REGINA

Remote communities & resource-based industries

REGINA Local Smart Specialisation Strategy:
Local Benefit Analysis Toolbox (LBAT) Guidelines

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Local benefit retention

Developed by:
Environmental Research Institute, University of Highlands and Islands
Nordregio

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Introduction

This document has been compiled to provide guidelines for the Local Benefit Analysis Toolbox (LBAT). The LBAT has been created as part of the Northern Periphery and Arctic 2014-2020 REGINA project[1] that aims to reduce the vulnerability and increase the preparedness of small communities in remote areas of the Nordic Arctic and Scotland facing development – or closing-down – of large-scale, resource-based industries.

The REGINA project group is a transnational mix of research institutions, stakeholder groups and five small, remote municipalities. Together they are creating local smart specialisation strategies (LS3) based on the 6-step LS3 model and includes three specific planning tools: a Demographic Foresight Model (DFM), a Social Impact Management Plan (SIMP) and a Local Benefits Analysis Toolbox (LBAT). This document contains the guidelines for the LBAT and will provide comprehensive instructions in using the tools provide in the LBAT framework.

Smart specialisation and the LBAT

REGINA aims to translate the European Union regional innovation strategy for smart specialisation (RIS3) model into a local smart specialisation strategy (LS3). When the aims of the RIS3 strategies are explored (below) it becomes apparent that the LBAT as a toolbox becomes integral to delivering these aims at a local level and project level.

National/Regional Research and Innovation Strategies for Smart Specialisation (RIS3 strategies) are integrated, place-based economic transformation agendas that do five important things:

- *They focus policy support and investments on key national/regional priorities, challenges and needs for knowledge-based development.*
- *They build on each country/region's strengths, competitive advantages and potential for excellence.*
- *They support technological as well as practice-based innovation and aim to <u>stimulate private sector investment</u>.*
- *They get <u>stakeholders fully involved</u> and encourage innovation and experimentation.*
- *They are <u>evidence-based</u> and include sound monitoring and evaluation systems.[2]*

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[1] http://www.reginaproject.eu/

[2] European Comission (2014)
 NATIONAL/REGIONAL INNOVATION STRATEGIES FOR SMART SPECIALISATION [online] Available from <http://ec.europa.eu/regional_policy/sources/docgener/informat/2014/smart_specialisation_en.pdf>

Aims of the LBAT

The LBAT is an integral part of the LS3 model that aims to enhance the local retention of economic benefits from large-scale natural-resource development. This is a response to the potential challenge where profits and jobs are leaked out of the local area because of a lack of suitable business development and labour force requirements. The LBAT provides a basis for strategies to strengthen local supply chain linkages of resource-based industries, as well as complementary economic opportunities, while taking into consideration underlying socio-economic conditions that condition development opportunity. A core focus is therefore on development of the labour force through place-based education and training, as well as direct support for business development and entrepreneurship in a local key industry, the supply chain and complementary sectors.

The LBAT aims to support the retention of local benefits through shortened and localised supply chains and business-specific spill-over opportunities presented by new industrial activities. It will consist of a suite of advice, analytical tools, and good practice examples that guide local decision makers through a step-by-step analysis of the local/regional supply chain impacts and spread effect opportunities.

LBAT step-by-step guidelines

Figure 1 presents an overall workflow sequence to the four main steps and components of the LBAT: base knowledge, analytical options, a comprehensive SWOT and development of policy implications. Not all the components are essential to developing a useful local benefit enhancement strategy, and effort is made in the discussion below to suggest how municipalities might choose between different options.

It is intended that the tools in the first two section *Base Knowledge* and *Analytic Options* be used to create results that are then analysed to provide a sophisticated and in-depth understanding of the municipality, industry and supply chain that can be used to provide inputs for the comprehensive SWOT analysis.
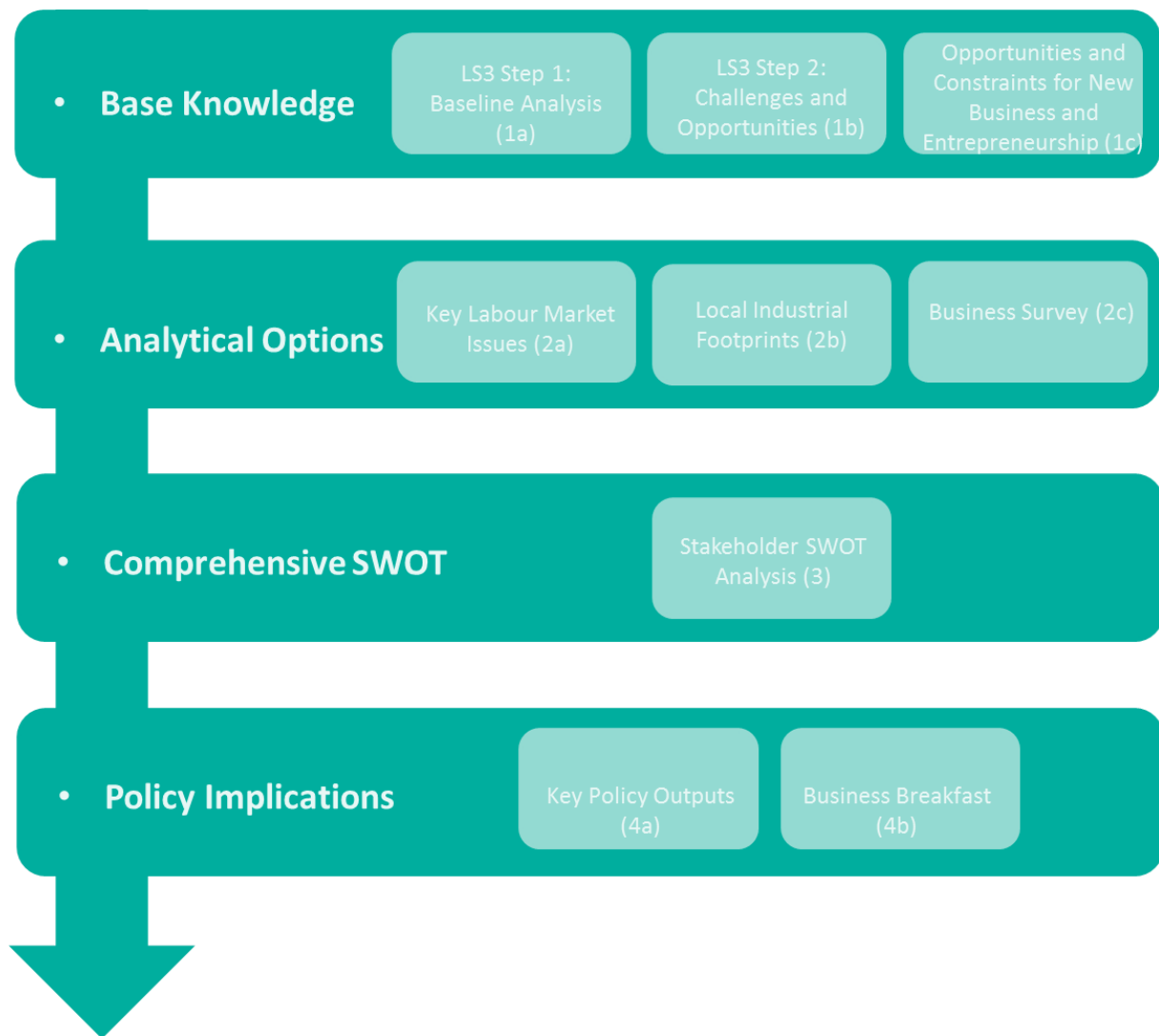
Figure 1. Workflow diagram of the LBAT including tools used at each stage

Baseline Knowledge

The first step of the toolbox utilises tools that collect baseline information related to business development, entrepreneurship and the labour force surrounding a local large-scale industry. The guidelines for completing this are based on work completed in previous stages of the LS3 Model.

Baseline Analysis Study

Guidance for collecting the baseline analysis is derived from Step 1 of the LS3 model and is important for ensuring that the next steps of the LBAT are based upon the existing knowledge. The information may already exist in other reports and work done in the municipality but it needs to be compiled to allow of a comprehensive baseline to be established in regards to the innovation and entrepreneurship theme. Removing data that is not needed helps to streamline the process of utilising the correct and useful tools at a later stage in the LBAT.

The full baseline analysis template can be found in the user handbook and a summary proceeds below.

Start by providing a brief outline of the major industry or industries involved in the local municipality. This should give details on the following:

- Sector(s): varying from mining, quarrying, refinement, oil and gas exploration/extraction, renewable energy, etc.
- Identification of specific projects in terms of its size (by area, capital investment, current and/or planned employment, turnover, etc.).
- The expected length or duration of the project (if relevant).
- Summary of economic value (expected and/or current) in the supply chain and/or complementary sectors
- If relevant, previous industries that have had an impact on the municipality and directly or indirectly on the new large scale industry should also be included. For example in the Scottish area the previous large-scale industry of nuclear power has had a major impact on demographics and supply chains that now impact the developing marine energy industry.

Next, provide basic information about:

- Strategic plans already in place concerning business development, innovation and entrepreneurship
- Economic agencies who have a remit covering business development, innovation and entrepreneurship
- Academic and research institutions that are involved in research in business development, innovation and entrepreneurship

Since a core focus on the LBAT is on business development and entrepreneurship, the baseline analysis should attempt to provide detailed information about growth of new companies. This is based on Eurostat-OECD indicators[3] and the list can be found in Figure 2. It should be noted that detailed data sought in Figure 2 may not be available or data may not be entirely accurate due to privacy rounding errors. This should not be considered a problem as it helps inform later steps of the toolbox and itself provides information useful to knowing how the region or municipality looks at the issue of business development and entrepreneurship. For example, the development of the business survey as one of the analytical options was a direct result of the difficulties that REGINA local partners had in obtaining the data for the indicators in Figure 2.

Indicator	Definition/Time Period	Municipality	Region	Country
1.Enterprise Birth Rate	Any Given Year			
2. High-Growth Enterprise Proportion	On Employment Growth			
3. High-Growth Enterprise Proportion	On Turnover Growth			
4.Gazelle Proportion	Based on Employment			
5.Gazelle Proportion	Based on Turnover			

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[3] Eurostat-OECD Entrepreneurship Indicators http://ec.europa.eu/eurostat/web/structural-business-statistics/entrepreneurship/indicators

6.Business Churn	Addition of Birth and Death Rates			
7.Business Population Growth	Births Minus Deaths			
8.Business Survival Rates	After 3 Years			
9.Business Survival Rates	After 5 Years			
10.Proportion of Firms	Of 3 Years			
11.Proportion of Firms	Of 5 Years			
12.Percentage of Employees	Of 3 Years			
13.Percentage of Employees	Of 5 Years			
14.Average Size of Firms	Of 3 Years			
15.Average Size of Firms	Of 5 Years			
16.Business Ownership Rates				
17.Business Ownership Rates	Start Up Rates			

Figure 2. Example table of economic indicator data that is input in the baseline capacity report.

Labour force indicators are also very useful in looking at business development due to obvious links between labour supply and employment demand. Therefore, the standard (typically readily available) employment and education indicators provided in Figure 3 should be compiled for the local areas.

There are also other labour force issues that can be brought in to build up a larger picture including a number of issues related to:

- Characteristics of the labour force in the municipality
    - Information or data about the share of the workforce which is employed in large scale or resource-based industry in your municipality?
    - Information or data about the municipality which suggests that the presence of the identified key industries affect the occupational structure of the workforce (e.g. by boosting the number of manual/low skill occupations?)
    - Information or data about Fly in fly out workers
    - Describe the importance of employment in activities which are connected to the "large scale" industries – either upstream or downstream in their supply chain
    - Has the presence (or decline) of large resource-based industries in the municipality affected the skills base of the local labour force – for example does it mean that there is a high proportion of low skilled workers?"
- Education and competence building in the labour force
    - Current process for competence building or up-qualification for unemployed.
    - Current municipal/regional strategies to attract particular needed competences.
    - List the main educational institutional institutions and their educational focus.

Indicator	Units / Definition	Municipality	Region	Country
Economic Activity Rate (total)	Economically active as % of 15-64 population			
Economic Activity Rate (female)	Economically active females as % of 15-			

	64 female population			
Employment Rate (total)	Employed as a % of 15-64 population.			
Employment Rate (female)	Employed females as a % of 15-64 female population.			
Unemployment Rate	Unemployed as % of economically active			
Unemployment Rate (female)	Unemployed females as % of female economically active			
Youth unemployment rate	Unemployed persons aged 15-24 as a share of the labour force			
Graduates	% 30-34 yr population with ICED 5 or higher			

Figure 3. Local labour market and human capital indicators

Challenges and Opportunities through Stakeholder Workshops

Moving on from identifying the current baseline situation, the second tool focusses on identifying perceived challenges and emerging opportunities[4]. It is based on the results of STEP 2 of the LS3 model, and detailed guidelines are available for a suggested method of identifying challenges and opportunities through stakeholder workshops[5]. It is important to note that the challenges and opportunities identified in Step 2 of the LS3 will not relate to local business development issues that concern the LBAT. Therefore, this component is the process of going through the challenges and opportunities and identifying which ones are related to business development, entrepreneurship and innovation.

Questionnaire: Opportunities and Constraints for New Business

An alternative to the workshop option has also been included to ensure there is an approach if the stakeholder workshops have not been carried out in the LS3 sequence. The guidelines to the opportunities and constraints template can be found in Appendix A. This is based on a survey approach has been adopted to allow for specific opportunities and constraints related to business and

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[4] The 6-Step Model for Local Smart Specialisation Strategies http://www.reginaproject.eu/s/REGINA-2016_1_updated.pdf

[5] REGINA Step 2 –Challenges and Opportunties https://www.dropbox.com/s/13ocvnkfs4iyxdy/REGINA_LS3Template_Step%201%202%203%20_FINAL.docx?dl=0

entrepreneurship. This tool may yield results that are more appropriate and requires fewer resources to conduct.

The guide gives detailed explanations on why this information is important and helps to define what entrepreneurship and innovation is. The guidelines follow some of the same themes found in the previous tool but use a more quantitative approach.

The guide describes how to collect the quantitative data and how to target specific stakeholders in regards to business development and entrepreneurship. It outlines the whole process of collecting information from identifying what business development and entrepreneurship actually is right through to the process of identifying opportunities and constraints.

An example of the guide below shows how the tool focussing right in on identifying those stakeholders specifically related to the business theme rather than just using the stakeholders identified for the wider LS3 model.

Example of how to identify stakeholders for discovering development opportunities and constraints related to your key industry:

- *Representative from the local partner/municipality. This stakeholder should be involved in business development for the local partner/municipality.*
- *Representative(s) from industry (ies). This stakeholder should be involved in business development for the local partner/municipality.*
- *Representatives from supply chain companies. These companies should be directly involved in the supply chain based around the local large scale industry.*
- *Representatives from the community. This can from a wide variety of stakeholders including but not limited to: mayors, community councils, community elders, local indigenous population.*

Analytical Options

This section of the LBAT utilises three analytical tool options to take a deeper look into the issues highlighted by the previous three tools in the base knowledge step. It is expected that the local partners choose to implement at least two of these options but if it is deemed useful to utilise all three that will lead to a more comprehensive SWOT analysis later in the toolbox.

The outcomes and results of the previous tools will help to identify which tools are more applicable to each municipality. For example, if the detailed economic data is not available in the baseline analysis then business survey analytical tool should be utilised to provide that knowledge lacking in the local area.

Qualitative Research to Explore Key Labour Market Issues

The following methods that can be applied by a municipality to carry out the in-depth studies. It is based on the REGINA working paper *"Tools for monitoring social impacts of large-scale industries"*

(Suopajärvi and Jungsberg 2016). Each municipality decides which method(s) would be a relevant approach to gather insights about local labour market issues they wish to address. In some cases it can be a benefit to choose more than one method to explore and analyse the social phenomenon.

Note that analysis carried out here are in many ways also complimentary to the quantitative output of the Demographic foresight model because it depicts a picture on the future and the potential and/or need for labour in the local area through e.g. the shock scenarios. By considering the qualitative analysis of current labour market challenges this can help assess the validity of future projections regarding an overall employment increase and general opportunities for labour market development.

Questionnaires

Questionnaires are useful when it is necessary to reach a large audience, such as the residents of the municipality. Questionnaires can be delivered to informants by post or by using internet programs (e.g. Webropol). One challenge with questionnaires can be a low respondent rate; nowadays the rates are around 15-30 % in postal surveys. If the survey is done by using the Internet it might be difficult to reach all groups of the community (e.g. elderly people). The questions asked in a questionnaire can be open questions or closed questions.

- Open format questions or open-ended questions give your audience an opportunity to express their opinions because they don't have a predetermined set of responses and the respondent is free to answer whatever he/she feels right. An advantage of including open format questions in your questionnaire is that you can get true, insightful and even unexpected suggestions. A disadvantage is that is can makes it difficult to code and analyse results from the diverse range of answers provided in the questionnaire.
- Closed-format questions limit the answers of the respondents to response options provided on the questionnaire. An advantage of this is that is time-efficient; responses are easy to code and interpret; and it is ideal for quantitative type of research. A disadvantage is that respondents are required to choose a response that does not exactly reflect their answer; the researcher cannot further explore the meaning of the responses
  Some examples of types of closed end questions are:
  - Dichotomous or two-point questions (e.g. Yes or No, Unsatisfied or Satisfied)
  - Multiple choice questions (e.g. A, B, C or D)
  - Scaled questions that are making use of rating scales such as the Likert scale (i.e. a type of five-point scale), three-point scales, semantic differential scales, and seven-point scales

Thematic interviews

A qualitative approach is useful in a situation where the aim of the research is to get information about more profound dilemmas or local conflicts where it is necessary to understand peoples' experiences more in depth. Thematic interviews can also serve as a preparation for designing a questionnaire to ensure all relevant questions for the local habitants are included. It can be difficult for the researcher to create a questionnaire without having existing knowledge about the issues at stake in the municipality.

An example of a qualitative study carried out as a part of Regina-project was about mothers, who have quite recently moved to Sodankylä, some of them because of their husband's or their own work in mining. In Sodankylä – and in Northern sparsely populated areas in general, as noted also in Regina project - the main demographic challenge is out-migration of young women. Hence, if the community gets new female residents and families moving to the area e.g. because of the mining, it is important to pay attention to their wellbeing.

In the Sodankylä case study, the researcher contacted mothers with the help of maternity clinic and reached 10 mothers with small children. Four group interviews were carried out, with mothers aged 28-38 years discussing about Sodankylä as a place to live and about their and their families wellbeing. Interview structure was thematic and it was based on scientific literature, basically on sociologist Erik Allardt's[6] dimensions of wellbeing: having, loving and being. Having refers to economic and material aspects of life, loving to social relations and being refers to self-realization. Interviews were recorded, transcribed and analysed with the help of research literature.

Interviews are a very popular way of collecting data in social sciences but it is quite a time-consuming way: to find informants, interview them, transcribe their talk to text and then analyse often a large data takes a lot of time. In some cases interviews can be done in a journalistic way; to have few exact questions and then make phone interviews among stakeholders.

Written stories

Written stories can be used as a tool to monitor social impacts and it is in particular efficient in reaching certain groups such as the youth. The method was used as part of understanding young people's perceptions regarding mining. A group of young people aged 15-16 and about to leave primary school in Kittilä, where *Kittilä gold mine* is located shared their present day experiences in everyday life, and also imagine their own and community´s future. In the first page they were asked about their sex (male/female), place of living and place of birth. Then the young people were asked to tell three best and three worse things in their localities. In a second page they were asked to imagine their lives 10 years after and write a story about their life in that situation. The idea was to see how many of them planned to stay in Kittilä and also, work and have a career in the mining industry.

Appreciate- influence- control (AIC)

Appreciate- influence- control (AIC) is a workshop based method which can bring interest groups together. AIC typically involves three phases (Mikkelsen 2005):

1) Looking at present realities and the reasons for present issues and problems
2) Brainstorming as many ideas as possible about the ideas situations
3) Discuss strategies of how to get from present reality to the ideal vision, prioritising different options and then setting action plans which participants could commit to implementing, how these would be implemented including who would be responsible for what and when.

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[6] Allardt 1976

Most significant change –model

Most significant change –model is simply an idea to ask people what has been or what they expect to be the most important result of a new issue, of a change, that community is facing. It can be asked for example, if the mine will be opened in the municipality what will be the most significant changes in (1) social and health care, (2) schooling and education, (3) economy of the municipality and (4) in the community life in general. One A4-sheet is enough for the answers and this method can be used e.g. in municipal council´s meeting or in any other meetings where people are gathered together.

Local Industrial Footprints Survey

Local industrial footprints will be utilised through a simple survey tool in measuring transaction footprints of SME's involved in the local industrial supply chain. The tool uses a small, easy-to-use survey template) to map the local supply chain. This is _particularly important_ for municipalities that already have a large-scale industry in place and the tool will clearly identify the role of local SME's have in the supply chain.

The small survey size and targeted stakeholders aim to provide a high return. This survey is solely aimed at SMEs located in the municipality that are active in, or could be active in the local industry. The tool will be a vital component of the LBAT aimed specifically at re-mapping the supply chain of the large-scale industry to utilised local SMEs and retain maximum benefit. The Local Industrial Footprint Survey template can be found in _Appendix B._ Note: the survey can also be developed in an online platform to make the deployment, collection and analysis more streamlined.

- The survey and analysis is useful for the LBAT for a variety of reasons. The summary of findings can be utilised to describe respondent businesses in terms of the product or service they provide, their place in the supply chain and their market orientation. The results of the survey help to distinguish transaction patterns according to products or services, which can highlight new routes to market or expansion opportunities. The data provided also shows a snapshot of successful businesses and their transaction footprint and offers the opportunity of benchmarking. The visualisation of inputs and outputs can identify where benefit is being lost to the municipality. The tool shows the vital connections between supply chain SMEs in rural economies and how they interact with the large-scale industry found in the municipality.

Business Survey

The business survey provides a more comprehensive view of businesses in the municipality. It is different to the Local Industry Footprint survey in that it doesn't try to map the supply chain, but rather to provide a detailed view of what the local business community looks like and what its aspirations are. The tool can be developed in an online platform, as was done in the example of the business survey in _Appendix C_.

- The survey and analysis is useful to the LBAT for a variety of reasons. The results can give a wider picture of how and why SMEs want to interact with large-scale industry. It gives an SME the opportunity to communicate what support they think is needed to allow them to expand or enter a new niche. The survey gives a narrative from the bottom up which will then help

dictate the policy and produce joined up decision making that is beneficial to a higher number of stakeholders. Answers to questions from the survey can be fed directly into the SWOT analysis element of the LBAT to give the results a personal/business perspective to the analysis.

SWOT Analysis

The SWOT analysis is the most significant tool found in LBAT and the previous tools utilised in the LBAT are designed to feed into the SWOT analysis. The comprehensive SWOT analysis needs quality inputs and the results of the other tools are vital for the success of the SWOT.

The SWOT analysis tool aims to go further than a typical analysis by a number of mechanisms:

- The Base Knowledge and Analytical Options will provide a comprehensive background to conduct the SWOT analysis
- The SWOT analysis will be run by a number of *Key Players* stakeholders

The SWOT analysis tool provides detailed instructions on how to complete the SWOT analysis so that the toolbox is easily used by those without relevant experience.

It is also important that the outcomes of the comprehensive SWOT analysis are not seen as the end of a process, but the beginning of the process toward developing a robust and competitive policy strategy to increase the local benefit to their areas. This is a comprehensive step-by-step approach to developing a strategy – one that while provide core input into the next step of the process, developing policy implications.

Guidelines to Completing SWOT Analysis

Introduction

The SWOT analysis *(strengths, weaknesses, opportunities* and *threats)* is a widely-used technique used to evaluate an organisation, project or business. It is formed to include a two-fold perspective: from an *external* viewpoint (*threats* and *opportunities* in the environment) and an internal viewpoint (*strengths* and *weakness* in the municipality).

The two viewpoints are differentiated by the degree of control achievable within each. External factors are often dynamic and unrestricted and this can lead to difficulty in detailed strategic planning. Internal factors within the municipality should be more easily managed and stable in the strategic planning.

The SWOT analysis technique originally stems from business management literature where it has been used to develop the strategic goal of identifying opportunities and threats to businesses. The aim is to identify corrective actions that can be utilised if needed and to build on strengths and opportunities. The technique will be used in this instance to outline internal and external factors that can be used in municipal strategic planning resulting in key policy outputs.

The four elements of SWOT analysis utilised in municipal planning can be found below:

Strength – a resource or capacity that the municipality can use effectively to achieve its objectives	**Weakness** – a limitation, fault or defect in the municipality that will keep it from achieving its objectives
Opportunity - any favourable situation in the municipalities environment	**Threat** – any unfavourable situation in the municipalities environment that could potentially damage its strategy

Actions that can be undertaken in relation to these four elements are:

- **Build** on strengths
- **Eliminate** weaknesses
- **Exploit** opportunities
- **Mitigate** the effects of threats

Method

It is important that the SWOT analysis be conducted objectively and comprehensively. To achieve these aims it is best for the SWOT analysis to be conducted as a group exercise in a brainstorming session, or a number of sessions. To achieve objectivity it is important that representatives of all business related stakeholders in the municipality be involved. The previous tools in the LBAT (STEP 2: challenges and opportunities; STEP 4: SIMP tool) should give a good indication of those that can and should be invited and those who will actively engage with the process. By engaging in the process, stakeholders are also more likely to respect the policy outcomes of the analysis.

The SWOT analysis itself is conducted using a foursquare SWOT analysis template, an example of which can be found below. The delivery of these templates to the group can be in a number of ways, electronic, large-scale, on a whiteboard or individual templates for each representative. It is important that it be explicitly stated to the stakeholders what the SWOT analysis is covering. For example, *Business development relating to _____ industry in _____municipality in the short and long term*.

The results of the LBAT tools that have been completed already should be circulated to all participants before the group session and should be available for reference throughout the process. Use summary sheets for lengthy results/submissions can make the reference process easier.

The brainstorming session should be a group activity. If there are large numbers (this should be recognised as a positive), subgroups can be utilised. Each group should list attributes under each of the headings in the template provided. Detailed questions for each attribute can be found below the template to give an indication of the thought process that should be taking place.

Strength	Weakness
Opportunity	Threat

SWOT Analysis template

The tools utilised in the first section of the LBAT should inform the following questions and a general idea will be had by all stakeholders of each factors.

Strengths (*internal, positive factors*)

Strengths describe the positive attributes, tangible and intangible, internal to the municipality. These are within the control of the municipality.

What do we (as a municipality) do well?

- What resources do we have such as:
  - Attributes of the workforce
  - Attributes of the municipality
- What advantages does the municipality have for the industry over other municipalities/regions
- Is there research and development already in the municipality?
- What other positives are there to be found internally to the municipality?

Weaknesses (*internal, negative factors*)

Weaknesses detract from the strength of the municipality and place the municipality at a disadvantage. These areas need enhanced in order to attract business or compete with other areas.

- What do we control that currently let us down in retaining benefit?
- What needs improvement to achieve the municipalities aims?
- What does the municipality lack that could help us succeed?
- Are we limited in any resources?

Opportunities (*external, positive factors*)

Opportunities are external factors that represent the reasons that the municipality might prosper.

- Have there been changes in the markets that might create an opportunity?

- Have there been any discoveries of resources that might create an opportunity?
- What opportunities exist from the current environment/culture/economy?

Threats (*external, negative factors*)

Threats are external factors beyond control of the municipality that could place the strategy or municipality at risk. It is important to note that the municipality has no control over these but it may be beneficial to have contingency plans to address these if they occur.

- Are there any competing municipalities for this industry?
- Are there any factors that lead to failure due to trends e.g commodity price?
- Are there any shifts in behaviour that could affect the industry e.g climate change?

The SWOT analysis will create a list of SWOT factors. It is important to note all of these down using multiple templates if needed. The biggest and best plans can be brought down by the smallest of factors so it is better to be prepared for this. It is also important to be objective and a wide representation of stakeholders will benefit here.

Once a comprehensive list has been created in the template format a group discussion section should attempt to list each of the strengths, weaknesses, opportunities and threats in order of importance.

Upon completion of the SWOT analysis, the next step of the process is to prioritise each *Strength, Weakness, Opportunity* and *Threat*. This step adds an element of review to the attributes that is also useful in quality assurance of the analysis. Prioritisation should be done by all participants by voting with post it notes or an electronic system. This allows everyone to make sure their priorities are represented especially if there has been more dominant discussion in the initial SWOT analysis.

The prioritisation is important in formulating the next step of the LBAT in the policy implication stage, which is briefly highlighted below and will be covered with more detailed guidelines at a later date.

Key Policy Outputs

This section guides local partners in analysing the SWOT analysis results and creating policy outputs, which can be used to create future-orientated narratives intended to guide local smart specialisation strategy. The instructions given are for completion after section three of the LBAT (Stakeholder SWOT Analysis) has been completed and the results are available.

Results

Documentation

The results should be documented[7] (if the analysis wasn't carried out on a digital platform) from the SWOT analysis template that was used in the stakeholder event. The results should be listed under

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[7] For REGINA local partners, the main results must be translated into translated into English so that the results (and not just the analysis) can be shared with other project partners, including the research partners who will be providing comments.

headings. Prioritisation of each of the strengths, weaknesses, opportunities and threats needs to be kept associated with its corresponding statement at this stage. If prioritisation of strengths, weaknesses, opportunities and threats used a method that excluded less popular/voted for attributes from the final results the excluded attributes need to be retained for future reference and analysis.

Summarise

To aid in strategy development it is useful to summarise the key outputs from the SWOT analysis. These are the top *strengths, weaknesses, opportunities* and *threats.*

A comprehension of how strengths, weaknesses, opportunities and threats fit into scenario buildings is needed before using the results to build scenarios and formulate strategy. You, the analyser of the results, needs to understand characteristics to be able to utilise each result and to identify any result that may be listed incorrectly.

- *Strengths* – internal, positive factors
- *Weaknesses* – internal, negative factors
- *Opportunities* – external, positive factors
- *Threats* – external, negative factors

Strengths should be used, weaknesses should be eliminated, opportunities should be seized and threats should be neutralised. If the analyser is not confident in their ability to understand the SWOT, they should refer back to the LBAT guidelines before starting.

Box 1: Understanding the dynamics of a SWOT analysis

If the SWOT analysis is being run more than once (e.g. there are multiple industries in the area which all need analyses with a SWOT analysis) it might be useful to develop multiple SWOT analysis matrixes summarising the main issues for each SWOT analysis or industry. This way, the results can be used to devise strategy for individual industries or sectors, as well as local partner wide policy.

All strengths, weaknesses, opportunities and threats will be used in developing the strategy so that no factor, big or small, is omitted from the final strategy however these matrices will form the main basis to the strategy.

Strategy Design

These guidelines use a three-step process to deliver key policy outputs from the LBAT. The results from the SWOT analysis are used to identify future-oriented scenarios in relation to the industries, businesses, supply chains and entrepreneurs within the local partner area. These scenarios are then used to develop situation strategy, where combining scenarios allows for creating key policy outputs that can then be directly fed into the LS3.

The main strategy design will utilise the higher prioritised strengths, weaknesses, opportunities and threats that are identified through the SWOT procedure, as these are likely to be based around major factors or industries related to the local partner.

It is intended that the following sections will be carried out multiple times utilising the major SWOT analysis to come up with both scenarios and strategies encompassing as many issues as possible. All strengths, weaknesses, opportunities and threats are to be used to develop unique solutions to the local partner area's LS3; a low prioritised strength, weakness, opportunity or threat might actually be key to fulfilling the promise or solving the problem of a higher prioritised one.

Figure 2. Workflow diagram strategy development

Local Partner Situational Variation

This section gives the user an overall idea of how the local partner area is suited to develop strategy. This starting point does not focus on any industry or individual strength, weakness, opportunity or threat but looks at the overall picture as a whole. It looks at the proportion of each strength, weakness, opportunity or threat compared to the others and takes a whole picture view of the strategic position each local partner area has.

The SWOT analysis allows the local partner to identify the best starting point in developing future orientated strategies that are best suited to the municipality. Here, four basic models of strategic variation can be used to describe a local partner area depending on the combination of internal and external factors:

1. SO (*strengths-opportunities*) situation. Local partners dominated by strengths and opportunities can utilise expansive strategies. This situation concerns local partners with many strengths within the area and many external opportunities. In this situation strengths should be used to take advantages of opportunities in the area.

2. WO (*weaknesses - opportunities*) situation. Local partners dominated by weaknesses and opportunities can utilise competitive strategies. This situation concerns local partners with areas dominated by weaknesses but operating in favourable environments. In this situation opportunities should be taken advantage of, whilst trying to eliminate weaknesses.

3. ST (*strengths – threats*) situation. Local partners dominated by strengths and threats can utilise conservative strategies. This situation concerns local partners with great internal potential but operating in difficult external conditions. In this situation threats need to be overcome making best use of the areas strengths.

4. WT (*weakness – threats*) situation. Local partners dominated by weaknesses and threats can utilise a defensive strategy. The situation concerns local partners with areas with no prospects for development with small internal potential and operating in an adverse environment. In this situation the aim is to minimise weaknesses and avoid the threats.

These variations give an indication of the type of strategy that each local partner will utilise in developing business and entrepreneurship within the local partner area.

No strategic variation will 100% encompass the local partner area but it is useful for policy development to understand the situation that the area is to begin designing policy from. It allows the local partner to understand whether they should look to expansive, competitive, conservative or defensive strategies as a starting point for the local partner area.

Industrial Scenario Building

The Local Partner Situational Variation section allows for an understanding of a general approach to development for the area as whole. This however does not account for individual industries within the local partner area and further in depth analysis of the SWOT analysis results needs to take place.

Industrial scenarios based on internal and external environments can be developed from the results of the SWOT analysis. These scenarios can be used in the decision making process and strategic planning associated with each of the strengths, weaknesses, opportunities, and threats identified during the stakeholder SWOT analysis.

The division of industrial scenarios associated with the internal and environmental environments can be summarised into four strategic situations that have been identified below:

Opportunities		
	Big	**Small**
Threats **Small**	*Perfect chances -* great opportunities are accompanied by a low risk of threats	*Stable undertakings -* give a chance to obtain some small benefits, with low threats and limited opportunities for development
Big	*Speculative undertakings -* aggregation of opportunities and threats	*Problematic undertakings -* changes in environment do not create any opportunities and pose numerous threats

Table 1 – Strategic scenarios by external factors

Strengths		
	Big	**Small**
Weaknesses **Small**	*Absolute advantage -* the local area is better suited than competing regions	*Average position -* the local area is in a similar position to competing regions
Big	*Partial advantage* - the local area's strengths are bigger than competing regions	*Weak position -* the local area's strengths are smaller than competing regions

Table 2 – Strategic scenarios by internal factors

It is possible to aggregate the information provided in Table's 1 and 2 to present a matrix showing the combinations of variants of situations and corresponding strategic options for each industry found in the local partner area. Utilising the matrix will help the local partner to develop a strategic position for any of the large-scale resource based industries. These situations can be used translate the results of the SWOT analysis into informed policy surround individual industries.

Divisions of undertakings by external factors	Local Partner's Competitive position			
	Absolute Advantage	Partial Advantage	Average Position	Weak Position
Perfect Chances	Investments	Investments and eliminate weaknesses	Investments and building a competitive advantage	Elimination of weaknesses and look to others for strategies
Speculative Undertakings	Investments and neutralising of threats	Using chances to balance opportunities and threats	Using chances and building position with market niches	Withdrawal from industry
Stable Undertakings	Taking advantage of the position	Use position as needed	Maintain position	Elimination of weaknesses and look to others for strategies
Problematic Undertakings	Withdrawal from industry	Withdrawal from industry	Withdrawal from industry	Withdrawal from industry

Table 3 – Strategic situations of local partners[8]

The tables outlined above allow the local partners to translate the results of the LBAT SWOT into one key policy matrix. The policy position can then be used alongside individual results from the whole LBAT to develop key strategic outputs that will deliver on the policy position.

Using chances to balance opportunities and threats can be derived as a strategic situation for a local partner after analysis of the SWOT results. It is therefore possible to fill in these chances, opportunities and threats from the prioritised results to build up a strategic plan to take advantage of the situation.

It is not expected at this stage that *withdrawal from industry* will be seen as a strategic situation for local partners in this project as the SWOT analysis has been built around industries relevant to the local partner area.

Smart Strategy

The first of the preceding sections should have given guidance on analysing the SWOT analysis to give the local partner a situational starting point such as an expansive, competitive, conservative or defensive strategy that covers the area as a whole.

The second of the preceding sections should have given guidance on analysis the SWOT analysis to allow the local partner to build industrial scenarios. It is intended that numerous industrial scenarios be developed surround the large-scale industries found in the local partner area but also, and not

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[8] Matrices based on Goranczewski and Puciato 2010

limited to, the complementary supply chain opportunities or non-complementary but traditional industries.

This last section is intended to bring together a holistic approach to creating smart specialisation strategy by ingraining the new insight within the context of the local partner area. This can be considered the local aspect of the LS3 model in relation to innovation and entrepreneurship.

The local institutional characteristics need to inform local strategy. If, for example, the local planning and policy is inherently conservative, appropriate strategy should be developed around this. The strategy does not need to be conservative but it has to work within the limitations of the power structures. Whilst policy should strive to guide local development of new methods and ways of thinking, the strategy should also be achievable within the structures of power.

The strategy should also take into consideration that this analysis is being used as a foresight approach to planning, and the outputs used are to determine or direct the role that the organisation, local partner or industry should follow. The results of the SWOT analysis here will aim to highlight a number of issues:

- A strong starting point of current and future challenges
- Organisation of results of the study into internal and external factors
- A map of key success factors and vulnerabilities
- A route to maximise success factors and reduce vulnerabilities in one overarching plan

Key Policy Output Document

Upon completion of the previous steps, the local partner should now have a comprehensive list of strategic situations shaped by the situational foresight strategies. This list will deliver a definitive plan on which industries or areas should be explored as well as mechanisms to do so. This policy document can include evidence and information from previous steps of the LBAT and LS3, and show how the decisions have been made. It is recommended that much of the background information from the baseline analysis be utilised as introductions to the municipality.

Business Breakfast

The final tool in the LBAT can be used to disseminate the results or the innovation and entrepreneurial element of the local smart specialisation strategy to the stakeholders involved throughout the process. Many local partners may also find it useful the run a business breakfast in a two-event procedure to allow an introduction of the LBAT process at the start of the process.

Business Breakfasts are an ever increasingly valuable tool and will be utilised in the dissemination process. This final section will explain the benefits of using the business breakfast as a tool and with direct the local partner on how to use the tool along with the Key Policy Outputs.

Background

Business breakfasts have been utilised by the business world for a number of years as a method of attracting a large number of attendees for short productive meetings. Having the meeting in the morning benefits most attendees, as they do not have to take time out of their busy day to attend meetings. Turnout is usually higher than the same meeting held during the day. Numerous studies have also shown that most people are more productive and alert early in the morning and that early morning meetings can be more useful.

Business breakfast can be used for a variety of different meeting styles such as training, networking, and fundraising but the LBAT tool uses the breakfast meeting to introduce the results of the LBAT. The meeting allows the local partner to introduce the policy and guidelines to the variety of stakeholders who have participated in the process and acts as quality assurance that the results are relevant to the local partner area.

Organisation

The business breakfast is only as good as the organisation. Business representatives expect a professional meeting and care has to be taken to ensure the breakfast is productive and engaging for the attendees. Listed below are some useful guidelines on how to run the event.

Venue

The venue for the business breakfast should be in a central location with good transport links. Many of the attendees prefer to have the meeting venue on the way to work in the morning without having to go out their way to get there. The venue should also be able to cater to the needs of the meeting with breakfast refreshments available as well as facilities to present.

Timing

Local customs will help to dictate the appropriate time for the meeting to take place but the meeting should not take up much of the normal working day. The meeting should tend to be before the normal working day starts and run for no more than 2 hours. The meeting should also run on time and as people agree to attend, business breakfasts, as they do not interrupt their normal working day it should be wrapped up on time.

Attracting Participants

There are a variety of mechanisms for invitation and attraction of participants. Co-hosting events with local entrepreneur associations of chambers of commerce can help boost numbers. Multiple sources of initiation should be utilised such as personal invitations, mass email and newspaper advertisement should all work well. It is also useful to ask a successful local group or representative to give an introductory speech or short talk on related subject matter.

Refreshments

Provide a balanced breakfast to cater to all tastes and requirements. People are giving up the part of their morning where they normally eat breakfast so will be expecting to be provided with food. A buffet

style breakfast that allows people to eat and network at the same time works the best. Good coffee is necessary.

<u>Dissemination</u>

Presentations should be kept short and high impact. The LBAT process should be covered in one process with slides provided to give the attendees an idea of the work done. The results of the LBAT and SWOT analysis from these guidelines should also be briefly introduced to the business breakfast. Documents and posters providing the full results should be handed out and displayed so that attendees can view and discuss throughout the breakfast. Feedback forms should be provided so that attendees can provide further suggestions or comments.

The dissemination should focus on the local smart specialisation strategy related to the LBAT. The process can be covered in complementary literature but the focus should be on the results. All the information, or links to it, should be available to the attendees so that they can also examine in greater detail back in the office or on their onward travels.

Policy Guideline Conclusions

The policy outputs of the LBAT are vital in turning years of research and work into strategies and policies that will ultimately help the municipally retain local benefit in the partner area. The strategies developed provide situational policy that reflects the industries, entrepreneurs and nuances of each individual partner area.

The LBAT has the potential to guide policy measures at a variety of governance levels and it is intended that the results be used to shape future innovation and entrepreneurship strategy in the local partner areas.

The policies developed tie in directly with the local smart specialisation strategy of each local partner and should be utilised alongside the Demographic Foresight Model and Social Impact Management Plan to provide a comprehensive and robust plan for the region.

These guidelines should help deliver robust achievable policy guidelines with adequate quality assurance to help local authorities deliver innovation, entrepreneurship and new business opportunities based around the rich natural resources found in the areas.

Appendices

APPENDIX A: Guidelines on how to collect evidence on opportunities and constraints for new business development and entrepreneurship

Contents

Introduction

The REGINA projected aims to identify good practice approaches and local strategies for unlocking the growth potential for new business development and entrepreneurship actively engaging with the supply chains and other complementary opportunities alongside with large-scale resource based developments

Appropriate enterprise development will help to ameliorate demographic and workforce-related trends described in WP3. In addition, by maximizing retention of local benefits it will play its part in reducing the potential for conflicts over land use changes. It will also increase the knowledge about green technologies in nature resource exploitation and to identify growth potentials for new business development and entrepreneurship.

This guide is put in place to support municipalities in identifying opportunities and constraints for new business development and entrepreneurship in remote regions with large scale projects. This guide joins others in producing future-oriented narratives describing potentials for new enterprises will capture and retain spillover effects from large-scale resource-based investments.

The guide looks at the identification of opportunities and constraints from across the industrial spectrum.

Guidance to completing template

The guidelines on how to collect evidence on opportunities and constraints for new business development and entrepreneurship come in the format of a template. The process will involve a survey with four constituent parts which utilise the ideas and opinions of a number of stakeholders:

- The local municipality or partner
- The large scale industry/ies of focus to the project from the local area
- The supply chain companies involved in the large scale industry
- The local community who live with the large scale industry

By collecting evidence from the main stakeholders in the local area a comprehensive picture of the opportunities and constraints for new business development and entrepreneurship based around local large-scale industry can be recorded. This also allows an equal voice to be given to all the stakeholders involved. Guidance and a template can be found below and each stakeholder survey can be found in a standalone document to be sent out.

What is business development and entrepreneurship

Business development - the activity of pursuing strategic opportunities for a particular business or organization, for example by cultivating partnerships or other commercial relationships, or identifying new markets for its products or services.

Entrepreneurship - the activity of setting up a business or businesses, taking on financial risks in the hope of profit.

Small businesses continue to be important contributors to economic growth and development. They make a significant contribution towards job creation and the provision of low cost goods and services. A large number of studies have confirmed that most of the new jobs come from the small business industry. Their employment potential has attracted favourable responses from both sides of the political spectrum to the prospect of small business being the panacea to the woes of ailing economies (Gray 2000[9]).

It's important to study small business and entrepreneurship in the context of the REGINA project. Often large scale industries are large multinational companies with less scope to contribute benefit locally. Small business and entrepreneurship that springs up around large scale industry, often in the supply chain, has the opportunity to provide great benefit to the local area.

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[9]

Gray, C. (2000). "Formality, Intentionality, and Planning: Features of Successful Entrepreneurial SMEs in the Future? Paper presented at the ICSB World Conference 2000, Brisbane Australia, June, 24

Identifying stakeholders for the questionnaire

Identification of stakeholders

Across the NPA areas and REGINA project local partners there are many different types of large scale projects and associated businesses in the supply chain. Stakeholders will be different for each region and each large scale project.

Stakeholder List

- Representative from the local partner/municipality. This stakeholder should be involved in business development for the local partner/municipality.

- Representative(s) from industry (ies). This stakeholder should be involved in business development for the local partner/municipality.

- Representatives from supply chain companies. These companies should be directly involved in the supply chain based around the local large scale industry.

- Representatives from the community. This can from a wide variety of stakeholders including but not limited to: mayors, community councils, community elders, local indigenous population.

Stakeholder examples from PFOW

The following examples give an idea of stakeholders that could be used in this stage of the project.

PFOW Scotland

- Highlands and Islands Enterprise – Economic agency for the Highlands and Islands (the local partner)

- European Marine Energy Centre – The test centre for marine energy in the PFOW area and major industry player that has brought supply chain companies and workforce to the local area.

- Green Marine UK Ltd – A supply chain company that has completely transitioned from traditional work (aquaculture) into the new industry (marine renewables).

- Kirkwall community council – The local community council for the capital of Orkney

Local partner view

The following section is to be completed by the local partner of the REGINA project. Please complete all information available, applicable and non-confidential. Some of these measurements may not be applicable to your company.

The following allows us to draw a comparison between local partners as not all local partners are the same size or have the same remit.

Name of employee –

Role of employee –

Company –

Business entity –

Company sector –

Number of employees –

Company net revenue –

Age of company –

Any extra information –

Please complete the following to allow us to get a quick glance view on how you view business and entrepreneurship opportunity in your local area. This allows for a quick comparison between local partners on attitudes towards their own municipalities. There is space below to elaborate further.

		strongly agree	agree	uncertain/ not applicable	disagree	strongly disagree
1.	Business is well supported in the municipality	☐	☐	☐	☐	☐
2.	Entrepreneurship is well supported in the municipality	☐	☐	☐	☐	☐
3.	There are many constraints for business development in the municipality	☐	☐	☐	☐	☐
4.	There are many opportunities for business development in the municipality	☐	☐	☐	☐	☐
5.	The municipality supports business development	☐	☐	☐	☐	☐
6.	The industry supports business development	☐	☐	☐	☐	☐
7.	The local supply chain is well supported	☐	☐	☐	☐	☐
8.	The community supports business development	☐	☐	☐	☐	☐
9.	Academia supports new business/entrepreneurship	☐	☐	☐	☐	☐
10.	Government supports new business/entrepreneurship	☐	☐	☐	☐	☐
11.	There is money available to support new business/entrepreneurship	☐	☐	☐	☐	☐

Please use the following space to give an overview of how well you think business and entrepreneurship is supported in your local area. Please give an overview on opportunities and constraints that you face within the local area and that affect specific industries located there.

Additional Information –

Industry view

The following section is to be completed by a representative the local large scale. Please complete all information available, applicable and non-confidential. Some of these measurements may not be applicable to your company.

The following allows us to draw a comparison between local partners as not all local partners are the same size or have the same remit.

Name of employee –

Role of employee –

Company –

Business entity –

Company sector –

Number of employees –

Company net revenue –

Age of company –

Any extra information –

Please complete the following to allow us to get a quick glance view on how you view business and entrepreneurship opportunity in your local area. This allows for a quick comparison between local large-scale industries attitudes towards their own municipalities and industry. There is space below to elaborate further.

		strongly agree	agree	uncertain/ not applicable	disagree	strongly disagree
1.	Business is well supported in the municipality	☐	☐	☐	☐	☐
2.	Entrepreneurship is well supported in the municipality	☐	☐	☐	☐	☐
3.	There are many constraints for business development in the municipality	☐	☐	☐	☐	☐
4.	There are many opportunities for business development in the municipality	☐	☐	☐	☐	☐
5.	The municipality supports business development	☐	☐	☐	☐	☐
6.	The industry supports business development	☐	☐	☐	☐	☐
7.	The local supply chain is well supported	☐	☐	☐	☐	☐
8.	The community supports business development	☐	☐	☐	☐	☐
9.	Academia supports new business/entrepreneurship	☐	☐	☐	☐	☐
10.	Government supports new business/entrepreneurship	☐	☐	☐	☐	☐
11.	There is money available to support new business/entrepreneurship	☐	☐	☐	☐	☐

Please use the following space to give an overview of how well you think business and entrepreneurship is supported in your local area. Please give an overview on opportunities and constraints that you face within the local area and that affect specific industries located there.

Additional Information –

Supply chain view

The following section is to be completed by a local supply chain company involved with the local industry to the municipality. Please complete all information available, applicable and non-confidential. Some of these measurements may not be applicable to your company.

The following allows us to draw a comparison between local partners as not all local partners are the same size or have the same remit.

Name of employee –

Role of employee –

Company –

Business entity –

Company sector –

Number of employees –

Company net revenue –

Age of company –

Any extra information –

Please complete the following to allow us to get a quick glance view on how you view business and entrepreneurship opportunity in your local area. This allows for a quick comparison between local large-scale industries attitudes towards their own municipalities and industry. There is space below to elaborate further.

		strongly agree	agree	uncertain/ not applicable	disagree	strongly disagree
1.	Business is well supported in the municipality	☐	☐	☐	☐	☐
2.	Entrepreneurship is well supported in the municipality	☐	☐	☐	☐	☐
3.	There are many constraints for business development in the municipality	☐	☐	☐	☐	☐
4.	There are many opportunities for business development in the municipality	☐	☐	☐	☐	☐
5.	The municipality supports business development	☐	☐	☐	☐	☐
6.	The industry supports business development	☐	☐	☐	☐	☐
7.	The local supply chain is well supported	☐	☐	☐	☐	☐
8.	The community supports business development	☐	☐	☐	☐	☐
9.	Academia supports new business/entrepreneurship	☐	☐	☐	☐	☐
10.	Government supports new business/entrepreneurship	☐	☐	☐	☐	☐
11.	There is money available to support new business/entrepreneurship	☐	☐	☐	☐	☐

Please use the following space to give an overview of how well you think business and entrepreneurship is supported in your local area. Please give an overview on opportunities and constraints that you face within the local area and that affect specific industries located there.

Additional Information –

Community view

The following section is to be completed by a representative of the local community in which the industry is found. Please complete all information available, applicable and non-confidential. Some of these measurements may not be applicable to your company.

The following allows us to draw a comparison between local partners as not all local partners are the same size or have the same remit.

<div style="border:1px solid black; padding:1em;">

Name of employee –

Role of employee –

Company –

Business entity –

Company sector –

Number of employees –

Company net revenue –

Age of company –

Any extra information –

</div>

Please complete the following to allow us to get a quick glance view on how you view business and entrepreneurship opportunity in your local area. This allows for a quick comparison between local large-scale industries attitudes towards their own municipalities and industry. There is space below to elaborate further.

		strongly agree	agree	uncertain/ not applicable	disagree	strongly disagree
1.	Business is well supported in the municipality	☐	☐	☐	☐	☐
2.	Entrepreneurship is well supported in the municipality	☐	☐	☐	☐	☐
3.	There are many constraints for business development in the municipality	☐	☐	☐	☐	☐
4.	There are many opportunities for business development in the municipality	☐	☐	☐	☐	☐
5.	The municipality supports business development	☐	☐	☐	☐	☐
6.	The industry supports business development	☐	☐	☐	☐	☐
7.	The local supply chain is well supported	☐	☐	☐	☐	☐
8.	The community supports business development	☐	☐	☐	☐	☐
9.	Academia supports new business/entrepreneurship	☐	☐	☐	☐	☐
10.	Government supports new business/entrepreneurship	☐	☐	☐	☐	☐
11.	There is money available to support new business/entrepreneurship	☐	☐	☐	☐	☐

Please use the following space to give an overview of how well you think business and entrepreneurship is supported in your local area. Please give an overview on opportunities and constraints that you face within the local area and that affect specific industries located there.

Additional Information –

Summary of quantitative responses

The following section is to be completed by REGINA WP5 leader Magnus Davidson

		strongly agree	agree	uncertain/ not applicable	disagree	strongly disagree
1.	Business is well supported in the municipality	☐	☐	☐	☐	☐
2.	Entrepreneurship is well supported in the municipality	☐	☐	☐	☐	☐
3.	There are many constraints for business development in the municipality	☐	☐	☐	☐	☐
4.	There are many opportunities for business development in the municipality	☐	☐	☐	☐	☐
5.	The municipality supports business development	☐	☐	☐	☐	☐
6.	The industry supports business development	☐	☐	☐	☐	☐
7.	The local supply chain is well supported	☐	☐	☐	☐	☐
8.	The community supports business development	☐	☐	☐	☐	☐
9.	Academia supports new business/entrepreneurship	☐	☐	☐	☐	☐
10.	Government supports new business/entrepreneurship	☐	☐	☐	☐	☐
11.	There is money available to support new business/entrepreneurship	☐	☐	☐	☐	☐

Summary of qualitative responses
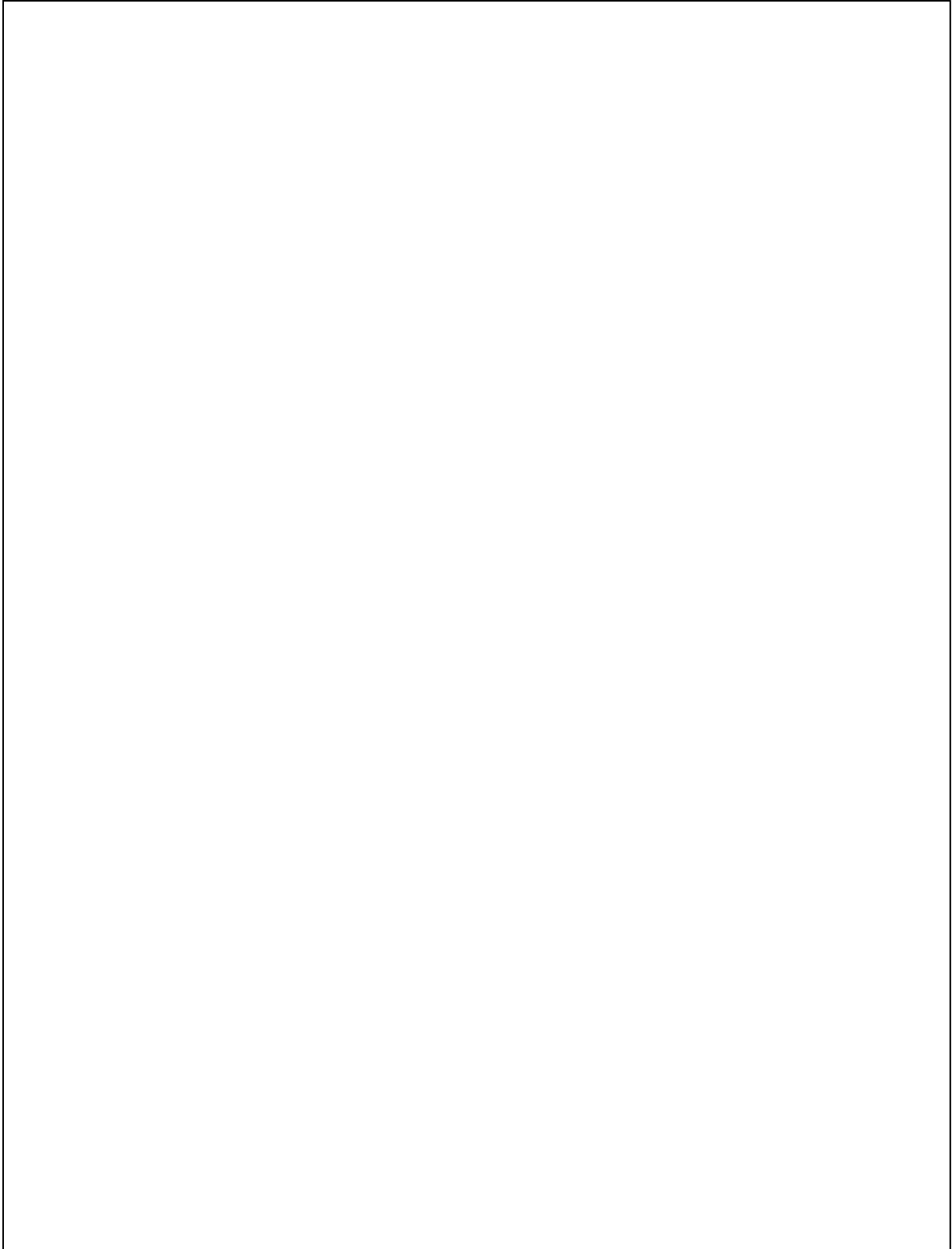
Appendix B: Local Industrial Footprint Survey Template

About your business

Q1. **What is the name of your business and the postcode of your main production site?**

Name:

Postcode:

Q2a. **How many production/construction/development sites do you have in total?**

Q2b. **Where are these production/construction/development sites located?** *Please provide the postcodes, or nearest village or town if you are unsure of the postcodes:*

Q3. **Including yourself, how many staff does your business have?**

Number of full-time staff:

Number of part-time staff:

Q4. **Do you supply products for the mass market or for a niche market?** *Please tick one:*

◯ Mass market   ◯ Niche market   ◯ Both

Q5. **What are your main services? Please tick all that apply and provide an example if you tick 'Other':**

○ Industrial Equipment ○ Industrial Services ○ Recruitment

○ Manufacturing ○ Extractive industry ○ Distribution

○ Energy Industry ○ Retail ○ Accommodation

○ Other e.g.

Your business interaction with industry

Please estimate (to the nearest 10%) percentages in terms of number of transactions (rather than in terms of quantities or values of goods). Please ensure your percentages add up to 100% per question.

Q6. **How much of your work is related to large scale industry?**

__% Large-Scale Industry

__ % Non-Industry

Q7a. **Where do you mainly obtain your business from?**

Within 1 hour travel:__%

Elsewhere in the region:__%

Elsewhere in the country:__ %

Outside of the country:__%

Q7b **How would you describe the location of the businesses from which you obtain your inputs?**

Village and/or countryside __%

Town and/or city __%

Unknown__%

Q7c. **How have your suppliers and inputs changed over the last 5 years?**

○ Not at all   ○ Slightly   ○ Substantially

Your Customers

Please estimate (to the nearest 10%) percentages of customers in terms of their number of transactions (rather than in terms of quantities or values of goods). Please ensure your percentages add up to 100% per question.

Q8. **How would you describe your customers?**

Consumers i.e. the general public:__%

Businesses with staff 1-49:__%

Businesses with staff 50-249:__%

Businesses with staff 250+:__%

Q9a. **How far away from your main production/construction/development site, are your customers located?**

Within 1 hour travel:__ %

Elsewhere in region:__ %

Elsewhere in the country:__%

Outside the country:__%

Q9b. **What kinds of customers do you sell to?**

Businesses in rural locations:__%

Businesses in town or city locations:__%

Consumers (i.e. the general public) in village or countryside locations:__%

Consumers (i.e. the general public) in town or city locations:__ %

Your Sales

Q10a. **On a scale of 1 to 5, in which 1 represents 'mainly local sales' and 5 represents 'sales at all levels across the globe', where would you say your business was five years ago?** *Please circle the number you feel best represented your business then:*

Local		Regional		Global
1	2	3	4	5
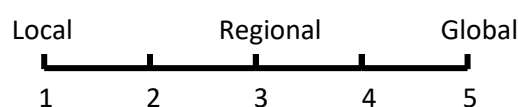
Q10b. **Where would you say your business is now?** *Please circle the number you feel best represents your business now:*

Local		Regional		Global
1	2	3	4	5
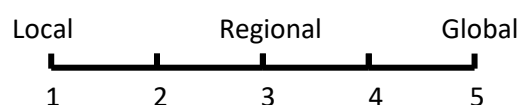
Q10c.**Where would you like your business to be ten years from now?** *Please circle the number you would like to represent your business ten years from now:*

Local		Regional		Global
1	2	3	4	5
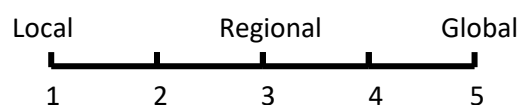
Additional Information

Q11 **Is your business a member of any of the following groups? Please tick all that apply and give the names of the groups if possible:**

◯   Chamber of commerce

◯   Co-operatives

◯   Local business associations

◯   Product-based groups

Q12 **Which statement would best describe the current (financial) health of your business?** *Please tick one:*

◯ Poor   ◯ Average   ◯ Good

Q13 **What are your prospects for the (financial) health of your business in the next five years?** *Please tick one:*

◯ Poor   ◯ Average   ◯ Good

Many thanks for filling in the survey. Please return the completed survey in the prepaid envelope at your earliest convenience. If you would like to receive a copy of the findings please include your email address below and do not hesitate to contact us if you have any questions.

Email:_____

Appendix C: Local Business Survey Template

The purpose of this questionnaire-based survey is to gain an insight into the positions of the businesses in relation to further development in the municipality, so that economic growth can be created and increased employment in the region can be established.

1. What is your name?

2. What is the name of your company?

3. What is the address of your company?

4. Enter the present number of employees in your company in the municipality.

    ☐ 0 Employees
    ☐ 1-4 Employees
    ☐ 5-19 Employees
    ☐ 20-49 Employees
    ☐ 50 Employees or more

5. Does your company receive any public subsidies

    ☐ Yes
    ☐ No
    ☐ Unsure

Please specify any subsidies

6. How big is the company's annual turnover in kroner?

☐ 0-1 Million
☐ 1-5 Million
☐ 5-10 Million
☐ 10-20 Million
☐ Over 20 Million
☐ The company is not currently active

7. What sector is your company currently active in? You can add more than one.

☐ Agriculture
☐ Fishing and aquaculture
☐ Mining and quarrying
☐ Construction
☐ Energy
☐ Trade and repairs
☐ Hotels and restaurants
☐ Transport
☐ Tourism
☐ Banks, finance and insurance
☐ Real estate
☐ Other

Please specify other

8. Do you want to expand into new business areas?

☐ Yes
☐ No

Please specific which fields

9. Will any expansion be dependent on direct government subsidy?

    ☐ Yes
    ☐ No
    ☐ Unsure

Please specify any subsidies

10. Which sector is of particular interest to your business for growth and expansion opportunities?

11. In what ways do you expect these growth industries could benefit your business?

12. What do you think of existing support from local government in connection with your business?

    ☐ Very satisfied
    ☐ Satisfied
    ☐ Neither satisfied or dissatisfied
    ☐ Dissatisfied
    ☐ Very dissatisfied
    ☐ Unsure

13. What do you think of existing support from national government in connection with your business?

    ☐ Very satisfied
    ☐ Satisfied
    ☐ Neither satisfied or dissatisfied
    ☐ Dissatisfied
    ☐ Very dissatisfied
    ☐ Unsure

14. What improved services could be provided to better aid your business?

    ☐ Improved connectivity
    ☐ Improved training and education
    ☐ Improved transport links
    ☐ Improved planning procedures
    ☐ Increased access to labour
    ☐ Access to finance
    ☐ Other

Please specify other

15. Does your company use services from companies outside the region?
   - ☐ Yes
   - ☐ No
   - ☐ Unsure

<u>If please explain what services</u>

16. Could your business benefit from new organization and networking? Such as:
   - ☐ Chamber of commerce
   - ☐ Competence clusters
   - ☐ Innovation centres
   - ☐ Knowledge centres
   - ☐ Other

<u>Please specify other</u>

17. What do you think could promote inward investment in the region?

18. How are your expectations for your business for the future?
    - ☐ Good
    - ☐ Average
    - ☐ Bad
    - ☐ Unsure

19. Do you expect your employee numbers in the next 5 years to?
    - ☐ Increase
    - ☐ Stay the same
    - ☐ Decrease
    - ☐ Unsure

20. Do you expect to increase your company reach in the next 5 years?
    - ☐ Yes
    - ☐ No
    - ☐ Unsure

21. Please use the space to add any more information