



Regional District of
Kitimat-Stikine

2017 Hazelton Area Business Walk

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Executive Summary

A site visit survey, or business walk, was performed to provide Village of Hazelton, District of New Hazelton, and Regional District personnel with tools and information for business retention and expansion. This survey was meant to be a “snapshot” of the present economy and to indicate where business retention and expansion efforts should be focused, and was intended to open dialogue between business owners and economic development organizations.

Business owners in the Hazelton area which included New Hazelton, Hazelton, South Hazelton, Kispiox and Two Mile were visited by volunteers, and Regional District, Village and District staff. Surveyors performed short, confidential questionnaires to gather preliminary information on the overall business environment, benefits and challenges of doing business in the area, and information regarding succession planning and business support services.

Items on the survey were worded as positive statements or direct questions, and included the following topics:

- Growth (or lack thereof) of business
- Intention to leave the business and if there is a succession plan in place
- What business owners like most about doing business in the area
- Biggest challenges for doing business in the area
- What business support services have been previously accessed or what would be useful if accessible

Note: The complete survey questionnaire is included as an Appendix to this document.

Methodology

Common questions in a business walk survey (compiled from suggestions from the BC Economic Development Association and Provincial Economic Development branch) were gathered and prepared by the Regional District of Kitimat-Stikine’s Economic Development Officer. To test the efficacy of the questions, a sample of businesses from 10th Avenue in New Hazelton was surveyed. Their data is included in this report. This sample showed trends, but to make any inferences from the surveys, it was recommended that more businesses from the area be surveyed.

Geographical areas were selected, and using information from New Hazelton business licensing, Village of Hazelton data and the Love the Hazeltons shop local program, business addresses that fell within these prescribed areas were chosen. In the interest of continuing dialogue and gathering incremental information from business owners to provide clearer conceptualization of the needs of all businesses in the area, the businesses from the first sample were delivered an expanded survey to fill out and deliver

to the New Hazelton office when complete. As not all expanded surveys have been completed, the associated data have been omitted from this report.

Four teams of two people were assembled and assigned to geographical areas, given the list of businesses within the geographical areas, and dispatched. A total of 30 businesses were surveyed of a known 93. (Note: of the 93 businesses, some have business licenses with the District of New Hazelton but not all are guaranteed to have addresses nor do business consistently in the region.)

The returned surveys were checked for missing information and responses that would cause errors. The responses were imported into Microsoft® Excel and errors were checked against the individual forms. Data analysis was completed using Excel.

Major Trends

A major benefit of the business walk was the accumulation of a volume of responses that could identify trends of issues and benefits within the local business climate. The major trends are listed below, categorized into concerning trends and positive trends. Concerning trends are not negative as they allow for further discussion regarding what can be done to improve the local business environment. Positive trends are something to improve upon, and perhaps could be incorporated with business retention and expansion planning. Also, note that these trends are from a sample of business owners at a certain point in time and may not be reflective of all businesses and may be subject to change over time.

Concerning Trends

The following trends allow for an opportunity for change in mindset of both local businesses and business support service organizations alike. Identification of challenges for business owners, what their needs are, and what business support services they've accessed in the past, and readiness to exit their business with a succession plan are all important indicators of what there is to do.

Support Services

When business owners were asked about what their main challenge was, difficulties with staffing and volume of work were the most frequent answers (Figure 1). Staffing issues included finding qualified staff for jobs requiring technical training, as well as finding and keeping staff that want to work hard and stay for the long-term. However, when asked what sort of business development services the business owners had accessed in the past, most business owners had not accessed any support services (Figure 2). When asked what support service they wanted, if available, most business owners were not interested in any business support service, some were open to suggestion, and support with staffing was the lowest requested service (Figure 3).



Figure 1. The main challenges for business owners.



Figure 2. Business support services previously accessed by business owners.



Figure 3. Business support services requested by business owners. Marketing and communications includes advertising for selling a business, advertising a business's goods and services, registration with Love the Hazeltons, and communications both between businesses and communities. Those open to suggestions were grouped with "No Current Requests".

Although it is concerning that most business owners have not accessed business support services in the past nor do they want help now, knowing that business support services have not been accessed to overcome the main challenges of businesses in the area presents the opportunity economic development staff to connect the businesses that do want help to the organizations that fit their needs.

Succession Planning

Another trend that emerged from the data was a lack of succession planning in those intending to exit their business in the next three to five years. Of the businesses surveyed, 42% of business owners indicated a desire to exit their business; of these business owners, nearly half did not have a succession plan (Figure 4).

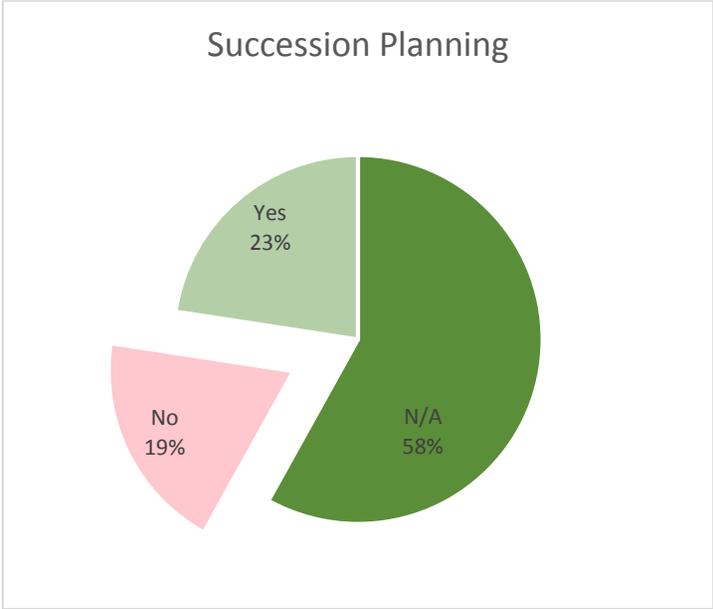


Figure 4. Percentage of business owners who have succession plans for leaving their businesses in the next three to five years. Only those who answered “yes” to leaving their business were asked if they had a succession plan.

Succession planning is beneficial to the local economy because when a business owner can sell their business or pass it on to an apprentice, the goods and services stay local and allow young entrepreneurs to become business owners and start contributing to the local economy. Contrarily, when a business owner does not have successor, there may be no benefits that come of their leaving.

Economic development staff can work to gather support services that specialize in succession planning, so that business owners are given the tools on how to exit their business.

Positive Trends

Business retention, expansion, and attraction are all important aspects to a local economy and the best way to attract business to a community is by having content business owners already living there.

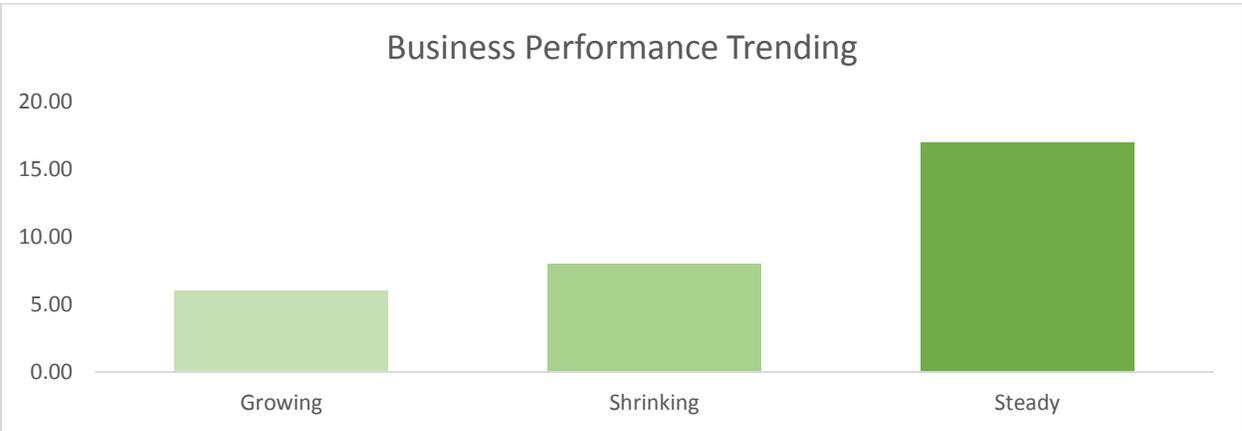


Figure 5. Performance of businesses this year compared to last year.

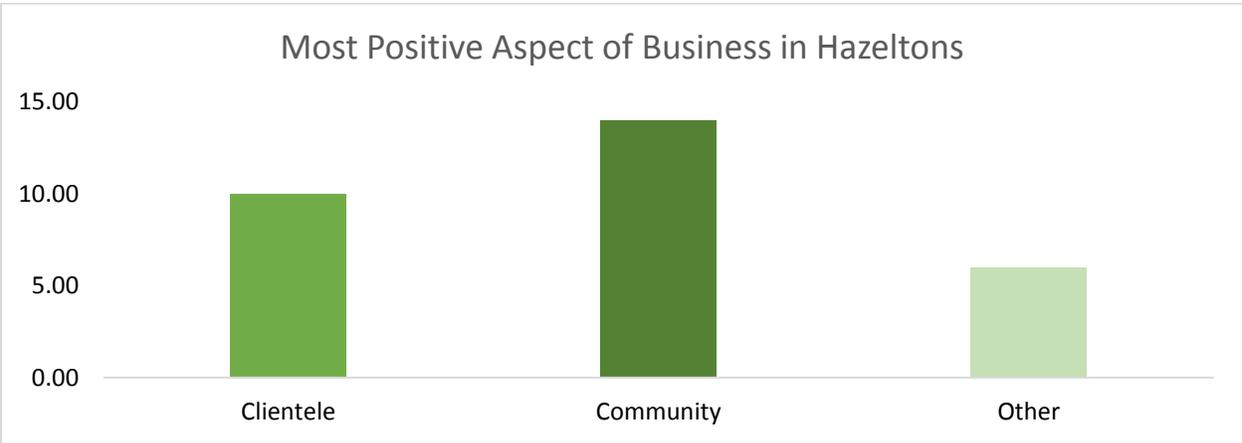


Figure 6. Business owners' favorite aspects of doing business in the Hazeltons.

For the Hazeltons area, the clientele and community are the best parts of doing business in the area (Figure 6), and businesses are holding steady (Figure 5) – attractive traits for a business environment to have, and something to build upon.

Recommended Actions

The following recommended actions are suggestions only, inferred from analysis of the collected data, and should be a collaboration between local government and the business community.

Education

Economic development staff can help business owners by contacting organizations that are available for educational seminars in the region. With these educational sessions coming to our doorstep, and costs to business owners being reduced or covered where possible, even further barriers may be eliminated. Offering information on what supports are available to business owners to make tackling challenges and selling their business easier may encourage them to access what they need. Events and seminars allow for great networking opportunities that encourage collaboration and information sharing among local business owners to help each other find out what techniques work for different challenges and why.

Volume

Volume of work, especially for service and retail businesses, is difficult to tackle as it relies on the number of people shopping in town, as well as increased awareness of the existence of a business and the importance of shopping local. Increasing awareness of local businesses and the importance of shopping local is key in this regard; having a higher percentage of local people shopping locally will improve local business performance sustainably and will keep more dollars in the local economy. Love the Hazeltons, a community-specific branch of Love Northern BC, is a program that connects people with the local independent shops of the area. It also benefits owners with a professional, captivating online profile of their business and themselves fit with a professionally written story and professional photography session, as well as connection to exclusive resources and information sessions that can help optimize their business. If business owners are in the industrial service and supply chain and want to be connected to a database that is accessible by major project proponents, businesses and the public, they can sign up on the Supply Chain Connector. Of those eligible for either program, only a minority was registered with Love the Hazeltons and the Supply Chain Connector (5 of 28; 4 of 12, respectively). This is an opportunity to increase awareness of the importance of shopping local and increasing public awareness of local businesses online and locally. Both local municipal staff and regional district staff can help with these programs.

HAZELTONS BUSINESS WALK

DATE:

INTERVIEWER:

SCRIBE:

Script framework:

"Hello, my name is _____ and my partner is _____. We are surveying businesses to find out how business is doing and identify where business resources can help support the business community. Do you have approximately 5 minutes to answer a few questions? Your answers will remain confidential."

BUSINESS INFO

BUSINESS OWNER NAME:

PERSON INTERVIEWED/POSITION: _____ / _____

BUSINESS NAME:

COMMUNITY (circle one): VILLAGE / NEW HAZELTON / TWO MILE / SOUTH HAZELTON / KISPIOX

TELEPHONE:

EMAIL:

QUESTION ONE

Compared to this time last year, is your business:

Growing Steady Shrinking

Over the next year to two years, what do you expect your business to do?

Grow Steady Shrink

QUESTION TWO

Do you plan to retire or sell the business within the next three to five years?

Yes, Circle: Retire/Sell No Unsure

If yes, do you have a succession plan?

No Yes: [describe succession plan] _____

QUESTION THREE

What do you like most about doing business in the Hazeltons?

QUESTION FOUR

What is the biggest challenge your business faces?

QUESTION FIVE

What business support services (ex. Community Futures, Business Development Bank of Canada, Love the Hazeltons, etc.) have you accessed in the past?

What can business support organizations in the area do to help your business thrive?

QUESTION SIX

Is there any other information or follow-up that you would like?

Thank you for completing this survey.