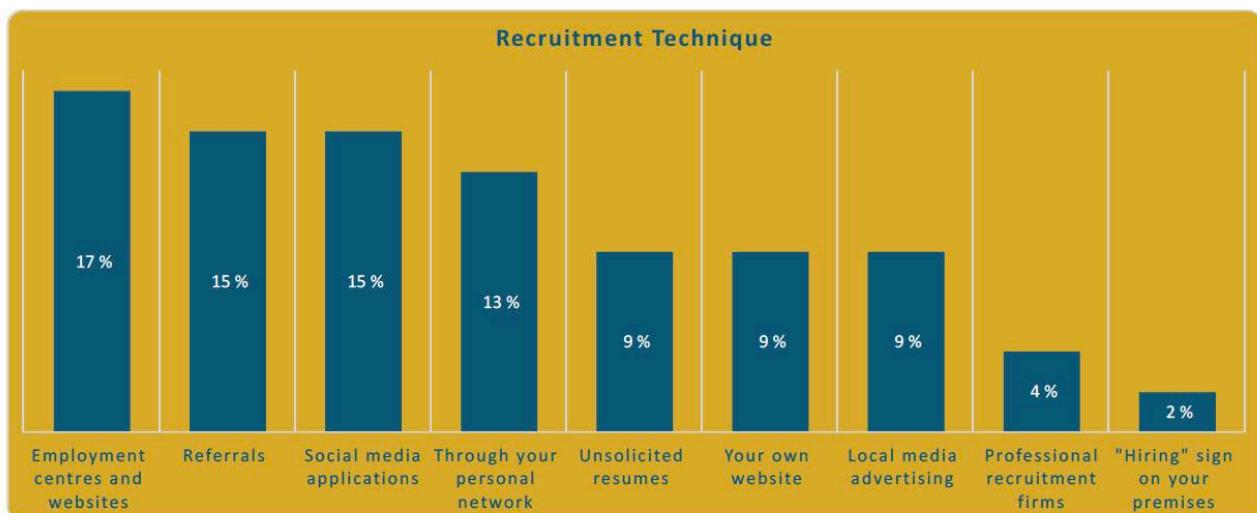
- Respondents were equally divided between hiring challenges being community related and industry related.



d) What occupations do you have difficulty in recruiting for your business?

- Cooks
- Servers
- Sign design and production
- Graphic design
- General labourers/movers
- Pump technicians
- Drivers
- Agricultural industry experience
- Electricians
- Occupational therapists
- Heavy truck mechanics
- Personal support worker
- Registered practical nurse
- Well driller
- Salespeople
- Office staff
- Retail clerks
- Millwrights
- Physiotherapists
- Physicians

WF4. How do you currently recruit new employees?



- Nearly 50% of respondents use employment centres, websites, referrals and social media to recruit new employees.

WF5. a) Does your business currently have difficulty retaining employees?

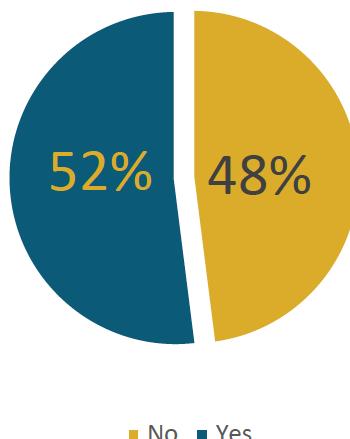


- Over 70% of the respondents do not have difficulty retaining employees.

b) What are the reasons for these difficulties in retaining employees?

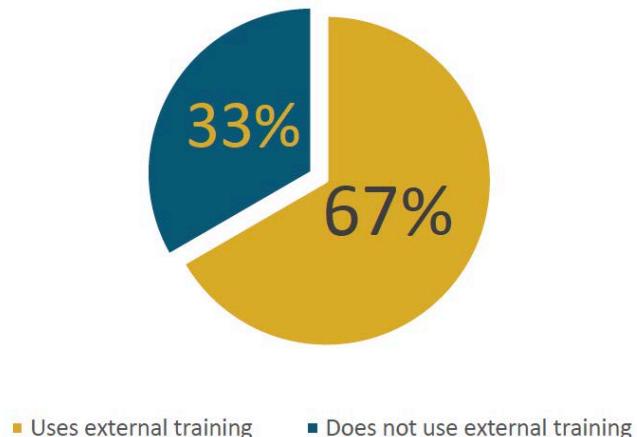
- Of the nearly 30% of the respondents that do have difficulty retaining employees, wages, seasonal employment, work environment, labor intensive, lack of work ethic were the reasons indicated.

WF6. Does your business currently participate in co-op, internship or apprenticeship programs?



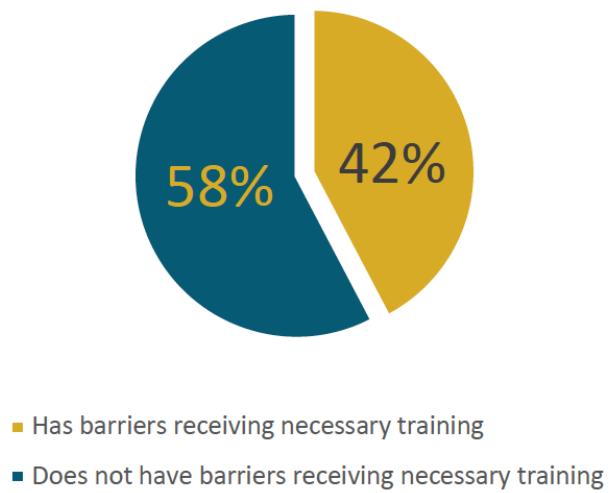
- The majority of respondents (52%) participate in co-op, internship or apprenticeship programs.

WF7. Does your business currently use external training?



- The majority of respondents (67%) use external training.

WF8. a) Are there currently any barriers for you and/or your employees receiving the necessary training?



- The majority of respondents (58%) do not have any barriers with receiving the necessary training.

b) What are the barriers?

- Of the 42% of respondents that have barriers - cost and availability of local training are the top reasons for employers and employees to not receive the necessary training.

WF9. Are there any training programs/topics that would be beneficial to you and your employees?

- Business/finance
- E-commerce
- Google my business
- WHMIS
- Transport dangerous goods
- Leadership and management
- Succession planning
- Team building
- Firefighting
- Food handling & safety
- Registered practical nurse
- Health and safety
- Working at heights
- Marketing
- Trucking industry laws and regulations



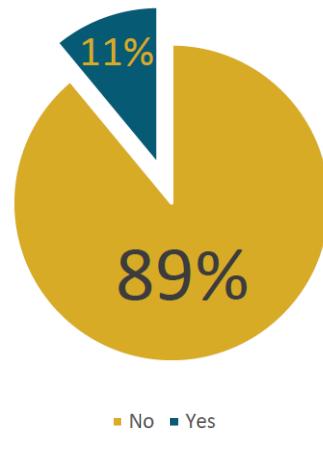
Community Development

The number one advantage for having a business in Laurentian Valley is the low taxes and the number one disadvantage is the lack of municipal services.

The main response when asked 'what is the most significant change you would like to see in the next five years?' was improvement to transportation.

Forty-one percent (41%) of respondents said marketing, joint advertising, social media and e-marketing would be beneficial to support their business.

CD1. Do you know of a business that may have an interest in locating in Laurentian Valley?



- Eleven percent of respondents knew of a business that was interested in locating in Laurentian Valley.



CD2. What are the community's top three advantages as a place to do business?

Rank	Advantage
1	Low Taxes
2	Location
3	Community

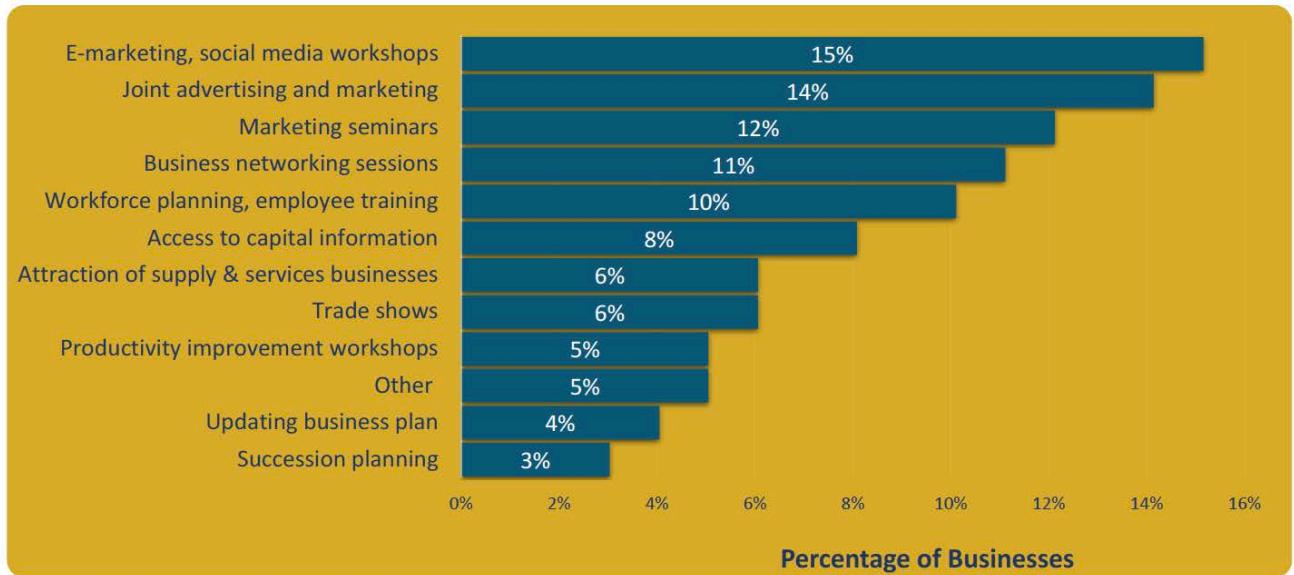
CD3. What are the community's top three disadvantages as a place to do business?

Rank	Disadvantage
1	Municipal Services
2	Roads
3	Lack of Population

CD4. In terms of overall impact on Laurentian Valley as a place to do business, what is the most significant change you would like to see in the next five years?

- 4 lane highway
- More 'Buy Local'
- Airport in Petawawa
- Highspeed Internet
- Go Train
- Better roads
- Public transportation
- Beautification
- Proactive contact from Township staff
- More business training
- More health and wellness promotion
- Residential development
- Natural gas
- Reduce red tape and improve planning department process

CD5. What assistance or opportunities would be beneficial to support your business?



- The top 3 responses that respondents said would be beneficial to support their business are: e-marketing and social media workshops (15%), joint advertising and marketing (14%) and marketing seminars (12%).



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