

Township of Puslinch Business Retention and Expansion 2014 Project

DRAFT report

Presented by



Acknowledgement

GS Consulting would like to thank all of the business owners and employees who gave up an hour (or more) of their time to give feedback during the interview process. The collected data gave insight into the strengths and challenges businesses face while operating in the Township of Puslinch and some great suggestions were give for improving the business environment.

We would also like to thank all representatives from the local, county and provincial levels of government who supported this project from conception. Without their support this project would not have been possible.



The Township of Puslinch



Township of Puslinch

BR+E Project

Introduction

Communities recognize that helping existing businesses to survive and grow is a vital economic development strategy. The Township of Puslinch Business Retention and Expansion (BR+E) is designed to assist the Township's businesses in thriving and expanding.

The Township of Puslinch BR+E program is a comprehensive and coordinated approach to assisting existing businesses. Visiting current businesses and learning their concerns is only one component of the process. The BR+E program builds awareness of issues that businesses face and builds capacity for the community to be aware and possibly address these issues. The program assists local leaders and community members in working together to provide solutions to business concerns.

Contributing supporters

The Township of Puslinch initiated this project with support from Wellington County, Ontario Ministry of Agriculture and Food (OMAF) and the local business community.

BR+E Project Coordinator

Genny Smith, GS Consulting

Project scope

59 businesses were interviewed. All attempts were made to ensure that the businesses interviewed were sectorally representative of the overall business population. As much as possible, the BR+E team attempted to interview the appropriate percentage of businesses in each sector in the community.

The Township of Puslinch has a large population of businesses in the transportation and manufacturing sector.

The following table provides an overview of what businesses were surveyed and the representation of each sector of the local economy.

Number of Businesses by Sector	# Surveyed
Downtown	12
Health Care	2
Local Food	3
Manufacturing/Transportation	42

*Based on The Township of Puslinch business directory and with additional data received from Wellington County.

Company Information

Of the 59 businesses surveyed:

- 67% are locally owned and operated
- 53% of the primary market is considered local, while 31% of their primary market is regional
- 64% have the owner involved in day to day operations of the business
- 46% of business owners reside in the community
- 69% of businesses have a business plan (a large number of businesses do not have a succession plan)
- 51% of businesses have been operating 11 to 25 years
- 3% of businesses have been operating under 3 years
- 12% of businesses have been operating over 35 years

Business Climate

Of the 59 businesses surveyed:

- 26% reported their attitude about doing business in the community has become more positive in the past 3 years
- 6% reported their attitude had become more negative
- 68% reported no change in attitude

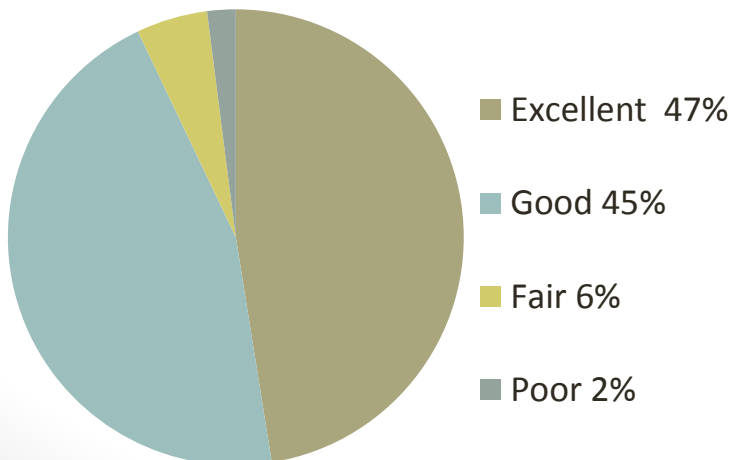
Positive comments more often included:

- Terrific access to the 401
- Good cluster of business
- Thriving and diverse township

Negative comments:

- Lack of high speed internet
- Truck bypass concerns
- Hydro black outs

Impression of the Township of Puslinch as a place to do business



Business Climate

- 80% own their location and 20% lease
- 14% of the lease agreements will expire within the next year, while 57% will expire in 3+ years
- Of the 20% of the businesses who lease, none anticipate any difficulties with renewing their lease

All of the businesses interviewed only 2% have 500+ employees. See further information below:

Number of Employees	% Surveyed
1-4	28%
5-9	21%
10-19	16%
20-29	9%
30-49	12%
50-99	9%
100-299	4%
300 or more	2%

Listed below is an excerpt taken directly from the data summary (given the wide range of information worth reviewing).

Question: How would you rate the following factors of doing business in this community?

Factors in Doing Business (% of surveyed)	Excellent	Good	Fair	Poor	N/A	No Response
Workforce	24%	52%	9%		14%	2%
Availability of Serviced Land	14%	33%	22%	7%	24%	
Land Costs	3%	29%	40%	14%	12%	2%
Availability of Space for Rent or Lease	9%	33%	14%	2%	40%	3%
Development/building permit process	10%	34%	16%	2%	34%	3%
Development charges	7%	33%	26%	5%	28%	2%
Municipal property taxes	3%	31%	45%	12%	5%	3%
Local roads and streets	22%	62%	12%	2%	2%	
Regional/Provincial roads/highways	36%	53%	5%	2%	2%	2%
Proximity to rail and airports	53%	34%	2%		10%	
Health and medical services	22%	53%	2%	2%	17%	3%
Quality of life	45%	41%	2%		12%	
Housing	34%	40%	5%	5%	12%	3%
Support from the Municipality	10%	64%	3%	3%	17%	2%
Support from other businesses	26%	59%	2%		12%	2%
Support from local residents	28%	34%	5%	2%	31%	
Cell phone service	17%	59%	17%	5%	2%	
Internet service	14%	60%	16%	10%		
Water/wastewater capacity	9%	29%	3%	2%	53%	3%
Water/wastewater fees	5%	16%	2%	2%	74%	2%
Availability of adequate electricity	21%	71%		3%	5%	
Availability of natural gas	22%	62%	2%	3%	7%	3%

Government Services

- **Overall satisfaction levels with township government were very positive especially :**
 - Police 41% Excellent, 48% Good
 - Fire 52% Excellent, 43% Good
 - Garbage/recycling 10% Excellent, 66% Good
 - Library Services 31% Excellent, 47% Good
 - Street/road repair 29% Excellent, 60% Good
 - Snow removal 24% Excellent, 71% Good
 - Recreational facilities 36% Excellent, 50% Good
 - Parks and open spaces 24% Excellent, 57% Good
- **A few areas where businesses had little to no knowledge of current activity:**
 - Economic development services 48% of businesses had no idea what, if anything is being done
 - Public transit; 57% did not know of any or if anything was being investigated (a few businesses indicated this would help diversify their workforce if public transit did exist)
 - 29% of businesses had little to no contact with the planning department. Some businesses were unsure of the planning departments capabilities and resources available to businesses
 - 53% had little to no contact with the Health Unit/health unit approvals

Community Services

Listed below is an excerpt taken directly from the data summary.

Level of Satisfaction with Community Services	Excellent	Good	Fair	Poor	N/A/Don't know	No Response
Childcare services	7%	29%	30%		55%	5%
Schools (elementary and secondary)	19%	34%			41%	5%
Post-secondary education	36%	21%			38%	5%
Workforce planning/development board		16%	2%	9%	67%	7%
Health and medical services	22%	24%	2%	2%	43%	7%
Chamber of Commerce/Board of Trade	12%			21%	62%	5%
Business Improvement Area (BIA)				7%	88%	5%
Community Futures Development Corp. (CFDC)	5%	3%		3%	81%	5%
Small Business Enterprise Centre		7%		3%	84%	5%

The information above is a clear indication of the lack of awareness of programs and resources available for the business community.

Importance of Technology

Listed below is an excerpt taken directly from the data summary.

Importance of Internet	Very important	Somewhat important	Not at all important	Not applicable	No Response
Product/service promotion	60%	28%	2%	9%	2%
Social media (Facebook, Twitter, etc.)	24%	29%	16%	28%	3%
Selling products/service	16%	53%	17%	12%	2%
Buying products/services	16%	53%	16%	12%	3%
Research (e.g. new products, competition)	59%	33%	2%	5%	2%
Administration (banking)	55%	28%	7%	7%	3%
Video conferencing/internet phone	16%	24%	16%	40%	5%
Cloud computing (e.g. online file storage)	14%	17%	28%	38%	3%
Other	3%	2%	3%	5%	83%

Assistance and Opportunities

The top 3 assistance or opportunities that would be beneficial to Puslinch businesses are:

- Business networking sessions, 19%
- Workforce planning, employee training and attraction 13%
- Productivity improvement workshops 10%

100% of businesses surveyed agreed the BR+E was a good step in connecting private businesses with local government (economic development).

Business Status

Of the 59 businesses surveyed:

- Within the next 18 months, 88% of businesses will remain the same (in size)
- 10% of businesses are planning to expand
- 2% of businesses plan to relocate downtown Guelph as they have a cluster of customers at the new location which will increase their sales
- 70% of businesses stated their industry outlook is stable
- Not one business is planning on closing

Of the 10% of businesses that are looking to expand:

- 40% will add additional services to customers
- 10% will increase their floor space
- 10% will increase workforce
- 30% will include additional product lines
- 80% of expanding businesses are experiencing little to no difficulties

Many businesses indicated support from the local community would be highly beneficial to their organizations.

Market Development

- 83% of businesses indicated they are not planning to access Federal or Provincial programs/services to assist in their business, but all of those businesses would like information on any programs/services offered
- 74% of businesses stated their projected sales in the next year would remain the same
- 23% of businesses' sales will increase in the next year

Annual Sales Range	% surveyed
\$0-\$49,000	4%
\$50,000-\$99,000	2%
\$100,000-\$249,000	14%
\$250,000-\$499,000	7%
\$500,000-\$999,000	14%
\$1,000,000-\$4,999,999	28%
\$5,000,000 +	32%

Market Development

Of the 59 businesses surveyed:

- 17% are interested in working with other businesses on joint marketing
- 20% are interested in joint training
- 31% are interested in networking/information sharing

Business in the Township of Puslinch stated advantages included:

- Access to amenities, 401, services, GTA
- Quality of Life
- Rural feel, but still close to major centres

Disadvantages include:

- Lack of public transportation
- High traffic community
- Lack of signage/awareness of amenities

Majority of businesses spoke very highly of the Puslinch Community Centre, the free programming (Library) and the outdoor rink.

It was very clear from the surveyed businesses there was an overall feeling that Morriston and Aberfoyle should be marketing for their own niche amenities and markets and not as one township.

Workforce

- During the past 3 years, 77% of businesses report the number of people they employ has remained the same
- 21% rate availability of workers as excellent and 51% as good.
- 35% rate the stability of the workforce as excellent with 44% as good
- Of the 32% of businesses that have difficulty hiring, the challenges were:
 - 42% lack of appropriate skills or training
 - 23% lack relevant experience
 - 12% too few applicants

89% said the hiring challenges were due to their industry opposed to the community

69% have no difficulty retaining employees. The 31% that did have difficulty retaining employees stated wages was the number one reason. Specifically the competitive transportation market and the transportation industry being strong in Puslinch.

28% of businesses stated they do provide external training to their workforce

Current barriers to their employees receiving the necessary training include:

- Availability of training locally 31%
- Awareness of existing training programs 23%
- Cost 15%
- Unable to release employees due to loss of productivity 15%

Red Flags

Red Flags are defined as requests for assistance and/or issues identified in the discussions with business owners where the project partner can offer immediate assistance.

A process was established by Wellington County where the BR+E Consultant reviewed each survey in depth for red flags and report any findings immediately to the CAO and Wellington County.

No red flags were found in this BR+E project.

Action Items

Short term

- Apply to Ontario Ministry of Agriculture Food (OMAF) to their Rural Economic Development (RED) grant funding to create a **Community Improvement Plan (CIP)**
- Conduct at CIP (See structure and timeline in Appendix A)
- Participate in the **First Impressions Project (OMAF)**
- Facilitate a Business to Business Networking Session, focusing on:
 - **Networking** local businesses
 - Building database capacity
 - Open **communication** with the private and public sector

Mid Term

- Workforce training and attraction workshops
- Developing a **Puslinch Chamber of Commerce** with key objectives for both Morrison, Aberfoyle and the rural businesses
- Building Township website and social media to include updated business database and info (quick reference)
- Work with Wellington County to maximize resources and funding available

Long Term

- Active business recruitment
- Ongoing relationships with businesses
- Ongoing open communication with private/public sectors
- Leadership and management

Conclusion

The Township of Puslinch is a rapidly growing community with both local and global dynamic businesses. Connecting the business community with local government will enhance and encourage communication and continue to strengthen and develop a synergistic business community for future growth and sustainability.



The Township of Puslinch

Appendix A

Community Improvement Plan (CIP)

The Process:

Identify the community needs and build community support (through stakeholder input and feedback):

- Identifying matters for consideration (work with the Ministry of Municipal Affairs and Housing Municipal Services Office)
- Determining input and feedback methods (i.e. workshops, open houses, community meetings, steering committees, etc.)
- Identifying stakeholders to engage in the process (i.e. ratepayers, community and business groups, municipal staff, political representatives, consultants, business representatives, financial institutions, etc.)
- Report to Council (for authorization and direction to prepare the plan; throughout the entire process)
- Analyse and gather data on the physical, economic, social and environmental characteristics of the study area
- Conduct background analysis of planning, land use and other policies and strategies (work with the Planning Department)
- Review the Wellington County official plan
- Draft municipal actions, programs and implementation policies
- Develop detailed implementation policies
- Tailor eligibility criteria
- Develop marketing policies to promote the uptake of the programs
- Develop criteria to measure and monitor the effectiveness of the program
- Develop an Action Plan
- Report Action Plan to Council
- Finalize the draft CIP and circulate
- Schedule and hold a formal public meeting
- Finalize the CIP and forward to Council for adoption
- Finalization of the CIP