

BR&E PILOT PROJECT REPORT

BLACK DIAMOND AND TURNER

VALLEY

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Supported by

Alberta Rural Development
Network and Alberta
Association of Colleges and
Technical Institutes

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Executive Summary

This report addressed the findings and processes resulting from a Business Retention and Revitalization (BR&E) project funded by ARDN and AACTI. The project entailed engaging with 34 owners of SME's in the Black Diamond and Turner Valley area during the summer of 2010. The pilot project was successful, and will inform a province wide BR&E research project to be conducted during the 2011 to 2014 period in conjunction with several Alberta colleges and agencies supporting entrepreneurial initiatives.

BR&E is a community-based economic development tool that promotes job growth by helping communities and industries identify barriers to survival and growth facing local business. It is based on the philosophy that existing firms are the key to community economic prosperity, and is a dynamic process which builds from within communities by creating new abilities and leverage through partnerships.

The pilot project has served as an agent of change sparking the development of linkages within the community and externally, increasing awareness of common issues for the municipal representatives, the Board of the Chamber of Commerce, and business owners. Further the project promoted the refinement of the research and community outreach processes, and generated a small sample for comparative data for studies from rural centers in other provinces. Information was shared both from an on-site workshop for participants, community elected representatives, and representatives from support agencies such as Community Futures. Results of the pilot project were shared with a range of academics, support agencies, and government representatives at the ARDN annual meeting in Red Deer in October 2010.

Results from the project include:

- The survey provided a discussion point to instigate communication between owner's who may not be engaged in the Chamber or the municipality, and provides key areas which where a strategic effort could be made – such as area branding, website development, and financial training. This awareness will facilitate the development of an action plan to engage new members by the Chamber.
- The one-day workshop provided initial training to business owners regarding web marketing, as well as a creative discussion on area branding, and potential linkages to move the economic agenda forward.
- Funds have been provided to a web specialist in the Black Diamond area to hold two workshops on website development and maintenance, as well as to assist the Diamond Valley Chamber of Commerce to update their website. This action specifically addresses one of the major requests for direct and specific training by participants in the study.
- Municipalities were provided with a report that identifies issues that create barriers to business growth and success – which can be addressed. This will help them to initiate plans or programs to address the issues.

- The Chamber will identify the communication preferences and needs of current and potential members. They can facilitate local training to enhance planning, marketing, IT, and financial skills of local business owners.
- The specific needs for developing owner or staff skills through training have been identified, and information shared with Bow Valley College and Community Futures. A detailed sheet identifying agencies providing support for SME and rural municipal governance will be provided for participants in the report to participants.
- Initial steps have been undertaken by the researchers to form a strategic alliance with multiple colleges and service agencies to conduct a province wide BR&E initiative. The project will entail funding from multiple agencies, and will provide data for strategic decision at a local and provincial level. The project is intended to be longitudinal in nature, with community impact being assess within five years of the project completion.

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BACKGROUND

Business Retention and Expansion (BR&E) is a well-known international economic development model which works with existing businesses to support economic growth. The interview with the business owner or manager reviews the current business and future plans with the intent of identifying issues, concerns and potential opportunities and taking action where appropriate. Action is in the form of a daylong workshops to improve owner skills in critical areas, such as web-based marketing that were identified in the survey, and the development of a community action plans for business sustainability led by the local Chamber of Commerce.

Research has shown that 40-80% of job growth comes from existing businesses. BR&E can promote this job growth by helping understand the issues, concerns, and opportunities for local businesses and set priorities for projects to address these needs. Communities will also have greater success in attracting new business if existing businesses are content with local economic conditions and community support.

Several studies have been carried out in Ontario and Newfoundland in Canada, as well as numerous studies worldwide. BR&E is a community-based economic development strategy with a focus on nurturing and supporting businesses already existing in the community. A structured survey is utilized as a means of beginning a dialogue with local organizations with the intent of identifying issues, concerns and potential opportunities, and taking action where appropriate.

METHODOLOGY

Sample and Participant Selection

The potential list of businesses was originally created from lists of businesses registered the Municipalities of Black Diamond and Turner Valley, as well as membership for the area Chamber of Commerce. The combined listings entailed approximately 138 businesses. Invitations to participate were contacted by e-mail and mail by the research team (Appendix 1). Participants represented the following industries: construction, retail, accommodation and food services, real estate, professional and technical services, waste management, health care and other services.

Survey Development

The survey instrument was pre-tested both through projects conducted by the provincial government of Ontario and from projects conducted in Newfoundland and Labrador, as well as a business professor familiar with SME research. The survey was edited then submitted to representatives from the Municipalities of Black Diamond and Turner Valley, as well as the Chamber of Commerce to add questions pertaining to participant perceptions of the business community and the associations (Appendix 2).

The Interview Guide consisted of questions in the following areas:

- i. General Business Information
- ii. Region, Community and Current Location
- iii. Future Plans
- iv. Information Technology
- v. Markets and Marketing Strategy
- vi. Human Resources
- vii. Financial
- viii. Suppliers
- ix. Information requests and comments by participants.

Data Gathering

The researchers and a Research Assistant met with potential participants to deliver the survey and answer questions. Participants completed the survey on an individual basis, and the complete form was picked up by the Research Assistant. Businesses recruited for survey participation signed consent forms to participate (Appendix 3 – Consent Form), and the researcher signed a confidentiality agreement which was then provided to the participants (Appendix 4). Business owners were contacted during June and July, with the last survey submitted August 25th. Participants indicated to the researchers that approximately 15 to 25 minutes was required to complete the survey

Data Confidentiality and Analysis

All answers are presented in summary and not to identify any participant or individual responses. The data was entered by the Research Assistant and analyzed by the researchers. The survey answers were coded and analyzed using SPSS and Excel. Questions with open-ended answers have been recorded as stated (Appendix 5 – Summary Responses to Open-ended Questions). In some questions, respondents could choose more than one answer from a list of choices; for these questions, percentages exceed a total of 100%. As well, in some questions, respondents chose not to answer and are coded as missing; therefore, the other answers in the question total less than 100%.

GOALS

The researchers liaised with local agencies, both to understand the community and to access contact information. Our goals for the pilot project included:

- Investigating barriers to economic growth and sustainability, and identify methods to enhance SME performance,
- Refine the research process for further studies,
- Share research results through workshops to address issues and guide change,
- Share opportunities for partnering with existing agencies.

Two pages of questions were added to the BR&E base survey to gather data for the Diamond Valley Chamber of Commerce and the Municipalities of Black Diamond and Turner Valley who wanted to:

- Identify the business educational needs and communication preferences of local businesses,
- Provide data for policy decisions regarding economic development and municipal operations, and specific municipal services such as business permit, which may be restricting venture retention and expansion.

PROFILE OF PARTICIPANTS

Approximately 25% of those contacted participated in the study; in the future we would recommend not gathering data in July and August, as many business owners were on holiday. Fewer businesses responded from the Turner Valley community, reflecting the smaller retail and service base. The respondents provided a solid representation of the business community in the area, as illustrated by their characteristics:

- 34 firms with representation across sectors: retail and services
- Average age of businesses was 8 years, with four new ventures in past 6 months
- 77% located in Black Diamond, 23% located in Turner Valley
- Only 19% derive more than 50% of their revenue from tourists - so they rely upon local customers
- 81% have less than 10 employees

SIGNIFICANT FINDINGS

Planning

The majority of the participants do not have a structured plan: however most intend to expand, implying their expansion will not be executed in an optimal manner. Targeted assistance through training would be useful. The participants recognized this weakness, and the most requested form of assistance was workshops pertaining to marketing and business planning.

- 36% have a business plan, or a succession plan
- 27% have a marketing plan
- 53% expect to expand, 6% to relocate, the remainder to remain the same
- Only one participant intends to leave the community, due to perception of inadequate facilities.

Financial Literacy and Awareness

Generally the participants are lacking in financial management capabilities, with most referencing financial statements infrequently, few engaging in financial forecasting, and most not optimizing cash management and ordering due to lack of understanding. Perhaps more worrisome was the indication that few sought financial advice, indicating either a gap in the local service offerings or a reluctance to seek outside assistance. The data indicates training by the Chamber, Community Futures (CF), the Canadian Youth Business Foundation (CFBF), or other agencies in financial reporting, as well as financial systems would be helpful.

- While some participants had a solid knowledge of financial reports, only 22% used product costing, 41% used inventory control, and 21% use financial advisors,
- 68% of participants did not use financial reports for decision making due to the following reasons: reports are not timely (20%), lack of understanding (53%), reports lack the information required (31%)
- 30% do not have financial plans, and 40% do not compare their actual results to their budget.

Expansion

Almost 50% of participants who are planning to expand will use using cash-flow or current assets. However, many of those who require external funding have encountered barriers. It should be noted that even those businesses that were denied funding from financial institutions or Government agencies such as BDC, intend to continue with their expansion – they just have not ascertained how they will proceed. Findings included:

- 29% were unaware of funding programs and their criteria
- 19% became frustrated with the administrative process
- Only half of the businesses seeking loans from credit unions, BDC or private investors were successful
- 54% of those seeking loans were successful, and 14% attained a loan from BDC or other Federal funding
- Those who were not successful lacked collateral, cash-flow, or were perceived to be too risky to be granted loans.

Marketing

The research indicates further training in many marketing aspects could enhance performance within the community. Owners sensed that they were different than their competition both within the town and from neighboring communities, but they could not articulate their competitive advantage or differentiating features. Further, their marketing strategy was unfocused, with most entities allocating funds to a range of media without ever assessing the effectiveness of their advertising or promotional

efforts. Further, their perceptions of competitive position and growth opportunities may be inaccurate, due to lack of market research and customer buying pattern analysis.

- While participants perceive increased direct competition, over 50% state that their market share is increasing, reflecting a high level of confidence.
- Their competitive advantages are service (67%), with only 17% creating differentiation through pricing.
- Few get formal customer feedback, most rely upon customer complaints and informal contact to gather impressions.
- Few assess the impact of their marketing; only 17% compare their actual performance to their goals.

Information Technology

While the participants perceive IT to be useful, few use the internet, computerized processes, or their website to optimal effectiveness. During conversations with participants it was noted many referenced their lack of skill and sense of time pressures which created a perception that launching and updating a website would be onerous and infeasible. While many used the internet for communication for ordering product and personal use, the use of technology for enhancing marketing effectiveness and operational efficiencies was limited. The data indicated:

- Technology is considered as “extremely important”, with 88% having internet access, 70% having computing skills, and 65% using computerized accounting
- Only 3% do not plan to use the internet in some form within two years
- While 59% have a company website, most offer basic information such as product and services which is not updated
- Only 10% offer advance web services including on-line payment and order tracking.

Requests for Assistance

The participants indicated an eagerness for access to skill-building sessions, either on-line or through locally offered workshops, for the following topics:

- 67% Effective advertising
- 63% Website development
- 50% Market trends and customer analysis
- 42% How to write a marketing plan
- 42% Financial planning
- 37% Succession planning
- 33% Business planning
- 25% Employee training and retention
- 29% Workplace conflict

COMMUNITY ACTION, LINKAGES, AND PARTNERSHIP DEVELOPMENT

Results from the pilot project include the development of linkages within the community and externally, enhanced awareness by the municipality and the Chamber of barriers to venture performance, and an opportunity for the researchers to analyze the process and refine for a province wide study. Further, the data gathered in this project will be compared to the results of other Canadian BR&E studies for rural centers. The municipal representatives and Chamber of Commerce Board attended a workshop covering both survey results pertaining to questions they had submitted, as well as participant results. While some of the area planners were disappointed local business owners were not aware of area planning

efforts and revitalization plans, most were pleased to gain insight into the opinions, perceived needs and barriers expressed by the business community. Business owners participated in a six hour workshop which covered both the survey results, and a marketing training session. While only 18 business participants attended the workshop due to timing conflicts, the session was fruitful, and the researchers received positive feedback (Appendix 5). An informal group was formed at the end of the meeting to continue the discussion. Results from the study, and the resulting community engagement include:

1. Support:

- Municipalities can identify and issues that create barriers to business growth and success – which can be addressed.
- The Chamber, and educational institutions such as Bow Valley College, are now aware of the learning format preferences (lunch or evening workshops, or web delivered material) and educational requirements of business owners in the community. They can facilitate local training to enhance planning, marketing, IT, and financial skills of local business owners.
- Participants were keen to have their voice heard; while they were positive regarding many aspects of the community they see a need for increased involvement and enhanced communication - many are willing to participate in new marketing initiatives
- Most indicated the need for developing personal or staff skills through training: a detailed sheet has been provided for participants indicating agencies that provide training or facilitation services.
- Funds have been allocated from the pilot project for a local marketing communications specialist to offer two workshops pertaining to website development and maintenance through the Chamber, as well as to assist in the updating in the Chamber website. These workshops specifically address the request for local training by research participants.

2 Awareness

- Western Wheel, a local paper covered the workshop creating awareness of local support such as Community Futures, and the Chamber of Commerce.
- Representatives of support agencies such as CYBF, Community Futures, and Bow Valley College are now aware of educational requirements regarding venture growth for the area, and will be provided with a copy of the research findings.
- Business owners are aware of common issues, and have created an informal alliance for web-site design and marketing support.

3 Research

- Patricia Macklin Project Coordinator Rural Development Division, Alberta Agriculture and Rural Development, and Ray Darwent, Regional Advisor, Rural Secretariat have indicated an interest in further research
- Representatives from three colleges have indicated an interest in participating in a province-wide BR&E initiative. Other colleges will be approached to provide geographic coverage of the province. A meeting was hosted at MRU in December 2010 to discuss the project proposal, and the next steps for funding, the development of a broader base for community organization participation in information sharing, and the roles of the primary researchers and college partners. Funding applications to provincial and federal agencies will be submitted in early 2011, and a memorandum of Understanding for the academic institutional partners is being prepared by the lawyer for MRU.
- Kalinga Jagoda and Victoria Calvert, as principal investigators will provide mentorship to faculty participating in the new initiative, providing assistance regarding ethics

applications, survey application, benchmarking opportunities for community engagement, and administrative support.

- Research papers regarding the findings and the community engagement process will be prepared for academic and practitioner journals respectively.

“There is a small group of downtown Businesses that are working with the EDC and the Chamber for a refresh of the chamber website to bring it in line with the MRU integrated approach. Thank you again for the study it seems to have spurred some much needed interest in the Chamber.”

Barb Froud, Diamond Valley Chamber of Commerce Secretary

LESSONS LEARNED FROM THE PILOT PROJECT

The pilot project provided insights as to techniques and processes for enhancing impact and delivery for the provincial BR&E project as follows.

- The BR&E instrument was effective in identifying issues, and developing a strategy for moving forward,
- The role of community agencies, such as the Chamber of Commerce is key to successful engagement by local businesses,
- Businesses have specific strategic and operational challenges that can be addressed through education and community actions,
- The revitalization of rural communities could be better served if non-profit agencies were included,
- The information sharing is more effective if done in multiple sessions, with separate workshop sessions for the community partners, and the business owners,
- A broader web of support and partnership would be facilitated if more community agencies, including those assisting in governance for municipal and non-profit agencies, participated in the information sharing and educational process,
- The identification of skills gaps for business owners and staff, and their preferred ‘assessing mode’ will enhance the ability of community colleges and community organizations to develop and delivery effective training that would enhance operational performance, and ultimately contribute to economic sustainability and growth.

PARTNERSHIPS AND MENTORING

Partnerships in Black Diamond and Turner Valley would enhance opportunities for growth by providing marketing efficiencies and impact. A joint marketing project might be a less daunting partnership to try at first. Joint marketing may not be competitors as the products/services from the various companies could be complementary. An example could be the web linkages developed by a group of retailers in Black Diamond subsequent to the workshop. Together they can form a shopping cluster that is more effective in attracting customers, and reduced individual cost and time requirements. Further initiatives for joint website development are being undertaken by the Chamber of Commerce, which received a boost of membership, primarily of new business owners, after the BR&E marketing and website focused workshop. The Chamber initiative is being facilitated by specialized support by a local web designer, who is receiving payment for two lunch workshops and the redevelopment of the Chamber website from the funding provided by ARDN as part of the community engagement and training process.

Mentoring is a mechanism to connect the business community and potentially foster partnerships. Currently, in Black Diamond Area there is limited mentoring, however, the communication of training needs, and discussion for ongoing engagement for joint marketing initiatives has sparks informal

alliances, which will facilitate skill sharing. Community agencies, such as Community Futures and CYBF are being advised of specific training needs, and mentoring and targeted education initiatives have been recommended.

CONCLUSION

While the business community in Black Diamond and area is sustainable, the pilot project has identified several issues and training needs that will require engagement by community partners. The issues regarding SME owner training, the need for joint marketing initiatives, and the emergent revitalization of the Chamber of Commerce, will require longer-term involvement by several service agencies to ensure area growth. Information has been provided to several agencies, including Community Futures, and Bow Valley College, to facilitate specific training actions in such areas as planning, marketing, IT, and website development. The goal of our study has been to identify issue restricting economic sustainability in growth, targeting training for participants to spark discussion and partners, and the sharing of information to community partners who will provide targeted and effective support.

Letter of Invitation

Appendix 1

Dr. Kalinga Jagoda, Victoria Calvert
Bissett School of Business
Mount Royal University
4825 Mount Royal Gate SW
Calgary, Alberta, T3E 6K6

June 21, 2010

Dear Sir/Madam

We, Victoria Calvert and Kalinga Jagoda, faculty at Mount Royal University, are interested in gathering information regarding the challenges encountered by ventures in rural communities. You are invited to participate in a Small and Medium Enterprise (SME) research study to be conducted in 2010 in Black Diamond. The study is sponsored by Alberta Rural Development Network (ARDN), an agency of the Alberta Government. We anticipate gathering information through an interview during the summer months of 2010. The data will provide insight as to operational or environment factors that may create barriers to growth.

You were selected from a list provided by the Chamber of Commerce in Black Diamond and Area, or from the Town of Black Diamond. You will be asked to participate in an interview conducted by the research team: you will be sent a copy of the questions ahead of time for your information. The total time requirement will be one hour or less. All information collected in this study will be kept confidential, and reports and presentations on the study will be based on aggregate data, and will not reveal your identity.

- Confidentiality will be ensured. Data from participants will be summarized into aggregate form. Material will then be locked in the researcher's cabinet, in a secured office. Data will be stored for five years; then shredded.
- Your participation is voluntary, and you are free to withdraw from participation at any time. Even after you started to participate in the study, your specific information will be deleted from the data base if you make a written request to Victoria Calvert at vcalvert@mtroyal.ca.
- The research is designed to identify common issues encountered by rural SME's. A report will be prepared that summarizes the issues to assist local economic agencies, including the Chamber of commerce, to develop strategic plans to enhance the growth of rural ventures.
- You will be provided with a copy of this consent form and the confidentiality agreement.
- As a participant you will receive a copy of the report.

As a participant you will be invited to a one day workshop in Black Diamond at the Hotel on September 10, 2010. The workshop will include: a discuss of the findings, a facilitated session to identified strategies to enhance growth for ventures in your region, and training sessions with targeted information to assist owners. For example, if the data indicates many rural businesses have websites with limited customer reach a marketing specialist in website design for small ventures will present one of the seminars.

You will be contacted by Victoria Calvert, or her assistant Mary-Kate Handforth, to arrange an interview. We may be reached at 403 228-7117, 403 671-2577, or mkhandforth@yahoo.ca. Please accept our thanks for your consideration and cooperation.

Yours sincerely,

B R & E

BUSINESS RETENTION & EXPANSION PROGRAM

**A Joint Initiative of Chamber of Commerce
Black Diamond and Area, Alberta Rural
Development Network & Mount Royal
University**

Interview Guide

Business Retention and Expansion Visitation Initiative

Thank you for agreeing to participate in this business retention and expansion visitation initiative. This business visitation program is seen to be one means of proactively supporting and helping local businesses and thereby fostering the improvement of the local economy. The results will be ultimately utilized as a tool to improve, impact, or establish a variety of programs and supports for business.

The objectives of the initiative are:

- 1) To identify the needs, concerns and opportunities of existing local businesses, in order that, where appropriate, local action can be taken to respond to the business needs or development opportunities.
- 2) To learn of the future plans of the area's local firms with respect to expansion, relocation and/or retention and assess where assistance can be provided.
- 3) To demonstrate the region's pro-business attitude and to develop an effective means of communication with local businesses.
- 4) To have communities actively involved in economic development

This program is being coordinated by the Chamber of Commerce Black Diamond and Area, The Economic and Development Committee of the Town of Black Diamond, the Alberta Rural Development Network and Mount Royal University.

Confidentiality - The researchers Visitors commit to the principle of confidentiality. Your responses will be summarized with those of others in the form of totals, percentages and averages. The completed interviews, without identifiers, will be forwarded for analysis to the Bissett School of Business, Mount Royal University. Copies of the summary results of this project will be provided to all participating firms.

This interview will cover a variety of topics related to your business operations. Please refer below to the Interview Contents for the specific categories and page references. **Please do not hesitate to ask any questions during the interview process. If there is an interview question that you feel might be best to skip, we will do that. Just let us know -- there is no need to explain your reasons.**

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Future Plans	7

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Financial15

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Confidential

ID No.: _____

BUSINESS VISITATION INTERVIEW

Business Name: _____

Business Contact: _____

Address: _____

City/Postal Code: _____

Telephone Number: _____

Fax Number: _____

E-Mail Address: _____

Web site: _____

Name of Person

Interviewed: _____

Position: _____

GENERAL BUSINESS INFORMATION

This first section of the interview deals with some basic background information on your firm.

GB1 How long has your business been in operation? _____ (years)

GB2 What is the legal form of your organization? *Choose one.*

Corporation

Sole Proprietorship

Partnership

GB3 How many employees work at this location? _____

Owner

21-30

Less than 10

31-50

10-20

50+

GB4 Which of the following organizational forms, if any also apply to your business? *Check only one.*

Not Applicable

Franchise

Branch Plant/Sales Office

Non-Profit Organization

Co-operative

Other (specify) _____

GB5 What is the **primary** business activity conducted by your company? *Check only one*

Agriculture, Forestry, Fishing & Hunting

Information (Publish, Record, Broadcast, Telecommunications, Data Related, Internet)

Mining, Quarrying, and Oil and Gas Extraction

Real Estate and Rental and Leasing

- | | |
|--|--|
| <input type="checkbox"/> Utilities | <input type="checkbox"/> Professional, Scientific and Technical Services |
| <input type="checkbox"/> Construction | <input type="checkbox"/> Management of Companies and Enterprises |
| <input type="checkbox"/> Manufacturing | <input type="checkbox"/> Administrative and Support, Waste Management and Remediation Services |
| <input type="checkbox"/> Wholesale Trade | <input type="checkbox"/> Educational Services |
| <input type="checkbox"/> Retail Trade | <input type="checkbox"/> Health Care and Social Assistance |
| <input type="checkbox"/> Transportation and Warehousing | <input type="checkbox"/> Arts, Entertainment, and Recreation |
| <input type="checkbox"/> Finance and Insurance | <input type="checkbox"/> Public Administration |
| <input type="checkbox"/> Accommodation and Food Services | <input type="checkbox"/> Other Services _____ |

GB6 Does more than 50% of your revenue come from tourists?

Yes

No

GB7 What are the main products or services provided at or from this location?

GB8 Does the business have a current succession plan?

Yes

No

GB9 Does your business have a current business plan that is used to guide operations?

Yes

No

GB10 Does your business have a current marketing plan?

Yes

No

REGION, COMMUNITY, AND CURRENT LOCATION

The next section addresses business conditions and infrastructure within the region, community, and current location. In responding to questions in this interview please keep in mind the majority of questions refer to the **Black Diamond and area**, generally referred to in the interview as "**The Region.**" In other cases you will also be asked to comment on issues related to your community.

RCL1 What is your general impression of this community as a place in which to do business?

Excellent

Good

Fair

Poor

RCL2 Has your attitude toward doing business in **this community** changed during the past two years?

Yes, more positive

No change

Yes, more negative

RCL3 How do events such as the parade, Rock 'n' Roll Classic and the Christmas Light-up impact your business? **Select all that apply**

Increased sales

Provide opportunity to introduce new products

RCL4 On a scale of 1 to 5, where a **1 indicates “extremely dissatisfied”** and a **5 indicates “extremely satisfied,”** please rate your level of satisfaction with each of the following services provided by local government and community organizations. **Circle the appropriate number in each case.**

	Extremely Dissatisfied					Extremely Satisfied
	1	2	3	4	5	
<i>Town of Black Diamond</i>						
Economic development planning and implementation	1	2	3	4	5	N/A
Obtaining business permits	1	2	3	4	5	N/A
Fire prevention and services	1	2	3	4	5	N/A
Garbage removal	1	2	3	4	5	N/A
Street repair	1	2	3	4	5	N/A
Snow removal	1	2	3	4	5	N/A
Water and Sewer	1	2	3	4	5	N/A
<i>Chamber of Commerce Black Diamond and Area</i>						
Web site	1	2	3	4	5	N/A
Meetings	1	2	3	4	5	N/A

FUTURE PLANS

This section deals with your plans for the future.

FP1 Within the next three (3) years, which of the following do you plan to do?

- Remain the same **GO TO IT1**
- Downsize **GO TO FP2**
- Relocate **GO TO FP3**
- Expand **GO TO FP5**
- Close **GO TO FP9**

Comments:

DOWNSIZING...

FP2 Will the downsizing result in a reduced workforce?

- Yes No

RELOCATION...

FP3 Where do you plan to relocate this business?

- Within the Community **Specify:** _____
- Outside Municipality but within the region **Specify:** _____
- Another Province **Specify:** _____
- Outside Canada **Specify:** _____

FP4 Why are you planning to relocate the business?

- | | |
|--|---|
| <input type="checkbox"/> Head office decision | <input type="checkbox"/> Local regulations to restrictive |
| <input type="checkbox"/> Inadequate facilities | <input type="checkbox"/> Labour availability |
| <input type="checkbox"/> Loss of markets | <input type="checkbox"/> Utility infrastructure is inadequate |
| <input type="checkbox"/> Change of markets | <input type="checkbox"/> Expansion limitations |
| <input type="checkbox"/> Distance to markets | <input type="checkbox"/> Business tax incentives in other locations |
| <input type="checkbox"/> Distance to inputs | <input type="checkbox"/> Other Specify: _____ |

EXPANSION...

FP5 Is expansion likely to lead to: **Check all that apply.**

- | | |
|--|--|
| <input type="checkbox"/> Workforce increase | <input type="checkbox"/> Added services for customers |
| <input type="checkbox"/> Floor space increase | <input type="checkbox"/> Additional investment in equipment & technology |
| <input type="checkbox"/> An increase in exports | <input type="checkbox"/> Import replacement |
| <input type="checkbox"/> Process improvements | <input type="checkbox"/> An increase in demand for skills training |
| <input type="checkbox"/> Added product lines | <input type="checkbox"/> An increase in demand for applied research |
| <input type="checkbox"/> Other Specify: _____ | |

FP6 Is your business currently experiencing challenges with its expansion plans?

- Yes No **Go to FP8**

FP7 Please identify **Challenges** you are experiencing with the expansion plans **Check all that apply.**

- | | |
|--|---|
| <input type="checkbox"/> Financing | <input type="checkbox"/> Transportation & distribution |
| <input type="checkbox"/> Developing a marketing plan | <input type="checkbox"/> Electrical supply |
| <input type="checkbox"/> Developing a business plan | <input type="checkbox"/> Water infrastructure |
| <input type="checkbox"/> Labour availability | <input type="checkbox"/> Wastewater infrastructure |
| <input type="checkbox"/> Labour force training | <input type="checkbox"/> Sewer Capacity |
| <input type="checkbox"/> Land availability | <input type="checkbox"/> Finding partners for strategic alliances |
| <input type="checkbox"/> Building availability | <input type="checkbox"/> Local by-laws |
| <input type="checkbox"/> Importing of goods & services | <input type="checkbox"/> Access to Research & Development |
| <input type="checkbox"/> Exporting of goods & services | <input type="checkbox"/> Access to Technology |
| <input type="checkbox"/> Warehousing | <input type="checkbox"/> Other <i>specify</i> : _____ |

FP8 How will this expansion be financed? Will it be with ... **Select all that apply.**

- Cash
- Line of credit
- Credit card

- Owner equity

- Venture Capital
- Private Investment
- Short term bank loan (<1 yr)
- Long term bank loan (>1 yr)
- Government Funding programs

Other Specify: _____

CLOSING...

FP9 If you are considering closing the business, what are the reasons? **Check all that apply.**

- | | |
|---|--|
| <input type="checkbox"/> Head office decision | <input type="checkbox"/> Lack of profitability |
| <input type="checkbox"/> Inadequate facilities | <input type="checkbox"/> Health regulations |
| <input type="checkbox"/> Loss of markets | <input type="checkbox"/> Unable to find purchaser |
| <input type="checkbox"/> Change of markets | <input type="checkbox"/> Environmental regulations |
| <input type="checkbox"/> Distance to markets | <input type="checkbox"/> Retirement |
| <input type="checkbox"/> Distance to inputs | <input type="checkbox"/> No succession plan |
| <input type="checkbox"/> Labour issues | <input type="checkbox"/> Expansion limitations |
| <input type="checkbox"/> Labour availability | <input type="checkbox"/> Competition |
| <input type="checkbox"/> Inadequate local infrastructure | <input type="checkbox"/> Other (specify): _____ |
| <input type="checkbox"/> Lack of access to R&D (Research & Development) | |

FP10 Upon business closure, please indicate plans which you foresee for your business properties and assets. ***Check all that apply.***

- Do not know
- Sell the business externally as a going concern
- Transfer the business within family as a going concern
- Rent/Lease the property and/or equipment for business purposes
- Close business - liquidate property and or assets
- Other (specify): _____

Additional Comments related to Future Plans:

INFORMATION TECHNOLOGY

The following questions deal with the use of information technology in your firm.

IT1 On a scale of 1 to 5, where a **1 indicates “not at all important”** and a **5 indicates “extremely important,”** please indicate the level of importance of the following factors to your company. *Circle the appropriate number for each item.*

Not at all Important

Extremely Important

1 2 3 4 5

Basic Computing Skills & Knowledge	1	2	3	4	5
------------------------------------	---	---	---	---	---

Computerized Accounting	1	2	3	4	5
-------------------------	---	---	---	---	---

Computerized Inventory	1	2	3	4	5
------------------------	---	---	---	---	---

Specialized/Custom computer applications	1	2	3	4	5
--	---	---	---	---	---

Electronic commerce	1	2	3	4	5
---------------------	---	---	---	---	---

EDI (Electronic Data Interchange)	1	2	3	4	5
-----------------------------------	---	---	---	---	---

Access to Internet	1	2	3	4	5
--------------------	---	---	---	---	---

Company web site	1	2	3	4	5
------------------	---	---	---	---	---

IT2 Which of the following technologies is your business currently using, planning to use in the next two years, or do not plan to use? *Check only one category for each item.*

	In use	Plan to use within 2 years	Don't plan to use
Email	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Computer network (local or wide area)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Interac	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Electronic funds transfer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Electronic data exchange with suppliers or customers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Video conferencing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Computerized Accounting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Computerized Inventory	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Social Networking (eg. Facebook, MySpace, UTube)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Internet **	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If the business uses or plans to use the Internet, Go to IT4. Otherwise, Go to IT3.

IT3 You have indicated you do not plan to use the Internet. Please select the reasons for your decision from the following list.

When finished, go to IT6.

Our goods or services do not lend themselves to conducting

transactions over the Internet	
Uncertain about the benefits of using the technology	<input type="checkbox"/>
Too costly	<input type="checkbox"/>
Security concerns	<input type="checkbox"/>
Already have significant investment in non-Internet network	<input type="checkbox"/>
Concern about competitors analyzing my information	<input type="checkbox"/>
Resistance to technological change by people in my organization	<input type="checkbox"/>
Lack of telecommunications infrastructure	<input type="checkbox"/>
The Internet is not reliable	<input type="checkbox"/>
Speed of access is insufficient	<input type="checkbox"/>
Customers are not ready to use Internet commerce	<input type="checkbox"/>
Lack of skilled employees to develop, maintain and use technology	<input type="checkbox"/>
Prefer to maintain current business model	<input type="checkbox"/>
Uncertain about domestic or foreign laws concerning Internet use	<input type="checkbox"/>
Go to IT5.	

IT4 For which of the following purpose(s) does your firm use or plan to use the Internet within the next two years? *Check all that apply.*

- | | |
|--|---|
| <input type="checkbox"/> Information searches | <input type="checkbox"/> Education and training |
| <input type="checkbox"/> To automate production or distribution | <input type="checkbox"/> Email |
| <input type="checkbox"/> Electronic data exchange | <input type="checkbox"/> Advertising/marketing |
| <input type="checkbox"/> A database of suppliers | <input type="checkbox"/> Purchasing goods or services |
| <input type="checkbox"/> A database of customers | <input type="checkbox"/> Selling goods or services |
| <input type="checkbox"/> Perform collaborative research or development | <input type="checkbox"/> Market Research |
| <input type="checkbox"/> Other (specify): _____ | |

IT5 Does your company have a web site?

- Yes No **Go to IT8**

IT6 Does your web site offer the following? **Check all that apply.**

- On-line purchases
- On-line payments
- Distribution of on-line services or digital products (e.g. music, software)
- After sales service (e.g. a function allowing customer feedback)
- Tracking of orders
- Information about the company
- Product or service information

- A list or catalogue of available goods or services
- Customized service for clients (e.g. customized presentation of product preferences)
- Capability to provide secure transactions
- Private policy statement
- Information about employment opportunities
- Other (specify): _____

IT7 Do you contract to people or firms outside the organization for the creation, maintenance or upgrading of your web site?

- Yes (IT7b) No

IT7a Do you contract to people or firms outside the organization for computer services?

- Yes **Go to IT7b** No **Go to IT8**

IT7b *If yes to either IT7 or IT7a, why do you contract outside your organization for these services?*

- | | |
|--|---|
| <input type="checkbox"/> No employees with right skill set | <input type="checkbox"/> More cost effective |
| <input type="checkbox"/> Do not have the proper technology | <input type="checkbox"/> National office |
| <input type="checkbox"/> Time consuming | <input type="checkbox"/> Other (specify): _____ |
| <input type="checkbox"/> Faster service | |

IT8 For what reason do you not have a web site? (Check all that apply)

- Is of no value for current line of business
- Do not have access to expertise for the creation of the site (internal or external)
- Do not have access to expertise for the maintenance of the site (internal or external)
- Too costly to create and maintain
- Business is currently not structured appropriately to adequately fulfill potential orders
- Other (specify): _____

Additional Comments related to Information Technology:

MARKETS AND MARKETING STRATEGY

The following set of questions deal with your firm's markets and marketing strategy.

M1 Is the competition in your market ...?

- Increasing Decreasing Staying the same

M2 Is your market share...?

- Increasing Decreasing Staying the same

M3 What is your competitive advantage?

- Price Product differentiation (branding)

-
- Service Product line (variety of products)

-
- No competition; only business of its kind Other: Specify

M4 During the past 3 years, what has been your total dollar **sales trend** at this location?

- Increased About the same Not sure

- Decreased Uneven sales pattern

M5 How do you identify your customers' needs? **Select all that apply.**

Customer surveys Focus groups

Customer comment cards Trade or industry publications

Informal customer contact Marketing publications

Customer database management Electronic communications (Internet, web page)

Customer complaints Other (specify): _____

Sales calls

M 6 How do you market your products/services?

	AB/Canada	Outside Canada
Newspaper advertising	<input type="checkbox"/>	<input type="checkbox"/>
Radio advertising	<input type="checkbox"/>	<input type="checkbox"/>
TV advertising	<input type="checkbox"/>	<input type="checkbox"/>
Web site	<input type="checkbox"/>	<input type="checkbox"/>
Flyers/Brochures	<input type="checkbox"/>	<input type="checkbox"/>
Trade show attendance	<input type="checkbox"/>	<input type="checkbox"/>
Magazine advertising	<input type="checkbox"/>	<input type="checkbox"/>
Distributor	<input type="checkbox"/>	<input type="checkbox"/>
Sponsorship of events	<input type="checkbox"/>	<input type="checkbox"/>
Business cards	<input type="checkbox"/>	<input type="checkbox"/>
Other ways Specify : _____	<input type="checkbox"/>	<input type="checkbox"/>

M7 What is your marketing budget as a percentage of annual sales? _____

M8 How often do you compare your marketing goals against your actual performance?

Not at all	Daily	Weekly	Monthly	Quarterly	Yearly	More than 1 year
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Additional Comments related to Markets and Marketing Strategy:

FINANCIAL

The questions in this next section of the interview concern your financial management and experiences with financial institutions and funding agencies.

F1 Does your firm use financial advisors?

Yes No

F2 Please indicate which of the following types of financial reports are used. ***Check all that apply.***

	Yes
Income statement	<input type="checkbox"/>
Balance sheet	<input type="checkbox"/>
Cash flow statement	<input type="checkbox"/>

Gross margins report	<input type="checkbox"/>
Inventory control	<input type="checkbox"/>
Productions cost report	<input type="checkbox"/>
Comparison of budget to actual revenues and expenses	<input type="checkbox"/>

F3 Please indicate why financial reports are not used to make business decisions. **Check all that apply.**

- Reports do not have type of information needed
- Reports are not received on a timely basis
- Information in reports is not reliable
- Lack of time
- Lack of understanding
- Other (specify): _____

F4 Within the past 3 years, please identify financial/lending sources you have **A) Investigated** and/or **B) Secured?**

	A) Investigated	B) Secured
Bank	<input type="checkbox"/>	<input type="checkbox"/>
Credit Union	<input type="checkbox"/>	<input type="checkbox"/>
Alternate Sources		
<hr/>		
Business Development Bank of Canada	<input type="checkbox"/>	<input type="checkbox"/>
Other Federal Government Programs	<input type="checkbox"/>	<input type="checkbox"/>
Provincial Government Programs	<input type="checkbox"/>	<input type="checkbox"/>
Community Business Development Centres	<input type="checkbox"/>	<input type="checkbox"/>
Private Investors	<input type="checkbox"/>	<input type="checkbox"/>
Venture Capital Firms	<input type="checkbox"/>	<input type="checkbox"/>

Other Specify: _____

F5 ***Complete this question only if in F4, the company did not investigate any alternate sources of funding.***

Please indicate the reason why alternative sources of funding have not been investigated.

Check all that apply. Please read list.

Additional funding not necessary

Unwilling to give up ownership/control

Trying to avoid debt

Unaware of programs & criteria

Was ineligible

Too much red tape

Felt I would be unsuccessful

Other Specify: _____

F6 Where is your business' primary financial institution (bank, co-op, etc.) located?

In or near your community

Outside this region

F7 On a scale of 1 to 5, where a **1 indicates "Not at all Satisfied" and a 5 indicates "Extremely Satisfied,"** please rate your satisfaction your company has with the level of banking services available.

Not at all Satisfied

Extremely Satisfied

1 2 3 4 5

F8 On a scale of 1 to 5, where a **1 indicates "Not at all Successful" and a 5 indicates "Extremely Successful,"** please rate the degree of success your company has experienced securing capital for this business.

Not at all Successful

Extremely Successful

1 2 3 4 5

Note: If anything other than "5", go to F9

F9 Why do you feel you have not been "extremely successful" in securing capital? **Check all that apply.**

Insufficient collateral/security

Program guidelines

Unwilling to provide personal guarantee

Limited management expertise

Insufficient cash flow

Rules/requirements overly strict

Insufficient income or revenue

Account manager didn't understand my business

Business considered too risky

Not willing to lend to this type of business

Credit history

Other (specify): _____

F10 How far in advance do you plan your financial performance?

Not at all	Monthly	Quarterly	Yearly	More than 1 year
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

F11 How often do you review your financial plan against your actual performance?

Not at all	Daily	Weekly	Monthly	Quarterly	Yearly	More than 1 year
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Additional Comments related to Financial:

SUPPLIERS

The next few questions address your dealings with suppliers.

S1 What percentage of your purchases of goods and services are from within the region? **Check one only.**

- | | |
|--|---|
| <input type="checkbox"/> Zero % | <input type="checkbox"/> 51% to 75% |
| <input type="checkbox"/> Less than 25% | <input type="checkbox"/> Greater than 75% |
| <input type="checkbox"/> 26% to 50% | |

S2 What products or services are you purchasing from outside the region for which you would like to have a local supplier?

<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>

S3 Why are products and/or services NOT being purchased from within the region? **Check all that apply.**

- | | |
|--|---|
| <input type="checkbox"/> Products not available here | <input type="checkbox"/> Long term contract |
| <input type="checkbox"/> Unaware of local vendors | <input type="checkbox"/> Loyalty to existing vendor |
| <input type="checkbox"/> Higher costs | <input type="checkbox"/> Not applicable to our business |
| <input type="checkbox"/> No control – Head Office decision | <input type="checkbox"/> Privacy concerns |
| <input type="checkbox"/> Quality of available products | <input type="checkbox"/> Other Specify: _____ |

S4

How do you choose your suppliers? **Select all that apply.**

Cost

Location of supplier

Service

Product range

Relationship with supplier

Other Specify: _____

:

S5 Do you participate in joint purchasing (buyer groups)?

Yes

No

S6 Is there a concentration of firms in your area that could provide related products or services?

Yes

No

Black Diamond Economic Development and Chamber of Commerce

BD1 Check the following items in which you would like information from the Chamber or Town of Black Diamond.

Succession Plan

Business Plan

Marketing Plan

Web site Development

Market/Trend Information

Effective Advertising

Employee retention strategies

Employee training programs

Financial planning

Workplace conflict

BD2 Indicate how you would prefer the information be delivered.

Mail

Workshop

Lunch-time Chamber meeting

BD3 Would you be willing to share the strategies that are working or not working for your business at a Chamber of Commerce meeting?

Yes

No

BD4 In the next five years growth in Black Diamond and area will be generated by: **Select all that apply**

Population growth (includes retirees, commuters, families and telecommuters)

Businesses moving to Black Diamond

No growth

BD5 Please comment as to what you would like addressed at Chamber of Commerce Meetings. Include speakers or discussions you would find useful in helping your business or attracting customers to the Black Diamond area.

Thank you for your time and assistance!

PROJECT TITLE: Revitalization of Rural Alberta Businesses: Business Retention and Expansion (BR&E) Program

Consent Form

Brief Description of the Purpose of the Interview

This study aims at investigating the challenges encountered by ventures in rural communities. You are invited to participate in a Small and Medium Enterprise (SME). The study is sponsored by Alberta Rural Development Network (ARDN), an agency of the Alberta Government. The survey will ask questions regarding various aspects of your operations. This will last between one and two hours. All information collected in this study will be kept confidential by the researchers. The data will provide insight as to operational or environment factors that may create barriers to growth. Reports and presentations on the study will be based on aggregate data, and will not reveal your identity.

We acknowledge that the information collected in this interview will be kept confidential and will not be disclosed to any person who is not entitled to receive it in his or her capacity as a member of the Business Retention and Expansion initiative. Data from participants will be summarized into aggregate form to insure confidentiality. Material will be locked in the researcher's cabinet, in a secured office.

- Your participation is voluntary, and you are free to withdraw from participation at any time. Even after you started to participate in the study, your specific information will be deleted from the data base if you make a written request to Victoria Calvert at vcalvert@mtroyal.ca.
- The research is designed to identify common issues encountered by rural SME's. A report will be prepared that summarizes the issues for ARDN, with intend to assist local economic agencies to develop strategic plans to enhance the growth of rural ventures.
- You will be provided with a copy of this consent form for your records.
- As a participant you will receive a copy of the report, and an invitation to a one day workshop to be held in Black Diamond in early September.

If you decide to participate, simply sign and date this document. To receive a copy of the report please provides an e-mail or street address where material may be sent. The research results are available whether or not you participate in the study. Your positive reply indicates that you have read and considered the information provided above, and that you have decided to participate.

If you have any questions now, please ask me. If you have additional questions, Victoria Calvert (EB 2145, Bissett School of Business, 403 440 7015, vcalvert@mtroyal.ca) will be happy to answer them. If at any time you have concerns about this research study, you may contact the Human Research Ethics Board (HREB) Chair, Dr. Michelle Yeo at 403 440 6494 or email at myeo@mtroyal.ca or leave a message for Michelle Yeo at the Office of Research Services (403) 440-6069. This project has been approved by the HREB of the Mount Royal University.

I have read the above and am willing to participate in this research

Signature of Participant

Date

Name:

Signature of Investigator

Date

Name:

ID No.: _____

CONFIDENTIALITY FORM

Business Name: _____

Business Contact: _____

CONFIDENTIALITY UNDERTAKING ON BEHALF OF THE RESEARCHERS: Revitalization of Rural Alberta businesses: BR&E

We the undersigned researchers acknowledge that the information collected in this interview will be kept confidential and will not be disclosed to any person who is not entitled to receive it in his or her capacity as a member of the Business Retention and Expansion initiative. We further acknowledge that the participant has been made aware of this confidentiality undertaking.

If you have any questions about participating in this study, please contact Victoria Calvert at 440-7015 or vcalvert@mtroyal.ca. If at any time you have concerns about this research study, you may contact the HREB Chair, Michelle Yeo at (403) 440-6494 or email at myeo@mtroyal.ca.

To receive a copy of the report please provide an e-mail or street address where material may be sent. The research results are available whether or not you participate in the study.

Interviewer (s):

1) _____
Signature _____ *Print*

2) _____
Signature _____ *Print*

Date: _____

Name: _____

E-mail address: _____

or Postal address: _____

INVITATION

Business Retention and Revitalization Workshop For Participants in BR&E Survey Diamond Valley

September 10, 2010
Black Diamond Hotel
10:30 to 4:00

Agenda

- 10:15 Check-in with Mary-Kate
- 10:30 Small town marketing opportunities presented by:
Sharon McIntyre, Owner, ShelfLife Communications & Design Inc.
<http://ca.linkedin.com/in/sharonmcintyre>
Donna Elkow-Nash, Owner, Designer, The Creative Cat Inc.
<http://ca.linkedin.com/in/thecreativecat>
Brooke Campbell, Communications and Project Management Consultant
<http://ca.linkedin.com/in/bamcampbell>
- 12:00 Lunch will be served
Survey results discussed by Victoria Calvert and Dr. Kalinga Jagoda
Introduce discussion of alliances and marketing/communication strategy
- 1:00 Hands-on marketing workshop for business: Sharon, Donna & Brooke
'What's my Brand' marketing worksheet
Two live Marketing Makeovers
- 3:00 Where do we go from here: Facilitated by Victoria and Kalinga
Business owners, municipality representatives, Chamber executive to discuss
next-steps

RRSP to Mary-Kate Handforth by September 3

Phone: 403 671-2577

e-mail: mkhandforth@yahoo.ca