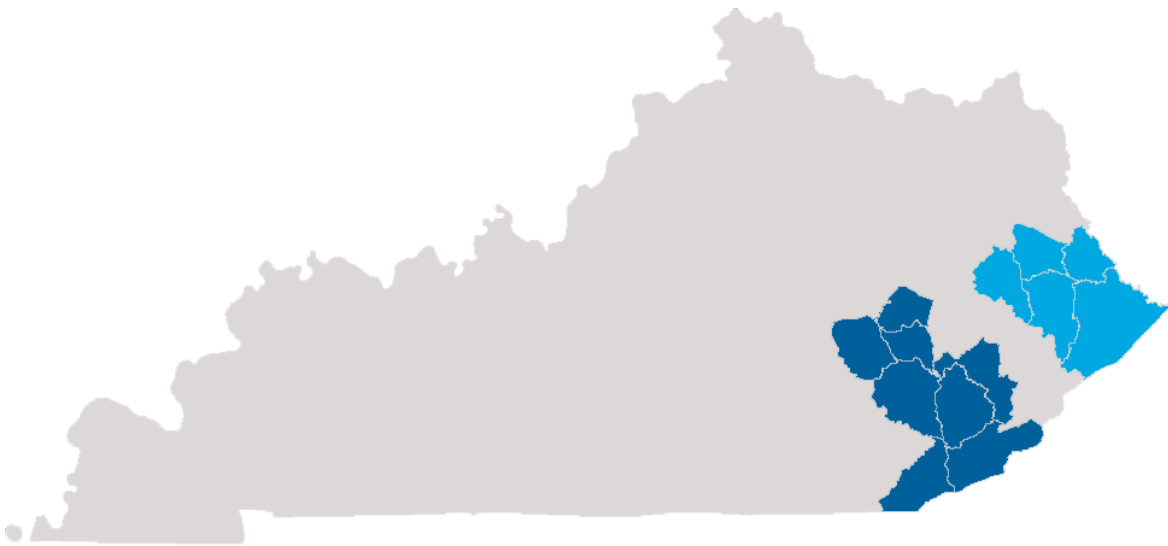

Key Ideas from Create Bridges Survey Responses in Kentucky

March 2020 Compiled
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SURVEY PARTICIPANTS

47 small business responses from a variety of rural retail, accommodation, service, finance and health related organizations reflect a broad snapshot of the rural economy and business needs in 2019-2020. Size of participating businesses ranged from 1 to 212 employees. Of those responding, 88% employed 50 or fewer full time employees. About 50% of those surveyed employed part time staff, most fewer than ten.

EMPLOYMENT TRENDS

About half noted the number of employees has changed over the last 3 years with more seeing increases in employees than decreases. Rate of turnover was not an issue for 75% of respondents. A leading barriers to finding employees are:

1. Finding qualified workers
2. substance use disorder
3. finding hard-working, motivated, responsible, trustworthy and reliable employees
4. Low paying positions /cost of benefits

Positions particularly difficult to fill include: cook, kitchen, yard work – as well as skilled and certified workers such as Pharmacy, police, fire fighters, Etc. Salaries for hard to find positions range from 25K – 70K most @ \$30K (5 responses).

Recruiting for positions, salary Range of 7.25 to \$15 per hour, with more than half responding indicating they offer some type of benefits. Benefits ranged from insurance, dental, medical, paid leave, dental, retirement.

SKILLS AND TRAINING

When asked about preferred skills for workers, the prioritized employee soft skills were:

- Being at work on time
- Teamwork
- Customer service
- Face to face communications
- Basic math/ Reading and writing
- Ability to understand, speak and write in English
- Time management
- Phone etiquette /Appropriate dress/ Cash Handling

19 of the 47 respondents indicated they do employee onboarding, while 22 noted they provide training beyond orientation. Ongoing training topics include technology, policy, business trends, leadership, and topics related to career advancement. Half of those taking surveys pay for employees to participate in training.

Ranked Factors Impacting Employee Ability to Work:

- Child or elder care (11 indicated this was an issue)
- Transportation availability (10 yes, most in regard to getting to work)
- Housing availability, Drugs, and recruiting seniors

CUSTOMERS

In sum, survey respondents estimated that 90-100% of all gross sales were within the region. Only 5 of 47 are selling online.

ADVERTISING

A ranked list of how businesses advertise (number of responses):

- Social media (20)
- Newspaper (16)
- Word of Mouth (11)
- Radio (10)
- Local TV commercial (7)
- Flyers/brochures at store (7)
- Billboards (6)
- Google/online/website (3)
- Magazines (2)
- Newsletters, community partners recruits, partner meetings, schools, churches, KY school board, basketball games

HOW TECHNOLOGY AFFECTS BUSINESS

This was not completed by many, but the top answer was “Not at all” (7) and the second most common answer was through use of Social technology used to promote/ marketing (6 comments). Training opportunities was the third most mentioned. Other uses included; Billing, reservations, point of sale, inventory, purchasing, meter processing, delivering education, online mapping, and finding employment/employees.

Respondents indicated strategies implemented to incorporate technological changes include:

Better customer follow up communications, customer needs tracking (rewards programs), getting improved registers, scanners, to improve inventory and sales tracking, allowing work location flexibility, providing electronic access to others, and utilizing internet marketing. (Specific responses also included: Smart Board, partnership with Apple and AT+T, new fuel dispensers, LED lighting cut electric bill by \$300 per month, hiring tech person by contract).

CHANGES IN BUSINESS

Over the next three years, businesses are hoping for growth or see little anticipated growth. Four indicated a closure or move. Most were not planning changes (14) but ten indicated they were planning updates, remodels or moves. Most did not see their client base changing, although many mentioned the need to engage youth more. Of those responding, 30 did not have a leadership or business transition plan, 7 did.

Which of the following would you like to know more about to help position your business for success?

Available economic incentives	17
Energy efficiency upgrades	14
Market research to identify existing or new customer base	12
Creating/updating my business plan	7
Support in hiring employees	7
Identifying financing options	5
Selling my business or transitioning it to new ownership	3*
Other, please specify: (online sales, marketing, need database of business space for rent)	

* and one "possibly"

COMMUNITY FACTORS

Changes in business climate for retail, accommodations, tourism and entertainment were not equal across our regions. 17 respondents noted "No change" while 6 saw increases, and 5 saw declines.

How do these factors affect your business?

Editorial comments: This is a tough section of the survey because it is a bigger area, and responses typically range from Excellent, good, sometimes, terrible, [check mark] to NA. With such a wide range of site-specific comments, the compiled responses do not offer a great deal of insight. If there are broad regional impacts- they are noted below. For all responses: Most did not answer, and of the answers recorded, the responses were mixed. For example, responses to "Cell service" included "Excellent, spotty, Poor, Non-existent." Without a regional trend.

OVERALL

Communities can be more supportive through buying local, sharing positive reviews, and efforts to support local business (improved/maintained Infrastructure, local institutional buying, volunteering, etc.) 17 felt they might benefit from regional branding and 13 did not.

Outcomes of the Create Bridges that would benefit their business included:

- Targeted ads
- Subsidized hourly wages
- Community support
- Promote CED
- Local investments
- Collaboration
- Best practices
- Create jobs
- More investment
- Advertising
- Bring new businesses
- More customers
- More jobs

APPENDICES: SURVEY DATA SUMMATION

47 +/- Respondents: Most interviewed were directors, owners, presidents, general managers.

Big Sandy Region (11)

Focus Region (34)

Not indicated (2)

Type of Business (BS): Electric utility, Chamber, tourism (2) Retail (3) Landscaping/lawn service/facility maintenance, Health, Safety training, Education, Hospitality – accommodations

(Focus): Manufacturing, non-profit, community development, tourism, administration, county government, religious non-profit, service, pharmacy, Accommodations, Massage therapy, entertainment (3), restaurant (5), money lending, retail sales (12), barber/beauty shop (2)

Overall: Types of businesses surveyed varied but there was representation from

- Retail
- Service
- Healthcare
- Non Profits
- Food based
- Entertainment
- Utilities
- Tourism
- Education
- Hospitality
- Manufacturing

Employee Information:

Full time (#=38) range 1-212 Ave. 19 total 770

Full Time Employees

- 0-10 (20)
- 11-25 (12)
- 26-50 (4)
- 51- 100
- 100 – 500 (2)

(inconclusive or no answer = 8)

Part time (#= 24) Range 1-37 Ave. 5 total 124

Part Time

- 0-10 (~20)

- 11-25 (~2)
- 26-50 (~1)
- 51- 100
- 100 – 500 (~2)

Seasonal (#= 7) Range 1-100 (One employer had 60-100 seasonal workers) without the 100 outlier, Ave. 2 Total 114

Seasonal Needs

7 w/needs or seasonal changes

4 w/temp workers

11 change hours with seasons

Temp (# = 4) Range 1-2 Total 3

Has the number of employees changed from three years ago? (#=41. 20 said yes, 11 no)

Increase/decrease? 11 said increase, 5 said decrease.

Does your rate of employee turnover create a barrier for your business? 11 Yes/ 31 no

What are some barriers you face when recruiting quality employees?

low pay (9) and benefits particularly insurance (1)

finding qualified workers (15)

Substance use disorder/ drug test (14)

responsible, trustworthy and reliable employees (6)

Worker motivations (i.e. dependable/honest/hard working, motivated) (6)

Are there particular types of jobs that are hard to fill?

Yes, cook, kitchen, yard work – as well as skilled and certified workers. (Pharmacy, police, fire fighters, Etc.)

Salary for hard to find positions range from 25K – 70K most @ \$30K (5 responses)

Range of 7.25 to \$15 per hour (in context of recruiting for positions)

Do you offer benefits to your employees?

#=40 22 responded yes, some type of benefits. Benefits ranged from insurance, dental, medical, paid leave, dental, retirement.

Reasons some don't: Cost.

What skills would you prefer your employees have to execute their job responsibilities?

Face to face communications 38

Phone etiquette 31

Team work	41	
Being to work on time	43	
Appropriate dress	31	
Customer service	40	
Time management	33	
Basic math	37	
Reading and writing	37	
Ability to understand, speak and write in English		36
Basic accounting	20	
Specialized equipment operations	18	
Word processing	14	
Spreadsheets	11	
Database management	10	
Marketing	15	
Sales	19	
Inventory Control	21	
Cash Handling	31	
Record Keeping	24	
Other: Operate cash register, camp, food safety.		

Do you provide a formal employee orientation or onboarding process? 19 yes
 Two days watching videos and reading P + P; Employee handbook with one-on-one training of duties; I-9, direct deposit, employee guidelines orientation, insurance overview; web based; explain job duties and benefits; one on one; two week training; summer- one week to cover rules, outside personnel to help about working with kids, staff importance and camaraderie; 7-10 days of on the job training with dedicated supervisors training them; skills training to do the job - running equipment; body (auto) work; job responsibilities with question and answer session; in-depth packet and online courses; job responsibilities and what we expect as an employee; Manager explains the job and provides hands-on duties; mandatory in-services, policy and procedure exposure, physical environment tour, infection control procedures; online training course

22 provide training beyond orientation.

17 provide update training To address changes in technology, policy, trends?

17 provide opportunities for cross training, leadership, or career advancement through conferences, webinars, workshops, on-site training, one on one training.

13 have some form of Mandatory trainings.

24 pay for employees to participate in training.

Factors Impacting Employee ability to work.

Transportation availability (10 yes, most in regard to getting to work)

Housing availability (1 said yes, it is an issue)

Broadband access (most have at work, not a factor)

Healthcare access (not indicated as an issue)

Child or elder care (11 indicate this was an issue)

Other: Drugs, recruiting seniors.

Customers

Estimated gross sales from customers: Within the region? 90-100% of all business Outside the region? 10% Outside the US? (15% of one business – no others indicated)

Is your business currently selling online? 5 of 47 are selling online. 2 are experiencing online obstacles., 3 have a dedicated person for online sales.

How do you advertise your business, if at all?

social media (20)

newspaper (16)

Word of Mouth (11)

radio (10)

local TV commercial (7)

flyers/brochures at store (7)

billboards (6)

google/ online /website (3)

magazines,(2)

newsletters, community partners recruits, partner meetings, schools, churches, KY school board, basketball games, Articles presented by PRTC and Jackson Energy

I don't /we don't, only in yellow pages

How does existing or emerging technology affect your business?

Many said "Not at all" (7) and the second most common answer was through use of Social technology used to promote/ marketing (6 comments). Training opportunities was the third most mentioned. Other uses included; Billing,

reservations, point of sale, inventory, purchasing, meter processing, delivering education, online mapping, and finding employment/employees.

What are some strategies you have implemented to incorporate these technological changes?

Summary: Answers included: Better customer follow up communications, customer needs tracking (rewards programs), getting improved registers, scanners, to improve inventory and sales tracking, allowing work location flexibility, providing electronic access to others, and utilizing internet marketing. (Specific responses also included: Smart Board, partnership with Apple and AT+T, new fuel dispensers, LED lighting cut electric bill by \$300 per month, hiring tech person by contract)

How do you see your business changing over the next three years?

Primary types of responses include:

Hoping for Growth: (14) (which might include: "Depends on population growing" (3)

Little or none: (13)

Planning a move or closing: (4)

Are you considering expanding to new locations? Or adding new equipment?
(Most answered both in one answer)

No (14)

Yes: (10) 3 physical moves, 7 update/remodel

Examples: I hope to move to a place in Inez, add more available merchandise; Moving away from Etsy, expanding; yes, plastic injection machines; new equipment; renovation; changing ownership; Yes, expanding to offering instruction at business and organization sites.

Maybe: (2)

"considering adding new things; would like to have more online advertising"

Is your client base changing? If so, please describe the changing characteristics (21 say no; attracting the younger generation is top answer for how things are changing)

Which of the following would you like to know more about to help position your business for success?

Creating/updating my business plan	7	
Selling my business or transitioning it to new ownership “possibly”)		3 (and one
Market research to identify existing or new customer base	12	
Available economic incentives	17	
Energy efficiency upgrades	14	
Support in hiring employees	7	
Identifying financing options	5	
Other, please specify: (online sales, marketing, need database of business space for rent)		

Does your business have a transition plan for new ownership, leadership, or both?

Yes 7 : Transfer to employees; transfer to family; transfer to board;

No: 30

Community Factors

How has the region’s business climate for retail, accommodations, tourism and entertainment changed in the past three years? 17 say none. Tourism increase (6)
Decline (5)

How do these factors affect your business?

My comments: This is a tough section of the survey because it is a bigger area, and responses typically range from Excellent, good, sometimes, terrible, [check mark] to NA. With such a wide range of comments, and all site specific, the compiled responses do not offer a great deal of insight. If there are broad regional impacts- they are noted below. For all responses: Most did not answer, and of the answers recorded, the responses were mixed and site specific. For example, responses to “Cell service” included “Excellent, spotty, Poor, Non-existent.” Without a regional trend.

Cost and availability of land (21= N/A) Mixed impact (High rent/cheap/cost prohibitive)

Cost and availability of buildings (20=NA) Mixed responses (cost is high, buildings are too large/”does impact”)

Access to credit to support business operations/expansion (17= NA) Mixed responses(really supportive/not local/paid cash)

Government and Regulation Prompts: Fire, police, environmental, planning and zoning, licensing, code enforcement, etc.

Property taxes (8 say too High) (1 notes they are comparatively low)

Business insurance costs (9 mention they are too high)

Cost of benefits

Other, please describe TEXT

How do the following affect your business LOCAL BUSINESS SUPPORT and QUALITY of LIFE

Local elected leadership (mixed and often rated on a personal basis)

Chamber of Commerce (VERY LOW participation or availability)

Other economic development orgs

- None (~3)
- KRADD
- IDA
- KHIC
- MACED

Are there other programs from which your business has received assistance?

- Health Dept
- Empowerment Zone Tax Credit
- Jackson Energy
- KCTCS
- Tourism programs and events

Education

- GED or College Cert
- Good, Fair, Decent
- Better education helps all businesses

Healthcare

- Important (safety and food handling)
- Hep A
- Poor
- Not a huge factor
- Non evening or weekend hours

Recreation

- More to do on visits
- Rock climbing increased
- More tourists
- More events
- Parking not being used properly

In what ways is the community supportive of your business?

- Customers, patronage, shop with us, etc.
- City employees supportive
- Sharing and promoting
- People supportive
- Govt agency not supportive
- Volunteers

What are some specific ways the community can be more supportive of your business?

- Buy Local (~10)
- Share reviews (~3)
- More events
- Infrastructure
- Institutional buyers (schools)
- Support vision
- Volunteering

Do you feel your business could benefit from regional branding or promotion?

- ~17 yes
- ~13 no

Do you see yourself as part of the tourism economy or actively promoting tourism in your region?

- ~12 no
- ~24 Yes

If so, How ?

- Tourism

- City push
- Promotion
- Landscaping
- Products to tourist
- Boards and leadership
- Local attraction
- Outdoor rec

What percentage of profits do you reinvest in your business?

- 90% (~1)
- Don't know
- 75% (~1)
- 100% (~8)
- None
- 15% (~1)
- 25% (~2)

What is the one thing that can be accomplished by the Create Bridges project that would benefit your business?

- Targeted ads
- Subsidized hourly wages
- Community support
- Promote CED
- Local investments
- Collaboration
- Best practices
- Create jobs
- More investment
- Advertising
- Bring new businesses
- More customers
- More jobs



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