



Liverpool City Council

Small Business Strategy

**FINAL**

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Prepared by

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GROUP**



# Small Business Strategy

## PURPOSE

TO ENSURE THE DEVELOPMENT AND LONGEVITY OF THE SMALL BUSINESS SECTOR BY PROACTIVELY PROVIDING SUPPORT AND RESOURCES TO ENABLE AND EMPOWER BUSINESSES ACROSS ALL BUSINESS STAGES.

## VISION

TO FACILITATE A BUSINESS ECOSYSTEM WHEREBY BUSINESS OWNERS ARE CONFIDENT, CONNECTED AND COMMITTED TO LIVERPOOL.

## MISSION

TO PROACTIVELY WORK WITH THE SMALL BUSINESS SECTOR AS A UNIFIED VOICE TO ENABLE COLLABORATION AND ENGAGEMENT BY PROVIDING THE TOOLS AND SUPPORT TO BUILD CAPACITY AND ENABLE INNOVATION AND SUSTAINABILITY.

## Strategic Priorities

### Engage and Inform

Be the conduit in Council and with partners for small businesses.

### Educate and Empower

Work with small businesses to identify support needs and work with partners to deliver relevant programming.

### Collaborate and Connect

Proactive connect with small businesses to help navigate the ecosystem and co-design opportunities for the small business sector.

### Leverage and Amplify

Share the collective strength of the small business sector to shift perceptions, maximise spend from within and attract visitors into Liverpool.

This Strategy aligns with Liverpool City Council's Community Strategic Plan and Economic Development Strategy pillars.



**Creating Connection**



**Strengthening and Protecting our Environment**



**Generating Opportunity**



**Leading through Collaboration**

- This Strategy is **for** small businesses across their business lifecycle stage of: *Seed and Development, Start Up, Growth and Establishment, Expansion, and Maturity.*
- This Strategy **works with** Partners and Influencers of Business support providers, networks, committees and community forums.
- The delivery of the Strategy is **by** the City Economy unit working with Directorates, the CEO and Executive Team and Elected Members.

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## Context

Liverpool City Council defines small business as:

***Independently owned and operated businesses, both for-profit and not-for-profit. Business structures range from sole trade through to partnership and company employing up to 20 employees.***

Liverpool's small businesses are diverse and make a significant contribution to the local economy. Liverpool has experienced major changes over the last few years responsive to the population growth such as lifestyle residential developments and increased commercial activity in the CBD. It will continue to see significant change into the future accelerated by the development of the Western Sydney International Airport and new city of Bradfield. It is home to a diverse and multicultural business community, a vibrant arts scene and a burgeoning health, innovation and education sector.

Liverpool is at the epicentre of one of the fastest future growth areas in Australia. It contains the core attributes to become one of the most significant commercial centres as a destination for job creation and employment.<sup>1</sup> The economic landscape is on the cusp of significant change, rapid transformation and growth with a suite of upcoming projects planned which will establish Liverpool as Sydney's third CBD.

This Small Business Strategy forms part of the broader Liverpool City Council Economic Development Strategy and Community Strategic Plan. Its core purpose is to provide a proactive roadmap for the City Economy Unit, specifically the Business Development team. It is to be used in collaboration with wider Liverpool City Council colleagues and external partners to present a value-based, unified approach to supporting the prosperity of this critical sector of the community and economic fabric of the region.

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<sup>1</sup> Liverpool Employment Strategy June 2020

## Situation Analysis - Summary

Small business is an important part of the Australian economic landscape. In NSW, there are 710,000 registered small businesses (34% of all small businesses in Australia) employing almost 50% of the workforce.<sup>2</sup> In NSW, 32% of all small business operators were born overseas with key industries in:

- construction
- professional, scientific and technical services
- rental hiring and real estate services.

Approximately 68% of small business owners are male and 32% are female.<sup>1</sup>

Liverpool is at the epicentre of one of the fastest future growth areas in Australia. It contains the core attributes to become one of the one of the most significant commercial centres in Australia as a destination for job creation and employment.<sup>3</sup>

Liverpool's small businesses are diverse and make a significant contribution to the local economy. There are 17,661 small and non-employing businesses in the region, encompassing 98% of all businesses. The following figure illustrates industries Liverpool small businesses operate in.

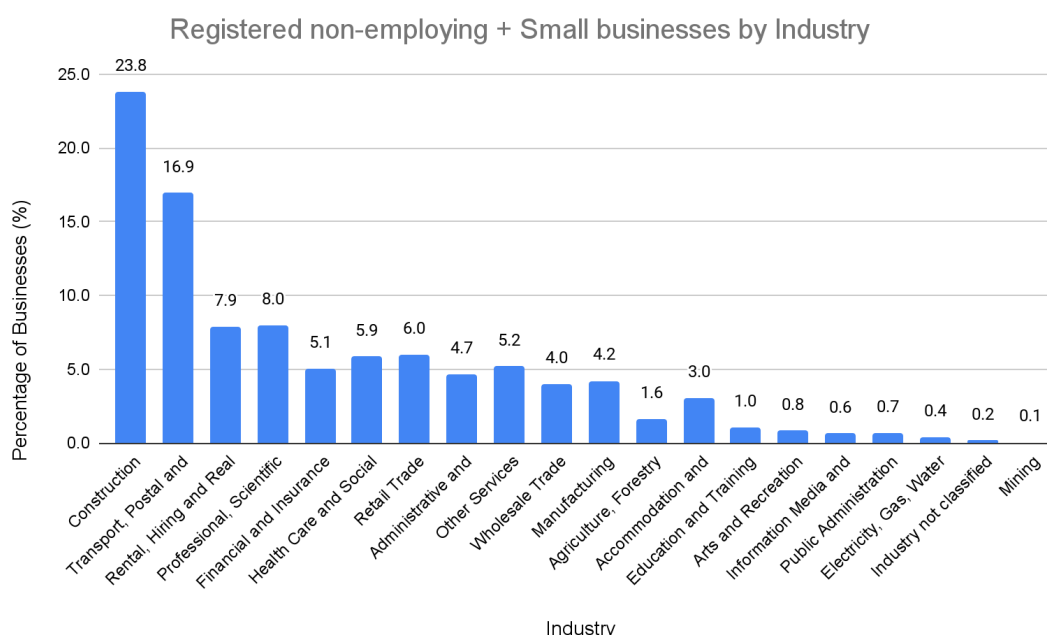


Figure 1: Registered Non-Employing/Small Businesses by Industry. Source: Economic Profile - Liverpool.

<sup>2</sup> State of NSW through the Department of Industry, 'NSW Small Business Strategy', 2017.

<sup>3</sup> Liverpool City Council, 'Liverpool Employment Strategy Final Report', 2020.

The two most popular small business industries (Construction and Transport, Postal and Warehousing) in Liverpool are consistent with the following economic trends:

- Liverpool's housing developments and infrastructure projects produce demand for construction workers. This is reflected in the large number of small businesses in construction.
- Liverpool's manufacturing and warehousing hubs require transport to service other parts of Greater Sydney, hence the large number of small businesses in Transport, Postal and Warehousing Services.

Resident workers of Liverpool are primarily employed in the Retail, Health Care and Construction industries. In 2016, 49.9% of resident workers were born overseas. The region's employment self-sufficiency and self-containment are 37.8% and 30.5%, respectively.<sup>4</sup>

Liverpool City Council's City Economy Unit works with businesses, industry bodies, representative groups and key health and education institutions to provide an environment that attracts, grows and supports sustainable economic growth as well as business and employment opportunities.

Whilst there are instances of buoyancy and confidence amongst the broader business community, in general, business sentiment has been driven down by COVID restrictions since March 2020. Further loss of business confidence across some parts of this sector has been observed as Liverpool entered lockdown in June 2021 due to the Sydney COVID-19 Delta variant outbreak.

The airport and new city of Bradfield are also poised to transform the region and many businesses are looking forward to the resulting increase in foot traffic, city activation and international connectivity. However, how businesses can leverage these opportunities remains unclear at this early stage of development.

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<sup>4</sup> Economy ID, 'Liverpool City Council Economic Profile', 2021.

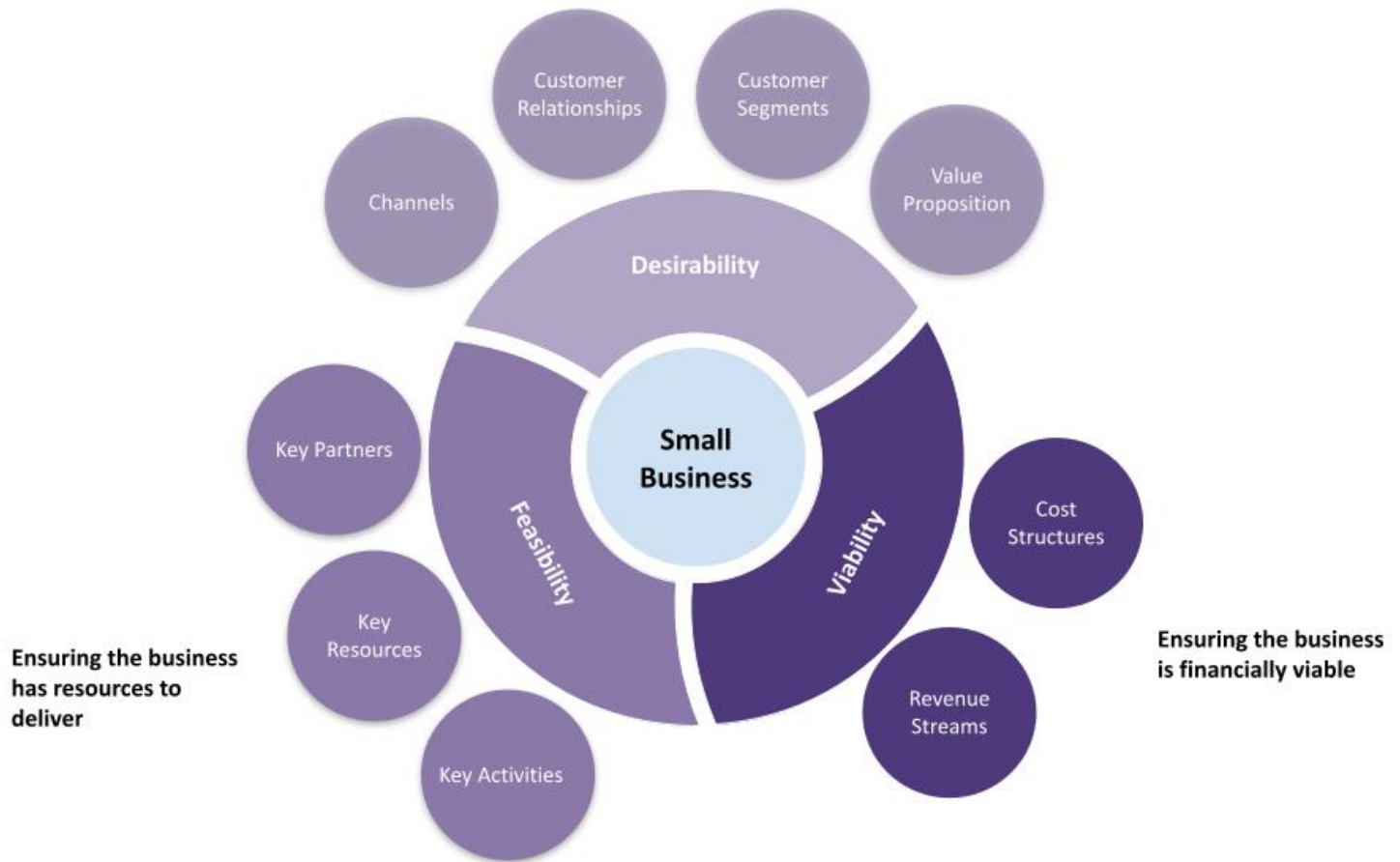
A number of themes emerged from a series of analysis and consultation processes. This included interviews with Liverpool City Council staff, business support service providers, business representative networks and other relevant stakeholders as well as a deep review of the 2020 and 2021 small business survey data and social listening.

Key Theme	Detail
Engagement	Businesses do not see Liverpool City Council beyond regulation and planning.
Leverage Opportunities	Small businesses struggle to understand their role beyond themselves and in the broader Liverpool economy and place ecosystem.
Aerotropolis/New city of Bradfield	Many of the opportunities are wrapped around the aerotropolis which is still a number of years away. For small businesses, this is too abstract for them to understand or plan for.
Capacity and Capability	Capacity and capability are diverse. There are a significant number of businesses, many of which are cash based, who do not have an appetite to modernise in line with the emerging Sydney's third CBD and respond to customer needs.
Internal Misalignment	Internally at Liverpool City Council, whilst there are a number of directorates that interface with small businesses, they do not understand the impact beyond the service they provide and how their role should work collaboratively with the CE Unit.

## Small Business Framework

There are nine key components that small businesses need to have in place to ensure their sustainability.<sup>5</sup>

**Ensuring the business is delivering value to its customers**



<sup>5</sup> Strategyzer, '<https://www.strategyzer.com/canvas/business-model-canvas>', 2020.



## Small Business Lifecycle

Business lifecycle stages flow across five stages as outlined in the table below. The descriptions provide key milestones to assist with identification of a business's stage and to determine the support required.<sup>6</sup>

Business Lifecycle Stage	Definition
<b>Seed and Development</b>	This is the very beginning of the business lifecycle, before a startup is even officially in existence. Typically there is a business idea that is still in the embryonic phase and it is probed and tested for viability, feasibility and desirability.
<b>Start up</b>	At this stage, a business typically develops and iterates its minimum viable product or service and begins operating following probing and testing of business ideas.
<b>Growth and Establishment</b>	At this stage, a business generates a consistent source of income, regularly attracts new customers, increases their cash flow and may hire more staff.
<b>Expansion</b>	At this stage, a business is firmly placed within their industry and may seek to capitalise on this newfound stability to expand their horizons into new markets and/or geographies.
<b>Maturity</b>	After a business has successfully expanded, they will be seeing stable profits year-on-year. They may decide to expand further or continue sustainable operation in their current market.

<sup>6</sup> Neil Petch, *'The Five Stages of Your Business Lifecycle'*, 2016.

## Challenges

The turbulence due to COVID-19 has left small business operators fatigued and cautious. Liverpool however, is on the precipice of significant change as it sets out to transform into Sydney's third CBD. Liverpool is in a unique situation of survival and recovery with growth and revitalisation moving in parallel. With small business owners feeling cautious, it will be important to bring them on the journey of change to build confidence in the vision and willingness to invest in this change.

The broad brush support approach to date means that businesses that contribute significantly, but are hidden (or not consumer facing) can often be overlooked in terms of their contribution and support needs. This can lead them to feel disconnected to the support that is available to them, unaware of the value they bring and the opportunity for them as part of the changing landscape.

Small businesses are not clear in how to navigate the broader business support ecosystem. This support system is there to empower and enable them through this phase of turbulent and transformative growth for the region.

## Challenges Defined

Internal	External
<b>Reactive and broad-brush</b> approach to small business <b>programing</b> .	<b>Lack of clarity</b> of the small business support ecosystem in Liverpool and <b>how to navigate it</b> .
<b>Internal misperception</b> of the role <b>Council plays</b> for small business.	<b>Cultural and Linguistic barriers</b> to business <b>engagement</b> .
Many <b>initiatives delivered independently</b> .	Long standing <b>misperceptions</b> of the <b>Liverpool region</b> .
<b>Low engagement rates in</b> small business support programs.	Lack of <b>localised distillation</b> of high level <b>State Government</b> small business support programs.

## Opportunities

Liverpool is on the cusp of significant change seeing the growth of industries and new businesses investing in the region.

It's important that Liverpool's evolution embraces the diversity of small businesses, as they give Liverpool its unique positioning, which will be key to the city's growth.

Liverpool City Council's role is one of support - working with small businesses to help them understand their role and navigate the business ecosystem to be part of this change by embedding themselves into supply chains and leveraging growth across major precincts.

Small businesses have three key roles in the local economy:

- They contribute significantly to the region's GDP and employ almost 50% of the local workforce.
- They bring communities together and strengthen social links across the diverse population.
- They contribute to place making, enhancing the reputation of the region which, in turn, attracts customers as well as other businesses to the region.

## Opportunities Defined

Internal	External
Platforms for <b>greater transparency</b> and <b>collaboration</b> across the City Economy Unit and directorates.	<b>Gather intel</b> on upcoming projects and programs and <b>deliver information</b> via relevant communication and messaging pathways.
A renewed focus on <b>strategic collaboration</b> with Digital Services and Communications to distribute effective and targeted messaging.	Collaborating with partners and agencies for <b>gaps and opportunity mapping</b> across industries for <b>program co-design and delivery</b> .
Embedding a <b>culture of capability and capacity building</b> internally to maximise strategy delivery.	Delivering a program of <b>capacity building and support activities</b> which <b>complement existing</b> programs and services and relevant to the business lifecycle.
Implementation of a <b>data-centric culture</b> and cross collaboration with directorates for data sharing.	Identify opportunities in relation to <b>business growth and development</b> in the region to increase <b>potential and buy-in</b> .

## Purpose, Vision and Mission

With a number of service providers for small business, it can at times be difficult to navigate. Liverpool City Council can be seen as a regulator and as such how they can support businesses is not considered or understood internally and externally. As such, the first step is for Liverpool City Council to be clear as to the value they bring and who their audiences and stakeholders are:

### **Our Purpose is:**

To ensure the development and longevity of the small business sector by proactively providing support and resources to enable and empower businesses across all business stages.

### **Our Vision is:**

To facilitate a business ecosystem whereby business owners are confident, connected and committed to Liverpool.

### **Our Mission is:**

To proactively work with the small business sector as a unified voice to enable collaboration and engagement by providing the tools and support to build capacity and enable innovation and sustainability.

## Small Business Audience

Small businesses of all lifecycle stages are the key audience for this strategy. Small businesses will typically have differing needs depending on their business lifecycle stage and will therefore require tailored considerations and support. Small Business Needs

Industry Sector	Insights
Retail Trade	<p>Due to their operating hours, it can often be difficult to find a good time to engage with businesses in the retail sector. After-hour appointments can be a workable solution as can meetings on-site.</p> <p>Retail businesses typically require support around employment issues and assistance with marketing including online and social media presence.</p>
Tourism / Accommodation and Food Services	<p>Customers in this segment have a strong interest in establishing their distribution model, online and social media presence but typically do not have the requisite skills. Tourism operators often wish to identify particular grants that they may be eligible for and require assistance with the relevant application processes.</p>
Construction / Manufacturing	<p>A large cohort of this customer segment are “tradies”. One of the most common trigger points for this segment to seek help is when they need to employ a new staff member, typically their first, for example, an apprentice. A common issue with this customer segment is cash flow management, however, there can be a lack of self awareness around this.</p> <p>This segment is known to be a “difficult crowd to build trust with”. Breakfast BBQ meetings and networking sessions can be a useful format to build this trust whilst also accommodating the segment’s working hours.</p>
Health Care and Social Assistance	<p>Customers in this segment can often struggle with accounting and employment matters, for example, when they are managing many contractors. In this, and other situations, they often don’t seek out advice until it’s too late.</p> <p>With the introduction of NDIS in recent years, there has been a large demand for specialised support for the NDIS Provider sub-segment. Support is typically sought for the registration process and complying with the program’s quality frameworks.</p> <p>Larger businesses in this segment will often seek support at a strategic level, for example, assistance with business plan development when seeking financing.</p>

Community Services	Businesses in this segment deliver a range of different services to their communities, although typically face similar challenges. In addition to high-level strategic planning, this customer segment will often require support with grant applications and capability building for marketing activities including their online and social media presence.
Professional, Scientific and Technical Services	Businesses in this segment are looking to expand their network and access to contacts. Typically this sector connects with their specific industry body and associations, which may not be specifically local.

## Strategic Pillars

### **Engage and Inform**

*Work with businesses to help them navigate Council and the broader business ecosystem. By acting as the conduit in Council and with small businesses partners, businesses will gain a better understanding of how Council can support their business journey, and be informed to enable better decision making.*

### **Collaborate and Connect**

*Collaborate with small businesses and the broader ecosystem to build stronger connections and co-design proactive opportunities to support growth and sustainability. Giving small business owners a voice will increase confidence and willingness to contribute to the broader Liverpool vision.*

### **Educate and Empower**

*Through improved connectivity and collaboration, proactively identify and deliver learning needs and work in partnership with the small business ecosystem to build capability. By delivering consistent informal and formal programming and encouraging a peer support system, businesses will be empowered and enabled to focus and think innovatively and drive positive customer experience and value to customers.*

### **Leverage and Amplify**

*Through the combined strength of the sector, influencers and partners will collaborate to communicate the richness of the Liverpool's diversity to attract a complementary businesses mix and a broader business ecosystem. Through amplifying in one voice, this will work towards shifting perceptions, maximising spend from within and attracting visitors and investment into Liverpool.*

## Action Plan

The following table outlines the key actions and next steps to be undertaken to implement the strategy and how often each of them should be completed in the coming years accompanied by a key measure of success. The action plan delivers and supports the vision outlined by the strategic pillars and is intended to be an evolving dynamic framework from which operations of the CE unit and broader Council flows in terms of small business. The practical approaches within the action plan will be monitored bi-yearly and the impacts and effectiveness of each approach be tracked to allow further refinement of future actions. These actions will require collaboration and coordination across Council, partners in the Library, Customer Service and Communication Units along with Multicultural Business Advisors and Business Connect.

The action plan is separated into 3 sections.

- Improving business engagement
- Connecting small businesses to opportunities in the region
- Building the capacity of small businesses

Each action is accompanied by the person responsible, recommended time frame and key measure of success.



Improving Business Engagement	Responsibility	Time frames	KPIs						
Action									
Develop a small business customer service fact sheet for Council staff	BPOs (in conjunction with Customer Service team)	By June 2022	Finalised fact sheet						
Establish a regular (once a fortnight) drop in session whereby small businesses can speak with one of the BD Team.	BPOs (in conjunction with BD team), libraries, customer service	Ongoing	At least 40 sessions						
Targeted regular face to face interaction with small business where possible (Phone calls where this is not possible)	BPOs	Ongoing	Generation of business support opportunities (100 per year)						
Promote SBO role with key targeted messaging	Communications and BD team	Ongoing	4 posts or media releases per year						
Include small business scorecard in satisfaction surveys to inform development of future programming.	Marketing Officer/ Corporate Strategy	Annual	Two surveys per year						
Review and update relevant small business sections of Council's website	BPOs in conjunction with Communications	6 monthly	Review at least twice per year						
Further support ecosystem for start ups and home based businesses	BPOs	Ongoing	At least two events/workshops per year						
Use promotion of small business success stories both internally and externally to promote business concierge services.	BPOs in conjunction with Communications	Ongoing	5 positive stories per year						
BPOs to liaise regularly across Council and build relationships with other Departments to enable good quality engagement and provide a business concierge service for small business	BPOs	Ongoing	Relationships developed across Departments						
Update the intranet portal with relevant information for Council staff on small business	BPOs	Regular updates	Twice per year						
Develop a Small Business customer service fact sheet for when engaging with businesses outlining Business Concierge Services offered by Council	BPOs	By June 2022	Finalised fact sheet						

Connecting Small Business to opportunities in the region									
Meet regularly with small business networks and present on updated opportunities to be engaged on major projects	BPOs and BD team	Ongoing	At least 12 meetings per year						
Establish a key small business sector working group or reference group to share information, seek feedback and advocate to small business community. Ensure multicultural representation across the group.	BPOs	Establish group in 2022	By Dec 2022						
Facilitate an ongoing outreach program to introduce CALD businesses to Council's support and major regional projects	BPOs in conjunction with Multicultural Business Advisers	Ongoing	20 engagements with business per year						
Offer an interpretation service for CALD businesses to better connect with CALD community.	BPOs in conjunction with Multicultural Business Advisers	Ongoing	20 engagements with businesses per year						
Undertake regular cultural precinct visits to learn from other multicultural areas of Sydney such as Marrickville, Earlwood, Cabramatta, Redfern, Lakemba etc. and apply to small business programming.	BPOs, BD team	Ongoing	2 visits per year						
Access spending and other data relevant for small business dissemination	BPOs and Senior Innovation Officer	Ongoing	Data accessed each year and disseminated to networks						
Identify broader Council and regional initiatives to promote the small business opportunities available in major projects	Communications and BPOs	Ongoing	5 campaigns per year						
Regular updates provided to Customer Service team on major projects happening in the region	BPOs and BD team where appropriate	Ongoing	2 updates per year						
Ensure small business events and activities are included in City Economy events calendar	BPOs and Events team	Ongoing	Calendar updated regularly						

Connect smaller distributors to larger supply chains in the Transport, Postal and Warehousing sector.	BPOs	Ongoing	One event or workshop per year						
Approach neighbouring Councils to deliver a Western Sydney support local business campaign.	City Deal Councils and BD team	By end 2022	Appointments made						
Develop business cases for the establishment/attraction of co-working spaces in the LGA	BD team	By end 2021	Two business cases (1 x CBD and 1 x outside CBD)						
Implement support and buy local campaigns	BD team but led by BPOs	Ongoing	Three campaigns per year						
Actively participate in existing informal business networks to provide guidance and information that is helpful for small businesses inc on major projects.	BD team	Ongoing	Attend 20 networking events or meetings						
Develop a fact sheet on future industrial land in the LGA including in the Aerotropolis (considering the role and opportunity for small businesses).	BD team	By end 2022	Fact sheet completed						
<b>Building capacity of small businesses</b>									
Develop a dedicated small business mentoring program designed to meet challenges as identified - e.g. growth, exporting, digital, business fundamentals.	BPOs	By end 2022	Program developed						
Facilitate guest speakers and sector specialists to engage with start up and home based business groups	BPOs	Ongoing	2 speakers and/or engagements arranged per year						
Leverage and promote the learning platforms available through the library such as LinkedIn learning.	Library staff and BPOs	Ongoing	Contribution to two campaigns and facilitate connections from the library to various networks.						
Advocate for small business support to NSW Government (especially in the context of large scale changes in the Liverpool region)	BPOs and BD team	Ongoing	4 advocacy campaigns contributed to per year and 10 engagements per year						
Promote opportunities for local small businesses to participate in Council run events and placemaking activity.	BPOs, Senior Officer Economy and Place and Events team	Ongoing	4 engagement events per year conducted						
Link small businesses to training opportunities involved with development of the night-time economy in the CBD, enhancing the visitor economy and fostering innovation.	BD team, Senior Innovation Officer, Senior Officer Economy and Place	Ongoing	Promote at least 10 opportunities via networks and communications channels						