

Closing the Gaps - Gore District Council *Business Interview Report 2021*



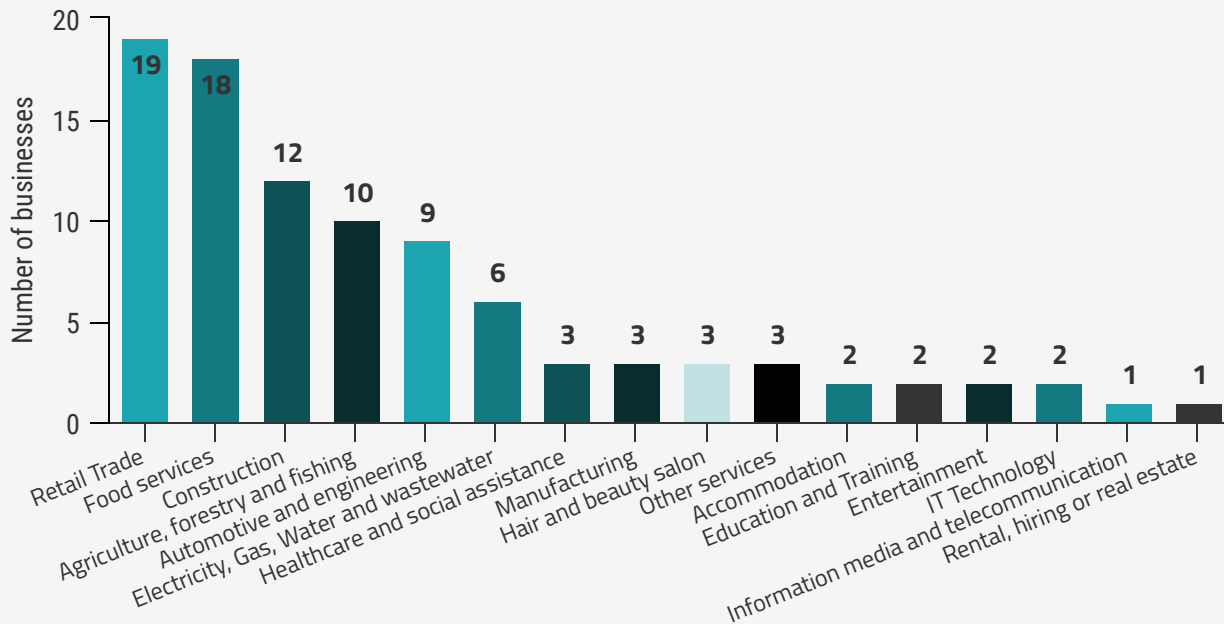
Business Demographics

The first section of results looks at the broad demographics of the Gore business community. This covers such things as size, longevity and forecast changes.

These results are summarised and presented here in this report.

The 96 businesses that were interviewed were selected randomly and form a significant proportion of Gore based businesses. Business owners/managers were asked to characterise their business. A total of 17 different business types were identified. These were:

Types of businesses interviewed



Ownership of businesses



84 businesses interviewed are locally owned



12 businesses interviewed are not locally owned

While the high percentage of locally owned businesses demonstrates the self sufficiency of the local business community, it is also worth considering that (as a rule) external businesses that have a branch structure are better capitalised than locally owned and operated ones. This means that the local economy may be under-capitalised and not in an ideal position to take advantages of opportunities when they occur.

The types of businesses not locally owned are in Retail trade, food services, manufacturing, healthcare, agriculture, media and other services.

Longevity of businesses

78% of businesses surveyed indicated that they have been in business for **over ten years** which suggests that there is a core of well established businesses in Gore. Interestingly, only 16% of businesses are relatively new being in existence for less than 5 years.

Only 5% of businesses have been in existence from between 6-10 years and one business did not specify how long they had been in business,

Business Demographics

Businesses were asked how many people they employed. The 96 business interviewed collectively employed 1690 employees. It was not specified exactly how many of these employees were full time, part time or casuals.

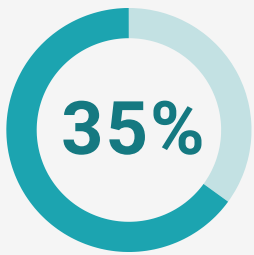
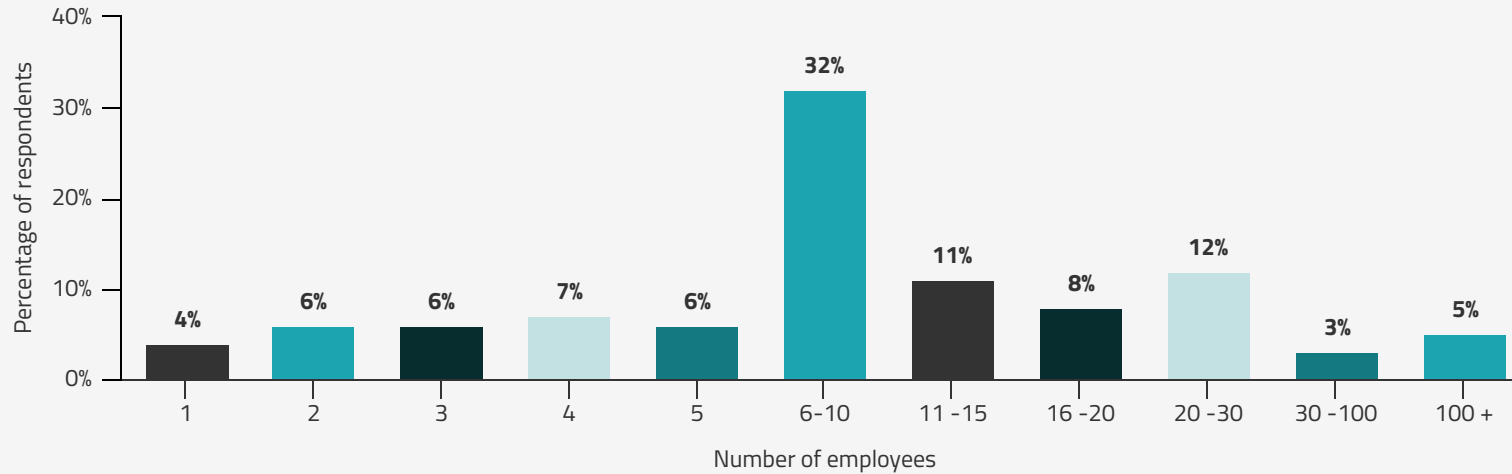
The below graph suggests that most businesses in Gore are small businesses with 80% of businesses surveyed employing between 1 and 20 staff members. This is typical of a town the size of Gore. Of interest, 32% of these businesses employ between 6-10 staff members.

5%

of businesses interviewed employ **almost half (45%)** of all employees specified.

This is in line with the trend in New Zealand where 48% of employees work for large enterprises. (Stats NZ - 2018)

Number of employees



of employees specified are employed in the **Food Services** industry.



of employees specified are employed in the **Manufacturing** industry



of employees specified are employed in the **Retail Trade** industry

Business Feedback

In this section, business owners and managers were asked to comment on the business environment, including the factors that influence them when operating in the current environment.

Are you intending to employ additional staff over the coming months?

84

businesses interviewed intend to employ the following types of additional staff over the coming months. Please note that in some cases, businesses indicated that they would be looking to employ for multiple roles within their business.



Agriculture & Forestry

Machinery mechanics
Casual farm staff
Irrigation servicemen
Farm regulatory advisor
Mill workers
Machine operators
Office person
Labourers
Trainees



Construction

Labourers
Qualified builders
Apprentice builders
Carpenters
Plasterers / Gib stoppers
Concrete placers
Drivers
Sales/Project Manager
Qualified engineers



Food services

Bakers / Apprentices
Shop assistants
Kitchen hands
Chefs
Nightfill
Deli Assistants
Administration
Duty Managers
Sandwich Artists
After school staff
Cleaners
Cafe workers



Automotive

Mechanics
Panel beaters
Tyre dealers
Glaziers
Labourers
Refinish apprentice
Qualified refinisher
Parts production manager
General labourer



Retail Trade

Shop assistants
Florists
Gunsmiths
Sales people
Pharmacy technicians
Service station attendants
Automotive parts sales
Vehicle sales person



Electricity, Gas, Water & Wastewater

Qualified and apprentice plumbers
Qualified and apprentice electricians
Milk machine technicians
General Manager
Qualified and apprentice engineers



Health & Education

Qualified early childcare teachers
Qualified nurses, caregivers, support workers



Manufacturing

Boat manufacturing
Manufacturing building supplies
Meat processors



IT Technology

Repairman
Technological support

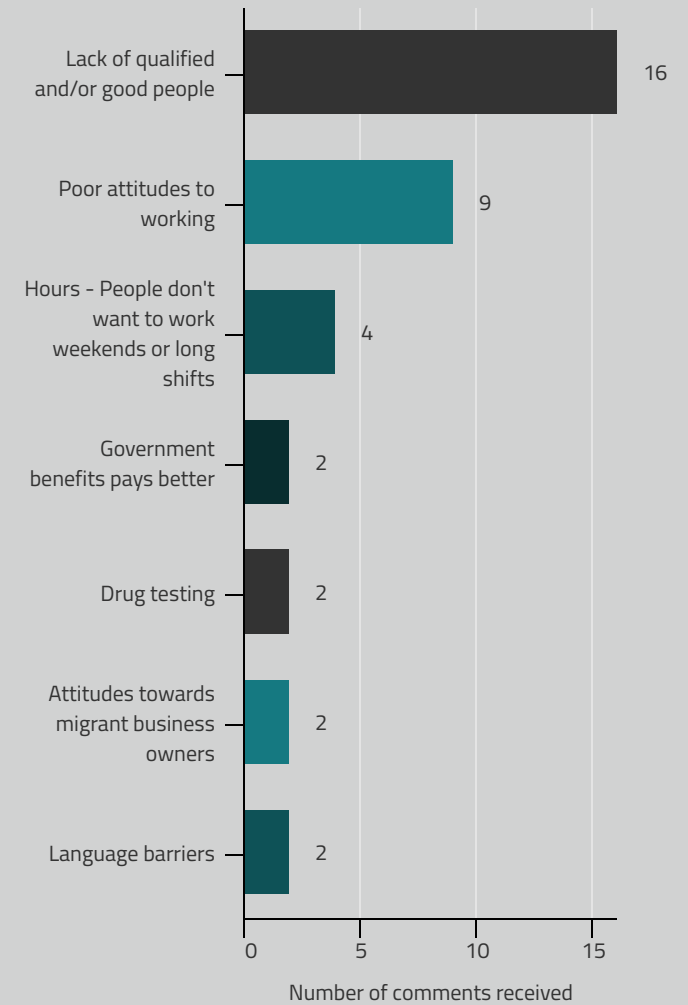


Other services

Hairdressers
Sales and admin for radio
Apprentice gym instructor
Movie theatre supervisor
Assistant sign maker

Barriers to employing staff

27 businesses of the 96 that were interviewed indicated the following barriers to employing additional staff. (Please note that some businesses identified more than one barrier).

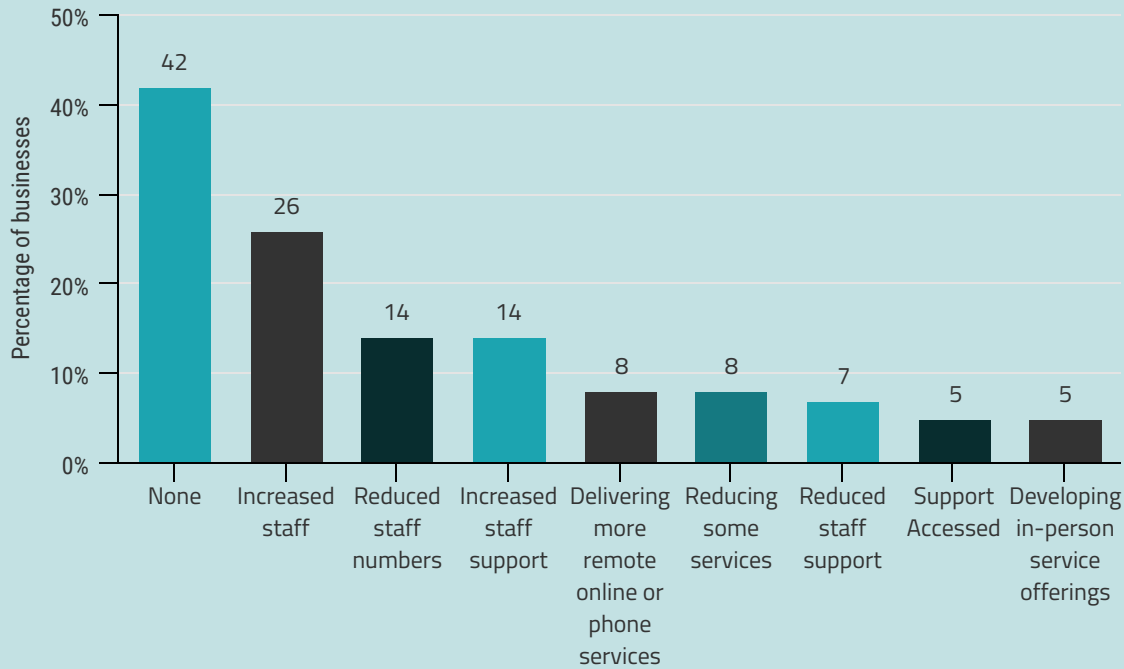




COVID-19 Business Impact

Businesses were asked what steps they have taken in response to Covid-19

92 businesses interviewed responded to this question



Other steps taken in response to Covid-19 indicated by less than 5% of businesses

- Changing organisation rules or purpose to enable new activities (e.g. health and safety policies)
- Increasing service cost to users
- Increased services
- Closed during Level 4 and/or 3
- Reduced staff wages and salaries
- Focused on maintaining staff
- Seeking new funding sources
- Increased staff wages
- Re-employed staff since layoffs
- Restructured

42%

of businesses interviewed indicated that **they did not take any steps** in response to Covid-19. Reasons cited were that these businesses were essential services and that it was 'business as usual' for them.

26%

of businesses interviewed indicated that **they increased staff numbers** in response to Covid-19. This was due to increased demand and new roles being established.

14%

of businesses interviewed indicated that **they reduced staff numbers** in response to Covid-19. This was due to decreased demand.

14%

of businesses interviewed indicated that **they increased staff support** in response to Covid-19. This included providing flexible hours and emotional support.

Please note that some businesses indicated they responded to Covid-19 in more than one way.



COVID-19 Business Impact

Support accessed in response to Covid-19

95 businesses interviewed responded to this question



89% of businesses interviewed accessed the Government Covid-19 wage subsidy scheme

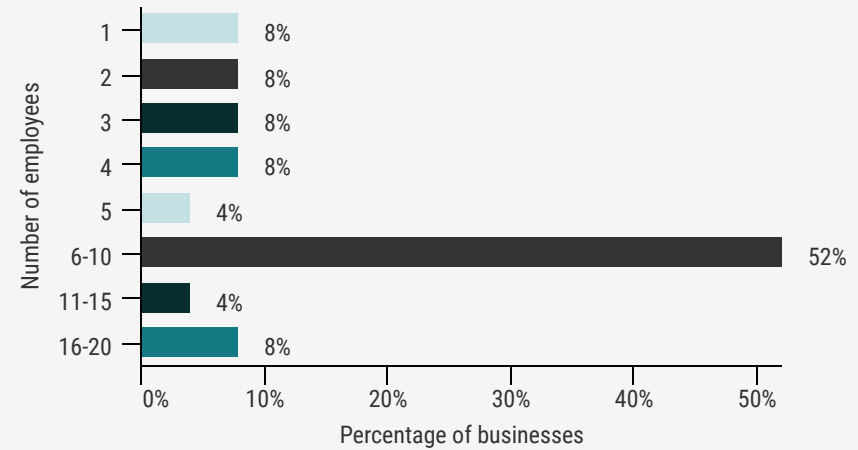


26% of businesses interviewed accessed the Government Covid-19 small business cash flow loan scheme



9% of businesses interviewed did not access any support in response to Covid-19

Access to Government Covid-19 small business cash flow loan based on number of employees



To be eligible for the loan, businesses or organisations must have 50 or fewer full-time-equivalent employees.

52% of businesses who accessed the Government Covid-19 small business cash flow loan scheme employ between 6-10 staff. This is reflective of the high number of businesses interviewed who indicated they employ between 6-10 staff.

It is interesting to note that the 15% of eligible businesses who employ between 20 and 50 staff did not apply for this loan.

Challenges businesses are facing over the next 6-12 months



Challenges businesses are facing over the next 6-12 months - TOP FIVE

1

Lack of skilled employees

57% of businesses interviewed cited lack of skilled employees as the main challenge they are facing over the next 6-12 months. This also came up as the main barrier to finding staff.

2

Another Covid-19 lockdown

39% of businesses interviewed indicated that another Covid-19 lockdown is a challenge they could be facing.

3

Limited product range

28% of businesses interviewed indicated that limited product range is a major challenge they are facing. This is due to international borders being closed and increased demand for stock.

4

Government attitudes and practices

25% of businesses interviewed indicated that government attitudes and practices will be a challenge within the next year or so. Some examples given were compliance with Residency Tenancy Act, Healthy Homes Act, health and safety requirements and implementation of environmental laws.

5

Loss of staff

21% of businesses interviewed cited loss of staff as a major challenge facing them over the next 6-12 months. Reasons cited were that a number of people were due to retire.



Other challenges businesses have mentioned that they are facing over next 6-12 months



Opportunities that have arisen for businesses over the last 6 months



Opportunities that have arisen for businesses over the last 6 months - TOP FIVE MENTIONED

1

New Service Offerings

47% of businesses interviewed indicated that opportunities to develop new service offerings has arisen over the last 6 months. This includes ideas such as increasing online presence, expanding current operations and/or changing the kinds of services offered.

2

Stronger sense of community or common values

31% of businesses interviewed indicated that they feel there is a stronger sense of community or common values within Gore.

3

Improving our profile

25% of businesses interviewed indicated that they feel the profile of their business has improved over the last six months. This could be due to the fact that there is more awareness around sourcing services and buying locally. It was also mentioned that this could be due to people not spending money on overseas trips and are looking at spending money at home.

4

Ability to move quickly

24% of businesses interviewed indicated that they now have the ability to move quickly and adapt in a crisis.

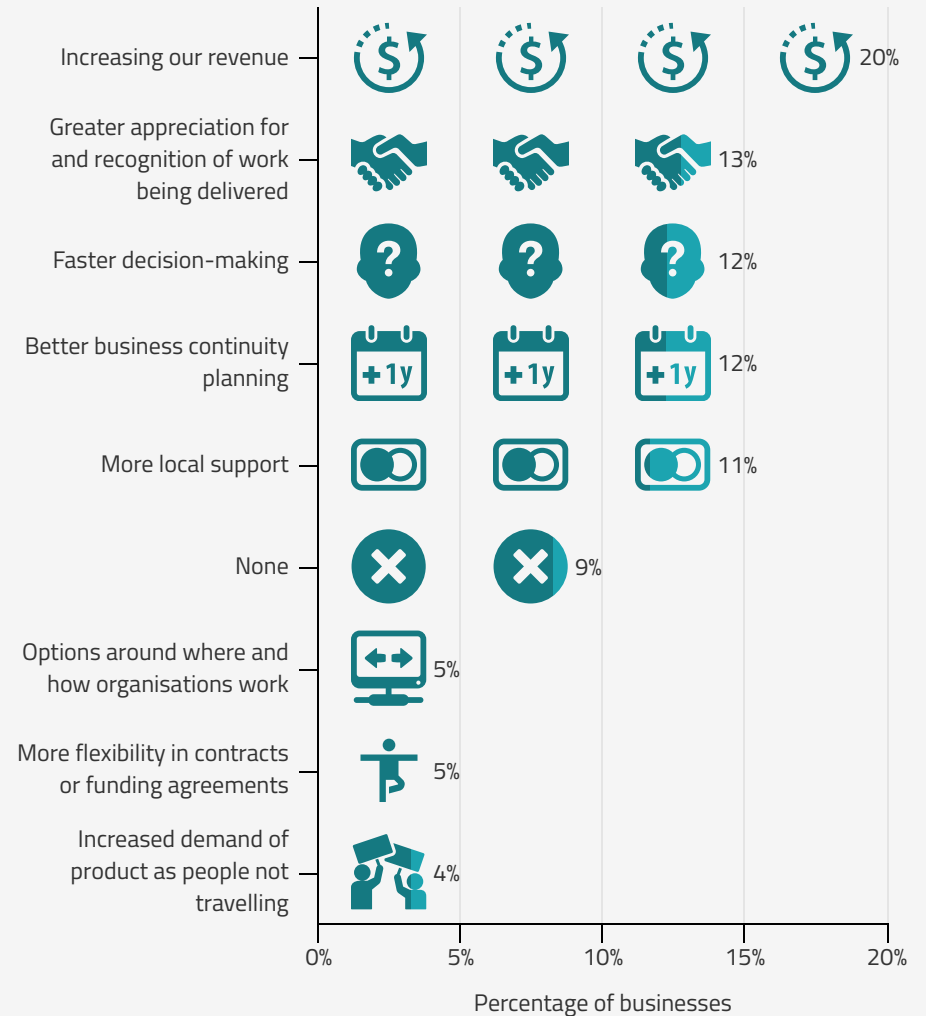
5

Working closer with other businesses and organisations for the common good

22% of businesses interviewed indicated that they are now working closer with and supporting other businesses in the area for the common good.



Further mentioned opportunities that have arisen over the last 6 months for businesses



Key priorities and concerns for businesses

Businesses were asked what their key priorities and concerns are going forward.

Of the 95 businesses interviewed, 51% are concerned about keeping their staff and the potential to find good and/or qualified staff.

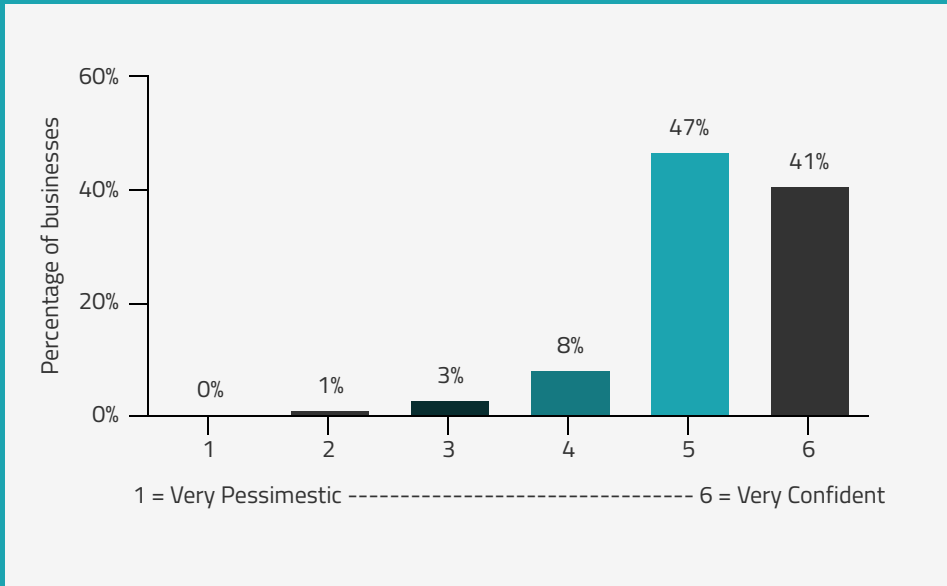
39% are concerned about another lockdown.

28% of businesses interviewed would like to be able to stay profitable and/or grow their business.



Measure of optimism for businesses in the next 6 months

Rate on a six point scale how pessimistic or optimistic you are in your organisation meeting local community needs in six months time



88%

of businesses interviewed are confident to very confident that they will be able to meet local community needs in six months time. Reasons why businesses are confident are cited below.

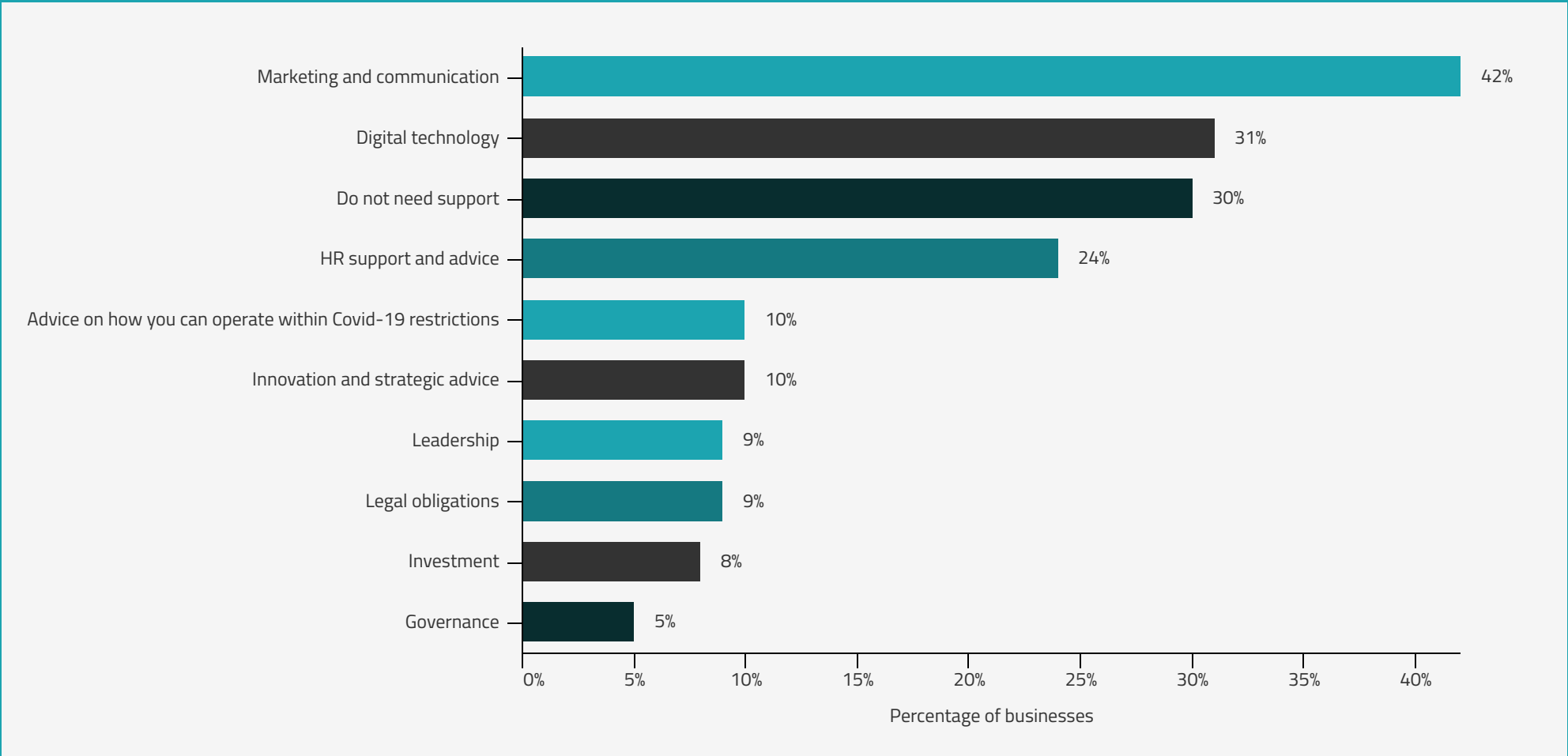


Those who were not as confident that their business would meet local community needs in six months time indicated the following reasons.

- Dictated by stock coming into the country
- Mental health concerns for farmers
- Staffing
- Streets Alive
- Uncertainty
- Always thinking about how we can improve

Most needed areas of support for businesses

Businesses were asked what their most needed areas of support are. 95 businesses cited the following:



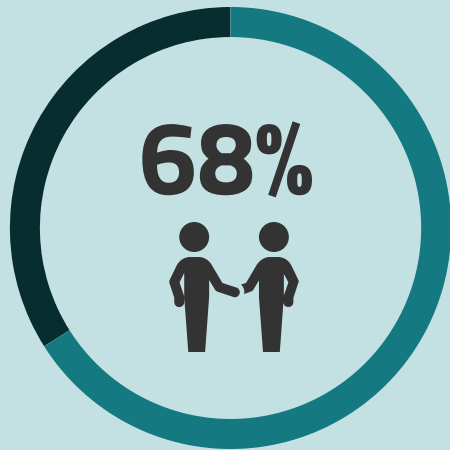
Marketing and communication (new ways to bring in customers) and digital technology (creating online presence) were the two most mentioned areas of support needed for businesses in Gore.

30% of businesses indicated that they do not need any further support, some citing that they are happy as is or that head office deals with support needed.

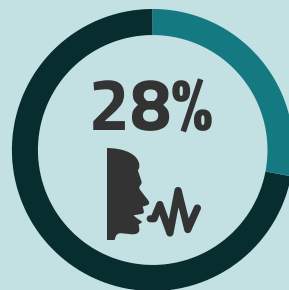
HR support and advice (including finding good / qualified staff) was the next most needed area of support businesses cited.

What changes are needed to strengthen the business community in Gore?

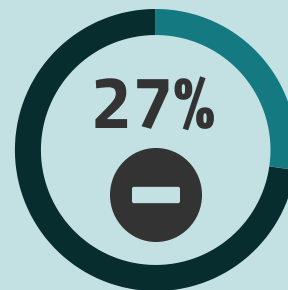
Businesses cited the following changes needed to strengthen the business community in the future



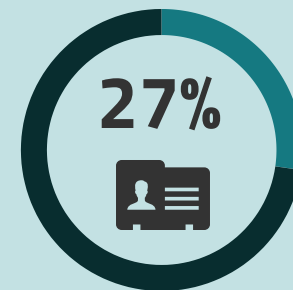
Better collaboration between businesses.



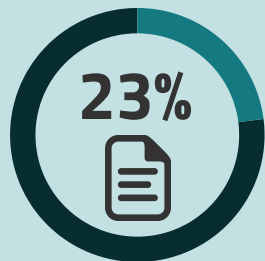
Sector-wide leadership to provide voice and influence



Ease of access to compliance and/or regulatory information



Access to information and data in one place



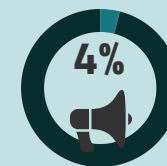
Strengthening governance knowledge and skills in the sector



Strengthening financial and management knowledge and skills in the sector

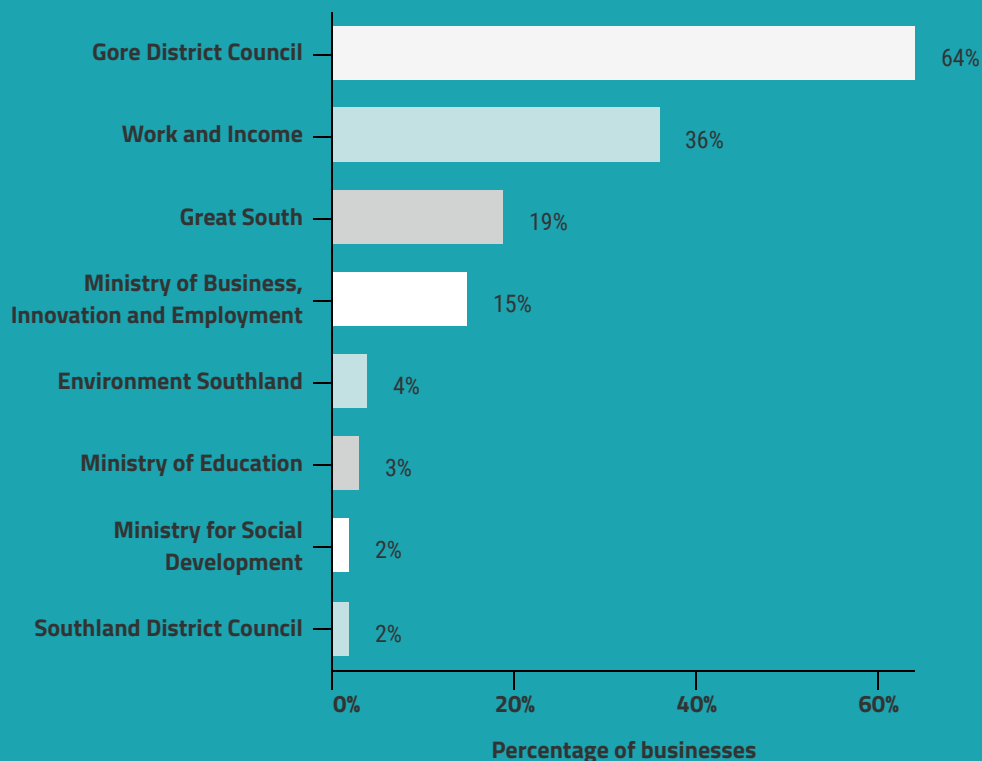


Reinvigorate 'Go Retail'



'More promotion of Gore

Do you connect regularly with other community providers and regional authorities?



73% of businesses interviewed connect regularly with other community providers and regional authorities.

64% of businesses interviewed indicated they they connect with Gore District Council. Reasons cited include for food safety, building regulation advice and meeting with Chinese investors.

36% of businesses interviewed indicated they they connect with Work and Income to claim benefits for apprentices and pay for their employees.

19% of businesses interviewed indicated they they connect with Great South for various funds and training. Some businesses mentioned they would like to see Great South provide more training opportunities.

15% of businesses interviewed indicated they they connect with Ministry of Business, Innovation and Employment.

Of those businesses that **do not** connect regularly (27%), 20% indicated that they would be keen to support the Gateway programme.