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YORK REGION SMALL BUSINESS ENTERPRISE CENTRE CLIENT SURVEY

The Planning and Economic Development Committee recommends the adoption of the recommendation contained in the following report, May 11, 2006, from the Commissioner of Planning and Development Services:

1. RECOMMENDATION

It is recommended that this report be received for information.

2. PURPOSE

The purpose of this report is to present to Regional Council the findings of the Small Business Enterprise Centre (YRSBEC) Client Survey.

3. BACKGROUND

In February, Kirsten Eastwood Consulting was retained to conduct a survey of the small businesses who have attended consultation sessions at the YRSBEC. The purpose of the survey was to assess the impact and success of the Centre in facilitating business start-ups and expansions, and to determine the additional services that could be provided to meet the needs of small businesses in the Region.

4. ANALYSIS AND OPTIONS

4.1 Survey Methodology

The Survey was administered by the consultant during the month of March using a “Survey Monkey” online survey tool followed by telephone calls. The questionnaire was comprised of 19 multiple-choice and open-ended questions designed to assess the following:

- The development of the client companies in terms of business starts, business hires, nature of business, challenges in starting business, and the role of the YRSBEC in starting/expanding their business.
- Additional needs of small business owners for future YRSBEC services.

A copy of the Survey Questionnaire is shown in *Attachment 1*.

4.2 Survey Findings

A total of 165 small businesses responded to the Survey, which represents 63% of the Centre's contacts.

Overall, businesses surveyed were satisfied with the service they received from the *YRSBEC*. A vast majority found the experience to be positive and supportive in starting their businesses. Several respondents also commented on the high level of professionalism and thoroughness of the Centre's staff.

4.2.1 Profile of Respondents

- 71.5% of respondents had started their businesses since their consultation sessions with the Small Business Consultant.
- Over 61% of the clients surveyed were female over the age of 35.
- Most of the clients surveyed tended to be new, start-up business owners instead of established businesses wanting to expand/develop their businesses
- A majority of business starts involved service-based businesses.
- 67.7% of the businesses were home-based and sole proprietorships (67.7%).
- Approximately 62% of the owners were working full-time in their businesses.
- 20% of the respondents had hired staff, with 60.1% hiring independent contractors instead of employing permanent full or part-time staff.
- A majority of the businesses surveyed were located in Newmarket and Aurora. It is evident that the *YRSBEC* is used mostly by business owners who live or work within close proximity to the Centre. Although the York Region Centre also serves clients from other municipalities, most of the business owners in Markham, Richmond Hill and Vaughan would access Centres in their respective municipalities for support and assistance. The following is a breakdown of the respondents by municipality:

Aurora – 47

East Gwillimbury – 12

Georgina – 12

King – 0

Markham – 5

Newmarket – 58

Richmond Hill – 10

Vaughan – 5

Whitchurch-Stouffville – 3

Others (Outside Region, No Response) – 13

4.2.2 Usage of the *YRSBEC*

- Most small businesses were aware of the range of services offered by the *YRSBEC*.
- A majority of the respondents visited the *YRSBEC* for personal consultations to review their business needs, brainstorm ideas, and ask questions.
- Aspects of the Centre's services that the clients found most valuable included business planning, seminars, general information relating to business start-ups, marketing information, government information, financial planning, and referrals.

4.2.3 Challenges and Future Planning

- Marketing and financing were the biggest challenges for business owners.
- Lack of government grants and finding-long term customers were also concerns raised by the respondents.
- 50% of respondents indicated that they were planning to expand the volume of sales for their products or services.
- Over 40% were planning to launch new or additional products or service lines.

4.2.4 Suggestions for Additional Services or Support

- Engage other community groups to jointly explore ways to better support new business in their marketing and financial endeavours.
- Hold business fairs/networking events to showcase new business.
- Develop a speaker program to provide new business owners with an opportunity to promote their business through workshops or presentations.
- Create an information exchange such as a website to assist businesses on a tight budget to promote their business.
- Consider ways to provide new or additional support for established small businesses to help them move their businesses to the next level.
- Develop a mentoring or business coaching program or links to other community groups that offer similar programs which can be accessed by all business owners.
- Consider providing access to other services such as computer training and support.
- Topics for future seminars: Mentoring, Importing/Exporting, Government Regulations and Municipal Bylaws, Access to Government Grants, Marketing and Sales Skills.

4.3 Next Steps

The Small Business Enterprise Centre will continue with the services it is currently providing to new entrepreneurs while taking into consideration the feedback received. In view of the increasing demand for support for established businesses, the *YRSBEC* will be expanding its services to these companies through partnerships with community-based organizations such as the Chambers of Commerce and Board of Trade. It is proposed that this year's *Bridges to Better Business* events be held in partnership with these business groups in order to reach out to their members and the business community.

As part of *Bridges to Better Business*, the *YRSBEC* will be hosting a Small Business Providers Summit to bring together all the groups involved with providing support to small businesses in the Region. The Summit will be a forum for these groups to discuss common issues, develop a co-ordinated approach to service delivery, and explore ways to provide the support that are needed.

The *YRSBEC* will take an active role and work closely with banks and other financial institutions to create a better environment for access to funding. At the same time, the Centre will be working with community groups to explore opportunities of developing an interactive Small Business Website.

As part of next year's Business Plan, the Centre would be engaging a Sales Coach for the purpose of hosting regular Sales and Mentoring sessions. In addition, consideration will be given to include a Trade Fair component to the 2007 *Bridges to Better Business* event, similar to the format of the 2003 Bridges conference.

It is proposed that an online follow up survey be undertaken with clients on an ongoing basis, preferably six months after their consultation sessions, as a tool for continuous improvement and engagement.

4.4 Relationship to Vision 2026

The Small Business Enterprise Centre provides support for the growth of entrepreneurship and small business in the Region, and contributes towards achieving the Vibrant Economy Goal of *Vision 2026*.

5. FINANCIAL IMPLICATIONS

The total cost of the Client Survey amounting to \$2,000 was funded by the Ministry of Economic Development and Trade, as part of the one-time additional funding support for the *YRSBEC*. There are no additional costs to the Region in connection with this Client Survey.

6. LOCAL MUNICIPAL IMPACT

The Client Survey has shown that the York Region Small Business Enterprise Centre provides service to small businesses from all municipalities. It acts as a regional facility and collaborates with the other three Centres in Markham, Richmond Hill and Vaughan on activities to provide a comprehensive service to clients throughout the Region and beyond. The partnership model of service delivery has demonstrated to be effective in promoting entrepreneurship and growth of small business in the Region.

7. CONCLUSION

A cornerstone of the Economic Strategy is support for the growth of entrepreneurship and business enterprises. Findings of the Client Survey have shown that the York Region Small Business Enterprise Centre is instrumental in facilitating new business start-ups. The next step would be for the Centre to expand its services to established small businesses and help them grow to the next level. Follow up surveys should be held to engage clients on an ongoing basis. It is recommended that this report be received for information.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is included with this report.)