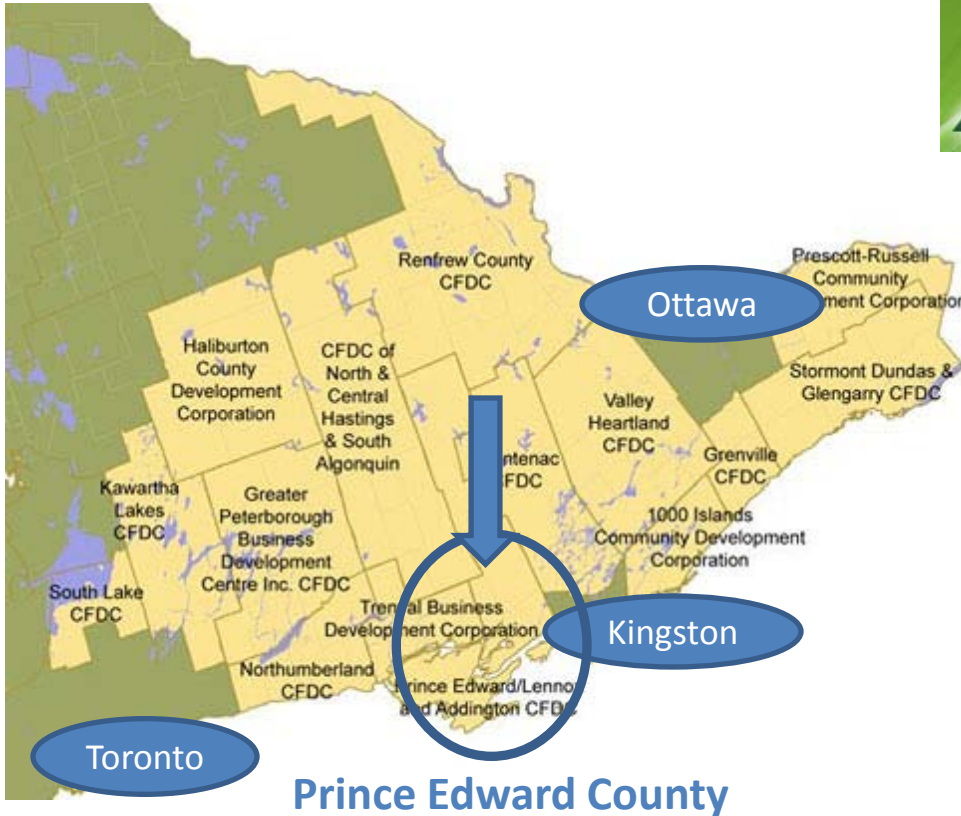


# Challenges and Solutions for Creative Sector Businesses'

Craig Desjardins, MBA  
Executive Director, PELA CFDC  
Adjunct Professor, Queen's School of Business

Ideas &  
Resources to  
Realize Growth

# Prince Edward & Lennox & Addington



- Prince Edward County is an **island community** in Eastern Ontario
- Lennox & Addington County stretches from Lake Ontario to Algonquin Park and borders Kingston
- Situated **between Toronto & Ottawa**, it covers 3,800 square kilometres and is home to approximately **72,000 people**

# Barriers to Rural Creative Sector

## Infrastructure Issues

- **Broadband-** Solution: EORN
- **Lack of adequate commercial space**
- Solution: Flexible/cost-efficient commercial space  
Example: Business incubation space for start-ups

# Barriers to Rural Creative Sector

## Human Capital Issues

- **Lack business, tech & functional talent pool**

Solution: Create strong links to Post-secondary Institutions, take advantage of baby boom wave of talent

Example: FedDev Graduate Intern Program

# Barriers to Rural Creative Sector

## Innovation Issues

- Access to new ideas, processes & technology

Solution: Community/University & College Partnership development



The screenshot shows a website interface. At the top, a blue banner reads "Knowledge Impact in Society" next to the logo for "THE MONIESON CENTRE" (Queen's School Business). Below the banner is a map of Eastern Ontario, Canada, with labels for Quebec, Ontario, and New York. To the right of the map is a tweet from "RuralKnowledge" by Jeff Dixon, discussing a paper update on rural economies. Below the tweet is a navigation bar with links for "Knowledge Resources", "Events", "Blog", "Eastern Ontario", "SW Ontario", and "About Us". On the left side, there is a search bar and a "Quick Links" section with items like "Discovery Workshops" and "Knowledge Syntheses". At the bottom right, a photo shows a woman speaking at a podium with the "QUEEN'S" logo.

# Barriers to Rural Creative Sector

## Investment Issues

- **Lack of Investment capital**

Solution: Private sector champions incentivized by Government

Example: CFDC's, EODF, EODP, SODP

- **Government Policy & Red Tape**

Solution: Municipal policy & planning that is customer focused and market driven

# Barriers to Rural Creative Sector

## Intangible Issues

- Vibrant Networks**- Solution: Staged Events & Communities of Practice
- Culture of Collaboration**- Solution: Demonstrate early, tangible benefits
- Leadership/Mentorship**- Solution: Recruitment & succession strategy
- Openness to global perspective**- Solution: Immigration and export market development

# Our Strategy

## Triple Helix of Economic Development

- PELA CFDC takes a collaborative & coordinated approach to local and regional economic development
- We leverage unique partnerships to identify need and opportunity & deliver innovative projects
- Focus on commercialization of knowledge for Communities & SME's





# Discussion

- Questions
- Thank you
- Contact Information:

**Craig Desjardins**

**cd@pelacfdc.ca**



# **The Creative Rural Economy From Theory to Practice**

## ***Session D: Challenges and Solutions for Creative Sector Businesses***

**Kelley A. Packalen, PhD  
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- **Results of survey on advisor relationships in rural Southeastern Ontario**
- **Lessons from case studies of successful businesses in rural Southern Ontario**



- **Surveyed members of two Chambers of Commerce in rural Southeastern Ontario**
- **90 samples returned (25% response rate)**
- **About the business owners:**
  - **More than 2/3<sup>rd</sup> of business owners 50 years or older**
  - **55 % male, 45% female**
- **About the businesses:**
  - **On average in business for 16 years (median 11 years)**
  - **33% (n=29) are family businesses**
  - **27% (n=24) of businesses are five years or younger**
  - **35% (n=31) classified as creative sector businesses**

# Creative Professions



- Professional occupations in natural and applied sciences
- Technical occupations related to natural and applied sciences
- Teachers and professors
- Professional occupations in art and culture
- Technical occupations in art, culture, recreation and sport
- Finance and insurance administration occupations
- Professional occupations in health
- Nurse supervisors and registered nurses
- Technical and related occupations in health
- Judges, lawyers, psychologists, social workers, ministers of religion, and policy and program officers

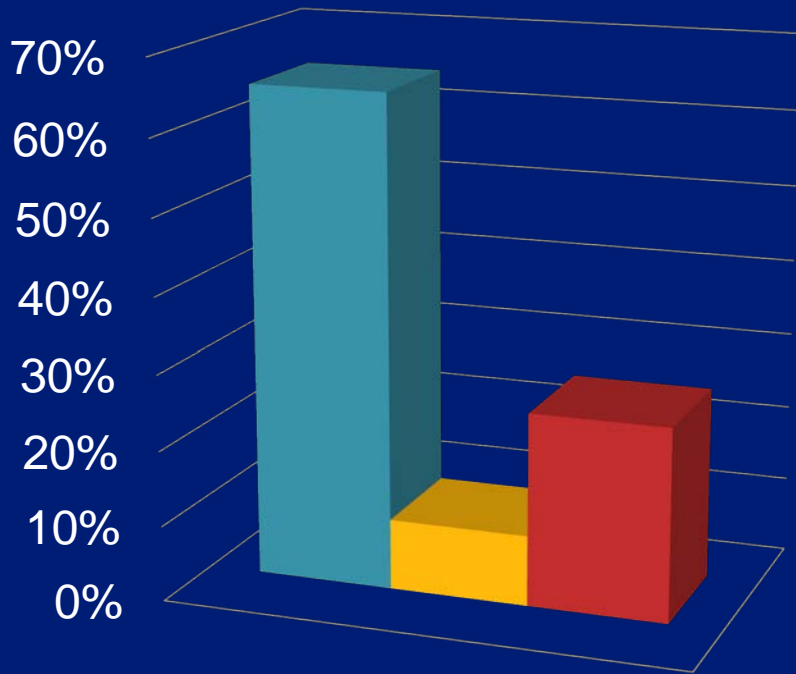


- Less than a ¼ of the sample (n=21) didn't use an advisor
- The following reasons were given:
  - Don't know one (14%)
  - Don't need one (28%)
  - Don't trust others (14%)
  - My business is to be mentors to others (14%)
  - No reason given (28%)
- **Bottom line: Finding advisors doesn't appear to be a challenge for entrepreneurs in rural Southeastern Ontario.**

# Profile of advisors

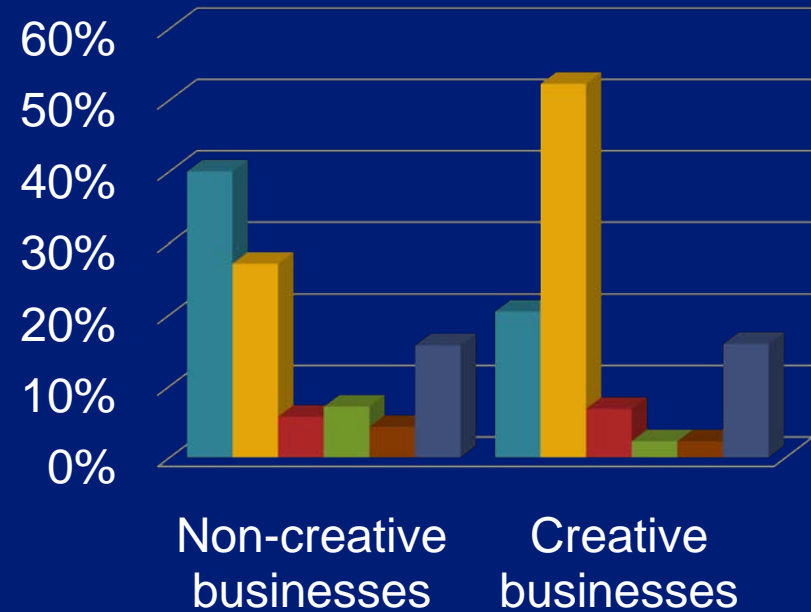


## Relationship to owner



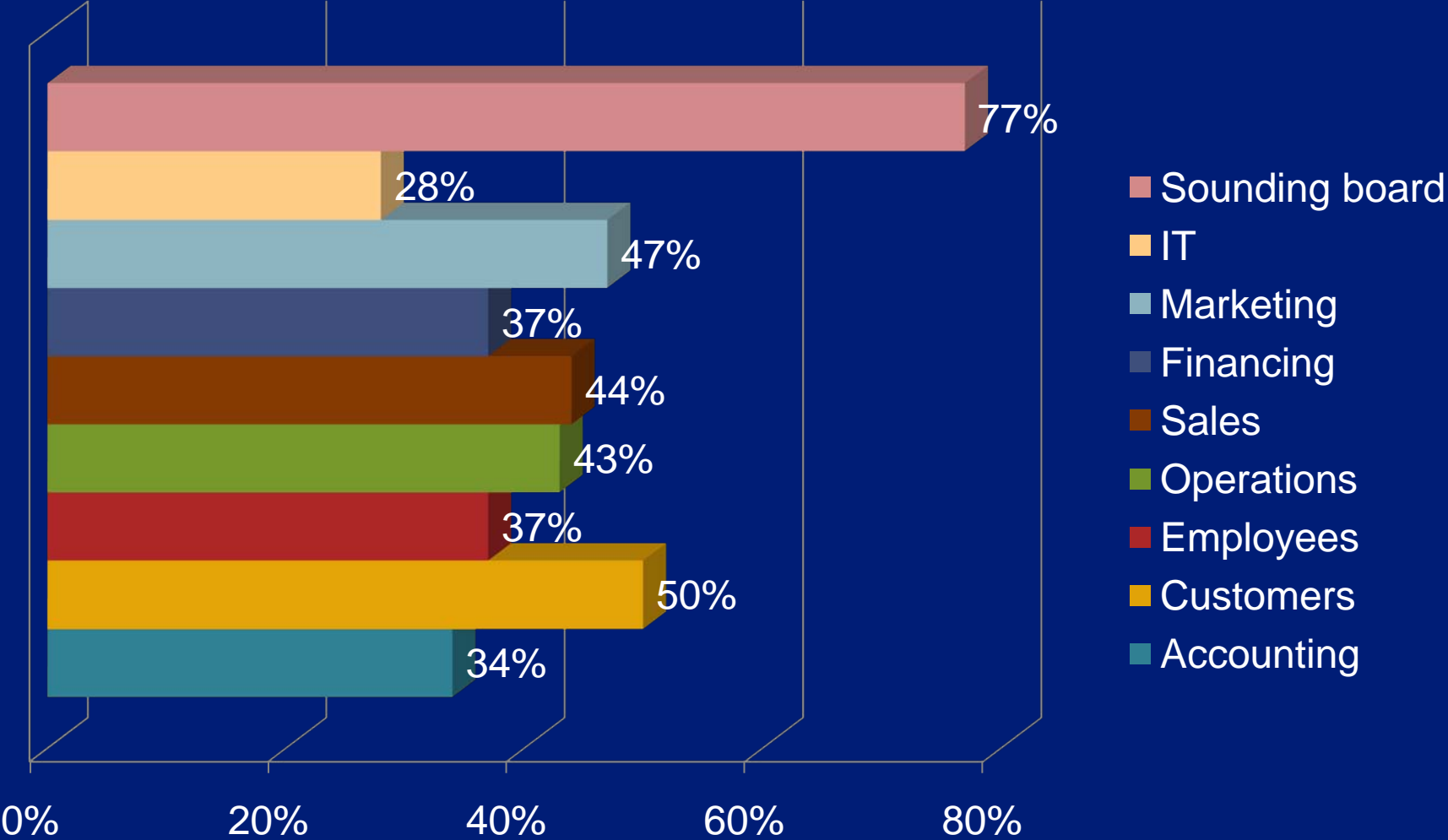
- Family & Friends
- Business-Internal
- Arms length

## Primary occupation of advisor



- Business owner
- Prof service
- Employee
- Retired
- Econ dev grp
- Other

# Kinds of advice business owners solicit





# Putting all the pieces together



- **With a few exceptions advisor relationships are the same for established versus “new” businesses and for those in the creative sector versus those not in the creative sector.**
- **At least half of the owners have been working with their advisors since founding or taking over the business.**
- **Family & friends are the main source of advisors.**
  - **Among family & friend advisors, 2/3<sup>rd</sup> selected for knowledge-related reasons.**
- **Only four businesses had primary advisors from government (-related) organizations such as EDCOs**
  - **Another 15 businesses (22% of those who use advisors) listed individuals from these kind of organizations as part of their broader network of advisors.**
- **Many of those who are advisors (i.e. fellow business owners) likely have advisors themselves.**



- **Create opportunities for peer networks**
- **Encourage business owners to think about who in their own networks can help them**
- **Provide services for mentors**
- **Educate professional service providers about general business issues**
- **Foster reliance-based trust because this correlates with greater satisfaction with the advisor relationship as well as perceived usefulness of information received**



- **18 case studies of successful businesses in rural Southeastern Ontario. Completed by fourth year commerce students.**
- **Part of the Knowledge Impact in Society (KIS) project through The Monieson Centre.**
- **Case studies available at:**
  - **<http://easternontarioknowledge.ca/index.php/case-studies.html>**
- **I read through these case studies to identify challenges and solutions as well as common themes.**

# Three specific examples: challenges and solutions



Company	Challenge	Solution
L'Auberge de France	Lack of knowledge in community about product	Educate the community
Ontario Water Buffalo Company	Efficient transportation of milk to cheese producer	Partner valued product enough to invest in refrigerated truck
	Excess of male calves	Educate the community
O'Farrell Financial Services	A small independent in a sea of national competitors	Offer a distinct product and develop a symbiotic relationship with supposed competitors.

# More general themes from successful rural businesses



- **Engage the community**
  - Educate them about your product
  - Be a good citizen
- **Treat your employees well**
  - While good advice for rural & non-rural businesses alike, especially important for rural businesses where qualified labour may be a challenge to find
  - Look for good people who can learn the business
- **Find a small but profitable niche market**