



COLUMBIA BASIN BUSINESS RETENTION AND EXPANSION PROJECT

REPORT ON KICKING HORSE COUNTRY BUSINESSES

*(Including the communities of Golden, Field and Area A of the Columbia Shuswap
Regional District)*

FALL 2013



The Columbia Basin Rural Development Institute, at Selkirk College, is a regional centre of excellence in applied research and information provision focused on strengthening rural communities in the Columbia Basin-Boundary Region. Visit www.cbrdi.ca for more information.



The result of a partnership between the Town of Golden and Area "A" of the Columbia Shuswap Regional District, the Golden Area Initiatives Society supports the efforts and vision of the people of Kicking Horse Country by leading and facilitating community priorities for community economic development.

EXECUTIVE SUMMARY

This report describes findings from a Business Retention and Expansion (BRE) survey conducted at 114 businesses in Kicking Horse Country between in 2012 and 2013. BRE is an action-oriented and community-based approach to business and economic development. It promotes job growth by helping communities to learn about concerns of, as well as opportunities for, local businesses and to set priorities for projects to address those needs.

KEY RESEARCH FINDINGS

Select survey results are summarized below.

Survey Module	Finding
Company Information	The highest number of respondents businesses are classified as 'Retail and Wholesale Trade' under the North American Industry Classification system, followed by accommodation and food services
	Half of companies have been in business for more than 10 years
	10 businesses plan to transfer ownership within the next 2 years
Local Workforce	Respondents reported a total of 1633 employees, over half are full-time
	42% of businesses expect the size of their full-time workforce to increase over the next 3 years and 55% expect it will stay the same
	Retail/hospitality and admin/computer skills were most commonly listed as key training areas
Sales	39% of businesses expect that their sales will grow by between 10 and 24% over the next year
	Over half of businesses make the majority of their sales to local customers
	62% of businesses source the majority of supplies elsewhere in BC or Canada
Facilities and Equipment	61% of businesses own the facility in which they operate
	Half of businesses plan to expand within 3 years with a total estimated expansion budget of over \$413 million
	Top barriers to expansion are financing, accessing new markets, lack of skilled staff and local regulations
Government Services	Top rated government services include water and sewerage supply and access to highways, lowest ratings include access to airport facilities and telecommunications
	Local bylaws, business permits and development processes are the government services most in need of improvement
Business Climate	Business climate factors that received the highest ratings include cultural / recreational amenities and the college
	Businesses most commonly listed Golden's location/access to recreation and friendly and supportive people as its greatest strength as a place to do business
	The business competitiveness factors that are most important to respondents include workforce skill development, improvement of customer services and availability of telecommunications infrastructure and services
Assessment and Plans	71% of businesses rated the overall health of their company as excellent or good
	79% of businesses are at low risk of closing or downsizing

NEXT STEPS AND POTENTIAL ACTIONS

The results of this survey can be used to inform short- and long-term planning. In addition, a number of businesses would benefit from follow-up support. Research findings suggest that the following action areas have the greatest potential to improve the business climate:

Business Expansion

Forty-one businesses in the region are planning significant investment in expansion over the next three years. Results suggest that businesses could benefit from expansion assistance and, in particular, specific support targeted at real estate and land use. Actions on this theme could involve assisting businesses in locating potential expansion sites or working with local government to help their approval processes move “at the speed of business”.

Supply Sourcing and Buying Local

Data indicate that a tendency among Kicking Horse Country businesses and residents to purchase supplies from outside the region may be shrinking the local economy. A potential action on this theme could involve connecting businesses with relevant suppliers, both to improve businesses’ knowledge of the types of supplies that are available locally, and to ensure suppliers’ product lines meet the needs of local businesses.

Training

Key training areas most often listed by businesses include retail/hospitality/customer service training and administrative/computer skills. Training may be best received if it is adaptive, flexible and, in some cases, subsidized. Future initiatives could include supporting networks to help businesses identify shared training needs, and working with educational institutions to ensure local skill requirements are considered in programming.

Regional Promotion and Recruitment

A strong majority of respondents acknowledged that expansion of the workforce is important to their company’s competitiveness, providing recruitment support to businesses may help improve the Kicking Horse Country economic climate. Recruitment initiatives could extend beyond existing primarily within community recruitment efforts alongside the amenity assets respondents identified as strengths of the region.

Succession and Business Planning

Data suggest that there are opportunities to support the business community by providing succession and business planning assistance. Open, instructive training sessions have the potential to provide a base level of support to a large number of businesses; however, a more targeted, one-on-one assistance program could result in greater overall benefit by providing a higher level of support to ‘at-risk’ businesses.

Government Regulations and Economic Development Planning

Government red tape, local zoning bylaws and business approval processes were often cited as barriers to new business development or growth. The Kicking Horse Country economic development community may consider hosting a forum focused on business-government relations.

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PROJECT OVERVIEW

This report describes findings from a Business Retention and Expansion (BRE) survey¹ conducted in the Kicking Horse Country in 2012 and 2013. Golden Area Initiatives (GAI) acted as the community lead for the Kicking Horse Country BRE project. The Columbia Basin Rural Development Institute (RDI) provided training, data analysis and report writing support.

THE BRE CONCEPT

BRE is an action-oriented and community-based approach to business and economic development. It promotes job growth by helping communities to learn about the concerns of, as well as opportunities for, local businesses and to set priorities for projects to address those needs. Ultimately, communities will have greater success in attracting new businesses if existing businesses are content with local economic conditions and community support. Business development and job creation are key factors in fostering healthy and vibrant communities—depending on the characteristics of a community's economy, anywhere from 40 to 90 per cent of new jobs come from existing businesses.

PROJECT OBJECTIVES

Objectives specific to the Kicking Horse Country BRE project were as follows:

1. To strengthen the relationship between the community and its businesses.
2. To identify and provide follow-up support to businesses who are positioned to expand or are at risk for closure.
3. To develop data-supported recommendations regarding important future focus areas for strengthening the area's business climate.

RESEARCH CONSIDERATIONS

THE BRE SURVEY

The RDI has a licence agreement with the Economic Development Association of BC for BC Business Counts, a program that provides access to an online BRE survey, contact management, and reporting system called ExecutivePulse. Data presented in this report were collected as part of a comprehensive BRE survey that is aligned with surveys conducted by other participants in the BC Business Counts program across the province of BC. Survey data can therefore be analyzed at a community, sub-regional, regional and provincial level.

The base survey, consisting of 94 questions, includes modules for company information, the local workforce, sales, facilities and equipment, and future plans for growth or succession. Based on feedback from a BRE regional advisory group, thirteen region-specific questions were appended to the base BRE survey.

¹ Short and Long BRE surveys can be downloaded from: <http://cbrdi.ca/research-areas/applied-research/business-retention-expansion/>

THE DATA SET

To generate an initial set of potential research participants, researchers reviewed local business license databases, Chamber of Commerce and Tourism Golden membership rosters and phone books. Additional businesses identified were added to Tourism Golden's master list of businesses which was created in 2012. A cross-section of businesses were selected based on size (small, medium, large) and sector (according to the NAICS system). As business licences are not required for businesses located in Area A within the Columbia Shuswap Regional District, GAI reached out to businesses operating in this area through membership lists and the phone book.

One hundred and thirty-eight businesses were sent an initial invitation letter and received a follow-up invite by telephone. In total, one hundred of the businesses contacted by GAI were surveyed for this project (72% response rate). In addition to these one hundred businesses interviewed by GAI, 14 interviews were conducted by the Kootenay Rockies Innovation Council (KRIC) during their manufacturing and technology sector specific BRE project.

DATA COLLECTION

Data were collected by GAI researchers, including and as directed by the Administrative Manager of Golden and Area Initiatives, using structured interviews that lasted approximately one hour. The process in total took approximately two hours per business, including setting up interviews, the interview itself, and data input.

DATA INPUT, ANALYSIS AND REPORTING

Data were entered into the ExecutivePulse system by researchers during and immediately following the interviews. To ensure confidentiality and data security, company-level data were only made accessible to RDI staff and the Administrative Manager of GAI.

Quantitative data were analysed using descriptive statistics and qualitative data were analysed using the grounded theory method of generating key coding themes. Based on the results of data analysis activities, an initial set of recommendations was generated by RDI and then reviewed with GAI. Findings and related recommendations were assembled into this report by RDI researchers.

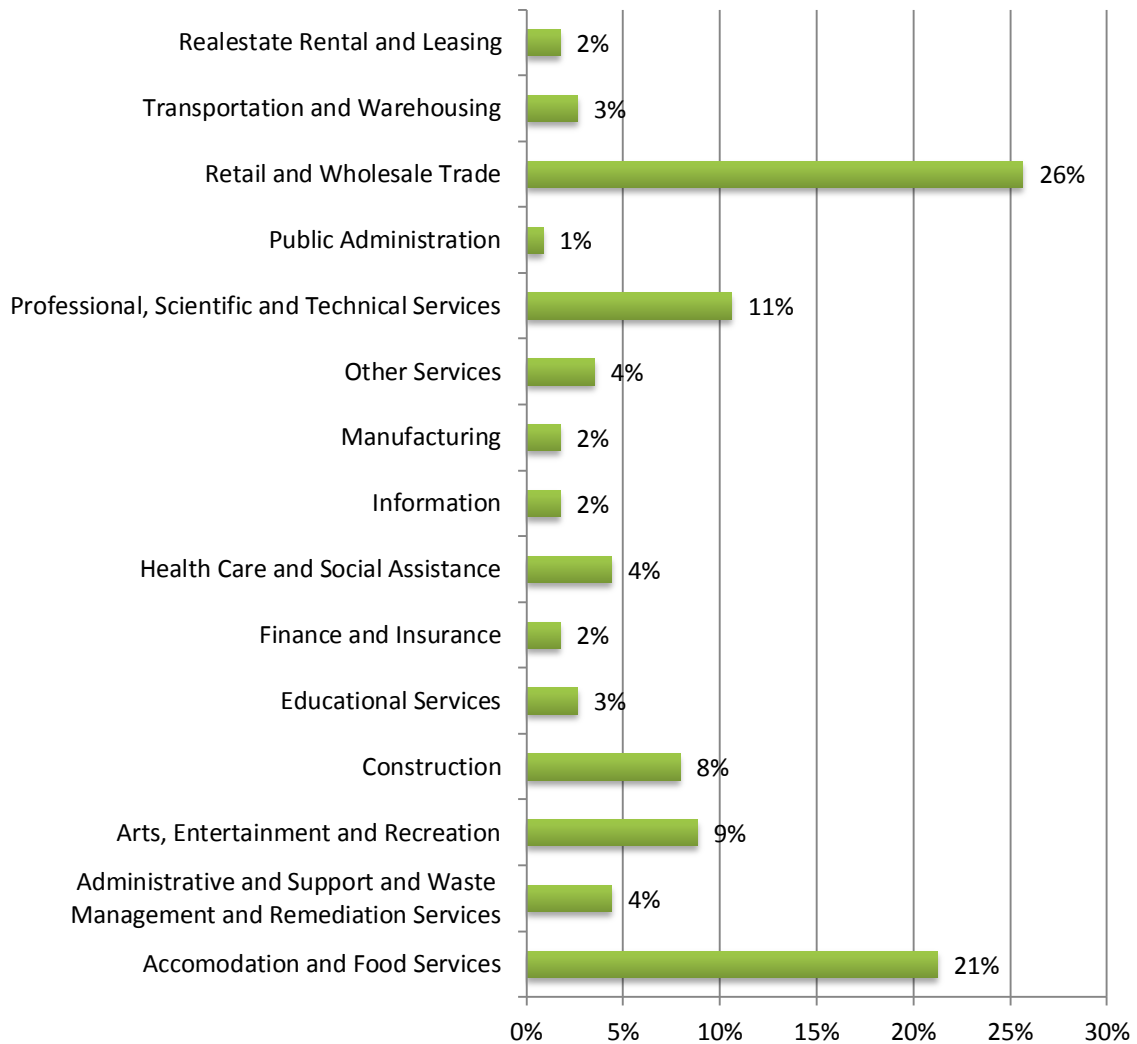
RESEARCH FINDINGS

COMPANY INFORMATION

Type of Product/Service Offered

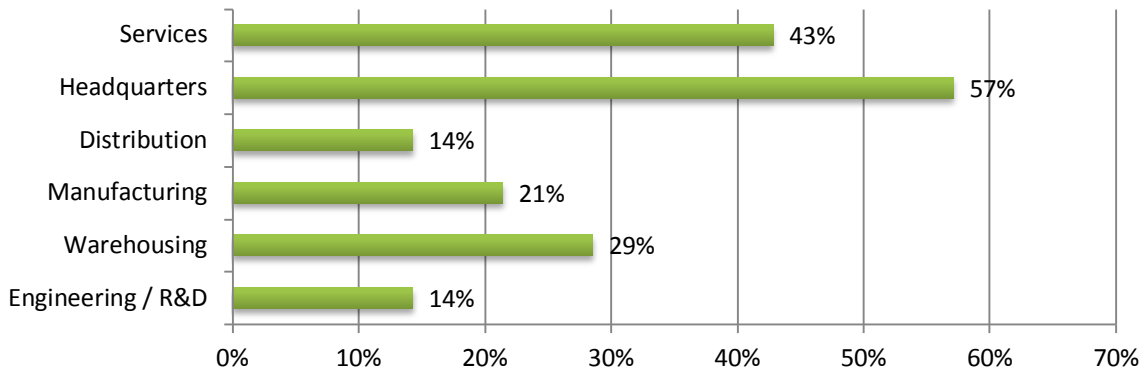
Businesses interviewed represented a diverse cross-section of industries. Most common were Retail and Wholesale Trade (26% of businesses) and Accommodation and Food Service (21%).

Figure 1: Industry classification



A majority of respondents (57%) indicated that their facility is a headquarters for their business. Other main functions included service (43%) and warehousing (29%). Fewer respondents indicated that their facility serves other common functions.

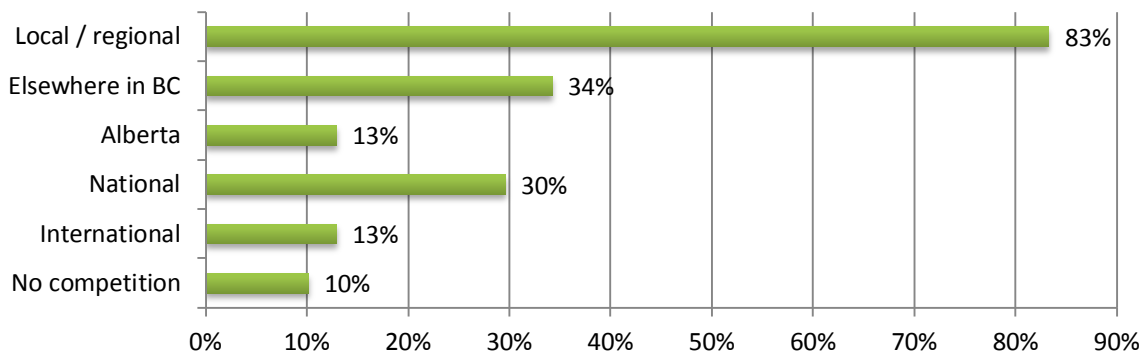
Figure 2: Facility function(s)



Competition

Eighty-three percent of respondents reported that their primary competitors are located within the region. Notably, 10% indicated that they do not have any direct competition.

Figure 3: Location of primary competitors



When asked what factors made their company successful in this region, the highest number of respondents (59) cited quality of products & service. Location and proximity to markets (40 respondents) and quality of staff and customer service (33 respondents) were also discussed often.

Figure 4: Key words and responses respondents' discussions of the factors that make them successful in this region

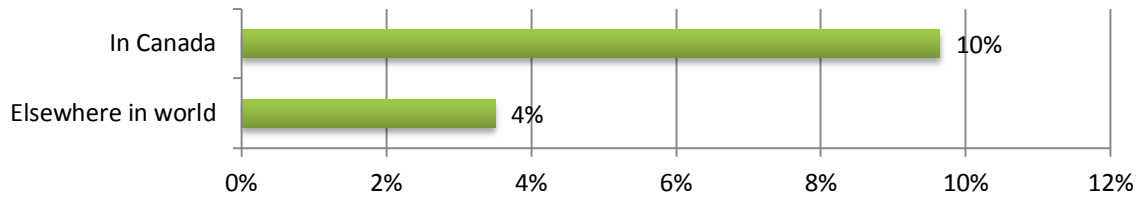


“Proximity to Calgary and its international airport.”

“Fair pricing and treating people right. Treat them how you want to be treated.”

Ten percent of respondents indicated that their company has another similar location in Canada and 4% indicated that their company has another similar location in another country.

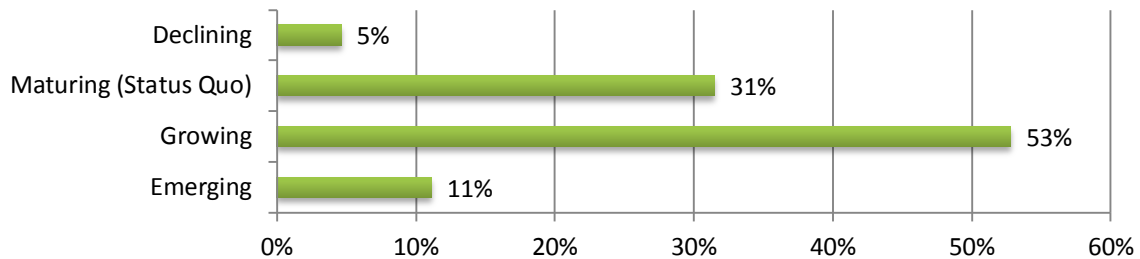
Figure 5: Other similar locations



Age and Life Cycle Stage

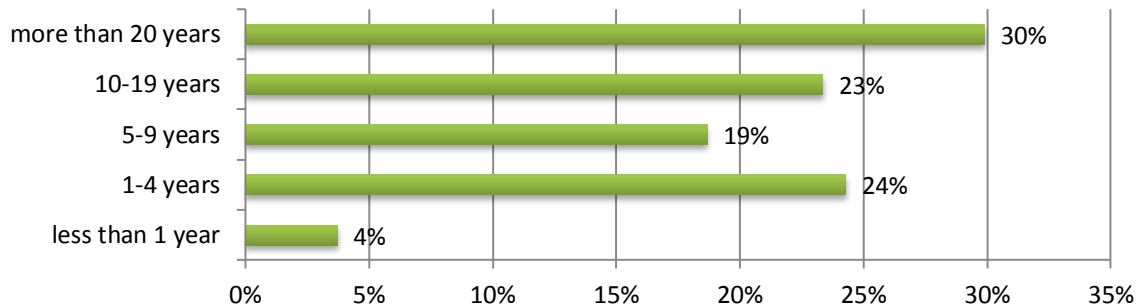
Over half of respondents (53%) reported that their business is in the 'growing' life cycle stage. Another 31% indicated that their business is in the 'maturing' stage. Fewer respondents (5% and 11%) indicated that they are in the 'declining' and 'emerging' stages, respectively.

Figure 6: Life cycle stage



Thirty percent of businesses reported that they have been in business for more than 20 years. Four percent indicated that they have been in business for less than 1 year.

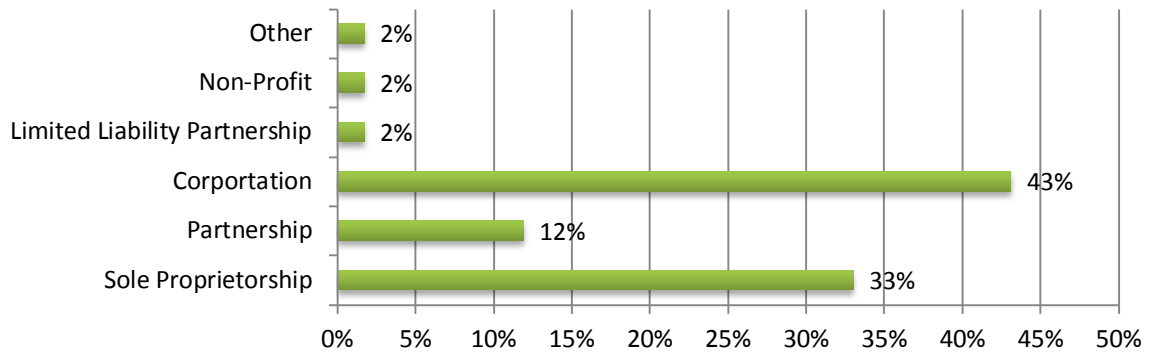
Figure 7: Length of time in business



Ownership and Management

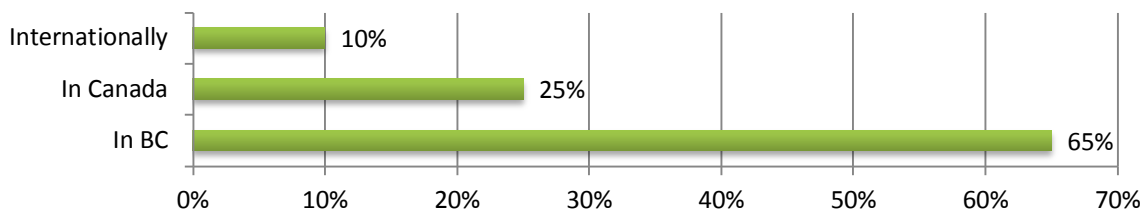
Most respondents (43%) indicated that their business is classified as a corporation, while 33% indicated that they are a sole proprietorship. The remainder of businesses are registered as a partnership (12%), limited liability partnership (2%), non-profit (2%) or other type of business (2%).

Figure 8: Type of business



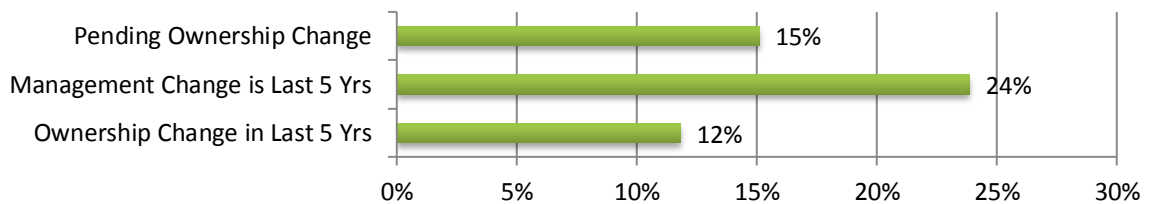
Sixty-five percent of respondents reported that their headquarters are located in British Columbia, 25% indicated that they are headquartered elsewhere in Canada and 10% indicated that their headquarters are located in another country.

Figure 9: Location of headquarters



Twenty-four percent of businesses have seen a management change in the last 5 years, 12% have seen an ownership change and 15% are expecting an ownership change in the near future. Of the respondents that have seen a recent management change, 69% reported that the change has had a positive impact. Of the respondents that have seen an ownership change, 64% reported that the change has had a positive impact.

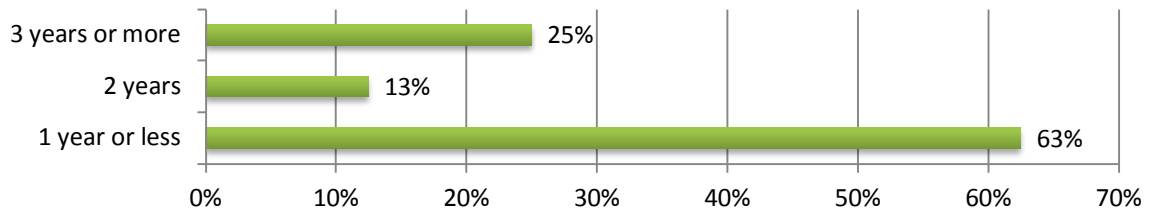
Figure 10: Ownership and management changes in last 5 years



Succession and Business Plans

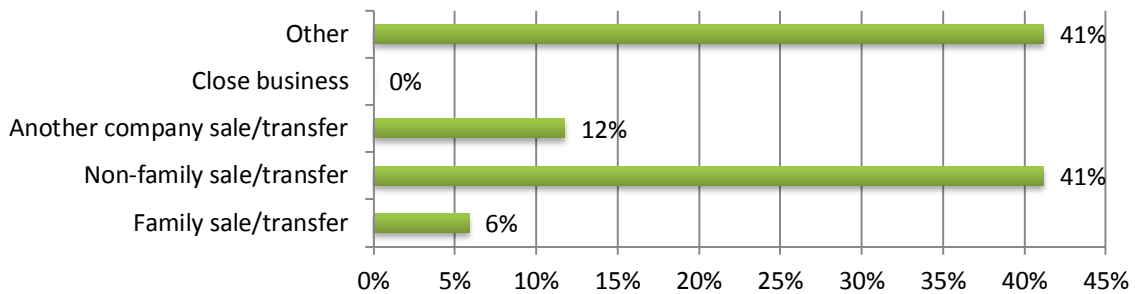
Of the sixteen businesses that reported a pending ownership change, 63% expect the change will happen in a year or less, 13% expect it to happen within 2 years and 25% expect the process to take 3 years or more.

Figure 11: Anticipated timeline for ownership change



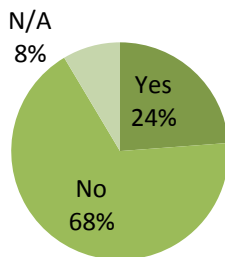
Forty-one percent of respondents expect that the current owner will exit the business by selling it to a non-family individual, 12% expect it will be sold or transferred to another company and 6% expect that the business will pass to another family member.

Figure 12: Anticipated exit strategy



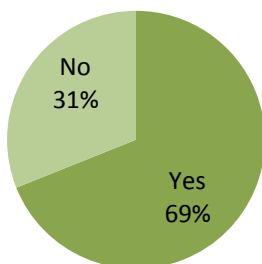
Twenty-three percent of respondents reported that they have identified a successor and 24% reported that they have a formal succession plan in place.

Figure 13: Existence of formal succession plan



Participation in formal business planning was higher among respondents than that for succession planning.

Figure 14: Existence of current business plan



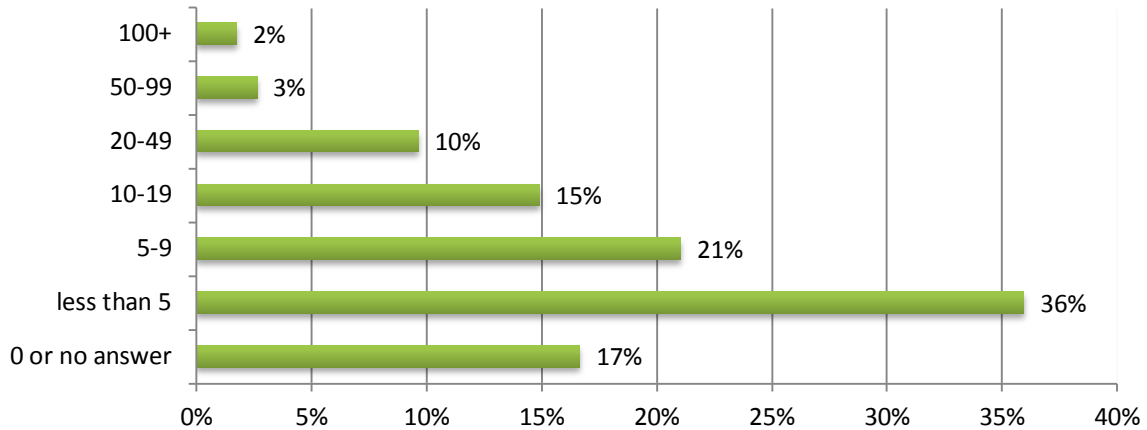
The majority of businesses (69%) reported that they have a current business plan in place.

LOCAL WORKFORCE

Size of Workforce

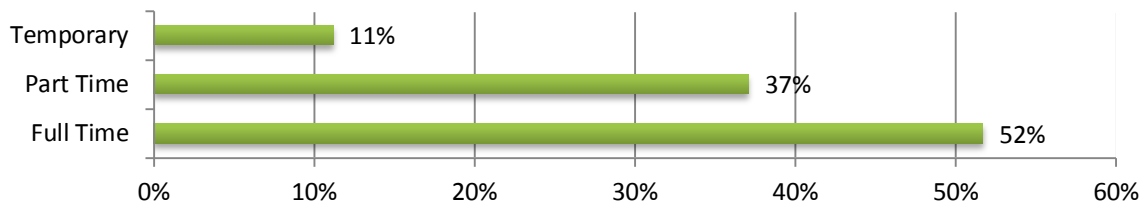
The 114 businesses interviewed reported a total 1,663 employees. Thirty-six percent indicated that they have less than five employees and 2% indicated that they have over 100 employees.

Figure 15: Total number of employees



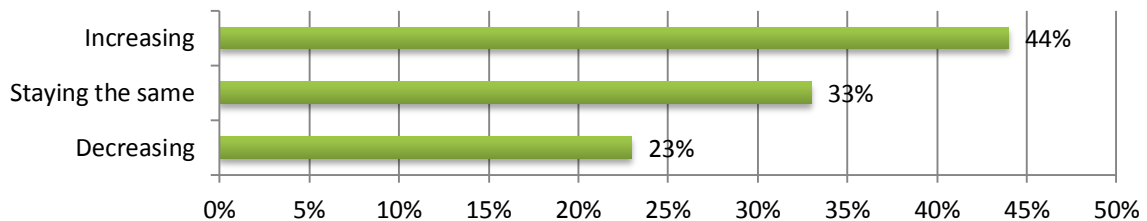
Fifty two percent of positions at surveyed business are full-time, 37% are part-time and 11% are temporary.

Figure 16: Nature of employment



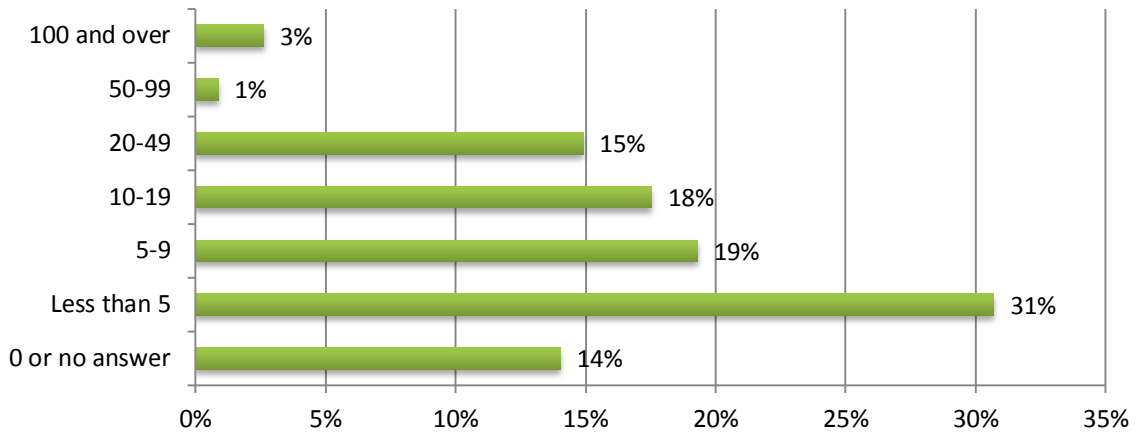
Forty-four percent of respondents indicated that the number of employees at their business has increased over the past 10 years. Another 33% indicated that the size of their workforce has remained relatively stable.

Figure 17: Employment trend over last 10 years



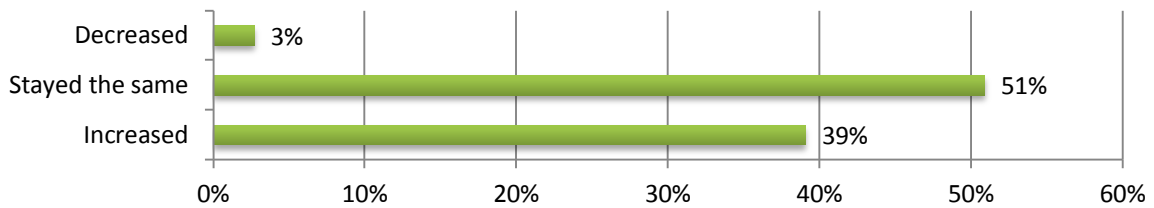
In general, data indicated that businesses expect to see moderate growth in the size of their workforce over the next 3 years.

Figure 18: Projected number of employees in 3 years



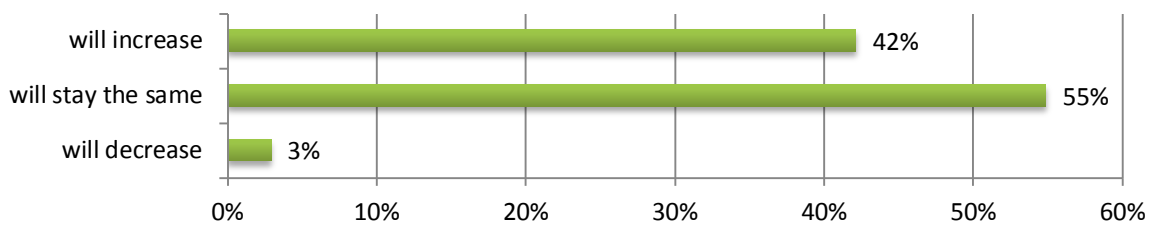
The majority of respondents (51%) indicated that the size of their full-time workforce has remained relatively constant over the past 3 years. Another 39% indicated that it has increased.

Figure 19: Full-time employment trend over last 3 years



Fifty-five percent of businesses interviewed expect the size of their full-time workforce to stay the same over the next 3 years while another 42% expect it to increase.

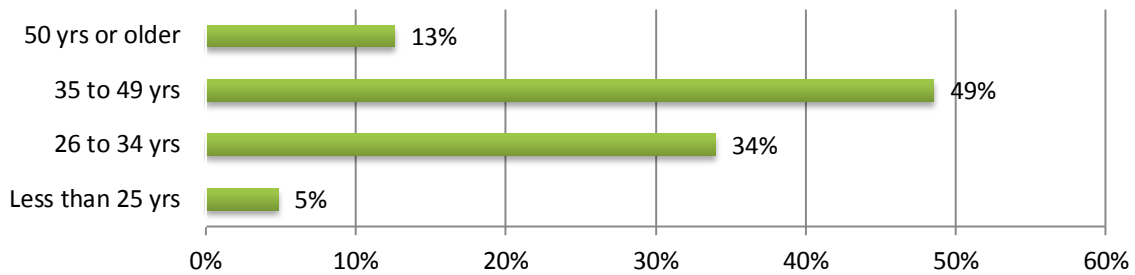
Figure 20: Full time employment trend over next 3 years



Workforce Demographics

Just under half of respondents (49%) indicated that the majority of their essential employees are between 35 and 49 years old. Five percent reported that their essential employees are generally less than 25 years old.

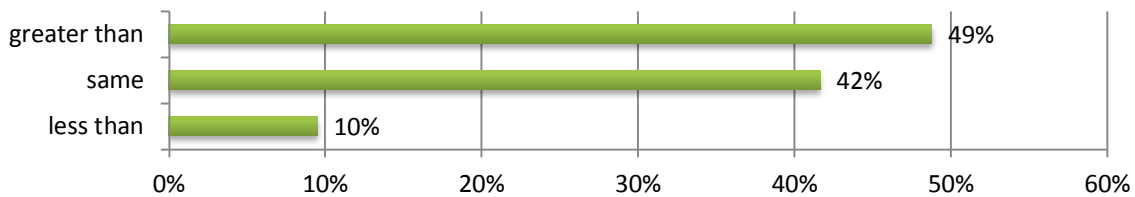
Figure 21: Age of the majority of essential employees



Wages

When reporting on average wages for skilled or professional workers, 35% indicated they pay less than \$20 per hour and 33% reported that they pay between \$20 and \$29 per hour. The most commonly reported average wage for semi-skilled workers (71% of respondents) was under \$20 and the most commonly reported average wage for entry-level workers (89% of respondents) was \$10-\$12. Forty-nine percent of businesses reported that their wage scale is greater than that for other businesses in the region.

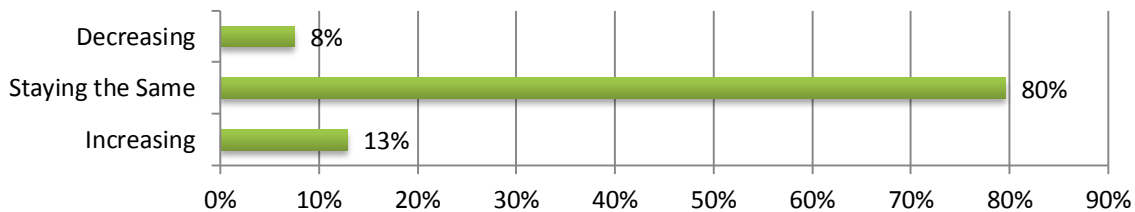
Figure 22: Wages in relation to other businesses in the region



Recruitment and Retention

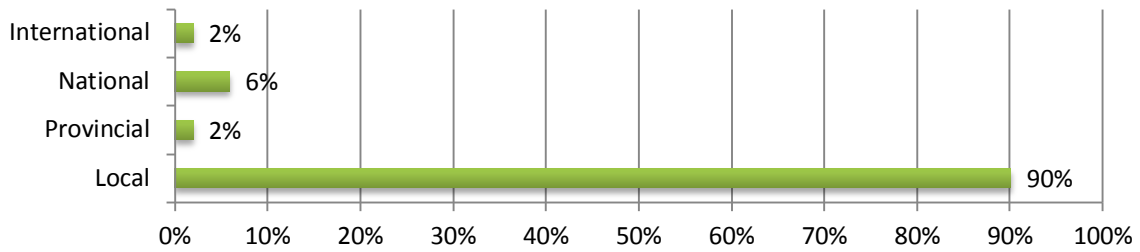
A strong majority of the 94 respondents that answered this question (80%) agreed that the number of unfilled positions at their company has remained relatively constant. It should be noted that many of these businesses who did not have any unfilled positions also indicated the number of unfilled positions was staying the same.

Figure 23: Trend in unfilled positions



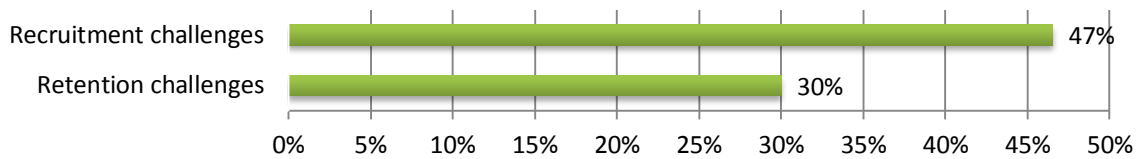
The vast majority of respondents (90%) reported that they primarily recruit employees from local labour markets. Six percent of businesses recruit at the national level and a small number (2%) recruit provincially or internationally.

Figure 24: Location of workforce recruitment



Forty-seven percent of respondents indicated that they have experienced recruitment challenges and 30% indicated that they have experienced retention challenges.

Figure 25: Recruitment and retention challenges



When asked what efforts their business has undertaken to retain employees, the highest number of respondents (24) shared that they have focused on fostering a culture of respect and recognition. Another common way respondents sought to retain employees was by offering competitive wages and monetary incentives such as bonuses (23 respondents). Offering other perks or benefits (18), allowing a flexible schedule (10), and offering training or professional development opportunities (5) are other factors that were cited often.

Figure 26: Key words and responses in respondents' discussion of retention efforts



“Treat them with respect.”

“Benefit package, being a fair workplace. We're very focused on being as flexible as possible.”

“Even though the business is seasonal, I find work for employees in other areas of business to stay busy year round.”

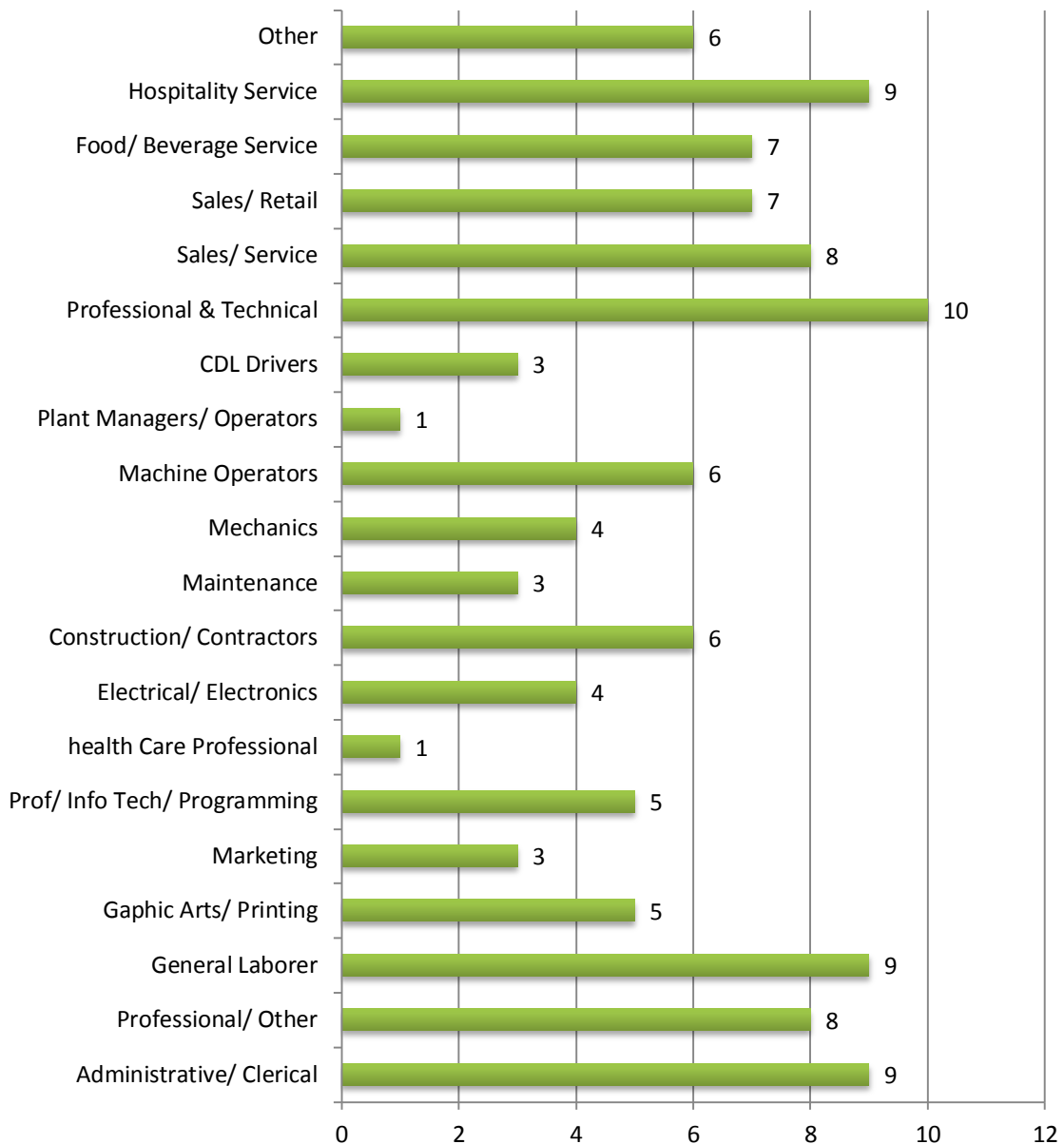
In their discussions of the perceived reasons for their retention challenges, respondents most often cited the seasonal nature of their business or shortage of constant work (3 respondents). Other challenges mentioned included the remote nature of their workforce.

When asked what efforts businesses have undertaken to recruit employees, efforts that emerged most often were word of mouth (24), online ads, through websites or social media (21) ads in

print (17). Respondents also cited using schools, universities or trades programs as recruitment resources (9), the foreign workers program (6) or the Golden Unemployment Centre (6).

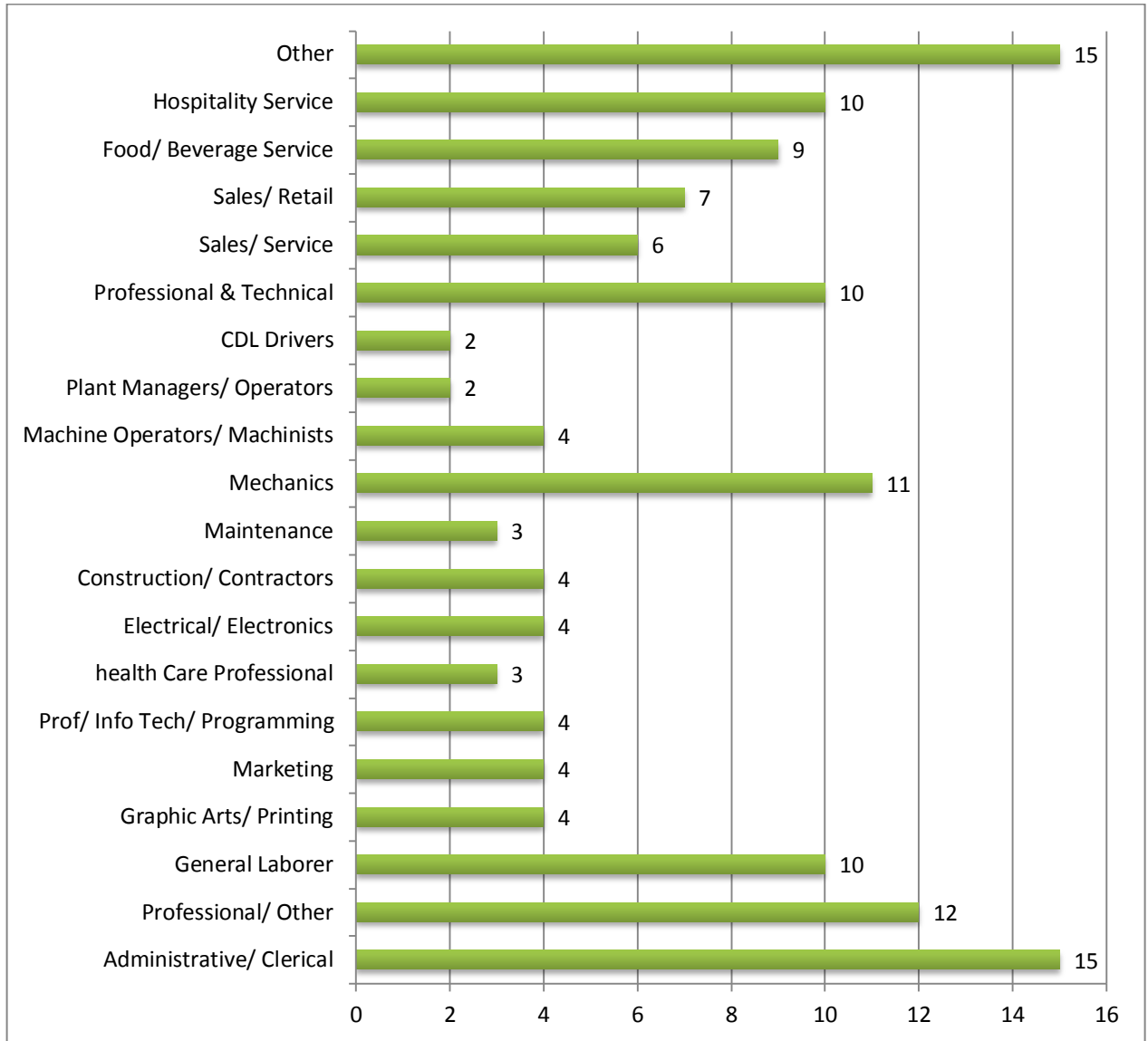
The most important recruitment areas among surveyed businesses include professional/technical personnel (10 respondents), hospitality/service personnel (9), administrative/clerical personnel (9) and general labourers (9). The responses included in the 'other' and 'professional other' categories charted below are detailed in Appendix A.

Figure 27: Current recruitment areas



Sixty-two percent of respondents expect future recruitment challenges. The most common anticipated recruitment areas include administrative/clerical (15 respondents), professional/ other (12) and mechanics (11).

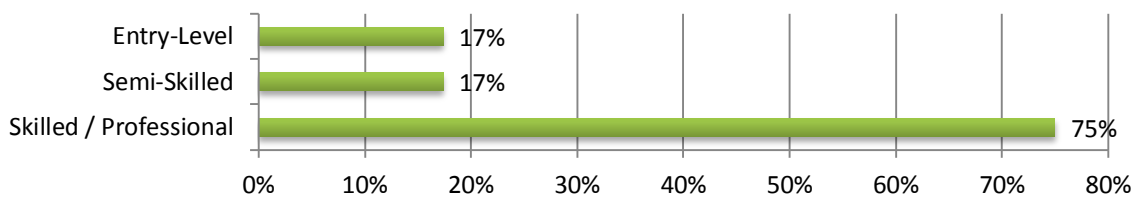
Figure 28: Future recruitment areas



Skills and Training

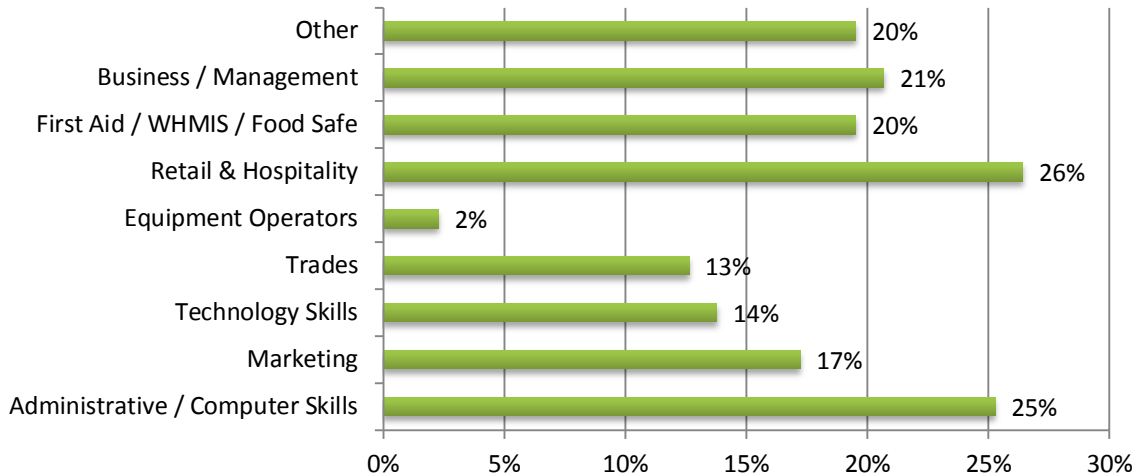
The majority of respondents (75%) indicated that over half of their workforce is comprised of skilled or professional workers, 17% indicated that their workforce is mainly semi-skilled workers and 17% indicated that entry-level workers make up the majority of their workforce.

Figure 29: Skill level of majority of workforce



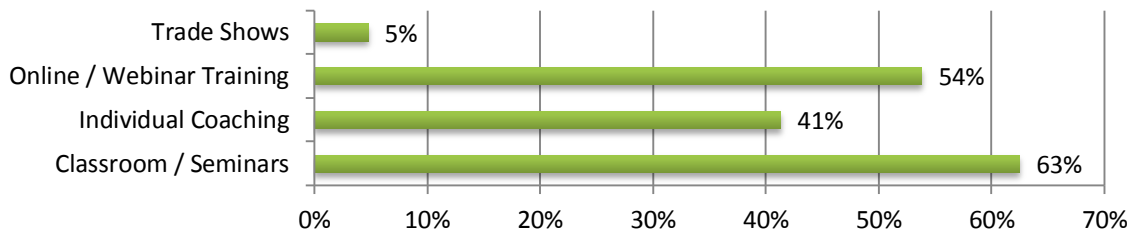
Sixty-two percent of respondents indicated that their company has a training budget and 85% of respondents indicated that there are areas of training or professional development that would benefit their employees. Most commonly listed among these areas were retail/hospitality/customer service training (26%), administrative/ computer skills (25%) and business/management training (21%).

Figure 30: Training or professional development needs



Sixty-three percent of respondents stated that they prefer when training is delivered through an in-person, classroom or seminar style format. Fifty-six percent prefer online or webinar training.

Figure 31: Preferred modes of training



Forty-eight percent of respondents typically seek training opportunities that are offered locally, and 47% travel to other areas in BC for their training.

Figure 32: Usual training locations

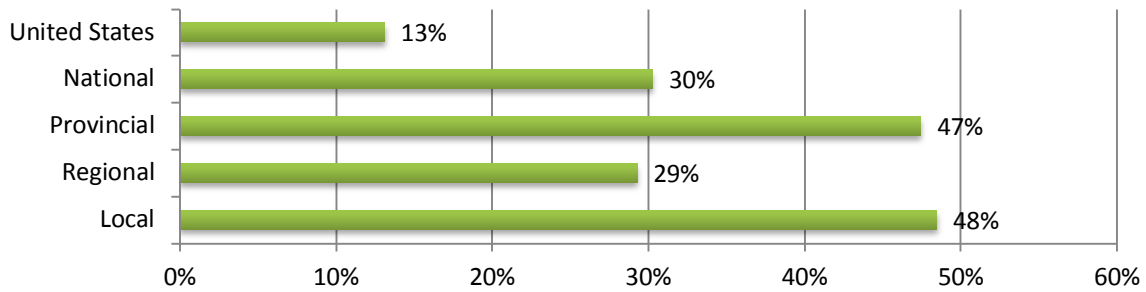
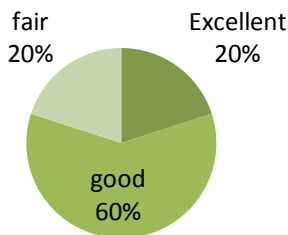


Figure 33: Status of labour relations



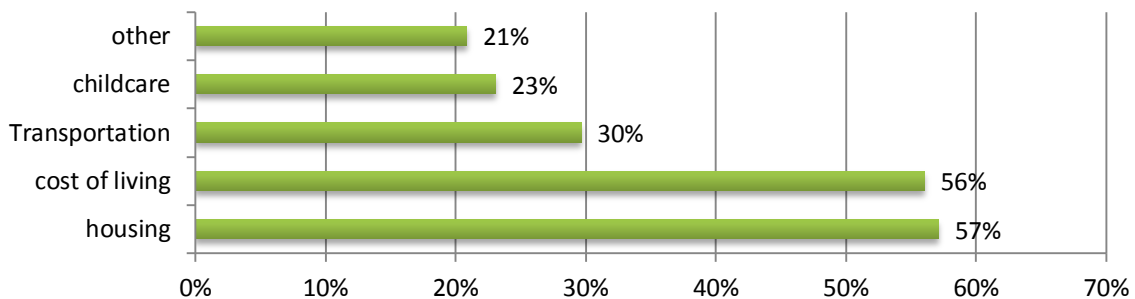
Unions

Six businesses reported that they have union status. Of those businesses, only 5 reported on the status of their labour relations. Three businesses indicated that the status of labour relations is good, 1 reported that it is fair, and 1 reported that it is excellent.

Employees

The majority of respondents (57%) listed housing as an issue that is critical to their employees. Another important factor was cost of living (56%). For a list of factors included in the other category charted below, see Appendix A.

Figure 34: Critical considerations for employees



Ninety –seven percent of businesses interviewed reported that the majority of their employees live within the community, 1% indicated that they live elsewhere in the region and 2% indicated that they live outside of the region.

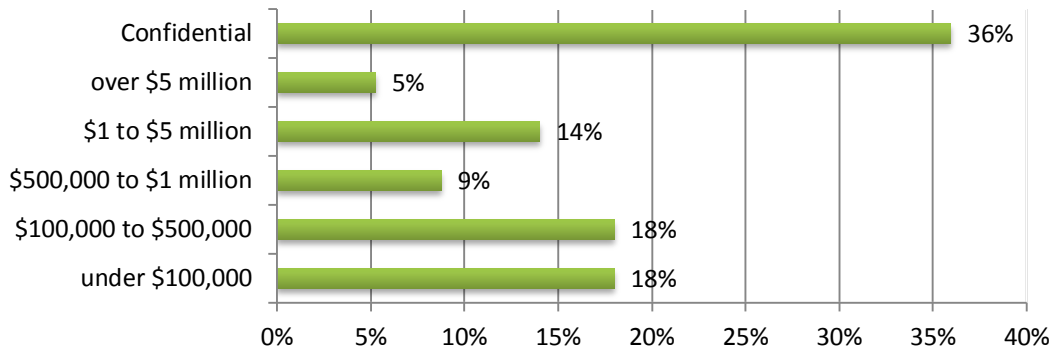
SALES

Market Size and Share

The highest number of respondents (21, 18%) reported annual sales of under \$100,000 and 18% (20 respondents) reported annual sales between \$100,000 and \$499,999. The lowest number (5%)

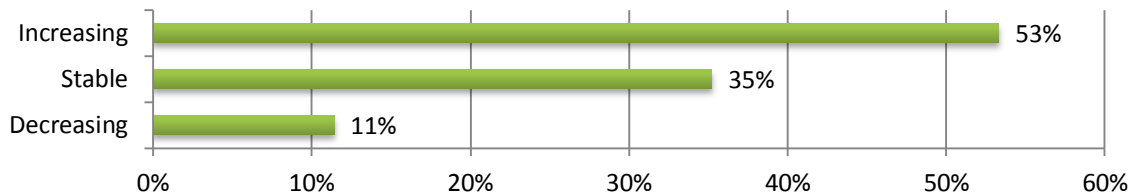
reported sales of more than \$5,000,000. Thirty-six percent of respondents did not share annual sales information.

Figure 35: Annual sales



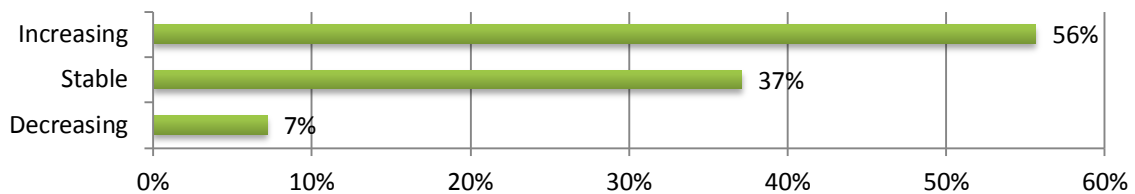
The majority of businesses interviewed (53%) indicated that the size of the market for their product or service is growing over time. Another 35% reported that the market is stable.

Figure 36: Status of market for product/service



Fifty-six percent of respondents indicated that their share of the market for their product is increasing while 37% indicated that it is stable. A small number of respondents (7%) indicated that their market share is decreasing.

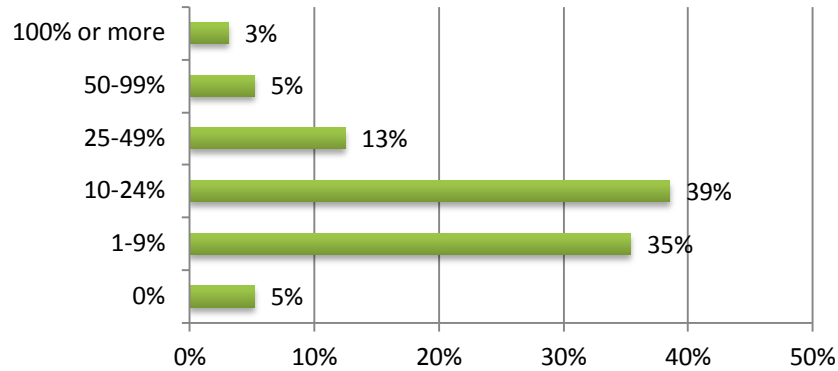
Figure 37: Status of market share



Growth

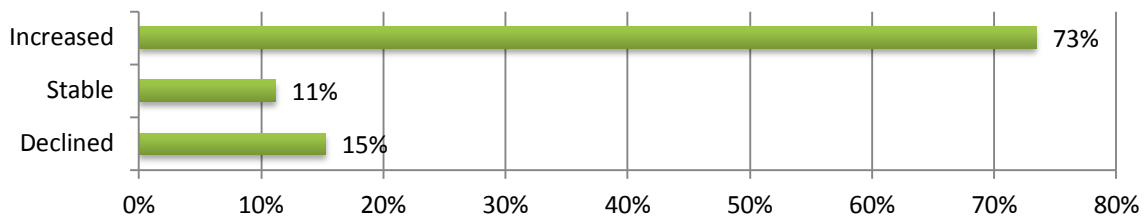
Thirty-nine percent of respondents expect to see moderate growth in sales of 10-24% over the next year and 35% expect to see lower growth of between 1 and 9%. Five percent of respondents expect their sales to remain stagnant.

Figure 38: Projected sales growth over next year



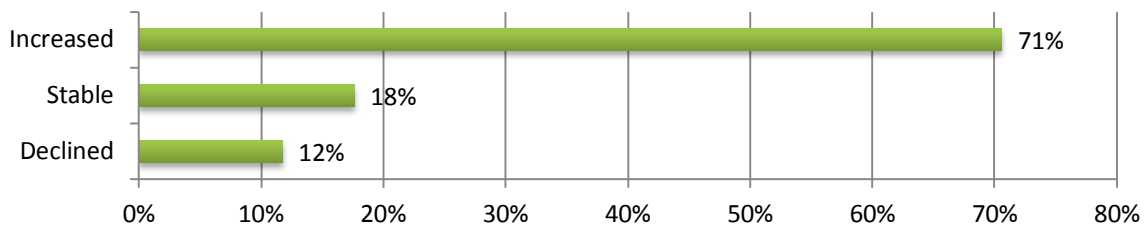
A strong majority of respondents (73%) indicated that sales at their business have increased over time, 11% indicated that sales have remained relatively stable and 15% reported that sales have declined.

Figure 39: Historic sales trend at this location



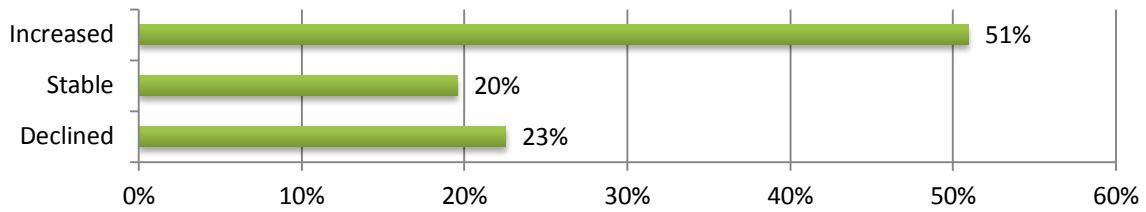
Data indicate that the sales trend at parent companies is comparable to the historic sales trend at this location. Seventy-one percent of the of the seventeen respondents for this question reported that sales at their parent company have historically increased and only 12% reported that they have decreased.

Figure 40: Historic sales trend at parent company



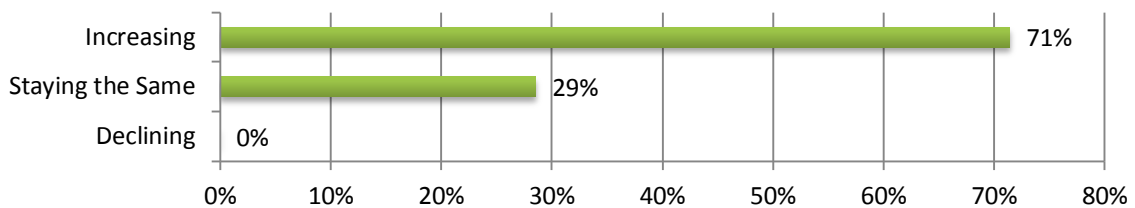
Data indicate that the sales trend within respondents' respective industries has been less positive. Fifty-one percent of respondents reported that sales within their industry have been increasing while 23% reported that they have been decreasing.

Figure 41: Historic sales trend in industry



Of the seven businesses that export to international markets, 71% indicated that their export sales have been increasing and 29% indicated that they have been stable.

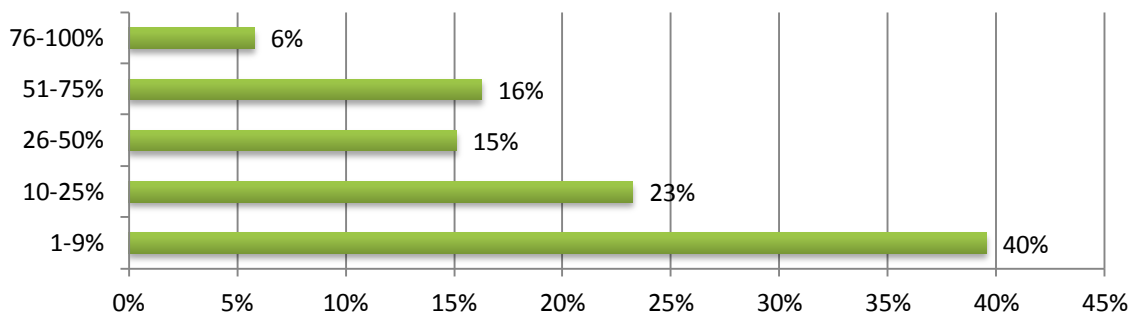
Figure 42: Export sales trend



Source of Sales

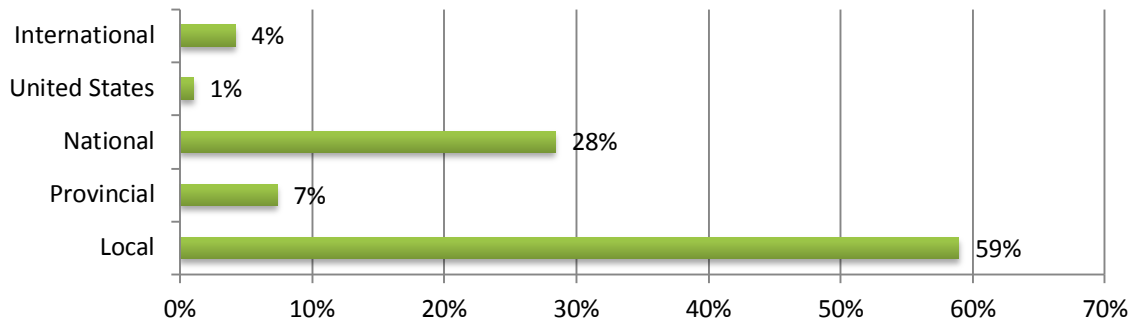
The customer base among Kicking Horse Country businesses seems to be diverse, with the largest percentage of respondents (40%) indicating that less than 10% of their sales are generated by their top 3 customers.

Figure 43: Component of sales generated by top 3 customers



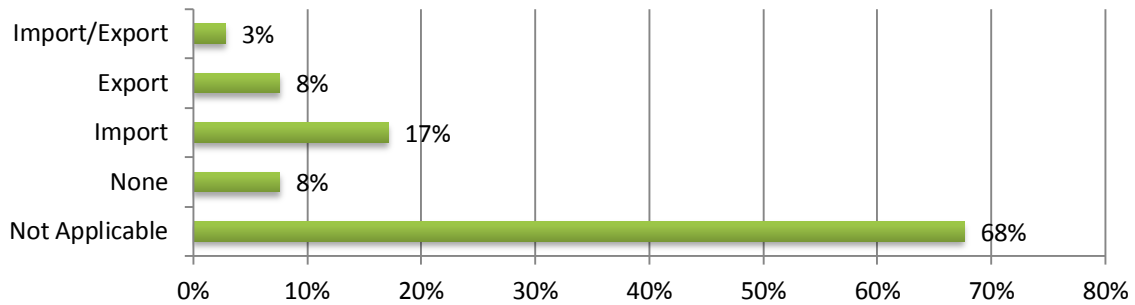
A majority of respondents (59%) indicated that over 50% of their sales are to customers within the community or region. Twenty-eight percent indicated that over 50% of their sales are within Canada. Fewer respondents (7%, 1%, 4%) indicated that the majority of their sales are to provincial, US or international markets, respectively.

Figure 44: Geographic source of majority of sales



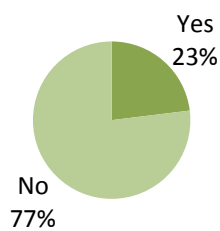
Eighteen respondents (17%) indicated that they import good or services from other countries and 8 respondents (8%) indicated that they export goods or services to other countries. Seventy-five percent of respondents indicated they did not engage in international trade.

Figure 45: International trade status



Procurement

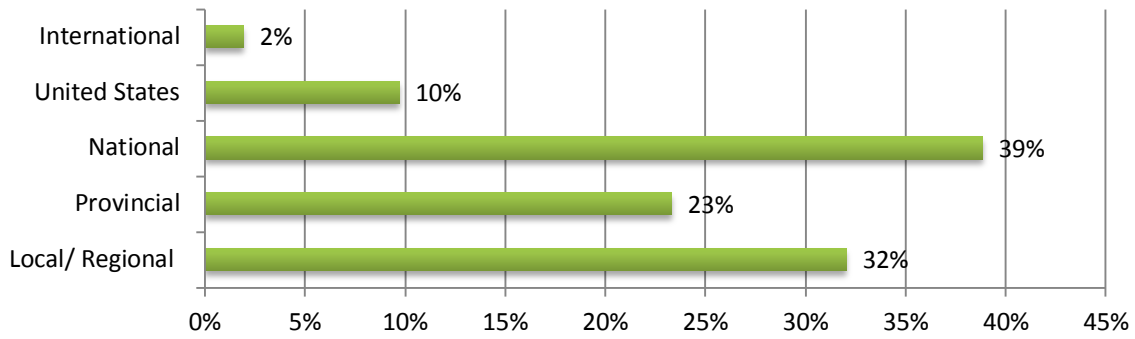
Figure 46: Engagement with government procurement processes



Over three quarters of respondents indicated that they do not engage in government procurement.

Thirty-two percent of businesses interviewed reported that they purchase supplies primarily from local sources. Another 39% indicated that the majority of their supplies come from businesses located elsewhere in Canada.

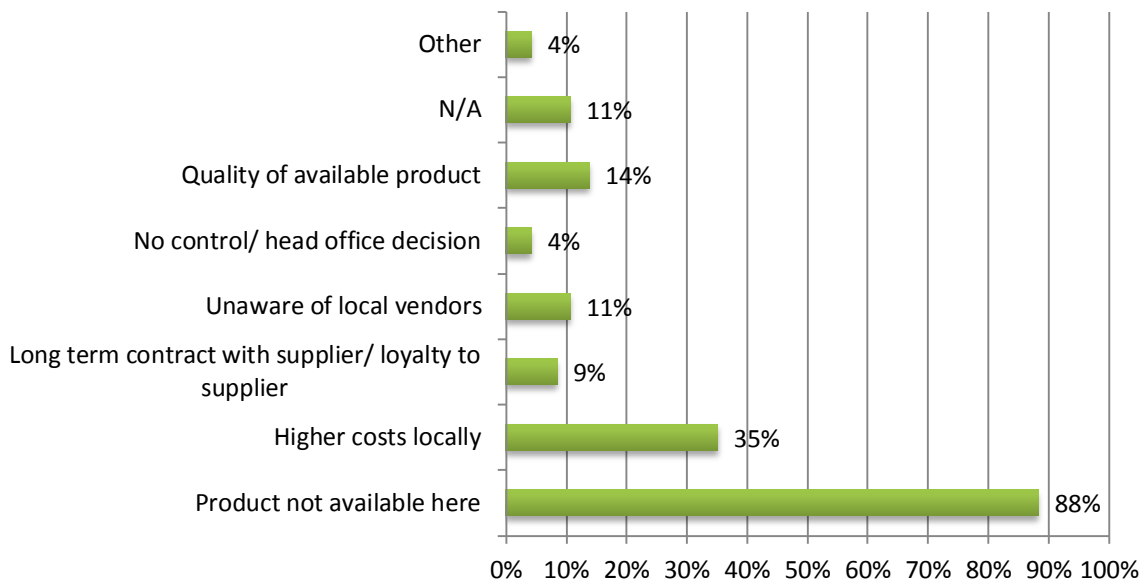
Figure 47: Geographic source of majority of supplies



Purchasing

When reflecting on their reasons for purchasing products or services from out-of-area suppliers, the vast majority (88%) indicated that the products they need are not available locally. Thirty-five percent also indicated that products tend to cost more from local suppliers.

Figure 48: Reason for out-of-area purchasing



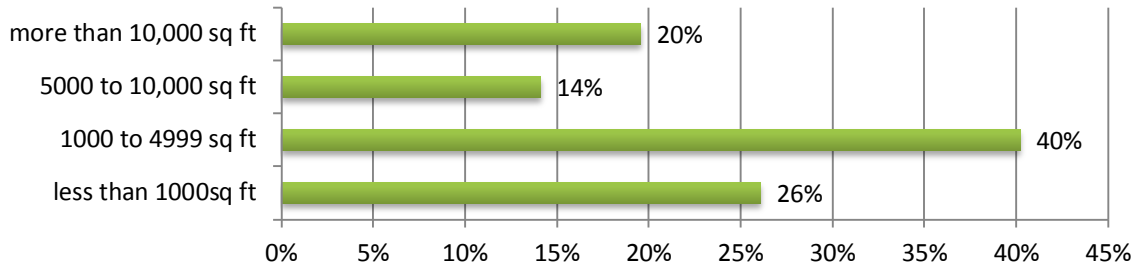
Products that multiple businesses stated they would like a local supplier include office equipment, stationary and paper, bedding, linens and hospitality supplies, computer equipment and food.

FACILITIES AND EQUIPMENT

Size and Condition

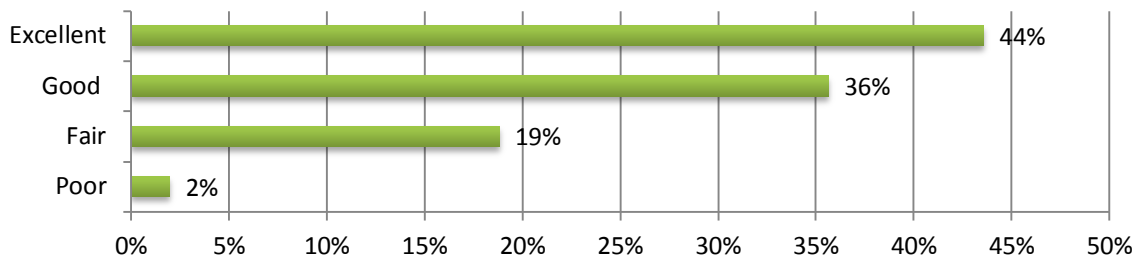
Forty percent of respondents reported that their facility is between 1,000 and 4,999 square feet in size, and another 26% indicated it was less than 1000 square feet. Most other respondents indicated that their facility is 5,000 square feet or larger.

Figure 49: Size of facility



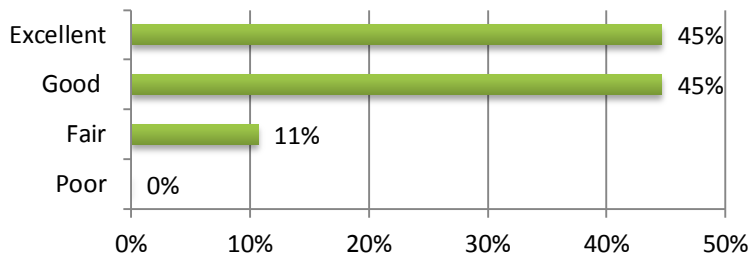
Forty-four percent of respondents indicated that their facility is in excellent condition. Another 36% indicated that it is in good condition and 21% report their facility is in fair or poor condition.

Figure 50: Condition of facility



Forty-five percent of respondents indicated that their equipment is in excellent condition. Another 45% indicated that it is in good condition and 11% report their equipment is in fair condition.

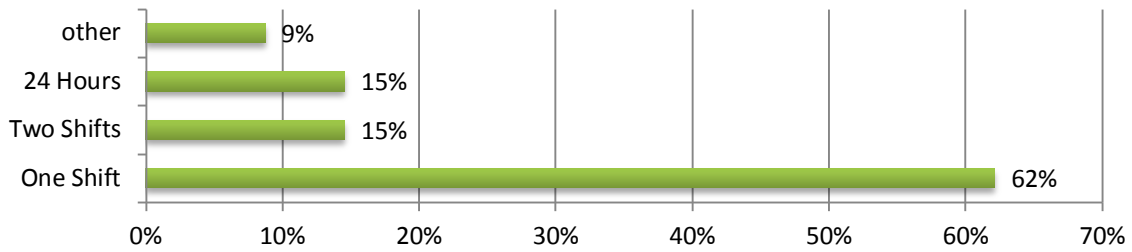
Figure 51: Condition of equipment



Shifts

Most surveyed businesses (62%) operate one shift per day, 15% operate two shifts and 15% run 24-hours per day.

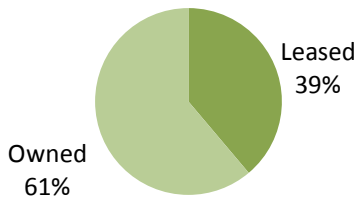
Figure 52: Number of shifts



Ownership

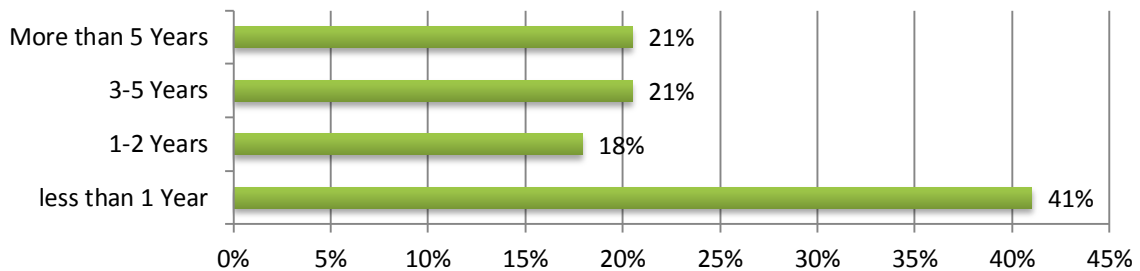
Sixty-one percent of respondents own the facility in which they operate and 39% lease it.

Figure 53: Ownership status of facility



Of the businesses that lease their facility, 41% have less than a year remaining on their lease and 21% have more than 5 years remaining. The majority of respondents that lease their facility (70%) intend to renew their current lease agreement.

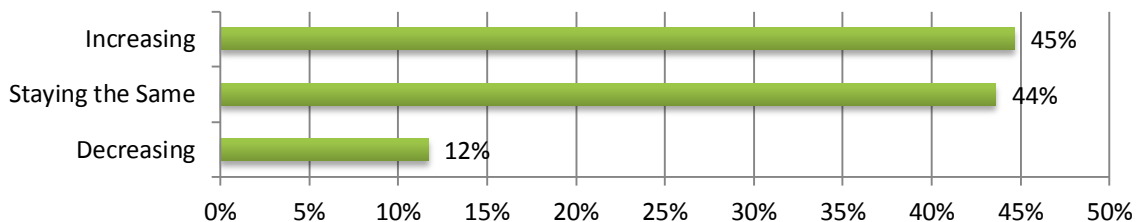
Figure 54: Length of time remaining on lease



Investment and Expansion

About half of respondents indicated that their company’s investment in their facility has increased (45%) or stayed the same (44%) over the past 18 months. A small number of businesses (12%) indicated that investment in their facility has decreased over the same time period.

Figure 55: Investment in facility (past 18 months)



A similar trend was reported for recent investments in equipment with even more respondents indicating that their company’s investment in equipment has increased (61%).

Figure 56: Investment in equipment (past 18 months)

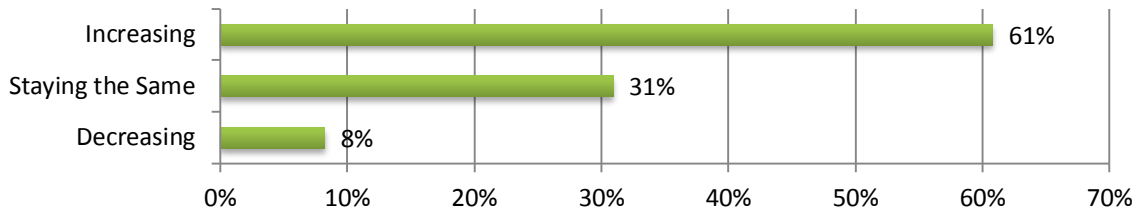
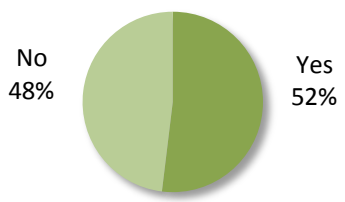
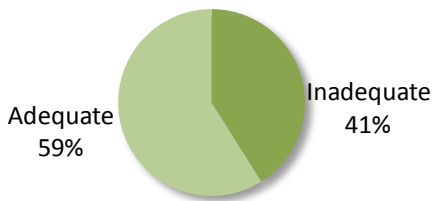


Figure 57: Plans to expand within three years



Over half (52%) of interviewed businesses plan to expand within three years, 48% do not.

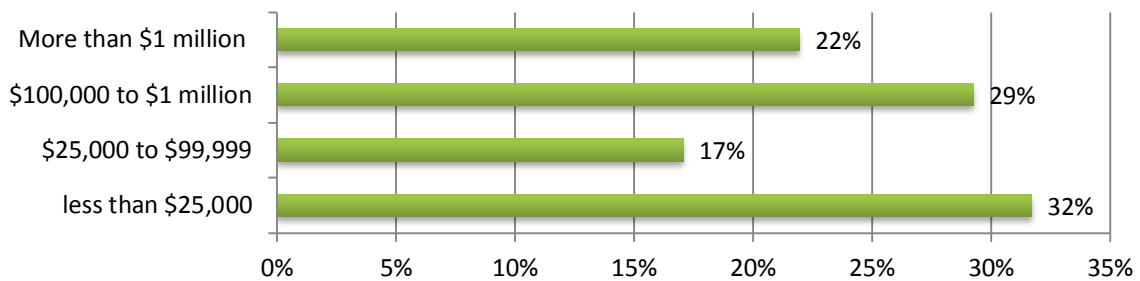
Figure 58: Adequacy of current site to support expansion



Of the businesses planning a near-term expansion, 59% reported that their current site will be adequate. Notably, however, 23 businesses (41%) reported that they will have to look for a new site to meet their planned expansion needs.

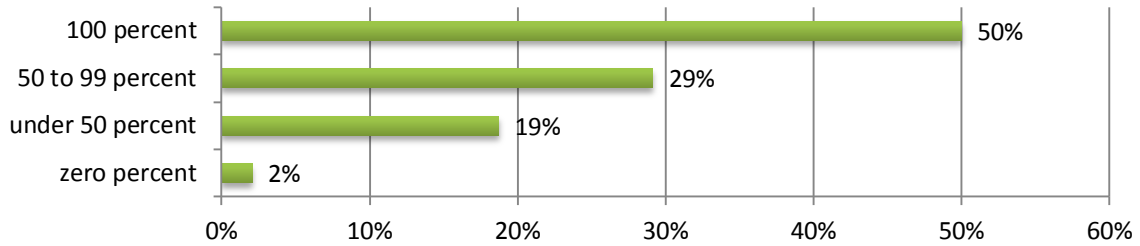
In total, the businesses interviewed plan to spend over \$413 million on expansion over the next three years. The highest number of businesses (32%) plan to spend less than \$25,000, and 29% plan to spend between \$100,000 and \$1 million.

Figure 59: Estimated expansion investment



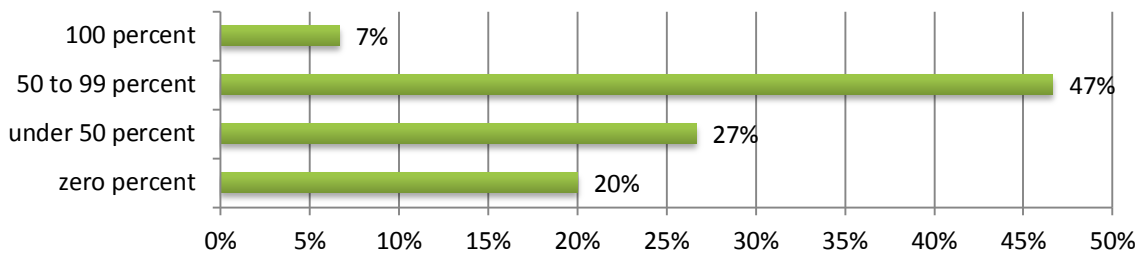
Of the 48 businesses planning investment in equipment and technology, 50% expect to spend all of their expansion budget on equipment and technology and 29% expect to spend between 50 and 99% of their expansion budget on it.

Figure 60: Component of expansion budget for equipment and technology



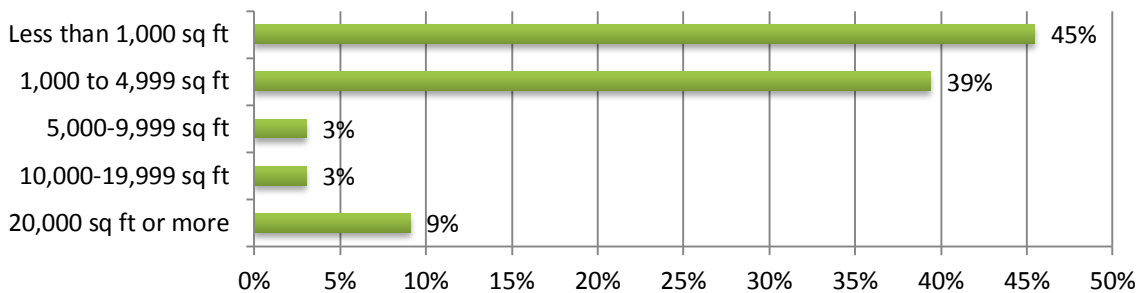
Of the 30 businesses planning investment in real estate, 53% of respondents expect to spend half or more of their expansion budget on real estate.

Figure 61: Component of expansion budget for real estate



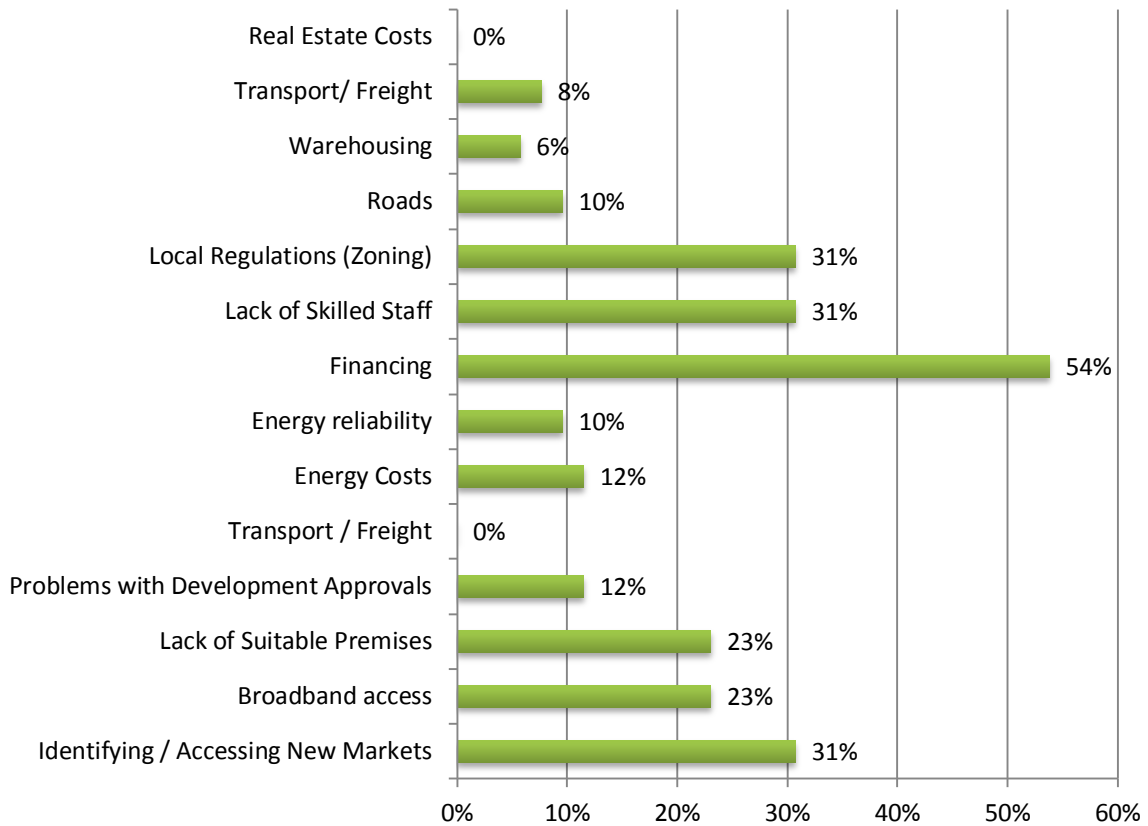
Almost half of respondents (45%) expect that the size of their facility expansion will be less than 1,000 square feet. Thirty-nine percent of respondents reported their expansion would be between 1,000 and 4,999 square feet.

Figure 62: Size of facility expansion



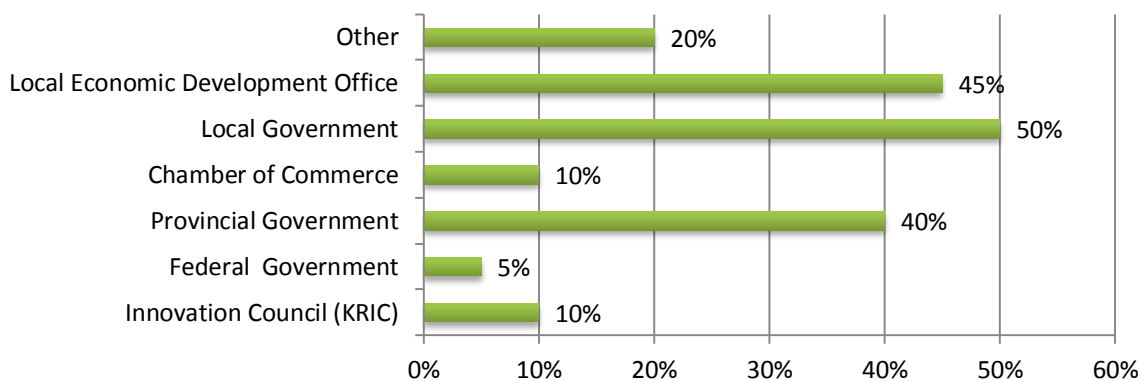
Respondents cited a variety of factors that act as barriers to their expansion. Most common of those were financing (54%), identifying and accessing new markets (31%), a lack of skilled staff (31%) and local regulations (zoning) (31%).

Figure 63: Barriers to expansion



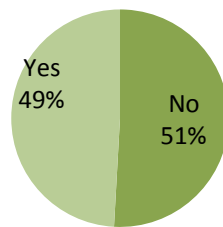
Thirty-six percent of respondents indicated that they have sought assistance with their expansion efforts from an external organization. Of those businesses, the highest number (50%) had approached their local government, 45% had approached an economic development office and 40% had sought assistance from the provincial government.

Figure 64: Organizations approached for expansion assistance



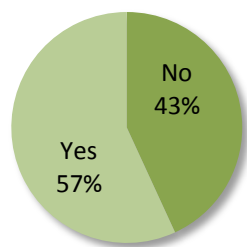
Energy Efficiency

Figure 65: Considering energy efficiency in expansion plans



Slightly over half of respondents are not considering energy efficiency in their expansion plans.

Figure 66: Awareness of BC Hydro Power Smart

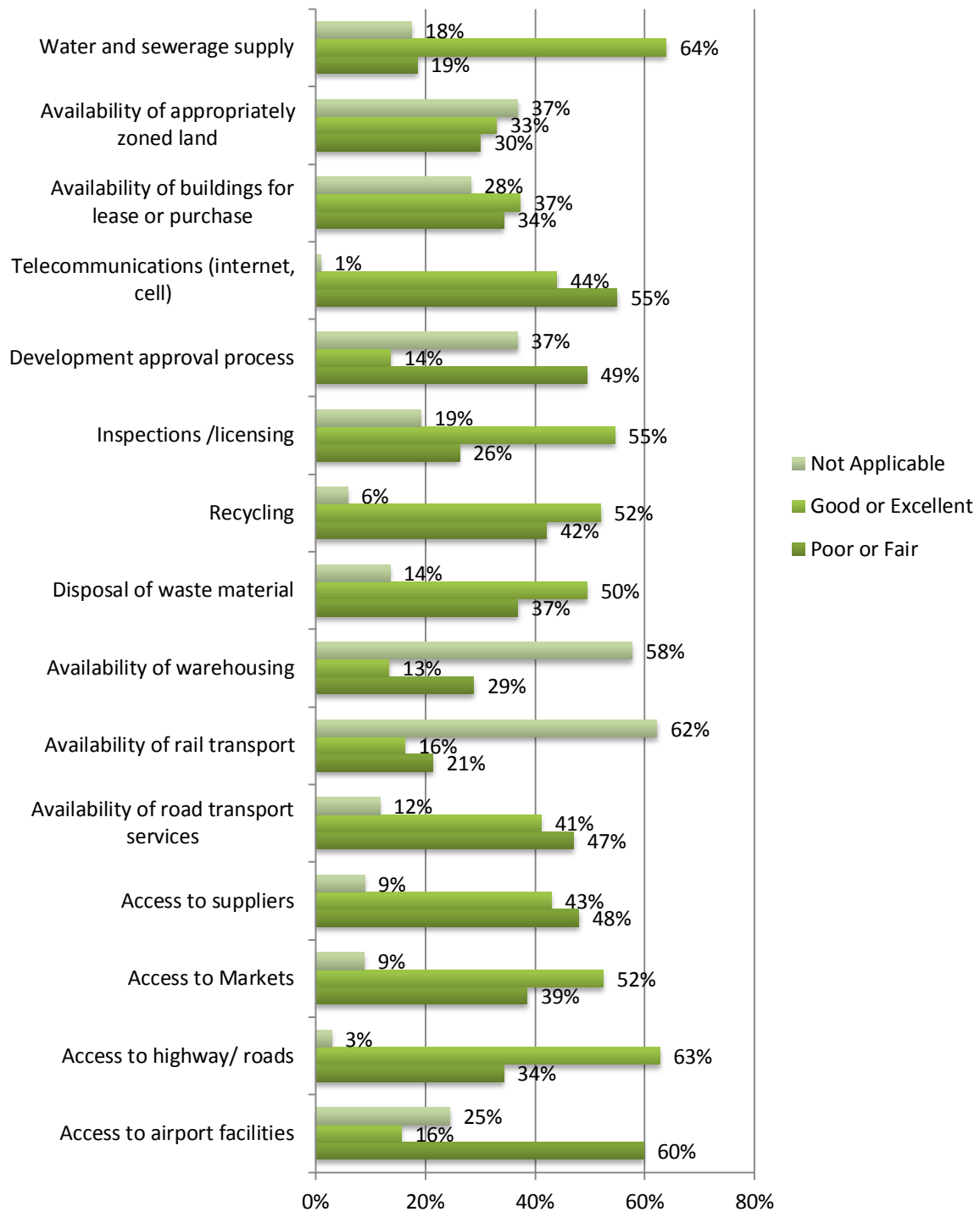


Fifty-seven percent of respondents are familiar with the energy efficiency support available through the BC Hydro Power Smart program.

GOVERNMENT SERVICES

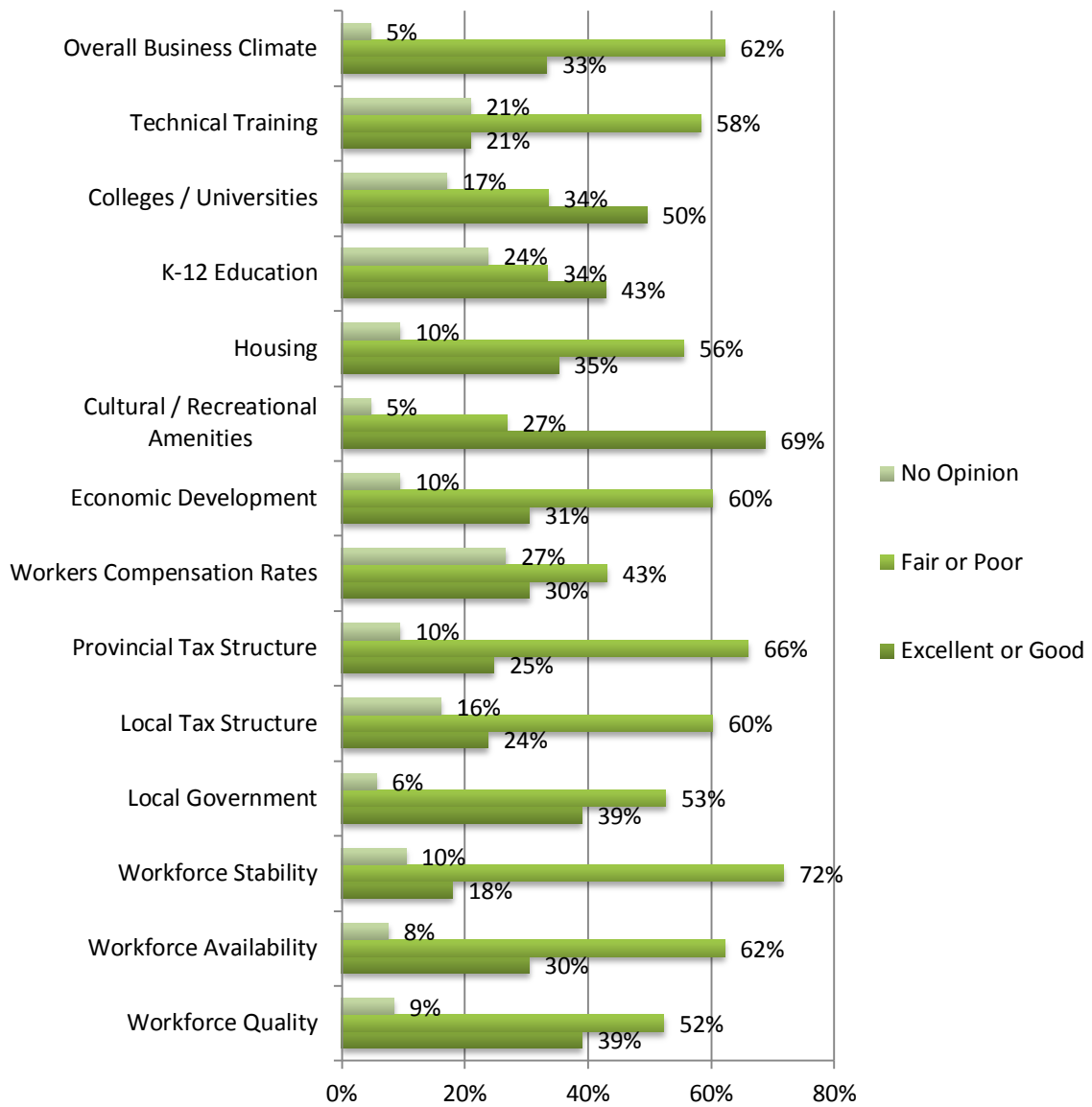
Respondents were asked to rate a list of government services as fair, poor, average, good or excellent. Respondents also had the option to rate a service as not applicable to their business. The services that received the highest number of fair or poor ratings were access to airport facilities (60%) and telecommunications (55%). The services that received the highest number of good or excellent ratings were water and sewerage supply (64%) and access to highways/roadways (63%). The services that the highest number of respondents felt are not applicable to their business were availability of rail transport services (62%) and availability of warehousing (58%).

Figure 67: Rating of government services



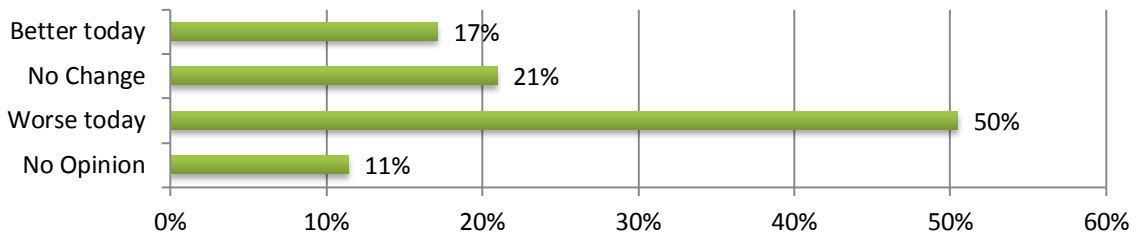
When asked to provide suggestions on how to improve government services, the highest number of responses (27) discussed improvements to local bylaws and procedures for issuing business permits and development approvals. More reliable and faster telecommunications services including internet and cellular service (24 respondents) and increased capacity and vision on the

Figure 69: Rating of business climate factors



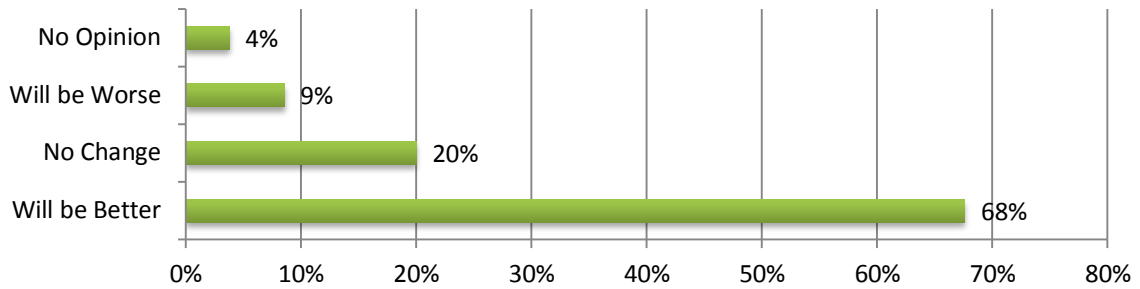
Fifty percent of respondents felt that the business climate is worse today than it was 5 years ago. Seventeen percent thought that it is better.

Figure 70: Business climate today vs. 5 years ago



Sixty-eight percent of respondents expect that the business climate will be better 5 years from today. Nine percent expect that it will be worse.

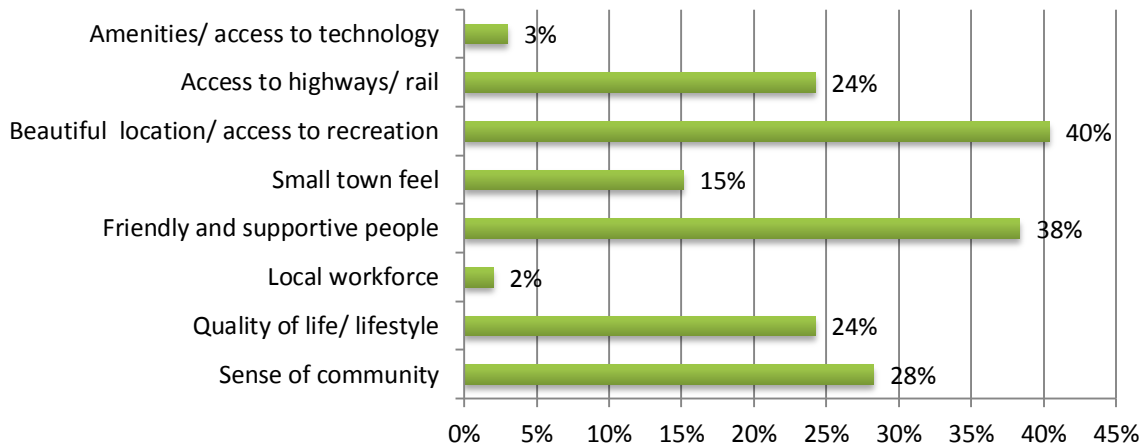
Figure 71: Business climate 5 years from today



Strengths and Weaknesses of Business Climate

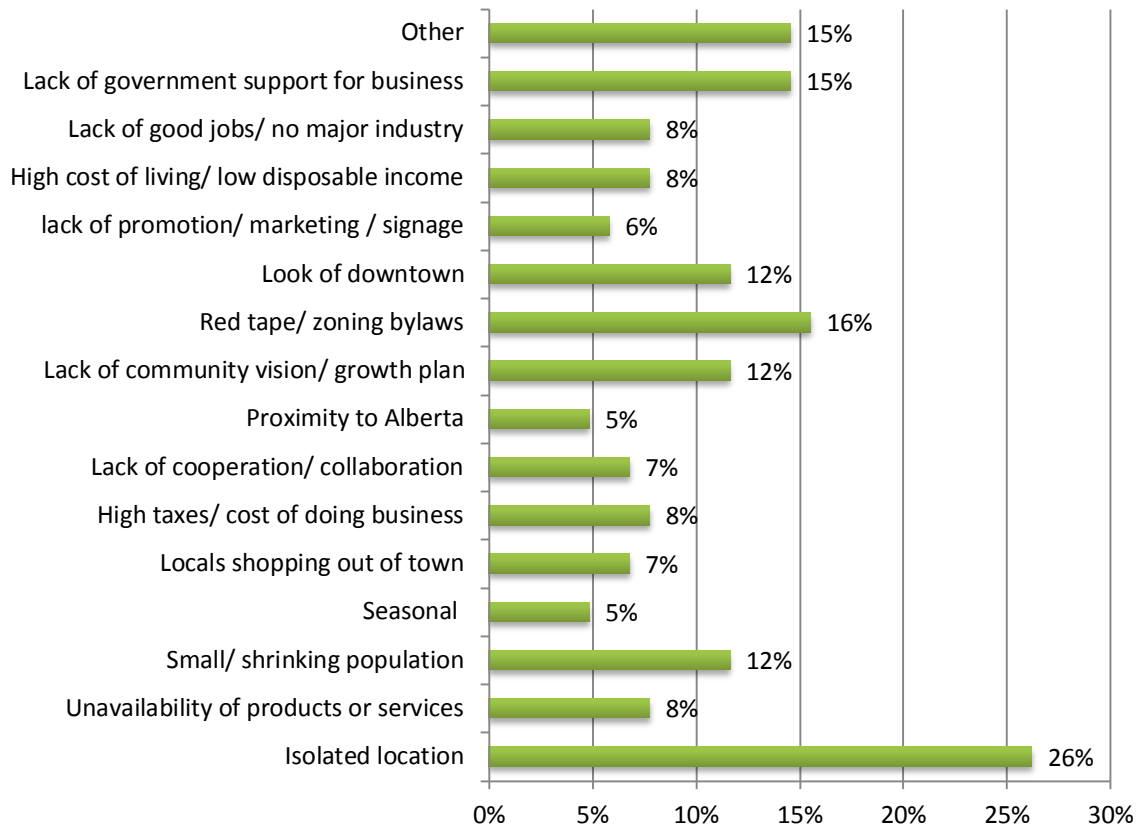
When asked to list the community’s strengths as a place to do business, the highest number of respondents (40%) cited the area’s beautiful location and access to recreation. Thirty-eight percent mentioned the friendly and supportive people who live there and twenty-eight percent mentioned the sense of community.

Figure 72: Community's strengths as a place to do business



When asked to list the community’s weaknesses as a place to do business, the highest number of respondents (26%) cited the isolated location. Local government attitudes and processes were also often mentioned, 16% of respondents cited ‘red tape’ and zoning bylaws, 15% discussed lack of government support for business, and 12% cited a lack of community vision or growth plan, look of downtown and small or shrinking population.

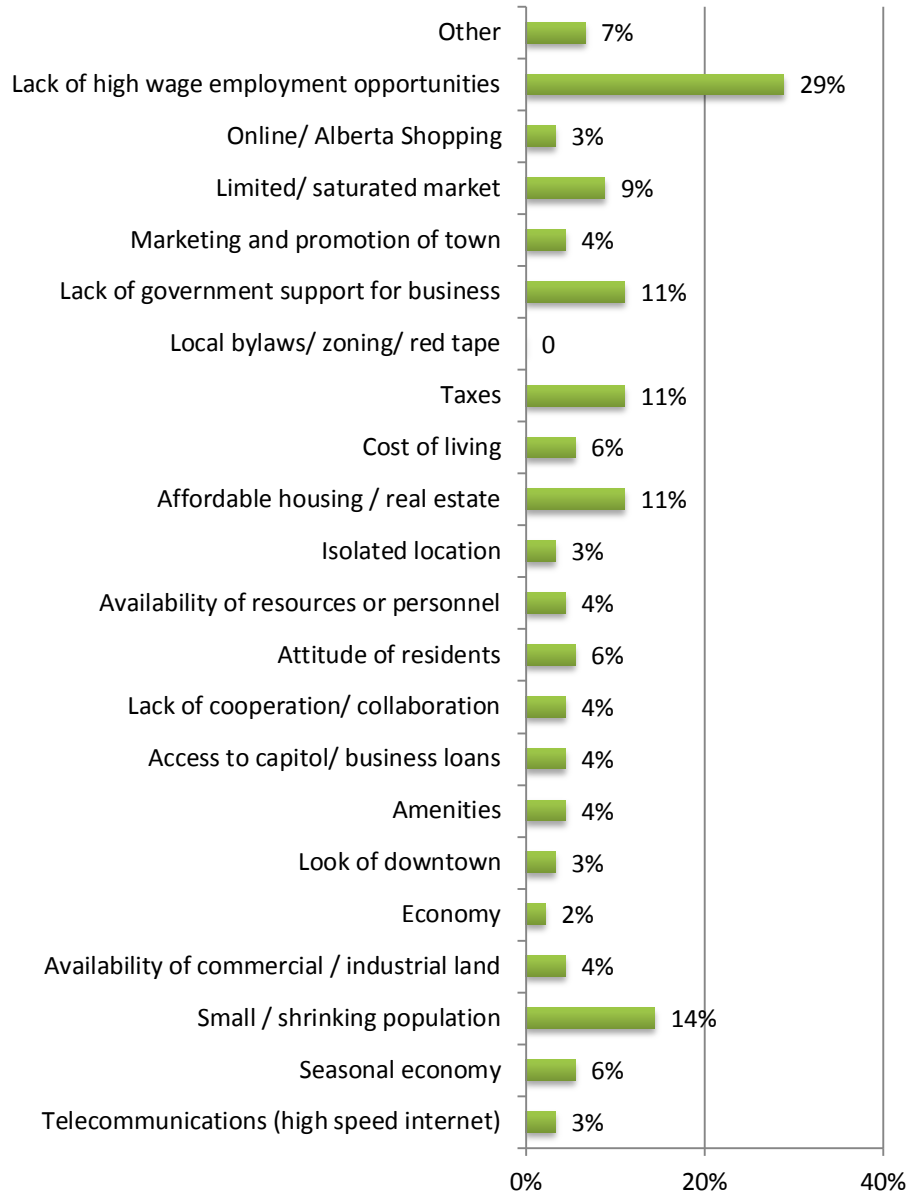
Figure 73: Community's weaknesses as a place to do business



The highest number of respondents (26) stated that lack of high wage employment is an important barrier to growing the community's economy. Another commonly cited barrier was 'red tape' and government (particularly local government). These sentiments are illustrated in the following excerpt from one respondent's survey data:

"Town of Golden zoning policy [is a barrier]. People have to have jobs for the community to grow. So until there are better than entry level jobs it is hard to see how the community is going to grow. Tourism is important; however the jobs tourism brings are not high-paying jobs. There needs to be a vision to bring something else to the town that will pay better & help support the community & the community members."

Figure 74: Barriers to growth in the community



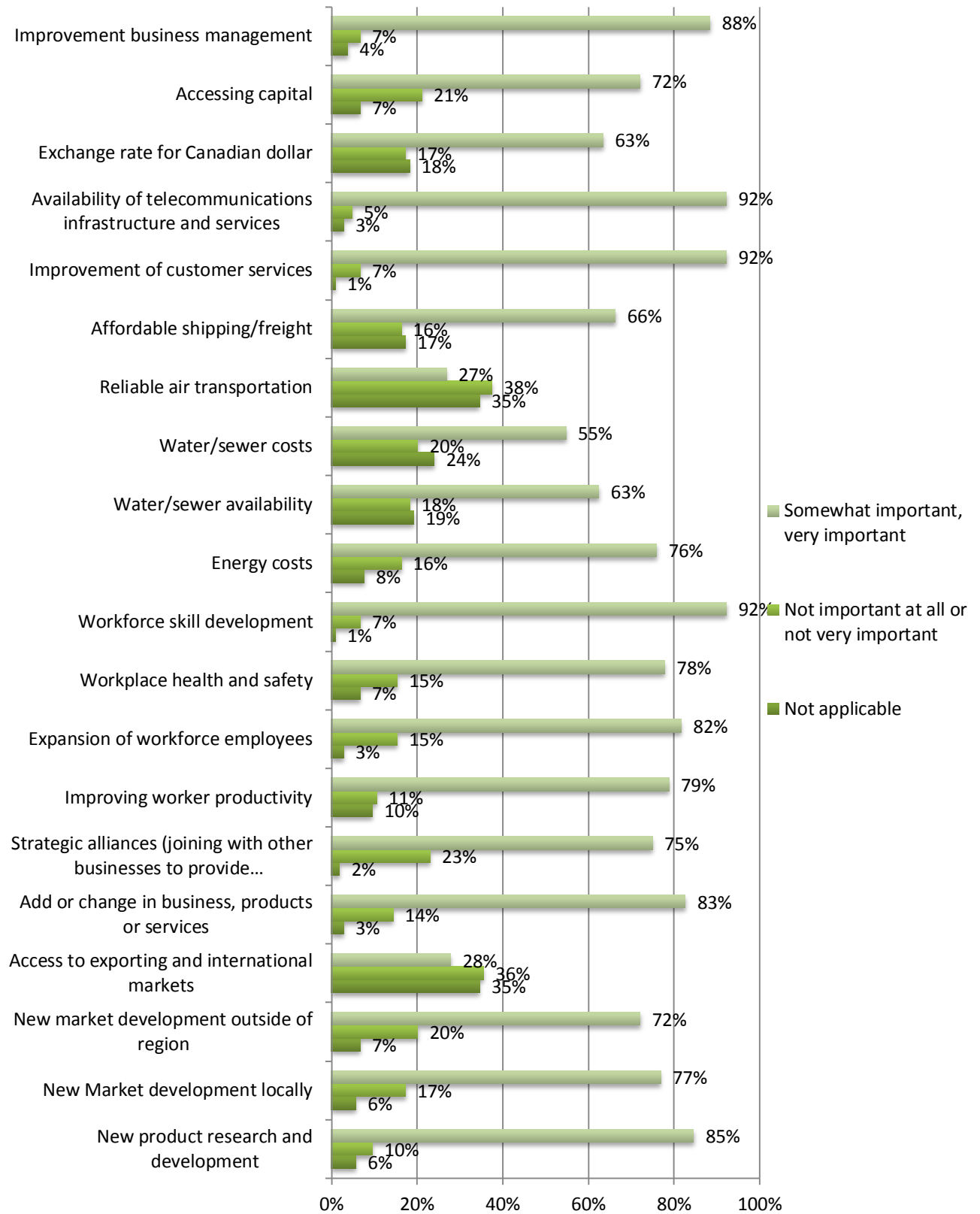
Thirty- nine percent of respondents indicated that there are key suppliers and 86% of respondents indicated that there are key customers to attract to the region. Suppliers cited by multiple businesses included transportation, trucking and warehousing, and tourism based businesses, especially those focused on adventure tourism and sport. Customers cited by multiple businesses included tourists, amenity migrants, families, and Albertans.

Business Competitiveness and Productivity

From a list of business competitiveness factors, those that received the highest number of somewhat important or very important ratings include workforce skill development (96 respondents), improvement of customer services (96 respondents) and availability of telecommunications infrastructure and services (96 respondents). The factors that received the

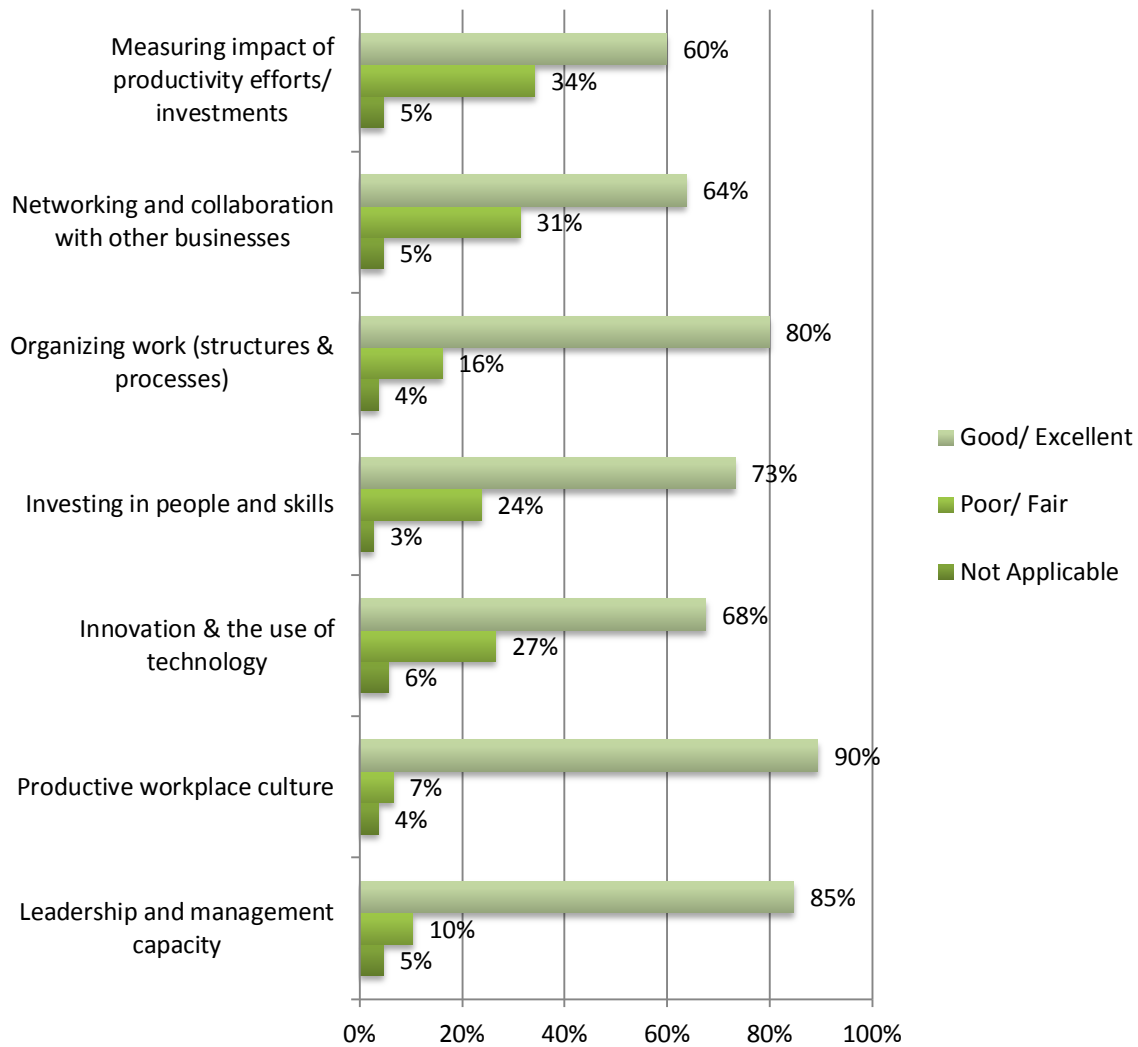
highest number of not important at all or not very important ratings include reliable air transportation (39 respondents) and access to exporting and international markets (37 respondents).

Figure 75: Importance of business competitiveness factors



When asked to rate their business' performance on a list of productivity drivers, the drivers that received the highest number of excellent or good ratings include a productive workplace culture (94 respondents) and leadership and management capacity (89 respondents). The factors that received the highest number of fair or poor ratings include measuring impacts of productivity efforts/investments (36 respondents) and networking and collaboration (33 respondents).

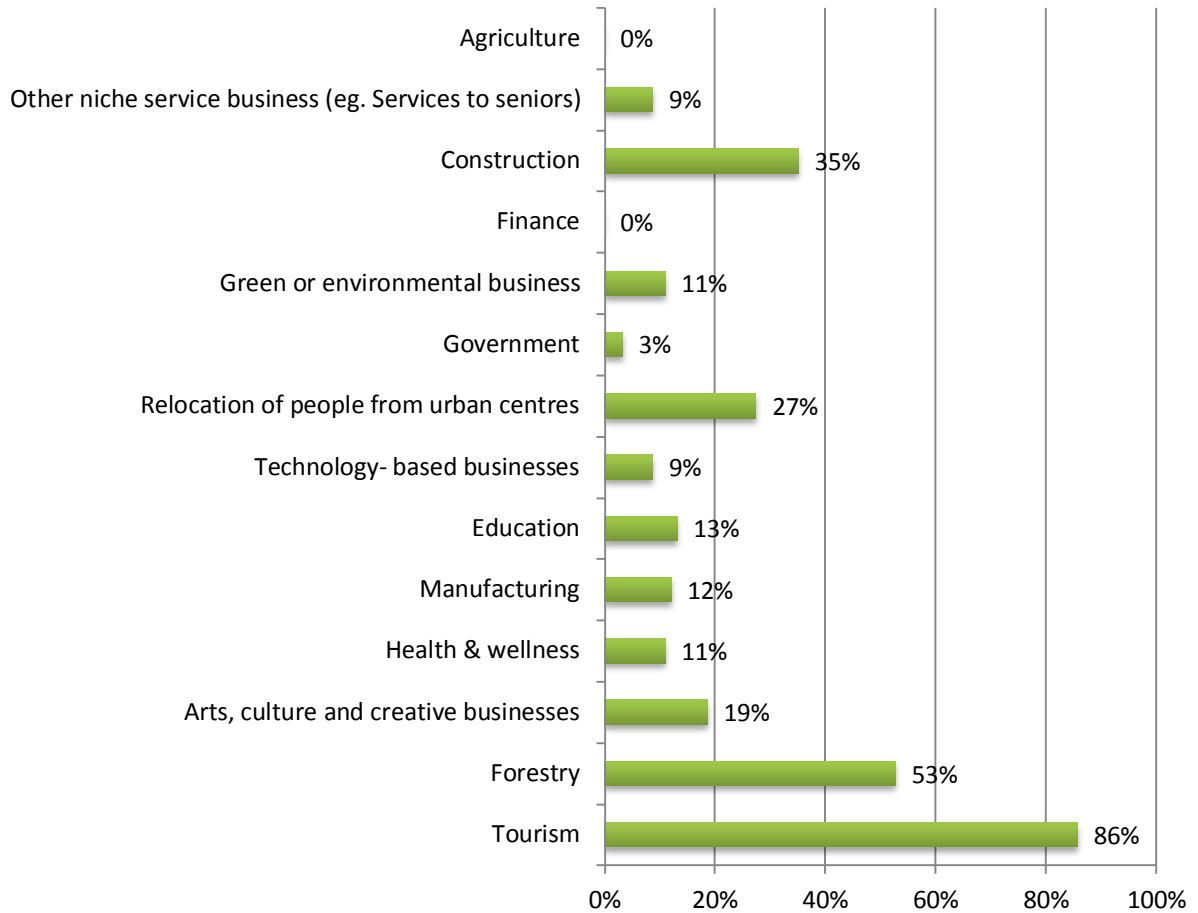
Figure 76: Performance on key productivity drivers



Economic Drivers

Respondents believe have the economic drivers with the highest growth potential over the next 5 to 10 years include tourism (86%) forestry (53%) and construction (35%). Notably, no respondents chose finance or agriculture as an economic driver with growth potential.

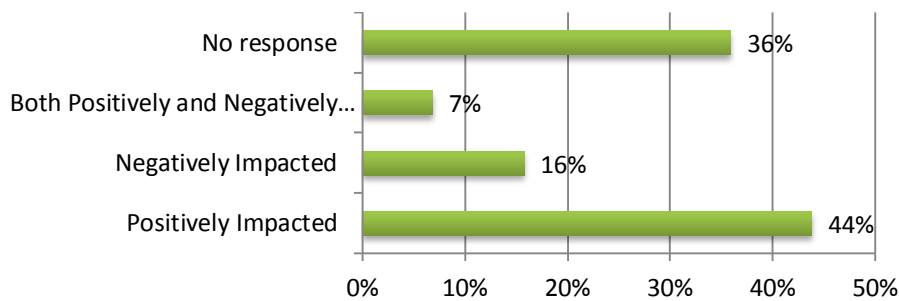
Figure 77: Economic drivers with greatest growth potential



Proximity to Alberta

Sixty-five percent of respondents reported that they were impacted by their proximity to Alberta. Forty-four percent of respondents stated that they were positively impacted, indicating that many of their customers come from Alberta. Sixteen percent of respondents reported being negatively impacted. Common reasons for this response related to locals doing major shopping in Alberta, and the difference in provincial taxes and regulations hindering competitiveness for their businesses.

Figure 78: Impact of Proximity to Alberta

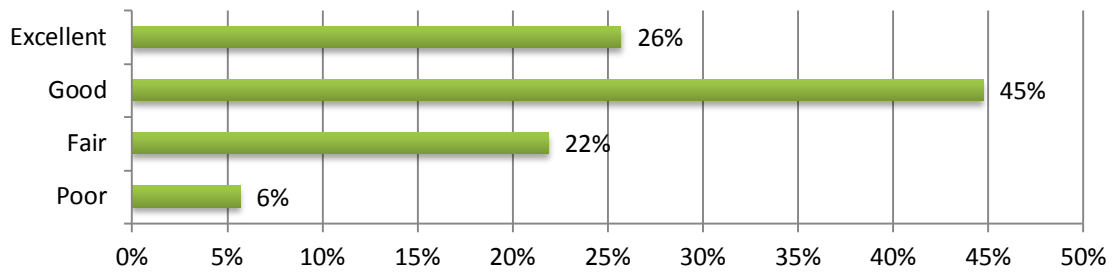


ASSESSMENT AND PLANS

Overall Health

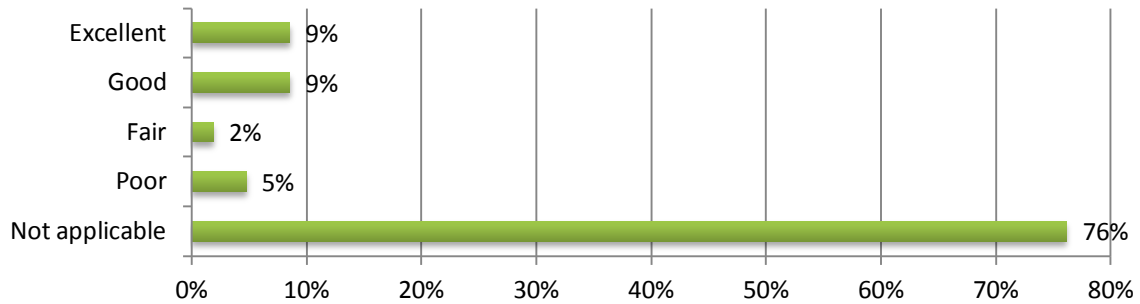
The majority of businesses surveyed reported that their company is in overall good health (45%), 26% reported that their company's health is excellent and 22% reported that it is fair. Only 6% of respondents indicated that their company is in poor health.

Figure 79: Company's overall health



Most businesses with a parent company indicated that the health of that parent company is either excellent (9% of respondents) or good (9% of respondents).

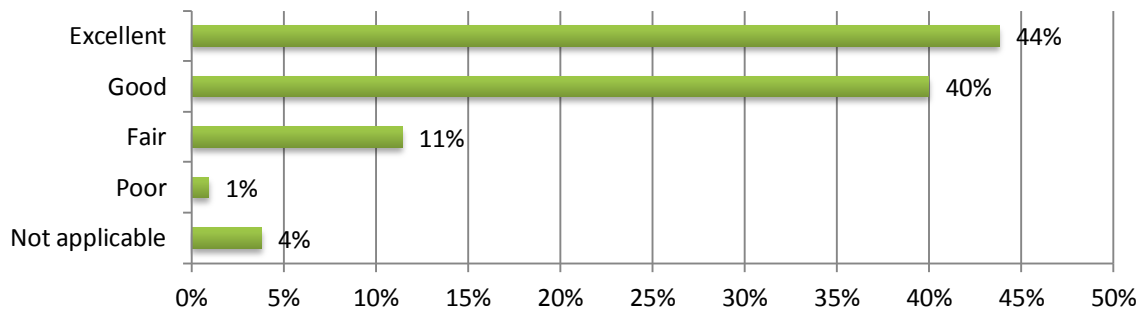
Figure 80: Overall health of parent company



Attitude toward Community

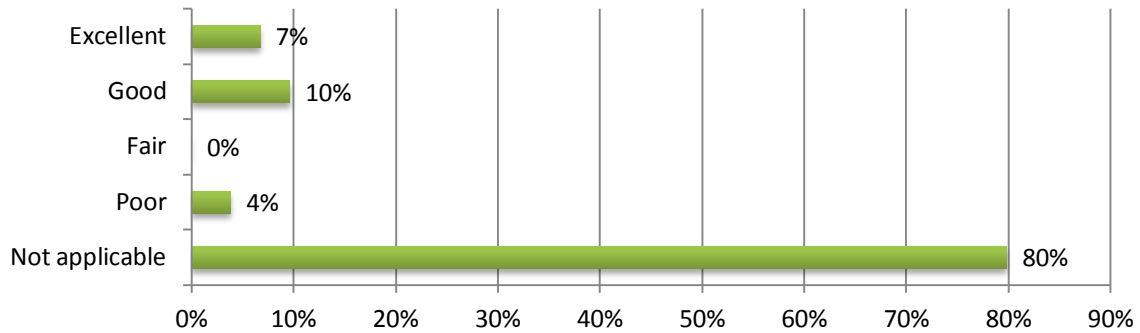
Forty-four percent of respondents indicated that their local management's attitude toward the community is excellent and 40% indicated that it is good.

Figure 81: Local management's attitude toward community



Data suggest that parent companies' attitudes towards the community is slightly less positive than local management's. The highest number of respondents (10%) indicated that their parent company's attitude toward the local community is good.

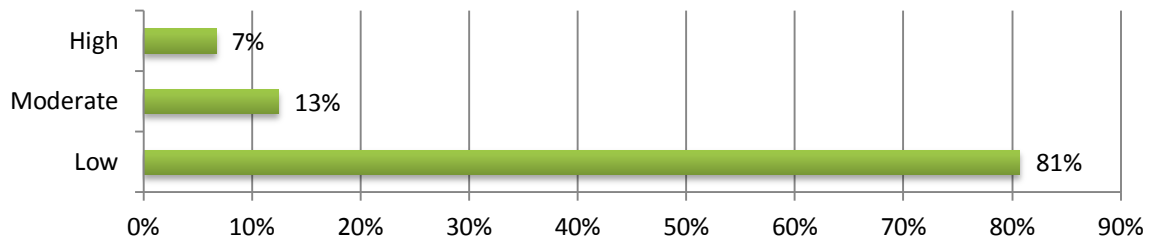
Figure 82: Parent company's attitude toward local community



Risk of Closing or Downsizing

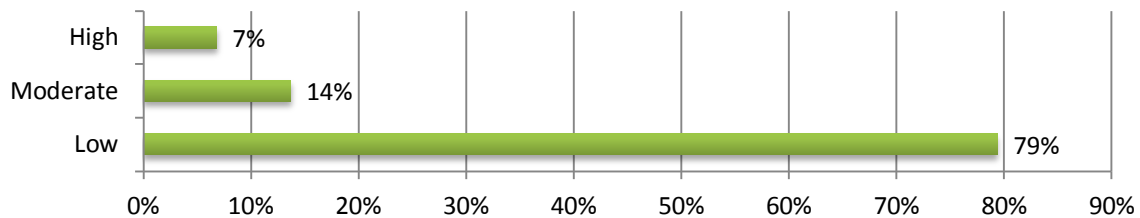
Data indicate that the risk of Kicking Horse Country businesses closing or downsizing is low. Only 7% of respondents reported that they are at a high risk of closing in the next 1-3 years.

Figure 83: Risk of facility closing



Seven percent of respondents indicated that they are at a high risk of downsizing.

Figure 84: Risk of facility downsizing



RECOMMENDATIONS

NEXT STEPS

The results of this survey can be used by economic development organizations in the Kicking Horse Country to inform short- and long-term business retention and expansion action planning. Many BRE programs ensure that follow-up actions occur as soon as possible following completion of the survey stage. This approach builds credibility, a sense of success and momentum to carry out long-term actions.

Successful BRE programs pick an initial set of short-term actions that:

- can be completed in 6 months or less;
- are highly visible to businesses and the community as a whole; and
- have the potential for considerable impact with minimal input (i.e., the “low hanging fruit”).

Many BRE actions also lead to long-term programs (e.g., a ‘Buy Local’ program), or ongoing plans and policies. Patience and a commitment over the long-term are critical in determining the success of these initiatives. For this reason, BRE should be thought of, and implemented as, a process as opposed to a one-time project.

BRE results can form the backbone of a community’s economic development strategy and, in some cases they are integrated into Official Community Plans (OCPs). Some communities form committees or action groups around the themes or action areas identified in the BRE report to ensure success in implementation.

The following steps could further support links to planning and action:

1. Prepare a follow-up report compiling current research findings alongside other relevant regional economic development research to identify common themes and further develop recommended actions.
2. Host a business stakeholder forum to present findings and prioritize actions. Host a facilitated action planning session with economic development stakeholders and industry representatives.
3. Host a facilitated action planning session with economic development stakeholders and industry representatives.
4. Based on results from the forums and planning session, finalize priority actions, develop related action plans, update existing economic development plans and develop relationships with a broader network of support providers (at regional, provincial and national scales) to support implementation.
5. Establish a monitoring program to assess the impact of implementation efforts.

POTENTIAL ACTION AREAS

Business Expansion

Businesses in the region are planning significant investment (over \$413 million) in expansion over the next three years. It is important to note that almost \$390 million of this planned investment was reported by four of the forty-one businesses who are planning to expand. The majority of respondents planning investment in equipment and technology indicated that over half of their investment will be spent on equipment and technology, while fifty-five percent of respondents planning investment in real estate reported that the majority of their expansion budget will likely be spent on real estate. Twenty-three businesses stated that they will be seeking a new site to accommodate their planned expansion and 12 indicated that a lack of suitable premises is actually preventing them from expanding. Results therefore suggest that Kicking Horse Country businesses could benefit from expansion assistance and, in particular, specific support targeted at real estate and land use. Actions on this theme could involve assisting businesses in locating potential expansion sites or working with governments to help their approval processes move “at the speed of business”. Government red tape and local zoning bylaws were often cited by respondents as barriers to local economic development.

Supply Sourcing and Buying Local

Data indicate that a tendency among Kicking Horse Country businesses and residents to purchase supplies from outside the region may be shrinking the local economy. This is evidenced by the fact that, while 59% of respondents sell primarily to local markets, only a third buy primarily from local suppliers. Money from local customers is therefore exiting the region through supply imports. While the vast majority of respondents (88%) stated that the supplies they need are not available locally, some of the products businesses indicated they would like a local supplier for are in fact already available in the region. A potential action on this theme could involve connecting businesses with relevant suppliers, both to improve businesses’ knowledge of the types of supplies that are available locally, and to ensure suppliers’ product lines meet the needs of local businesses. Additional research could also help develop a better understanding of the barriers to businesses buying locally.

Training

A lack of skilled staff was commonly cited as a barrier to expansion of businesses and the vast majority of respondents said that workforce skill development is important to the competitiveness of their business. Data therefore indicate that there are opportunities to support businesses through workforce training and professional development. Key training areas most often listed by businesses include retail/hospitality/customer service training and administrative/ computer skills. Uptake on training opportunities could be low in the region due to the limited time and financial resources available to small businesses. Therefore, actions on this theme may be best received if they are adaptive, flexible and, in some cases, subsidized. Respondents indicated they prefer classroom or seminar based training (63%) or online training (54%). Future initiatives could include supporting networks to help businesses identify shared training needs, and working with educational institutions to ensure local skill requirements are considered in programming.

Recruitment and Regional Promotion

Many respondents mentioned the problem of losing skilled workers to higher paid work outside of the region. The inability of local businesses to compete with higher wages offered in Alberta is an issue that is tied to some of the major barriers to growth in the community such as shrinking population and customer base. While many respondents reported issues with retaining employees, a greater percentage—about half—indicated that recruitment of new employees has been a challenge. Among local businesses, the most challenging recruitment categories include professional and technical and administrative/clerical. Since a strong majority of respondents acknowledged that expansion of the workforce is important to their company's competitiveness, providing recruitment support to businesses may help improve the area's economic climate. Currently, respondents primarily recruit locally. Actions on this theme could therefore involve assisting businesses with recruiting further afield, either individually or as a business community. Recruitment initiatives could promote amenity assets that respondents identified as strengths of the region (e.g., cultural/recreational amenities, quality of life, and sense of community).

Many respondents mentioned the need for greater regional promotion in their responses to attract new residents and recruit new employees. Regional promotion was often cited as a solution to some of the major barriers to growth in the community such as shrinking population, losing skilled workers to higher paid work out of the region and lack of proper signage directing people to downtown businesses.

Succession and Business Planning

Business and succession planning are critical to the health and longevity of businesses, yet less than a quarter of respondents indicated that they have a formal succession plan and almost a third do not have an up-to-date business plan. Furthermore, business and management training were among the most often cited areas of training needs. Data therefore suggest that there are opportunities to support the business community by providing succession and business planning assistance. Open, instructive training sessions have the potential to provide a base level of support to a large number of businesses; however, given the importance of individual circumstances in business and succession planning, a more targeted, one-on-one assistance program could result in greater overall benefit by providing a higher level of support to 'at-risk' businesses. Any future planning support initiatives should be aggressively advertised to ensure uptake among local businesses.

Local Government Coordination and Planning

Government red tape, local zoning bylaws and business development processes were often cited as barriers to new business development or growth. Many respondents reported a perceived lack of support for the business community at the local government level and provided examples of a lack of coordination of efforts and enforcement of certain bylaws such as parking space requirements that seem to hinder development and increase costs to prospective and existing business owners. Several respondents cited a need for a comprehensive vision of development or growth plan. The Kicking Horse Country economic development community may consider hosting a forum focused on business-government relations. This forum could act as a step toward an improved and mutual understanding of both parties' needs and interests.

APPENDIX B: DATA TABLES

COMPANY INFORMATION

Figure 1: Industry Classification		
Accommodation and Food Services	24	21%
Administrative and Support and Waste Management and Remediation Services	5	4%
Arts, Entertainment and Recreation	10	9%
Construction	9	8%
Educational Services	3	3%
Finance and Insurance	2	2%
Health Care and Social Assistance	5	4%
Information	2	2%
Manufacturing	2	2%
Other Services	4	4%
Professional, Scientific and Technical Services	12	11%
Public Administration	1	1%
Retail and Wholesale Trade	29	26%
Transportation and Warehousing	3	3%
Real Estate Rental and Leasing	2	2%
Total:	113	100%

Figure 2: Facility Functions		
Distribution	2	14%
Engineering / research & development	2	14%
Headquarters	8	57%
Manufacturing	3	21%
Services	6	43%
Warehousing	4	29%
Other	0	0%
Unique respondents	25	

Figure 3: Location of Competitors		
Local / Regional	90	83%
Elsewhere BC	37	34%
Alberta	14	13%
National	32	29%

International	14	13%
Unique Respondents	109	

Figure 4: Business Success Factors		
Family friendly & safe	2	2%
Location / proximity to markets or amenities	40	37%
Quality products & service	59	54%
Competitive prices	13	12%
Efficient operations	2	2%
Diversity, flexibility/hours of operation & prices	10	9%
Quality staff & customer service	33	30%
Customers / reputation	20	18%
Length of time in business	11	10%
Niche market / market share	25	23%
Use of technology/ internet	10	9%
Investing in new equipment	2	2%
Local supply	8	7%
Other	5	5%
Unique respondents	109	

Figure 5: Another Canadian Location		
Yes	11	10%
No	9	8%
No Answer	94	82%
Total	114	

Figure 5: Another International Location		
Yes	4	4%
No	15	13%
No Answer	95	83%
Total	114	

Figure 6: Life Cycle Stage		
Emerging	12	11%
Growing	57	53%
Maturing (Status Quo)	34	31%
Declining	5	5%
Total	108	

Figure 7: Length of Time in Business		
less than 1 year	4	4%
1-4 years	26	24%
5-9 years	20	19%
10-19 years	25	23%
more than 20 years	32	30%
Total	107	

Figure 8: Type of Business		
Sole Proprietorship	36	33%
Partnership	13	12%
Corporation	47	43%
Limited Liability Partnership	6	6%
Non-Profit	4	4%
Other	3%	0%
Total	109	100%

Figure 9: Location of Headquarters		
BC	13	65%
Elsewhere in Canada	5	25%
Elsewhere in world	2	10%
Total	20	

Figure 10: Ownership & Management Changes		
Ownership change in last 5 years	13	12%
Management change in last 5 years	26	24%
Pending ownership change	16	15%

Impact of Ownership Change		
Negative	1	7%
Positive	9	64%
Neutral	4	29%
Total	14	

Impact of Management Change		
Negative	3	12%
Positive	18	69%
Neutral	5	19%
Total	26	

Figure 11: Ownership Change Timeline

1 year or less	10	63%
2 years	2	13%
3 years or more	4	25%
Total	16	100%

Figure 12: Anticipated Exit Strategy		
Family sale / transfer	1	6%
Non-family sale / transfer	7	41%
Another company sale / transfer	2	12%
Close business	0	0%
Other	7	41%
Total	17	100%

Successor Identified		
Yes	24	23%
No	81	77%
Total	105	

Figure 13: Formal Succession Plan		
Yes	25	24%
No	71	68%
N/A	9	9%
Total	105	

Figure 14: Current Business Plan		
Yes	71	69%
No	32	31%
Total	103	

LOCAL WORKFORCE

Figure 15: Total Number of Employees		
0 or no answer	19	17%
Less than 5	41	53%
5-9	22	35%
10-19	16	13%
20-49	11	9%
50-99	3	5%
Over 100	2	4%

Total	114
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Figure 16: Nature of Employment		
Temporary	186	11%
Part Time	617	37%
Full Time	860	52%
Total	1663	

Number of Full-Time Employees		
Less than 5	62	63%
5-9	20	23%
10-19	7	7%
20-49	7	7%
50-99	0	3%
Over 100	2	3%
Total	98	

Number of Part-Time Employees		
None	48	42%
Less than 10	58	51%
More than 10	8	7%
Total	114	

Number of Temporary Employees		
None	91	80%
10 or less	19	17%
More than 10	4	4%
Total	114	

Estimated Payroll		
Under \$100,000	31	53%
\$100,000 to \$249,999	10	17%
\$250,000 to \$499,999	5	8%
\$500,000 to \$999,999	6	10%
\$1,000,000 to \$4,999,999	3	5%
Over \$5,000,000	4	7%
Total	59	

Figure 17. Employment Trend Over Last 10 Years

Decreasing	23	23%
Staying the Same	33	33%
Increasing	44	44%
Total	100	100%

Figure 18: Projected Employees in Three Years		
0 or No Answer	16	14%
Less than 5	35	31%
5-9	22	19%
10-19	20	18%
20-49	17	15%
50-99	1	1%
100 and over	3	3%
Total	114	

Figure 19: Change in full time staff over last 3 years		
Increased	43	39%
Stayed the same	56	51%
Decreased	3	3%
Total	102	

Figure 20: Full-Time Employment Trend Over Next 3 Years		
Decreasing	3	3%
Staying the Same	56	55%
Increasing	43	42%
Total	102	

Figure 21: Age of Essential Employees		
Less than 25 years	5	5%
26 to 34 years	35	34%
35 to 49 years	50	49%
50 years or older	13	13%
Total	103	100%

Figure 22: Wage in Relation to Other Businesses in Region		
Less than	8	10%
Same	35	42%
Greater than	41	49%
Total	84	100%

Figure 23: Trend in Unfilled Positions		
Decreasing	7	8%
Staying the Same	74	80%
Increasing	12	13%
Total	93	100%

Figure 24: Location of Workforce Recruitment		
Local	91	90%
Provincial	2	2%
National	6	6%
International	2	2%
Total	101	100%

Figure 25: Retention Challenges		
Yes	47	47%
No	54	53%
Total	101	100%

Figure 25: Recruitment Challenges		
Yes	47	47%
No	54	53%
Total	101	100%

Figure 26: Employee Retention Efforts		
Monetary incentives, wages and bonuses	34	48%
Benefits and perks	26	37%
Culture of respect and recognition	27	38%
Flex hrs	15	21%
Training	8	11%
Other	14	20%
Unique respondents	71	

Recruitment Activities		
Job Fairs/ Recruitment specialists/	5	7%
Foreign Workers	6	9%
Through schools/ Universities/ Colleges/ trades	9	13%
Newspaper Advertising	17	25%

Unemployment Centre	6	9%
Websites/ social media,	21	30%
Word of mouth	24	35%
Other	10	14%
N/A	8	12%
Unique respondents:	69	

Figure 27: Current Recruitment Areas		
Administration / clerical	9	20%
Advanced manufacturing workers	0	0%
Agriculture / farming	0	0%
Assembler / line workers	0	0%
CDL drivers	3	7%
Construction / contractors	6	14%
Electrical / electronics	4	9%
Food / beverage service	7	16%
General labourer	9	20%
Graphic arts / printing	5	11%
Healthcare professionals	1	2%
Hospitality service	9	20%
Machine operators	6	14%
Machinists	0	0%
Maintenance	3	7%
Manufacturing other	0	0%
Marketing	3	7%
Material / fabricators	0	0%
Mechanics	4	9%
Plant managers / operators	1	2%
Professionals / information techs / programming	5	11%
Professional other	8	18%
Professional / technical	10	23%
Sales / retail	7	16%
Sales / service	8	18%
Engineers	0	0%
Other	6	14%
Hairdressers / Stylists	0	0%
Unique responses: 44		

Responses to Other and Professional / Other for Current Recruitment Areas

Actuarial, software developers, systems administrators
 Millwrights
 Licensed broker
 Housekeeping
 Architectural engineering

Figure 28: Future Recruitment Areas

Administrative/ Clerical	15	25%
Professional/ Other	12	20%
General Laborer	10	17%
Graphic Arts/ Printing	4	7%
Marketing	4	7%
Prof/ Info Tech/ Programming	4	7%
health Care Professional	3	5%
Electrical/ Electronics	4	7%
Construction/ Contractors	4	7%
Maintenance	3	5%
Mechanics	11	18%
Machine Operators/ Machinists	4	7%
Plant Managers/ Operators	2	3%
CDL Drivers	2	3%
Professional & Technical	10	17%
Sales/ Service	6	10%
Sales/ Retail	7	12%
Food/ Beverage Service	9	15%
Hospitality Service	10	17%
Other	15	25%
Unique respondents:	60	

Responses to Other and Professional Other for Future Recruitment Areas

Commercial Truck Drivers,
 Equipment Operators
 Packers
 Accounting / Bookkeeping
 Actuarial, software developers,
 Architectural engineering

Baker
 Communications professionals
 Delivery driver
 Engineer
 Housekeeping
 Machine operators
 Manager
 Millwrights
 Plumbing & Kitchen Designers
 Power-Engineers
 Print specialist
 systems administrators
 Tandem Masters
 Hair technician

Figure 29: Skill Level of Majority of Workforce

Skilled / Professional	69	75%
Semi-Skilled	16	17%
Entry-Level	16	17%
Total	101	

Skilled / Professional Employees as % of Workforce

No Answer	23	20%
less than 25%	7	6%
25 to 49%	15	13%
50 to 74%	13	11%
75 to 100%	56	49%
Total	114	100%

Semi-Skilled Employees as % of Workforce

No Answer	58	51%
less than 25%	18	16%
25 to 49%	22	19%
50 to 74%	8	7%
75 to 100%	8	7%
Total	114	100%

Entry-Level Employees as % of Workforce

No Answer	76	67%
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less than 25%	15	13%
25 to 49%	7	6%
50 to 74%	13	11%
75 to 100%	3	3%
Total	114	100%

Training Budget		
Yes	63	62%
No	39	38%
Total:	102	

Figure 30: Professional Development Needs		
Administrative / Computer Skills	22	25%
Technology Skills	12	14%
Trades	11	13%
Equipment Operators	2	2%
Retail / Hospitality / Customer Service	23	26%
First Aid / WHMIS / Food Safe	17	20%
Workplace Safety	0	0%
Business / Management	18	21%
Operations / Processes	0	0%
Marketing / Sales	15	17%
Other	17	20%
Unique Respondents	87	

Figure 31: Preferred Modes of Training		
Classroom / Seminars	65	63%
Individual Coaching	43	41%
Online / Webinar Training	56	54%
Apprenticeship	0	0%
Trade Shows	5	5%
Unique respondents	104	

Figure 32: Usual Training Locations		
Local	48	48%
Regional	29	29%
Provincial	47	47%
National	30	30%
United States	13	13%

Unique Respondents	99
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Union Status		
Yes	6	5%
No	108	95%
Total	114	

Figure 33: Status of Labour Relations		
Excellent	1	17%
Good	3	50%
Fair	1	17%
Poor	0	0%
Total	5	100%

Figure 34: Critical Issues for Employees		
Housing	52	57%
Cost of living	51	56%
Transportation	27	30%
Childcare	21	23%
Other	19	21%
Unique Respondents	91	

Location of Employees						
	In Community		Elsewhere in Region		Outside of Region	
0-24%	2	2%	3	3%	3	3%
25-49%	0	0%	1	1%	2	2%
50-74%	1	1%	1	1%	1	1%
75-100%	99	97%	1	1%	2	2%
Total responses:	102		6		8	

SALES

Figure 35: Annual Sales		
Under \$100,000	21	18%
\$100,000 to \$499,999	20	18%
\$500,000 to \$999,999	10	9%

\$1million to \$4.99 million	16	14%
over \$5 million	6	5%
Confidential	41	36%
Total	114	100%

Figure 36: Status of Market		
Decreasing	12	11%
Stable	37	35%
Increasing	56	53%
Total	105	100%

Figure 37: Market Share in Comparison to Competitors		
Decreasing	7	7%
Stable	36	37%
Increasing	54	56%
Total	97	100%

Figure 38: Projected Sales Growth in Upcoming Year		
0%	5	5%
1-9%	34	35%
10-24%	37	39%
25-49%	12	13%
50-99%	5	5%
100% or more	3	3%
Total	96	100%

Figure 39: Historical Sales Trend (at this Location)		
Decreasing	15	15%
Stable	11	11%
Increasing	72	73%
Total	98	100%

Figure 40: Historical Sales Trend (at the Parent Company)		
Decreasing	2	12%
Stable	3	18%
Increasing	12	71%
Not Applicable	67	

Total respondents	17
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Figure 41: Historical Sales Trend (within the Industry)		
Decreasing	23	24%
Stable	20	21%
Increasing	52	55%
Not Applicable	7	
Total	95	

Figure 42: Historical Export Sales Trend		
Declining	0	0%
Staying the Same	2	29%
Increasing	5	71%
Not Applicable	88	
Total	7	100%

Figure 43: Sales Generated by Top 3 Customers		
1-9%	34	40%
10-25%	20	23%
26-50%	13	15%
51-75%	14	16%
76-100%	5	6%
Total	86	100%

Figure 44: Geographic Source of Majority of Sales		
Local	56	54%
Provincial	7	7%
National	27	26%
United States	1	1%
International	4	4%
Total	95	

Figure 45: Geographic Source of Majority of Sales		
Local	56	54%
Provincial	7	7%
National	27	26%
United States	1	1%
International	4	4%

Source of Sales (Local/Regional)		
0% or no answer	2	2%
under 50%	28	27%
50-99%	34	33%
100%	22	21%
Total	86	100%

Source of Sales (Provincial)		
0% or no answer	0	0%
under 50%	57	55%
50-99%	6	6%
100%	1	1%
Total	103	100%

Source of Sales (National)		
0% or no answer	32	31%
under 50%	44	43%
50-99%	27	26%
100%	0	0%
Total	103	100%

Source of Sales (United States)		
0% or no answer	66	64%
under 50%	36	35%
50-99%	1	1%
100%	0	0%
Total	103	100%

Source of Sales (International)		
0% or no answer	63	61%
under 50%	36	35%
50-99%	4	4%
100%	0	0%
Total	103	100%

Figure 45: International Trade Status		
Import	18	17%
Export	8	8%
Import/Export	3	3%

None of Not Applicable	79	75%
Unique Respondents	105	

Figure 46: Participation in Government Procurement		
Yes	24	23%
No	80	77%
Total:	104	100%

Figure 47: Source of Majority of Supplies		
Local/ Regional	33	32%
Provincial	24	23%
National	40	39%
United States	10	10%
International	2	2%
Unique Respondents:	103	100%

Figure 48: Reason for Out of Area Purchasing		
Product not available here	83	88%
Higher costs locally	33	35%
Long term contract with supplier/ loyalty to supplier	8	9%
Unaware of local vendors	10	11%
No control/ head office decision	4	4%
Quality of available product	13	14%
N/A	10	11%
Other	0	4%
Unique respondents	94	100%

FACILITIES AND EQUIPMENT

Figure 49: Facility Size		
less than 1000 sq ft	24	26%
1000-4999 sq ft	37	40%
5000-9999 sq ft	13	14%
10,000-19,999 sq ft	9	10%
20,000 sq ft or more	9	10%
Total	92	100%

Figure 50: Condition of Facility		
Excellent	44	44%

Good	36	36%
Fair	19	19%
Poor	2	2%
Total	101	100%

Figure 51: Condition of Equipment		
Excellent	46	45%
Good	46	45%
Fair	11	11%
Poor	0	0%
Total	105	100%

Figure 52: Number of Shifts		
One shift	64	62%
Two shifts	15	15%
24 hours	15	15%
Other	9	9%
Total	103	100%

Figure 53: Ownership Status		
Leased	40	39%
Owned	63	61%
Total	103	100%

Figure 54: Length of Time Remaining on Lease		
Less than 1 yr	16	41%
1-2 yrs	7	18%
3-5 yrs	8	21%
More than 5 yrs	8	21%
Total	39	100%

Figure 55: Investment in Facility (Past 18 months)		
Increasing	42	45%
Staying the same	41	44%
Decreasing	11	12%
Total	94	100%

Figure 56: Investment in Equipment (Past 18 months)		
Increasing	59	61%

Staying the same	30	31%
Decreasing	8	8%
Total	97	100%

Figure 57: Expansion Plans		
Yes	54	52%
No	50	48%
Total	104	100%

Figure 58: Adequacy of Current Site for Expansion		
Yes	33	59%
No	23	41%
Total	56	100%

Figure 59: Estimated Total Investment in Expansion		
Less than \$25,000	13	32%
\$25,000-\$99,999	7	17%
\$100,000-\$499,999	5	12%
\$500,000-\$999,999	7	17%
\$1-\$4.9 million	4	10%
\$5-\$9.9 million	1	2%
\$10-19.9 million	0	0%
\$20 million and over	4	10%
Total	41	100%

Figure 60: Expansion Budget for Equipment & Technology		
0%	1	2%
under 50%	9	19%
50 to 99%	14	29%
100%	24	50%
Total	48	100%

Figure 61: Expansion Budget for Real Estate		
0%	6	20%
under 50%	8	27%
50 to 99%	14	47%
100%	2	7%
Total	30	100%

Figure 62: Size of Facility Expansion		
20,000 sq ft or more	3	9%
10,000-19,999 sq ft	1	3%
5,000-9,999 sq ft	1	3%
1,000 to 4,999 sq ft	13	39%
Less than 1,000 sq ft	15	45%
Total:	33	100%

Figure 63: Barriers to Expansion		
Identifying / Accessing New Markets	16	31%
Broadband access	12	23%
Lack of Suitable Premises	12	23%
Problems with Development Approvals	6	12%
Transport / Freight	0	0%
Energy Costs	6	12%
Energy reliability	5	10%
Financing	28	54%
Lack of Skilled Staff	16	31%
Local Regulations (Zoning)	16	31%
Roads	5	10%
Warehousing	3	6%
Transport/ Freight	4	8%
Real Estate Costs	0	0%
Total	52	

Sought Expansion Assistance		
No	36	64%
Yes	20	36%
Total	56	

Figure 64: Expansion Assistance from Support Organization		
Innovation Council (KRIC)	2	10%
Federal Government	1	5%
Provincial Government	8	40%
Chamber of Commerce	2	10%
Local Government	10	50%
Local Economic Development Office	9	45%

Other	4	20%
Unique Respondents	20	

Figure 65: Energy Efficiency Considerations in Expansion Plans		
No	29	51%
Yes	28	49%
Total	57	100%

Figure 66: Awareness of BC Hydro Power Smart		
Yes	58	57%
No	44	43%
Total	102	100%

GOVERNMENT SERVICES

Figure 67: Rating of Government Services											
	Not Applicable		Poor		Fair		Good		Excellent		Total Respondents
Access to airport facilities	25	25%	40	39%	21	21%	12	12%	4	4%	102
Access to highway/roads	3	3%	9	9%	26	25%	24	24%	40	39%	102
Access to Markets	9	9%	8	8%	31	31%	33	33%	20	20%	101
Access to suppliers	9	9%	8	8%	40	39%	32	31%	11	11%	102
Availability of road transport services	12	12%	12	12%	36	35%	35	34%	7	7%	102
Availability of rail transport	61	62%	18	18%	3	3%	7	7%	9	9%	98
Availability of warehousing	56	58%	11	11%	17	18%	13	13%	0	0%	97
Disposal of waste material	14	14%	19	18%	19	18%	41	40%	10	10%	103
Recycling	6	6%	19	19%	24	24%	34	33%	19	19%	102
Inspections /licensing	19	19%	5	5%	21	21%	50	51%	4	4%	99
Development approval process	35	37%	29	31%	18	19%	11	12%	2	2%	95
Telecommunications (internet, cell)	1	1%	29	29%	26	26%	38	38%	6	6%	100
Availability of buildings for lease or purchase	28	28%	20	20%	14	14%	29	29%	8	8%	99
Availability of appropriately zoned	38	37%	17	17%	14	14%	28	27%	6	6%	103

land											
Water and sewerage supply	17	18%	4	4%	14	14%	43	44%	19	20%	97

BUSINESS CLIMATE

Figure 69: Business Climate Factors										
Business Climate Factors	Excellent		Good		Fair		Poor		No Opinion	
Workforce Quality	7	7%	34	32%	48	46%	7	7%	9	9%
Workforce Availability	4	4%	28	27%	36	34%	29	28%	8	8%
Workforce Stability	3	3%	16	15%	43	41%	32	30%	11	10%
Local Government	4	4%	37	35%	34	32%	21	20%	6	6%
Local Tax Structure	1	1%	24	23%	34	32%	29	28%	17	16%
Provincial Tax Structure	1	1%	25	24%	38	36%	31	30%	10	10%
Workers Compensation Rates	1	1%	31	30%	31	30%	14	13%	28	27%
Economic Development	4	4%	28	27%	35	33%	28	27%	10	10%
Cultural / Recreational Amenities	25	24%	47	45%	21	20%	7	7%	5	5%
Housing	1	1%	36	34%	40	38%	18	17%	10	10%
K-12 Education	9	9%	36	34%	19	18%	16	15%	25	24%
Colleges / Universities	7	7%	45	43%	27	26%	8	8%	18	17%
Technical Training	1	1%	21	20%	28	27%	33	31%	22	21%
Overall Business Climate	3	3%	32	30%	38	36%	27	26%	5	5%
Unique respondents										105

Figure 70: Business Climate Today vs 5 Years Ago		
Better Today	18	17%
No Change	22	21%
Worse Today	53	50%
No Opinion	12	11%
Total	105	100%

Figure 71: Business Climate 5 Years from Today		
Will be Better	71	68%
No Change	21	20%
Will be Worse	9	9%
No Opinion	4	4%
Total	105	100%

Figure 72: Community's Strengths as a Place to do Business		
Sense of community	28	28%
Quality of life/ lifestyle	24	24%
Local workforce	2	2%
Friendly and supportive people	38	38%
Small town feel	15	15%
Beautiful location/ access to recreation	40	40%
Access to highways/ rail	24	24%
Amenities/ access to technology	3	3%
Unique respondents	101	

Figure 73: Community's Weaknesses as a Place to do Business		
Isolated location	27	26%
Unavailability of products or services	8	8%
Small/ shrinking population	12	12%
Seasonal	5	5%
Locals shopping out of town	7	7%
High taxes/ cost of doing business	8	8%
Lack of cooperation/ collaboration	7	7%
Proximity to Alberta	5	5%
Lack of community vision/ growth plan	12	12%
Red tape/ zoning bylaws	16	16%
Look of downtown	12	12%
lack of promotion/ marketing / signage	6	6%
High cost of living/ low disposable income	8	8%
Lack of good jobs/ no major industry	8	8%
Lack of government support for business	15	15%
Other	15	15%
Unique respondents	103	100%

Barriers to Growth in Community		
Yes	90	86%
No	15	14%
Total	105	100%

Figure 74: Barriers to Growth in the Community		
Telecommunications (high speed internet)	3	3%
Seasonal economy	5	6%

Small / shrinking population	13	14%
Availability of commercial / industrial land	4	4%
Economy	2	2%
Look of downtown	3	3%
Amenities	4	4%
Access to capitol/ business loans	4	4%
Lack of cooperation/ collaboration	4	4%
Attitude of residents	5	6%
Availability of resources or personnel	4	4%
Isolated location	3	3%
Affordable housing / real estate	10	11%
Cost of living	5	6%
Taxes	10	11%
Local bylaws/ zoning/ red tape	25	28%
Lack of government support for business/ incentives for new business	10	11%
Marketing and promotion of town	4	4%
Limited/ saturated market	8	9%
Online/ Alberta Shopping	3	3%
Lack of high wage employment opportunities	26	29%
Other	6	7%
Unique respondents	90	100%

There are Key Suppliers to Attract to the Region		
Yes	41	39%
No	63	61%
Total	104	100%

There are Key Customers to Attract to the Region		
Yes	89	86%
No	15	14%
Total	104	100%

Key Customers to Attract		
Seniors	2	2%
Albertans	10	12%
Tourists	46	53%
Locals	3	3%
New residents/ amenity migrants	11	13%

Families	10	12%
Mining/ resource development	4	5%
Trans Canada/ highway traffic	5	6%
Businesses from Elsewhere	6	7%
Other	21	24%
Unique respondents	86	

Figure 75: Importance of Business Competitiveness Factors

	Not applicable		Not important at all or not very important		Somewhat important, very important		total respondents
New product research and development	6	6%	10	10%	88	85%	104
New Market development locally	6	6%	18	17%	80	77%	104
New market development outside of region	8	7%	21	20%	75	72%	104
Access to exporting and international markets	38	35%	37	36%	29	28%	104
Add or change in business, products or services	3	3%	15	14%	86	83%	104
Strategic alliances (joining with other businesses to provide products/services)	2	2%	24	23%	78	75%	104
Improving worker productivity	11	10%	11	11%	82	79%	104
Expansion of workforce employees	3	3%	16	15%	85	82%	104
Workplace health and safety	7	7%	16	15%	81	78%	104
Workforce skill development	1	1%	7	7%	96	92%	104
Energy costs	8	8%	17	16%	79	76%	104
Water/sewer availability	20	19%	19	18%	65	63%	104
Water/sewer costs	26	24%	21	20%	57	55%	104
Reliable air transportation	37	35%	39	38%	28	27%	104
Affordable shipping/freight	18	17%	17	16%	69	66%	104
Improvement of customer services	1	1%	7	7%	96	92%	104
Availability of telecommunications infrastructure and services	3	3%	5	5%	96	92%	104
Exchange rate for	20	18%	18	17%	66	63%	104

Canadian dollar							
Accessing capital	7	7%	22	21%	75	72%	104
Improvement business management	4	4%	7	7%	92	88%	104

Figure 76: Performance on Key Productivity Drivers							
	Not Applicable		Poor/Fair		Good/Excellent		Total respondents
Leadership and management capacity	5	4%	11	10%	89	85%	105
Productive workplace culture	4	3%	7	6%	94	90%	105
Innovation & the use of technology	6	5%	28	27%	71	68%	105
Investing in people and skills	3	2%	25	24%	77	73%	105
Organizing work (structures & processes)	4	3%	17	16%	84	80%	105
Networking and collaboration with other businesses	5	4%	33	31%	67	64%	105
Measuring impact of productivity efforts/ investments	5	4%	36	33%	63	60%	104

Figure 77: Economic Drivers with Greatest Potential for Growth		
Tourism	78	86%
Forestry	48	53%
Arts, culture and creative businesses	17	19%
Health & wellness	10	11%
Manufacturing	11	12%
Education	12	13%
Technology- based businesses	8	9%
Relocation of people from urban centres	25	27%
Government	3	3%
Green or environmental business	10	11%
Finance	0	0%
Construction	32	35%
Other niche service business (eg. Services to seniors)	8	9%
Agriculture	0	0%
Unique respondents	91	

Impacted by Proximity to Alberta		
Yes	74	65%
No	15	13%
No response	25	22%
Total:	114	100%

Figure 78: Impact of Proximity to Alberta		
Positively Impacted	50	44%
Negatively Impacted	18	16%
Both Positively and Negatively Impacted	5	4%
No response	41	36%
Total:	114	100%

ASSESSMENT AND PLANS

Figure 79: Company's Overall Health		
Poor	6	6%
Fair	23	22%
Good	47	45%
Excellent	27	26%
Not applicable	2	2%
Total:	105	100%

Figure 80: Parent Company Health		
Not applicable	80	76%
Poor	5	5%
Fair	2	2%
Good	9	9%
Excellent	9	9%
Total	105	100%

Figure 81: Local Management's Attitude Towards Community		
Not applicable	4	4%
Poor	1	1%
Fair	12	11%
Good	42	40%
Excellent	46	44%
Total	105	100%

Figure 82: Parent Company's Attitude Towards Community		
Not applicable	83	80%
Poor	4	4%
Fair	0	0%
Good	10	10%

Excellent	7	7%
Total	104	100%

Figure 83: Risk of Facility Closing		
Low	84	81%
Moderate	13	13%
High	7	7%
Total	104	100%

Figure 84: Risk of Facility Downsizing		
Low	81	79%
Moderate	14	14%
High	7	7%
Total	102	100%