

Redlands Business Grow ***(www.businessgrow.org)***

Introduction

Redland Shire Council is a key partner in the establishment and management of *Business Grow*, in association with the Redland Chamber of Commerce.

Business Grow is a unique program devoted to improving and helping existing businesses to grow.

Business Grow is a partnership between local government and the local business community, with the support of State and Federal Government agencies, and the private sector.

Since its establishment in February 2003 *Business Grow* has proven its benefits to a number of local businesses that have been referred to key advisers and government agencies for support and assistance. Business satisfaction levels have highlighted the importance and value of this new service.

Business Grow is a confidential and proactive diagnostic business expansion and retention visitation service that assists businesses to access services, agencies, and information.

Business Grow is high-profile retention and expansion program that targets existing businesses within Redland Shire. The aim is for it to be focused on key business sectors that have potential for expansion and employment growth.

Business Grow operates as a free and confidential business assistance and referral programme which assesses what sort of support the business requires, provides assistance and arranges for the delivery of an appropriate service by either the public or private sector.

The service recognises the importance of existing businesses to the future of the Shire's economy, their capacity to create jobs and the need to create a positive environment for local economic development.

Background

1. A strategic approach to developing a Business retention and expansion program

Redland Shire Council's economic development group undertook scoping work two years ago on key initiatives that could be undertaken to assist business development, as part of a broader "economic growth" project.

Many studies have identified the role played by *Business Expansion and Retention* programs in the economic wellbeing of a local business community. Likewise, there is an abundance of evidence to suggest that business expansion, through the

development of small enterprises, is more easily achieved, and has a greater level of sustainability for those businesses.

In order to facilitate this growth, it is necessary to provide these smaller enterprises with a conduit to that information and assistance that will assist them achieve to their maximum potential.

The *Business Grow* service does not duplicate any existing service, rather, it ensures that Redlands based business ventures are provided every opportunity and encouragement to seek out information that will assist their expansion and business health and development.

85% of businesses which responded to the initial publicity regarding the program, in the planning stage, indicated that they wanted to expand their businesses and employ more staff, but lacked the knowledge of how to achieve this outcome. Indicative employment gains through these businesses alone ranged between 1 and 4 new employees and a net gain of almost 100 jobs from this test sample.

In addition, there was substantial evidence that businesses had identified opportunities for expansion, but again lacked the knowledge of how to achieve this for the best effect.

These findings are indicative of the fact that there is a demonstrable gap in the services currently provided and in the ability of small business operators to access information in a timely manner.

In broader economic benefit and community terms, *Business Grow* will assist to provide an environment that is conducive to doing good business – the impact of this in terms of local growth and business development will be widespread and extensive.

Traditionally a major focus of economic development initiatives has been on new business establishment. While this activity is important it does represent one part of the work required developing an economy that has a flourishing and sustainable business sector.

Redland Shire's goal is to ensure that support services are available to existing business and that information on available products and services that are available are outlined to the business person in their own environment. There is a raft of support services available ranging from government innovation grants to sustainability initiatives; employment assistance to mentoring support. As a result it is clear a "whole of government" delivery mechanism needs to be developed.

Extensive research of US models have demonstrative a high expectation of success and demonstrable results of business retention and expansion programs such as *Business Grow*. There have been international estimates undertaken which indicate that between 60%-80% of new employment occurs within existing business.

Redland Shire Council has the Australian licence for *Business Grow*. This encompasses a distinctive brand, operating system, software support and program manual. Due to the way the package has been established the program can be adopted by other areas in Australia.

While this is the first time *Business Grow* has operated in Redland Shire it has been operating in other countries for a number of years. It has however been modified to suit Australian business practices.

The project is largely based around models in New Zealand and North America. These models include those from:

- Pennsylvania (www.brei.org)
- Fresno (www.brt-inc.org)
- Christchurch (www.cdc.org.nz)

2. *Business Grow as a component of a broader economic development strategy*

Redland Shire Council has implemented a range of innovative solutions to developing our local economy and creating jobs. Our focus is on;

- ◆ retaining and expanding local businesses,
- ◆ attracting new businesses and investment;
- ◆ creating the right conditions for job creation;
- ◆ developing key business sectors;
- ◆ marketing the Shire as a visitor destination;
- ◆ providing a focus for all public and private sector activities in the Redlands which enhance the employment climate;
- ◆ involvement in projects which promote training opportunities; and
- ◆ establishing and working with business networks and groups to encourage growth and development through collaboration and co-operation.

The Council recognises the importance of implementing an integrated and balanced approach to growth, based on sustainability principles.

Redland Shire Council has a key program focused on *Business Retention & Expansion* that aims to “Assist local businesses to expand their operation, create more jobs & diversify the local economic base”.

The long term objective of this program aims to “provide a range of opportunities to improve local business sustainability, reduce business failure rates & lift business performance and retain and expand employment opportunities”.

Business Grow is a core delivery mechanism for the Council’s Business retention and expansion program

3. *A focus on co-operation and collaboration with key partners*

Business Grow is a partnership between local government and the local business community, with the support of State and Federal Government agencies, and the private sector.

A management committee has been established with representation from Redland Shire Council, Redland Chamber of Commerce and the Queensland Department of State Development.

The major sponsors of the program at present include: Redland Shire Council, Redland Chamber of Commerce, Interactive Redlands, Orix, MDRN Solicitors and Rural Press. The sponsors are providing a mix of cash and in-kind support.

4. Business Grow focuses creative thinking and innovative approaches in achieving outcomes, solving problems and utilising resources.

Business Grow facilitators are trained professionals and business people. Their role is to:

- Work with businesses to identify problem areas and opportunities
- Refer businesses to appropriate assistance and other specialised business agencies
- Keep contact with businesses to ensure a satisfactory outcome.

Business Grow provides businesses with access to the following services:

- Government technology grants
- Exporting assistance
- General business assistance
- Business planning
- Marketing assistance
- Financial management
- Employment / human resources
- Mentor support
- Legal assistance
- Business training.

Business Grow seeks to ensure that local business can develop and grow to its maximum potential. It achieves this through a process of visitation and through linking business with appropriate advisory bodies.

Business Grow recognises that there is a vast assortment of business assistance available, however, it also recognises that many businesses have difficulty finding and interpreting this information. *Business Grow*, therefore, seeks to provide a system whereby business can be channelled to information and assistance sources in an efficient and productive manner.

5. Business Grow is focused on quantifiable outcomes.

The following Key Performance indicators (KPI's) have been established for the program:

<i>Visitation</i>	number of visits made to local SME's (at least 200 business should be visited by the program annually).
<i>Referrals</i>	number of referrals made by <i>Business Grow</i> to solution providers.
<i>Job Growth</i>	number of new jobs created as a result of <i>Business Grow</i> operations
<i>Job Retention</i>	number of job positions saved as a result of <i>Business Grow</i> operations
<i>Stakeholder satisfaction</i>	measured by surveys of business, RSC, project partners and community satisfaction.

While it is too early to demonstrate outcomes for job growth and retention, *Business Grow* has since its establishment in February 2003 provided demonstrable benefits through referrals and business improvement.

How *Business Grow* operates: businesses helping businesses

Overview of services

A. *Visitation and Referral Service*

The *Business Grow* program offers a free and confidential visitation, referral and advisory service aimed at supporting both existing and start up businesses in the Redland Shire, providing businesses with access to Local, State and Federal programs as well as seminars and workshops that can assist in growing and or sustaining business activity.

Business Grow assesses what sort of support the business requires, provides assistance and arranges for the delivery of an appropriate service by referral to either the public or private sector, or refers the business to specific people, who can help grow their business or iron out challenges the business may be experiencing.

All clients are contacted one month after the initial visit, or earlier if deemed necessary by either the *Business Grow* manager of the client, to gauge progress and action taken on the initial meeting.

Referrals are made on the basis of the client need – either a skill or lack of knowledge and referrals are made primarily business to business within the Redland Shire, or out of the Redlands in the case of State Development, AusIndustry, AusTrade etc or specific companies or networks that may assist the particular business.

B. *Advisory Group Service*

The *Business Grow* Advisory Group is made up of successful business people within the Redland Shire who have indicated a desire to be part of the *Business Grow* program and offered their time and expertise free of charge to businesses within the Shire.

After an initial *Business Grow* visitation, or a series of visits, and some measure of willingness and commitment on the part of a client, the *Business Grow* manager “matches” the business need with the specific skill of one of the Advisory Group. The client arranges a meeting with the Advisory Group person following a match the *Business Grow* manager has made.

C. *Advisory Group Workshops*

In the first four months of the *Business Grow* program, 82 referrals were made to the Department of State Development workshops held in the DSD offices in Springwood. In June two of these workshops were held in the Redlands following requests by several Business Grow clients as to why they were not held locally. Both workshops were fully booked and feedback indicated a need for more workshops and seminars in the Redlands.