



Business & Industry Growth Program (BiG)

Information Package

March 2010



PORT MACQUARIE
HASTINGS

Introduction

The BiG program nurtures and supports Port Macquarie-Hastings' businesses that have high growth potential. These businesses have:

- A passion for business growth;
- A capacity to expand into markets beyond PMH; and
- Are profitable.

BiG is a business-focused program to support growing businesses. It was developed to meet the specific needs of growth businesses in Port Macquarie. The origin lies in the pioneering work by Christian Gibbons in Littleton, Colorado, USA and is now delivered in many areas of USA with great success.

Objective of BIG

To support Port Macquarie/Hastings businesses at the time they are making decisions about their growth, asking questions and giving them tools and information to guide their choices.

Businesses Adrift

Businesses that have entered this program have limited focus and are performing well below their potential. Many owners are overwhelmed with the technical, marketing and financial tasks of running a business made worse by the numerous Government requirements. This results in too little time being spent on planning for growth and building a better business. The business disappoints in terms of performance, its financial viability is threatened and the owner's enthusiasm and motivation is diminished.

The BiG program will help businesses break out of this vicious cycle by using tools to grow the business, improve financial outcomes and develop a shared and lower risk staffing and management system. Lots of businesses have already taken advantage of this program.

Businesses Performing Satisfactorily

Other businesses entering the program may be trading profitably. However, owners may be seeking reduced demands on their time or feel the business has yet to reach its full potential.

Why is Council Involved?

There is growing evidence that most business growth and employment is occurring in small businesses. It is the locally-owned businesses that give a local economy its distinctiveness and they have the largest economic impact on the local economy. Council believes that supporting these businesses will have a high payoff in additional economic activity and build the reputation of Port Macquarie-Hastings as a thriving economy and a good place for small businesses. The PMH Council operates the program for businesses that meet the criteria including the provision of resources to provide this program at subsidised rates.

Centralising the activity within Council ensures that all businesses meeting the criteria have access to BiG at very competitive rates.

Who is Helping Council Deliver BiG

Over the last 3 years, Council has partnered with Economic Gardeners (EG) to develop and deliver the BiG program. The results from this pioneering program have been excellent (link to booklet). The EG team have an outstanding reputation and continue to improve the program and deliver it at modest rates. This partnership has been able to provide a high level of professional business assistance unavailable elsewhere to local businesses at a cost considerably below commercial rates.

This is not another consultant program. It is a tailored training program to build your capacity to manage a business and develop strategies for on-going improvement. You should consider the EG/Council partnership as outsourced specialist staff who will work hand in hand with you on strategic business problems.

The Partnership's Commitment

- We will invest our time in understanding your business
- We will inform, mentor and support your in-house team so that you receive an outstanding return on your investment.

Confidentiality

Sensitive information relating to the performance of your business is confidential between the participating businesses and EG. Any other party including Council or other businesses will not be privy to this information.

What Does the BiG Program Comprise?

BiG provides tools and information to help business operators run a successful high growth business. There are four steps in this process. Step 1 is a one-day preliminary program and personal interview at your premises commencing late April 2010. The cost of participating in Step 1 is fully subsidised and therefore provided at no cost to participants.

At the conclusion of Step 1, businesses will be invited to participate in Steps 2 (Ramping up for Growth) and 3 (Managing Sustained Growth), **each** of which will involve:

- a monthly ½ day workshop over 5 months,
- a weekly learning program and associated tasks, and
- regular contact with the EG team and other mentors.

The program will be tailored to the specific needs of you and your own business. The learning can be done at your own pace and you will work as closely as necessary with the EG team to complete the tasks.

At the end of Step 2 you will be asked whether you wish to proceed with Step 3.

Apart from the individual business and personal outcomes, participants will also:

- Gain a considerable amount of free publicity for their business,
- be eligible to participate in an ongoing peer business group (refer Point 4 – next section),

- participate in other workshops, networking and support activities available to BiG participants, and
- receive a range of other benefits as listed in the following section entitled 'Other Opportunities'

The BIG Program Elements

Step 1 - Preliminary Program

- A half day introductory session to scope the work program and to get to know the other participants and the EG team. This includes some problem solving and opportunities for interaction.
- A familiarisation visit to each business by the EG team including a business health check and a proposed work program specific to the needs of the business.
- An outline of how the program operates individually with EG and the role of the workshops.
- Some discussion about the overall objectives for the business and the role of the program in meeting those objectives. Establish some broad agreement on expectations on the delivery of the program and the work to be undertaken by the participant.

The program operates within an overall framework that is relevant for all businesses. However, the program for each business varies depending on their present status and identified needs.

Step 2 - Ramping Up for Growth (5 months)

This component will review your entire business, identify those areas for improvement, develop new ideas and refine the focus and direction of the business to the base for future growth. Topics addressed in Component 2 include:

- The core business functions and strengths and potential for growth.
- The financial situation and related performance indicators.
- The production and supply system.
- The markets and customers.
- Your sales systems and plans.
- The business structure and staffing.
- Moving to shared management and reducing risk.

Component 2 will be done on-line with weekly tasks being set and regular contact provided by Council. (This may be in the form of an experienced mentor whose role will be to listen, encourage and connect as required.) There will also be a monthly half day workshop designed to draw out discussions from the learning and related issues and experiences and to promote networking with other businesses.

Step 3 - Managing Sustained Growth (5 months)

This component is focused on achieving sustained growth in your business. It develops a structured approach involving the following:

- Getting the direction right.
- Adapting the production and supply systems.
- Focus on the markets and sales systems.
- Identifying the resources you need including capital.
- Applying IT to help management.
- Adapting the management structure.
- Managing the risks.

At the end of this component, the business growth is expected to have:

- Improved the financial performance of the business.
- Developed a shared management system so that the owner can work “on” the business.
- Reduced the risk.
- Built a plan for future growth in the business.

As with 2, Step 3 will be done on-line with weekly tasks being set and regular contact provided by Council. There will also be a monthly ½ day workshop designed to draw out discussions from the planning work.

Step 4 - Peer Solutions

Based on peer learning, this component is about sharing experiences to solve problems and develop ideas. Potentially, it is an ongoing problem solving network. Participants will sit with others facing many of the same issues who may well have ‘been there - done that’. It is based on the principle that the best way to help small business is for them to meet together in a structured way to share their knowledge and experience.

Peer Solutions will comprise 8-10 non-competing businesses who meet monthly. Each session will cover a small number of topics as agreed by the group. The sessions will be facilitated.

Other Opportunities

1. Businesses to Watch

During 2010, Council will establish an important and widely promoted listing of "PMQ/H businesses to watch" with a tag line of *"Here are entrepreneurial firms expected to lead the way in steering the PMQ/H economy deep into the 21st Century. These firms are grappling with growth rather than survival"*.

To be eligible for inclusion businesses must have graduated from the BiG program or its forerunner the Key Business Development Program, be experiencing double digit growth in either employees or sales, demonstrate entrepreneurial leadership and sustainable competitive advantage.

It is considered that inclusion in this listing will provide significant profile building opportunities at no cost to businesses.

2. Preferential Borrowing Rates

Neville Parsons, General Manager of the Holiday Coast Credit Union has confirmed that businesses involved in the BiG program will be entitled to a 0.5% discount on the business lending rates current at the time of application.

Council is also discussing arrangements with other banks which when finalised will also be included in this benefits package.

Location and Course Scheduling

It is anticipated the 2010/11 BiG program will commence April/May with around 8 non competitive growth businesses.

Workshops are generally held at Port Macquarie-Hastings Council, Cnr Lord & Burrawan Streets, Port Macquarie, commencing at 9am sharp.

Costs of Participation

Step 1 - The preliminary program is provided at no cost. You will then be invited to proceed to Step 2.

Step 2 - The Ramping up for Growth component will cost \$300 per month +GST. This includes a half day workshop and access to the Economic Gardeners Team as required. Your commitment is for 5 months ($\$300 +\text{GST} \times 5$) with a monthly invoice being issued by Council.

Following the successful completion of Step 2, you will be invited to proceed to Step 3.

As with Step 2, costs will be \$300 +GST per month for 5 months, invoiced monthly by Council.

Upon graduation you may wish to participate in the ongoing Peer Solutions Group. Cost of participation are \$100 per workshop.

Key Contacts

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