

B.E.A.R PROGRAM



**DISTRICT COUNCIL OF KIMBA
POSITIONED FOR ECONOMIC
GROWTH**

**LET'S BUILD A GREAT
FUTURE TOGETHER**

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Communities with an active and sustained economic development strategy will plant the seeds of success locally and regionally.



The Business Expansion and Retention (BEAR) Program is an economic development strategy used by the District Council of Kimba to proactively engage and connect with existing businesses in the District of Kimba to understand and respond to their needs.

Message from the mayor

Our local business and the economy that feeds it are the true yardstick and indicators of our district's health. When business is thriving, so is our wider community. Positivity is infectious, and the Kimba community is well known for its welcoming and inclusive nature. This is evidenced and supported by a strong business sector, and it's essential we foster and grow the economy to provide a sustainable future for both current and future generations.

Business retention and expansion are an important part of economic development, and our report on the Business Expansion and Retention Program emphasises that. Throughout this process, we connected with Kimba businesses via questionnaires and interviews to hear their thoughts, concerns and inspirations. The feedback and results of this project will be used to sustain and improve economic development in Kimba. I commend our council vision and this plan, designed by our Economic Development Manager, Mel Garabaldi, as a living document to guide an even brighter future.

Our town's resilience depends on a strong business sector to service our community and foster an improved tourism offer. Together this ensures viability and sustainability, which is vital for Kimba's future.

I endorse this program and encourage all in business, from owners and managers to their entire teams, to embrace the plan, taking full advantage of the tools provided to expand and become even better than we were yesterday.

Thank you to all involved, including our businesses that participated and Dylan Totos, University of South Australia Internship, who assisted the project as the Program Facilitator.



Dean Johnson
Mayor, District Council of Kimba

Executive Summary

The Business Expansion and Retention Program is a roadmap for the businesses in the Kimba community to navigate challenges and seize opportunities.

Community and economic development is a united effort by the whole community to utilise their social, human and financial resources to enhance the local economy, employment opportunities and quality of life.

Vibrant communities often have a healthy economy with diverse economic activities related to job growth, business growth and attraction, and sustainable infrastructure.

Business development and job creation are key factors in developing healthy, sustainable and enterprising communities.

Retaining and expanding local businesses is central to Kimba's economic development mission.

The Business Expansion and Retention (BEAR) Program is an economic development strategy of proactively connecting with existing businesses to understand and respond to their needs.

It is simply a gigantic community dialogue with owners and operators of local businesses about what helps and hinders their business activities and ideas to improve the local business environment.

This report details the findings and recommendations of the Program. It includes a description of the scope and its purpose, the methodology used, an analysis of the collected survey interview data, and recommendations with action plans.

The findings

The B.E.A.R. Program allowed the discovery of:

- A picture of local businesses' health.
- Local business needs and concerns.
- Perceptions by local businesses about what prevents expansion.
- Identification of any business considering relocation or closing and their reasons.
- Opportunities for matchmaking between local businesses.
- Current and future labour and market needs.
- New ideas for improving the local economy and the business environment.



The recommendations

Five approaches are recommended to help stimulate the local economy and job creation:

- Retaining and expanding existing local businesses.
- Encouraging new business establishment, attracting outside business, investment and resources.
- Plugging leaks in the local economy.
- Enhancing the job linking capacity of the community.
- Marketing the community.

The District of Kimba

The District of Kimba is a community of around 1,200 people. It is located on the northern Eyre Peninsula in South Australia, with the township of Kimba being the economic and cultural centre of the community.

Located close to the Gawler Ranges and is well known for being the halfway marker between the East and West Coast, making it a popular stopover when touring between South Australia and Western Australia.

Kimba's Big Galah and the remarkable Silo artwork feature are also well-known landmarks in the town.

Pastoralists settled in the area in the 1870s and began farming the region, with the town being named after the word 'kimba' from the local Aboriginal word for "bushfire", which was incorporated into the District Council's emblem. The town was built on Barngarla lands.

Kimba is primarily agricultural in nature, with a small retail centre in the heart of the town. It features a selection of cafes, supermarkets, agricultural supplies, and a hotel. It has several parks, including a playground, a public swimming pool, an R-12 school and several camping grounds that are very popular.

The town also features many trades and mechanical services, essential for touring vehicles and commercial freight for any repairs or maintenance required between long trips.

Importance of the retention and expansion of local businesses

70% of all investments in a region are driven by local businesses. Therefore, a region's number one lever for encouraging growth is its existing people and businesses.

The local existing business base is responsible for:

- Creating between 60-80% of new jobs.
- Providing most of the investment for new community economic initiatives and infrastructure.
- Generating ideas about possible new business.
- Acting as a catalyst for outside businesses to relocate or establish within the community.



Business retention is at the core of everything we do in economic development. It's the first thing on my list — to take care of our existing businesses.

Mel Garibaldi
District Council of Kimba

Program Overview

Purpose

Our community recognises the importance of retaining our valued businesses and is ready to develop an action plan that supports existing businesses, retains and creates new jobs and opportunities and identifies local issues and business needs.

Objectives

The BEAR program is designed to help existing businesses solve current and potential problems to sustain growth and development.

Short-term objectives:

- Enhance the profile of businesses within the local community.
- Discover the concerns and issues perceived by local businesses.
- Encourage new ideas in terms of economic development and employment opportunities.
- Respond to immediate business concerns.

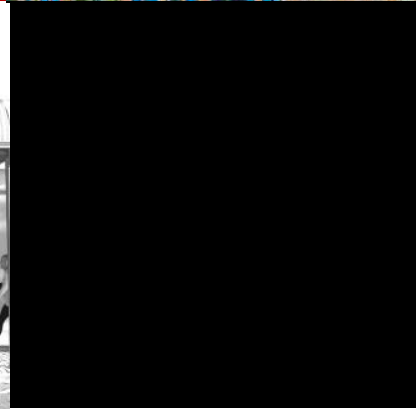
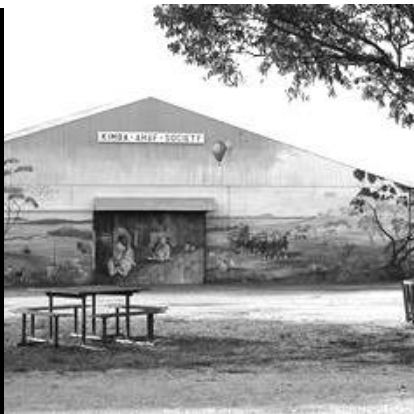
Long-term objectives:

- Identify windows of opportunity for new business.
- Business growth, business matchmaking and networking.
- Establish and implement strategic action plans for economic development.
- Generate widespread community interest.

Scope

The BEAR Program involved conducting confidential interviews and surveys with business managers and owners to find out more about the business operating in Kimba. The project team then undertook data analysis and action planning to address issues and opportunities.

Of the Main Street businesses that were targeted for visitation, 78% participated in the Program.



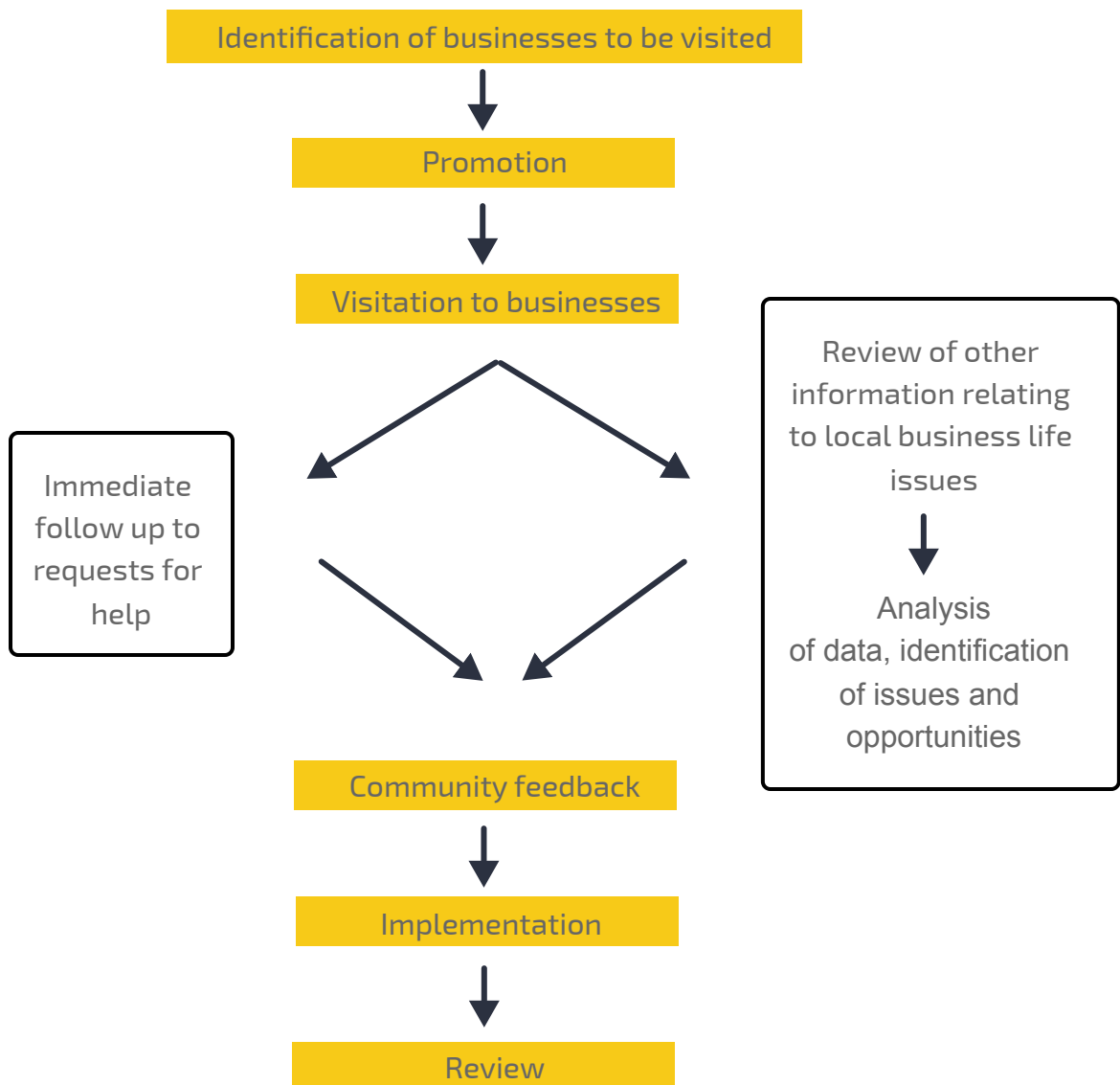
Program Methodology

The B.E.A.R. Program was delivered by the District Council of Kimba Economic Development Manager, and the successful establishment and implementation involved four recommended key stages:

1. Planning
2. Visitation
3. Analysis
4. Community feedback and action

These stages are outlined in the following diagram.

Flow diagram of the B.E.A.R. Program



Results and Red Flag Issues

Business Overview

Local ownership of businesses



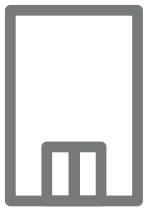
86% Locally owned

Advantages to Operating a Business in Kimba

- Quality of life the area has to offer
- Positive image of the community
- Local customer loyalty

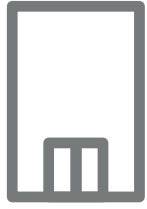
Business Structure

Company



50%

Partnership



29%

Sole Trader



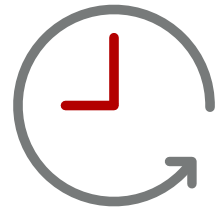
21%

Business Operating Duration

30% - 2 to 5 years

8% - 6 to 10 years

62% - more than 10 years



Industry Category

Accommodation and Food Services



14%

Agriculture



21%

Manufacturing



14%

Wholesale Trade



7%

Retail Trade



42%

Financial and Insurance



7%

Education and Training



7%

Arts and Recreation



7%

Key Issues Identified

The B.E.A.R. Program identified four areas that the District Council of Kimba can focus on to best assist the local business community:



Low labour employment

A workforce able to meet the needs of businesses and organisations is necessary for a strong local economy.

Difficulty finding employees is a reoccurring and predominant issue amongst the respondents and one that would assist businesses the most. Over fifty per cent of participants indicated that they need more staff to improve productivity.

As a necessary part of economic growth, this issue presents a critical barrier that should be prioritised as it has the most potential for positive impact.

Rural communities frequently struggle to attract and retain new employees due to several factors, including distance, access to essential services such as healthcare and childcare, housing availability and more.

A lack of accommodation has been specifically mentioned as an area needing support, and the lack of a doctor in Kimba is a significant disadvantage for the region.

It will be essential to reduce these barriers as much as possible to attract new employees and grow the population.

Existing employees need specialised training

The responses indicated that there is a need for training amongst employees of businesses.

There are strong indicators that the lack of employees trained in operational skills such as sales, administration and management are contributing to the slow growth of some businesses.

This may also make it difficult for long-term operators to succeed in their businesses and move from less hands-on positions to more executive roles or owner-exclusive positions.

Twenty per cent of program participants said they would need to train their staff to improve their businesses over the next 12 months. Nearly thirty per cent of participants said they need marketing and customer service training for their team, with other specialised skills being required.

Supporting access to efficient and effective staff training may be necessary to improve Kimba's business community based on the data uncovered in this project.

Small market size and slow market growth

Small market size and slow market growth have been identified in this study as crucial factors that are challenging businesses in Kimba.

Being a remote district and small town with approximately 1,200 people, the market size of Kimba is naturally limited by its population.

Twenty-one per cent of the respondents are experiencing either slow growth or no growth in sales. Fifty per cent of participants indicated that the small market size is a direct disadvantage of operating in Kimba.

The limited range of industry types is also a contributor to the slow growth of the market.

There is a significant lack of businesses in general trades, I.T., Marketing, Information and Telecommunications and others.

Businesses are shown on average to be small, with no businesses having over twenty employees and only half of the businesses being registered companies.

The limitations of the market size equate to low flexibility, making it difficult to enter and exit the market. This is represented in the responses by the hesitancy into manufacturing locally and may be related to the other red flag issues of lack of training and low employee numbers.

The existing demand for succession planning is also an indicator of the inflexibility surrounding exiting markets in Kimba.



The limitations of the market size equate to low flexibility, making it difficult to enter and exit the market. The existing demand for succession planning is also an indicator of the inflexibility surrounding exiting markets in Kimba.

Overall, thirty-six per cent of participant businesses in Kimba expect no change within the next two years in terms of employees. Many factors could be contributing to this, including the two previously identified issues of employee attraction and lack of training.

Another target issue related to this is the small focus on regional and touring customers. The responses suggest that less than thirty per cent of these types of customers make up the market. Therefore this could be a greater focus through initiatives such as adding digital services and online presence to better market to these groups.

The small market size in Kimba creates many barriers that restrict growth. However, by resolving the issues identified in this project, there may be untapped potential for economic growth in Kimba.



Regional and touring customers make up less than thirty per cent of Kimba's market customer base.

Adding digital services and online presence to better market to these groups might help overcome barriers restricting the market growth.

Need for modernisation, online services, and general expansion

There are strong indicators within the responses that businesses in Kimba could benefit from support in modernising, expanding, and incorporating digital services and technologies into their operations.

More than twenty per cent of the respondents said they would like to develop online websites.

Twenty-nine per cent of the participants demonstrated a desire or need to modernise their facilities, and twenty-one per cent expressed a desire to expand their businesses.

This need is also demonstrated by the demand for business planning and marketing skills in employees and the requested support areas from the local council.

To effectively modernise and expand the business, it will be essential to reach out to regional and touring customers effectively as well as locally. This could be a potential area to focus on.

Creating an established online presence will be important in achieving this and adding online services and online shopping.

While many participants indicated that they have websites or social media pages, none of the businesses had online booking or shopping services.

The need for support in these key areas is further inferred from the factor that participants expressed the need to improve their businesses performance.

Of these, over thirty-five per cent said they would need new machinery/equipment, fifty per cent said they need more staff, and almost fifteen per cent want to add new products.

Participants also expressed within the comments that they require staff training, systems automation and online sales to improve their businesses.

This information highlights digital expansion as a critical issue when expanding their operations because it impacts areas such as automation, marketing, staff training and recruitment.

The need for modernisation and expansion is further demonstrated by the need for I.T, Marketing and Management skills amongst new employees as these would facilitate these changes effectively.

The lack of skilled employees in the areas of I.T presents a significant barrier to modernising and expanding businesses in Kimba, as these types of experts drive digital literacy and transformation necessary for modernisation.

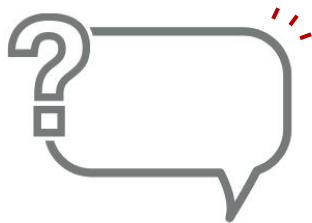
For businesses to reach new customers, both within Kimba and externally, digital marketplaces and the support of local campaigns will be essential to increasing awareness and forming networks within the community which will strengthen the local economy.



Recommendations and Action Plans

Recomendation

Retain and expand existing local business



Small businesses* contribute \$62M to Kimba's economic output, which accounts for 39% of the total output of the region.

*Excluding Agriculture, Forestry & Fishing sector.

Actions

Grants Portal

Provide a free regional grants portal with a localised grants discovery solution for businesses and community organisations, removing grants that aren't relevant to the region to help raise grant awareness amongst our community and, in turn, promote economic growth.

Town Boosters Program

The Town Booster is a hands-on program where the business owners receive a Handbook and Audit Tool to help identify ways to attract more visitors. These insights are then turned into a Business Booster Plan, including a step-by-step front business makeover on a shoestring budget of \$1950 or less.

Skills Program

Through the Skills Program, Council will fund training courses to assist residents and local businesses gain and developing their knowledge and leadership abilities.

In partnership with professional training organisations and industries bodies, Council will fund training across a range of areas, including:

- Succession Planning Consulting
- Business Growth Consulting
- Business Appraisal Service
- Business Support Package
- Tourism Product Mentoring Program

Recomendation

Encourage new business establishment and attract investment and resources

Actions

Invest in Kimba Portal

Deliver a central website showcasing the region's investment potential and opportunities to potential investors.

Start-Up Mentoring Program

Mentoring Program to help residents gain and develop their talents to turn their business ideas into reality.

Recomendation

Plug leaks in the local economy

Actions

Support Shop Local Campaigns

Improve public awareness of the value of small businesses. When consumers are better informed about the key roles played by local small businesses, they are more likely to support this segment of the economy.

Support business cohesion

Facilitate partnerships between businesses to increase business opportunities and sustainable growth.

Recommendation

Enhance the job linking capacity of the community

Actions

Foster Partnership with UniSA and Kimba Area School to provide apprenticeships and traineeships, including school-based.

Facilitate school-based apprenticeships and continue the partnership with UniSA to grow the internship program and increase awareness and exposure for new entrants into the labour market while offering valuable support for the business and its existing employees.

Implement the Kimba Future Workforce Plan

Facilitate the roll-out of the Kimba Future Workforce and Training Plan and the associated implementation of recommendations.

Recommendation

Market the community

Actions

Kimba Marketing Campaign

Develop a video marketing campaign to help promote the region and attract skilled workers.

Branding Strategy

Develop a brand for Kimba that reflects the essence and truth of the community to help attract new and talented people and businesses and create a bond between community members.

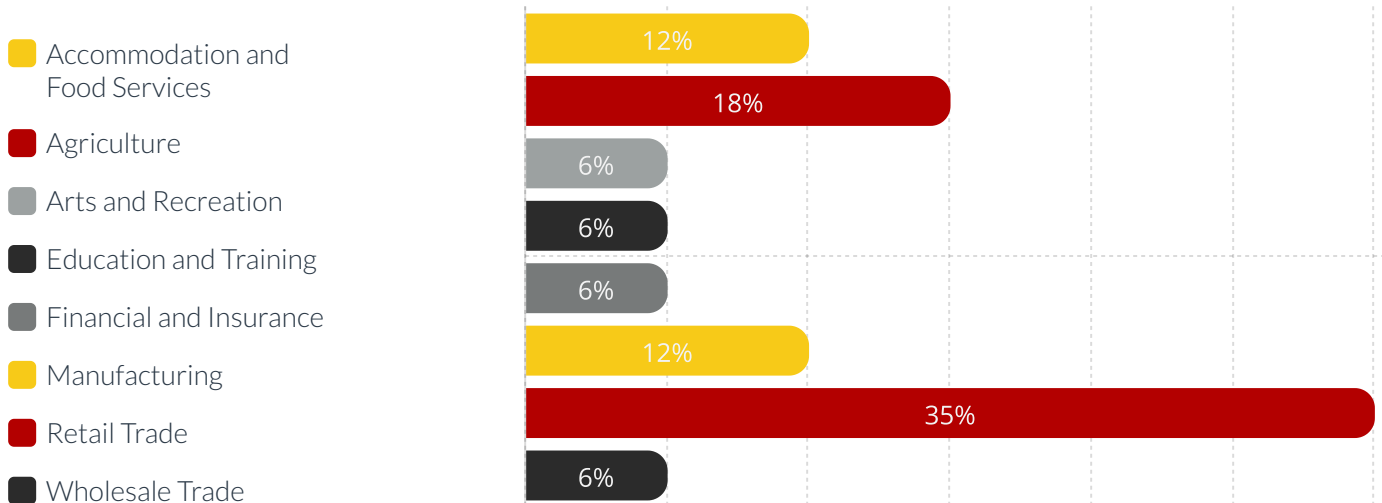
Market the township of Kimba as a destination for travellers along the highway through target campaigns and signage

Develop a signage strategy to help attract travellers to the town centre.

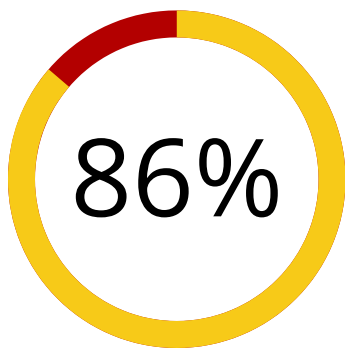
Data Analysis

B.E.A.R Program Participants: Business' Industry Category

Businesses participating in the Program came from various industries, with Retail and Agriculture being key industries, followed by Accommodation and Food Services and Manufacturing. With such diverse business industry participation, survey results provided a broad view of local businesses.



Local Ownership of businesses



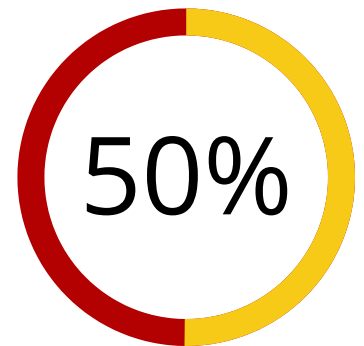
Most businesses are locally owned, which is a potential indicator of a strong, connected community.

Online Presence of businesses

A lot of businesses have a good online presence. However, online shopping and online booking systems are not currently being used.

This presents a potential opportunity for assistance if businesses require or are interested in these assets and could aid with business growth.

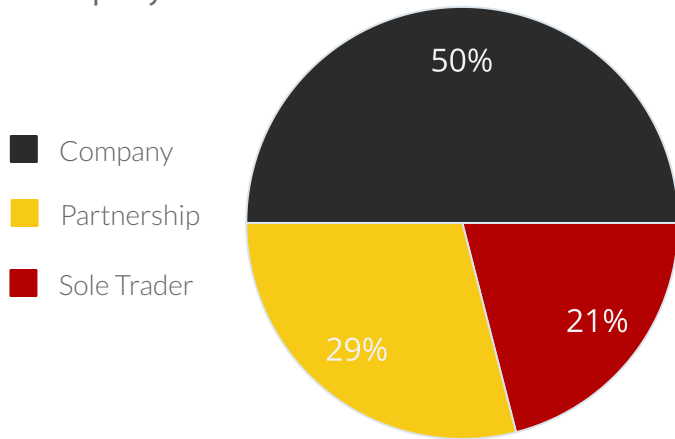
Overreliance on social media instead of a fully functional website can limit marketing potential.



Facebook/Instagram
Website

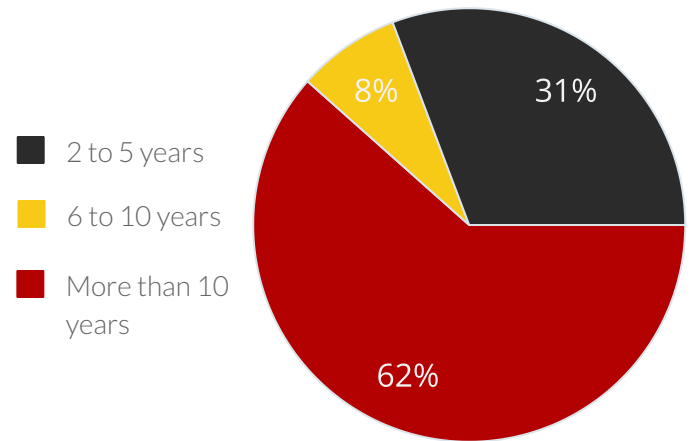
Business Structures

Over half of the participants are registered as companies. As businesses grow, there may be a need for assistance in transitioning into a company.

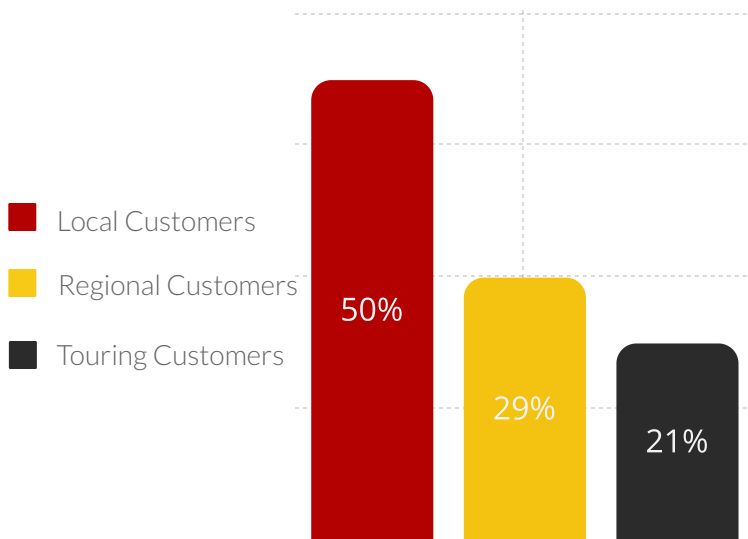


Business Operating Duration

Over half of the businesses established in Kimba have been operating for more than ten years.

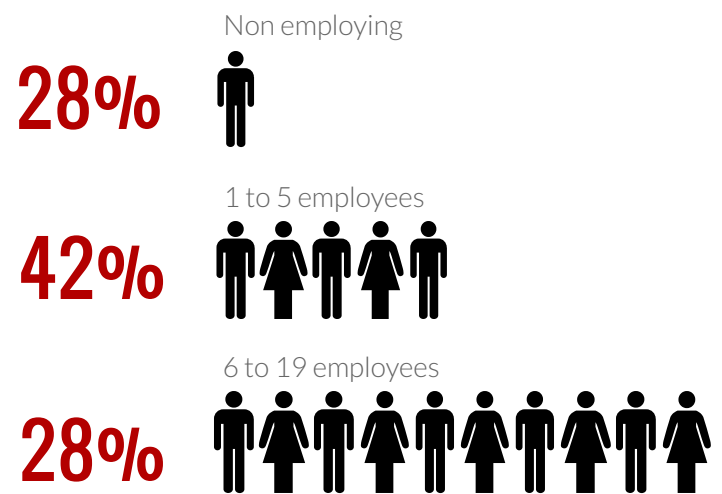


Customers Base



Most businesses primarily provide for local customers, showing an opportunity to provide for regional and touring customers as a focus for expansion.

Number of Employees

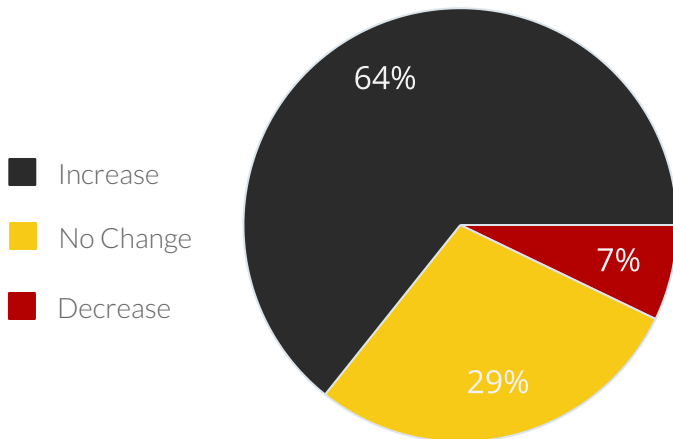


A vast majority of business owners are involved in the day-to-day operations of their business. In terms of employment, most businesses employ between 1 to 5 people.

Expected Change in the Next Two Years:

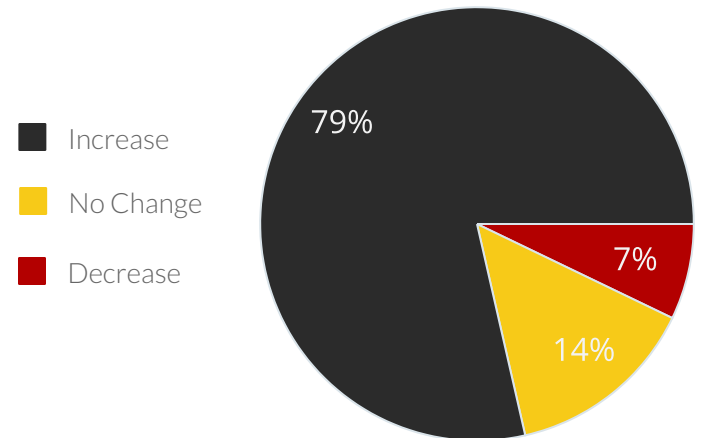
in Numbers of Employees

The expected increase in employee numbers is an indicator of growth in Kimba. Employee recruitment is a red flag issue, and supporting this will be a key strategy to unlocking the growth potential of businesses in Kimba.



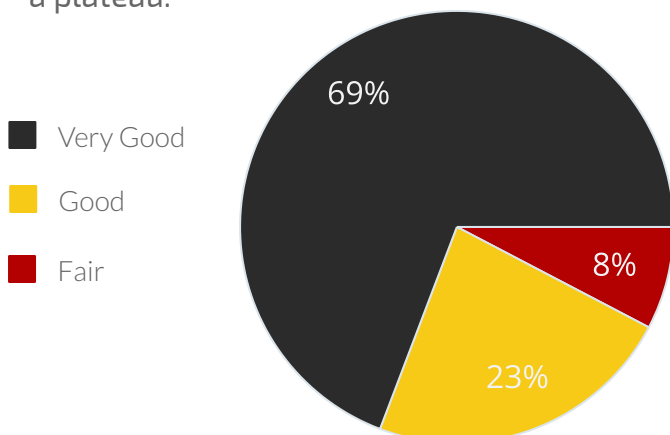
in Sales

Most businesses conveyed a positive outlook, with only a small percentage indicating a decline. Reasons for anticipated industry growth included broadening market opportunities, and future investments the new waste management facility will bring.



Business Outlook over a 12 month-period

Although businesses with a fair or declining outlook will have specific barriers and issues that need to be addressed, the actions should not focus only on them. Businesses with a good or very good outlook will still need support to continue to expand and to prevent a plateau.



Advantages to Operating a Business in Kimba

- Quality of life
- Positive image of the community
- Local customer loyalty

Disadvantages to Operating a Business in Kimba

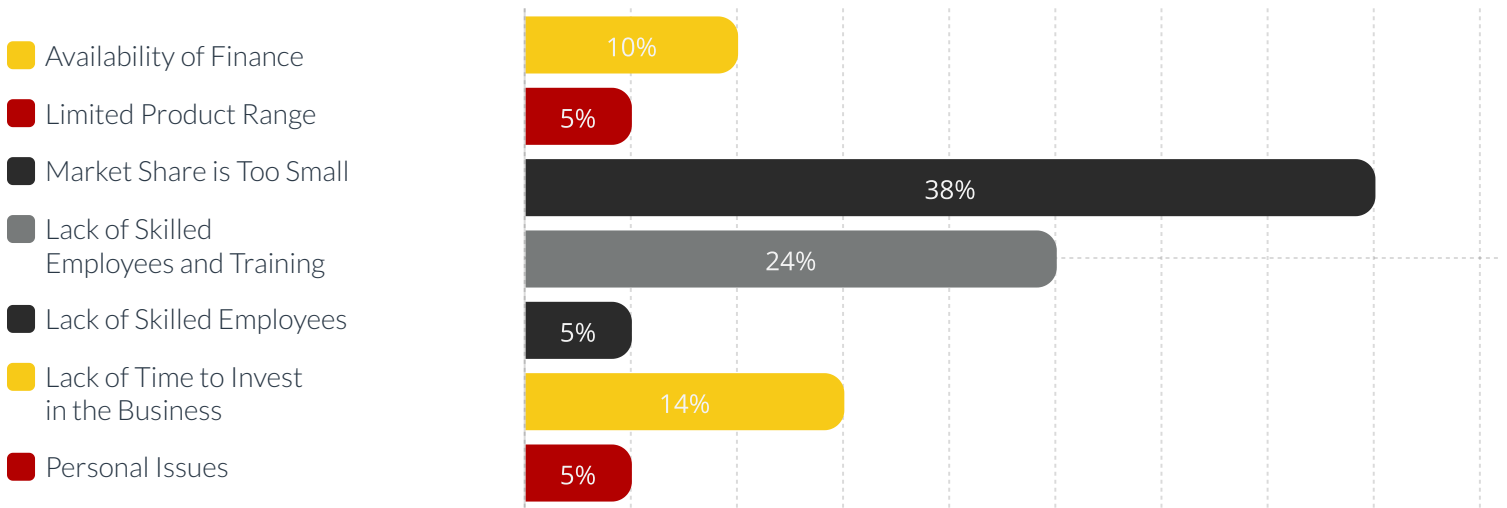
- Small size of the local market
- Small growth of the local market
 - Labour shortage
 - Transport service costs

Key Areas Needing Support

- Communication networks
- Housing available for employees
- Quality and supply of local labour

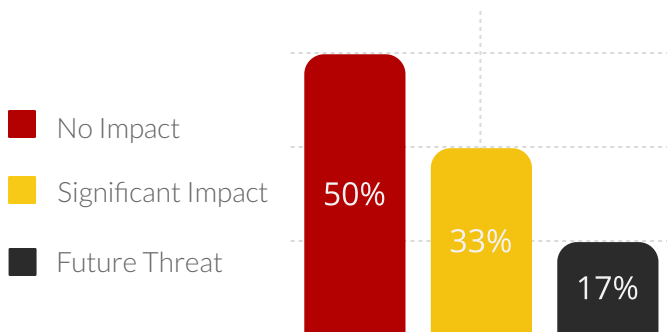
Major Constraints to Business Expansion

The lack of skilled employees is a difficulty identified in previous data as a reoccurring issue as well as the size of the local market.



Impact of Competitors

The town's small size naturally leads to competition when existing businesses share the same target markets. There are, however, indicators that the competition within Kimba is currently at a healthy level. As a result, the local competition is not listed as a significant constraint businesses currently face.



Business would like the Council to investigate

more affordable freight service

Business hub

grants info

Help for business to start

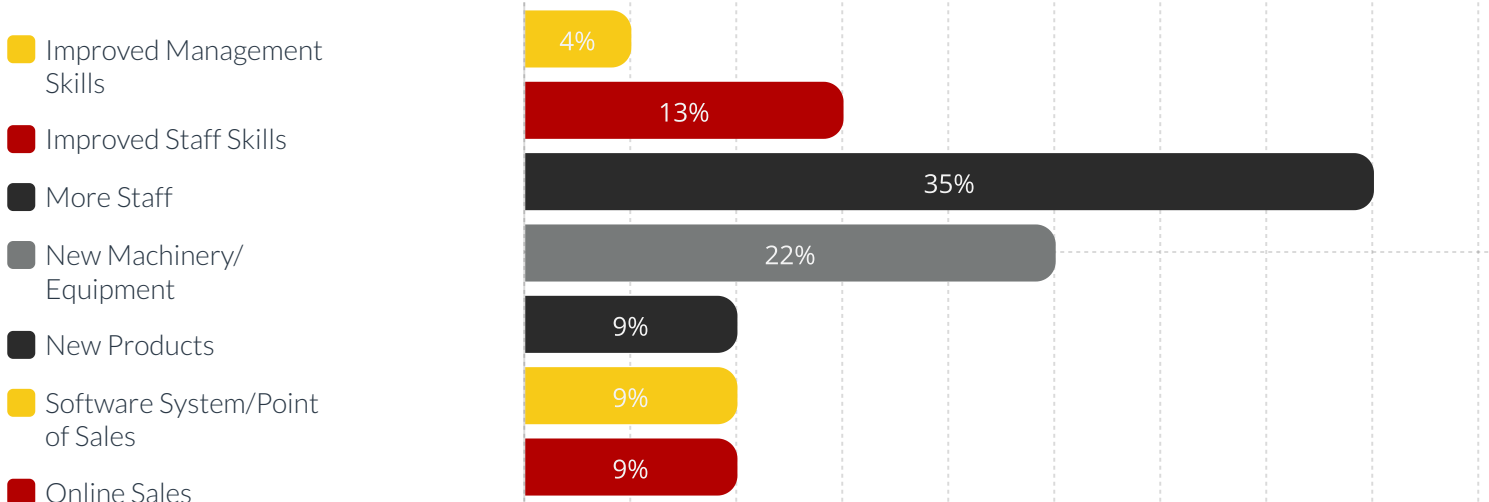
marketing strategies

business mentoring

business planning

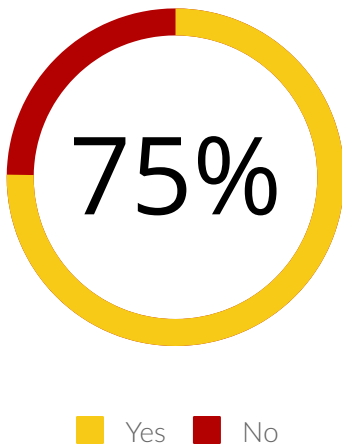
How to Improve Business Performance Over the Next 12 Months

Survey participants indicated more staff, improved staff skills, and access to new equipment/machinery are the forms of assistance or opportunities that would be the most beneficial to support local businesses.



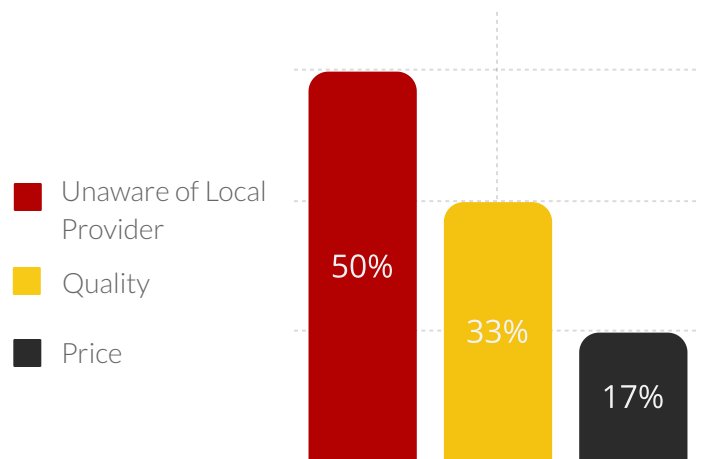
Interest in Providing or Manufacturing Locally

The results are an excellent indicator of business expansion potential and the need to support expansion through these opportunities.



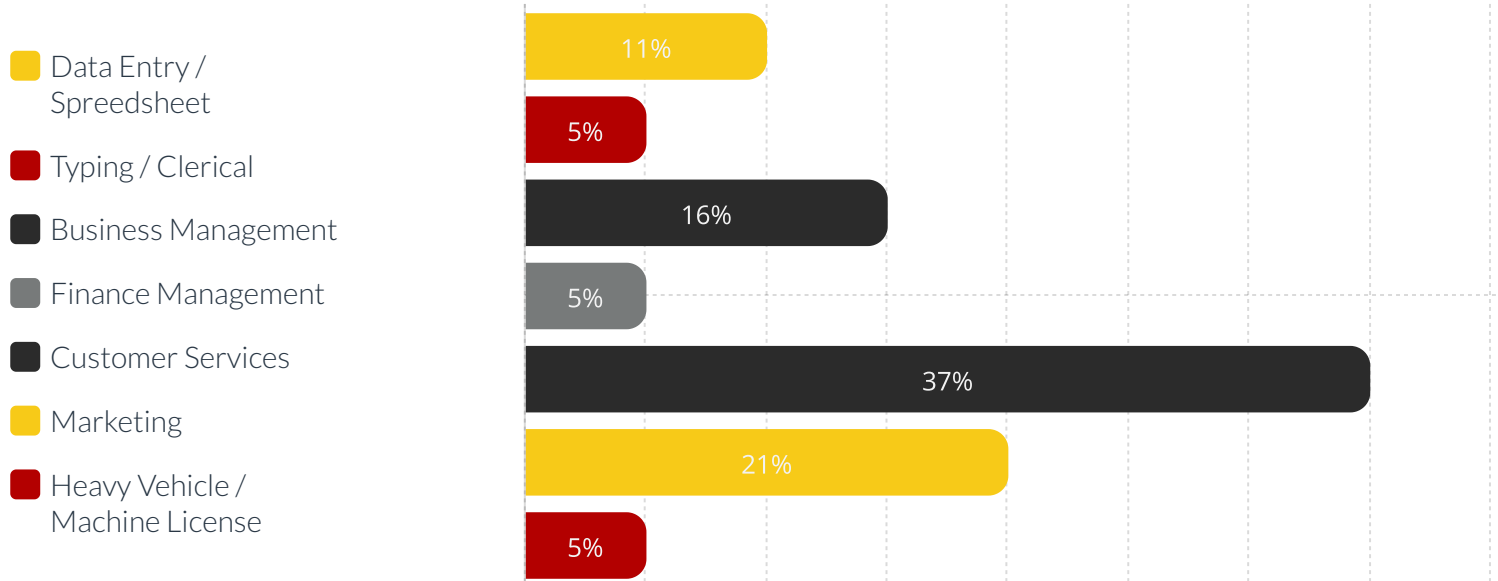
Reasons for Purchasing Outside of the Community

Digital marketplaces and the support of local campaigns will be essential to increasing awareness and forming networks within the community to strengthen the local economy.



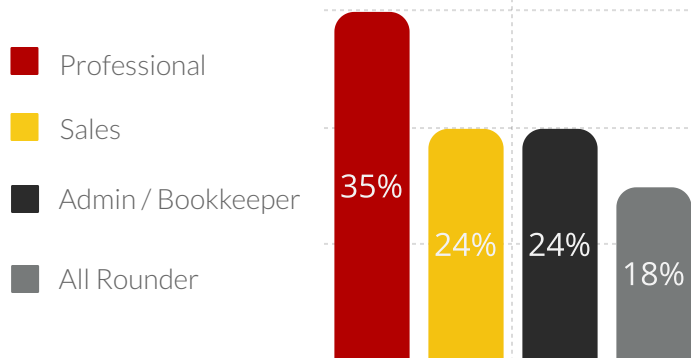
Desired Skills for New Staff

The primary classification of the skills identified appears to be administration, business, and customer service skills.



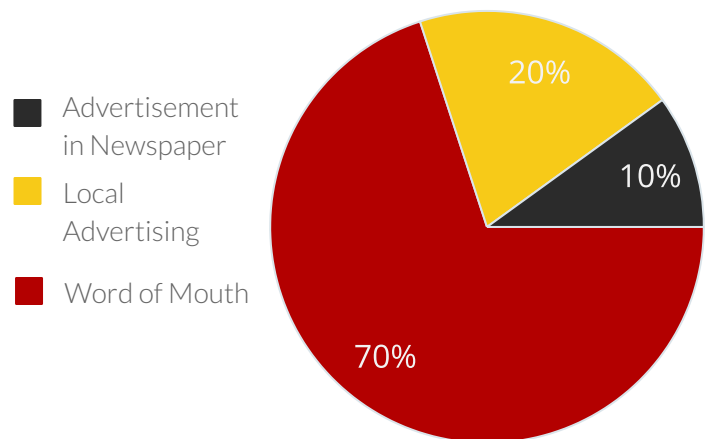
Desired Occupation for New Staff

Most businesses reported a need for highly technical roles. There is also a need for administrative roles and all-around help, allowing business owners to take less hands-on positions within their business.



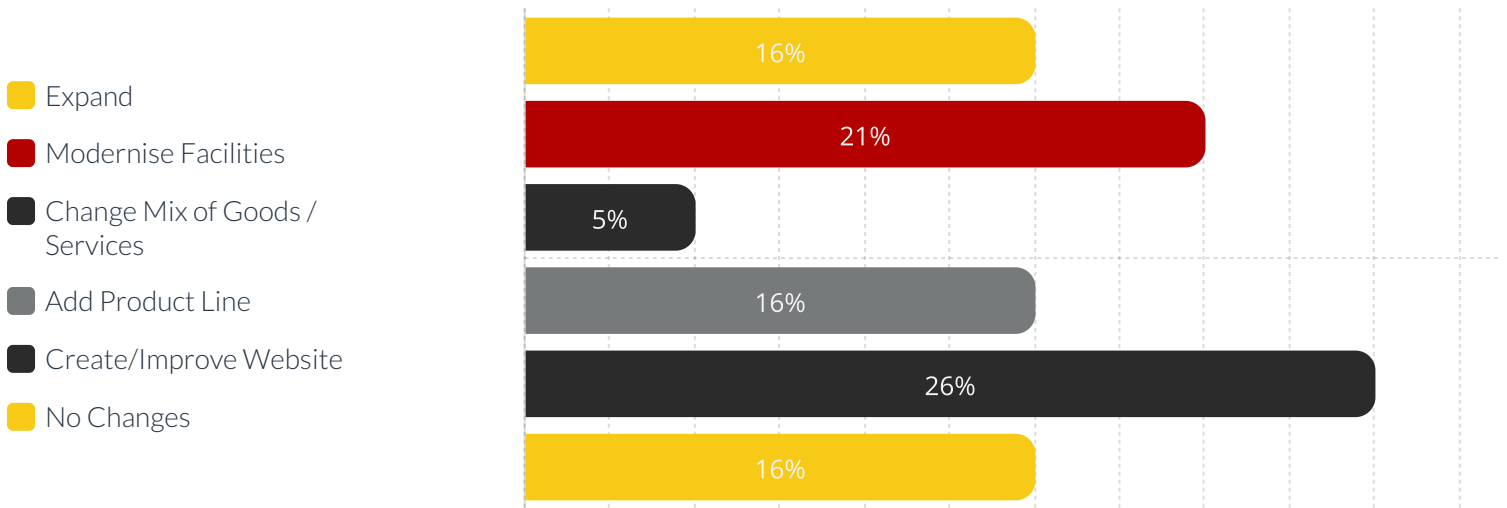
How Was the Last Staff Member Recruited

Word of mouth is the highest method of recruitment in Kimba.



Plans to change, modernise, or expand operations

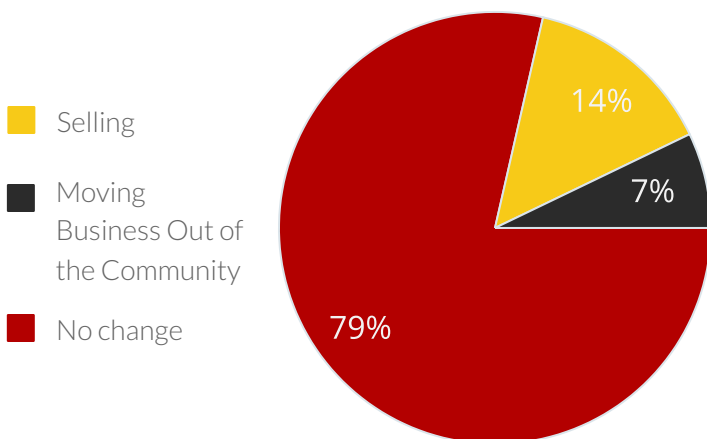
Website creation is a key point to be addressed, followed by supporting the modernisation of facilities.



Considerations in moving out, selling or closing businesses

There is a noticeable interest in selling businesses that may need succession planning support to assist in the transaction and sale of the business.

The businesses considering moving out of the community represent a red flag issue that must be quickly addressed.



Occupational Skills Difficult to Find in the Community





District Council of
KIMBA

EST. 1924