



MARKYT Business Climate Scorecard ©

Prepared for: City of Karratha

Prepared by: CATALYSE[®] Pty Ltd ©

September 2020

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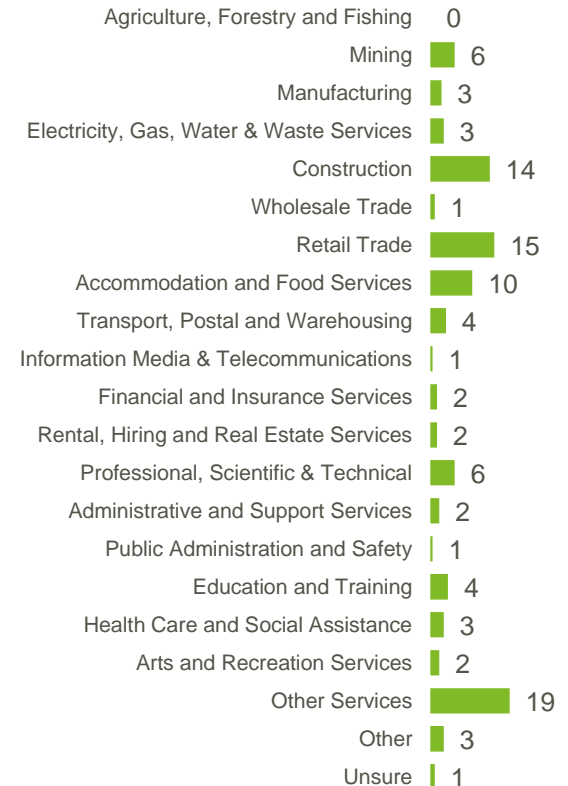
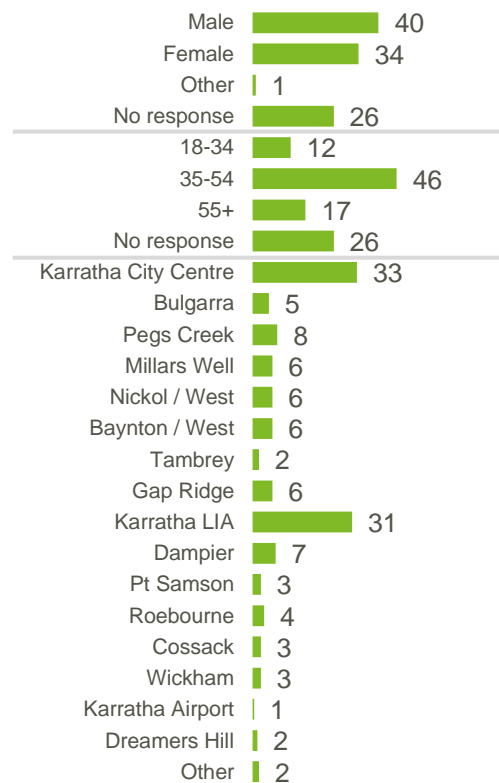
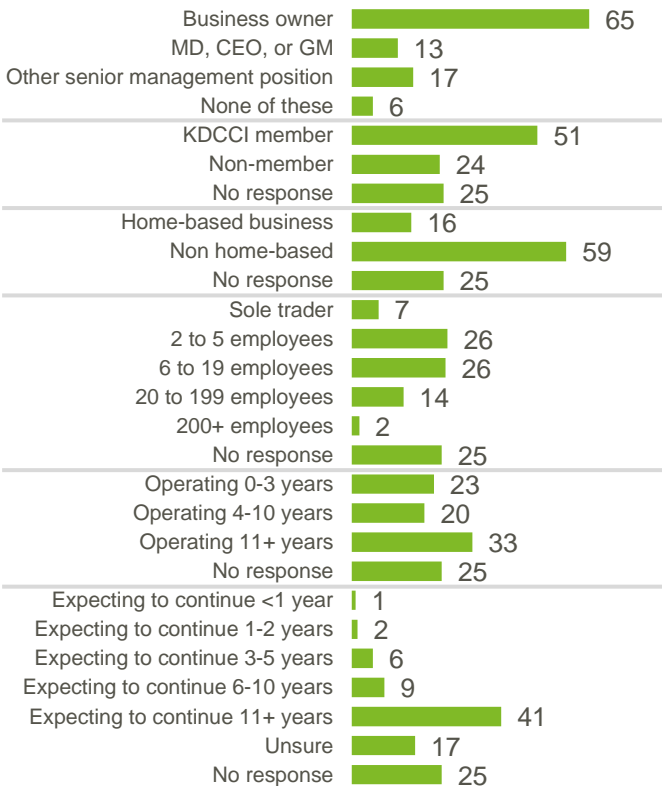
Introduction

The Study

In August-September 2020, the City of Karratha administered a MARKYT® Business Climate Scorecard to evaluate business priorities and measure Council's performance.

Data was collected using an online scorecard. 191 of 568 businesses listed on the City's database took part in the study representing a 34% response rate.

Data has been analysed using SPSS. Where totals add to $\pm 1\%$ of the parts, this is due to rounding errors to zero decimal places.



CATALYSE® has conducted MARKYT® Business Scorecards and Business Perceptions Surveys for councils across WA. When three or more councils have asked a comparable question, we publish the average and high scores to enable participating councils to recognise and learn from industry leaders. In this report, the 'high score' is calculated from **WA councils** that have completed an accredited study with CATALYSE® **within the past 18 months**. Participating councils are listed below.



Strategic Insights

Vision



65

% agree

16% points above the
MARKYT® Industry Average

Place to Work

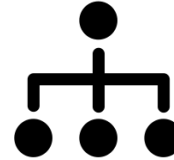


77

Performance Index Score

7 index point above the
MARKYT® Industry Average

Governance



72

Performance Index Score

7 index point above the
MARKYT® Industry Average

Rates Value



57

Performance Index Score

8 index point above the
MARKYT® Industry Average

Highest scores

- Quarterly Business Breakfast Briefing
- Access to networking and training events
- As a place to work or operate a business

Most improved

- Access to economic and business development grants
- Support for start-up businesses
- Efforts to support and retain existing businesses
- Value for money from Council rates

Priorities

Support and retain existing businesses



Access to affordable housing



Airport facilities and services



Access to commercial real estate



Overall Performance | with industry comparisons

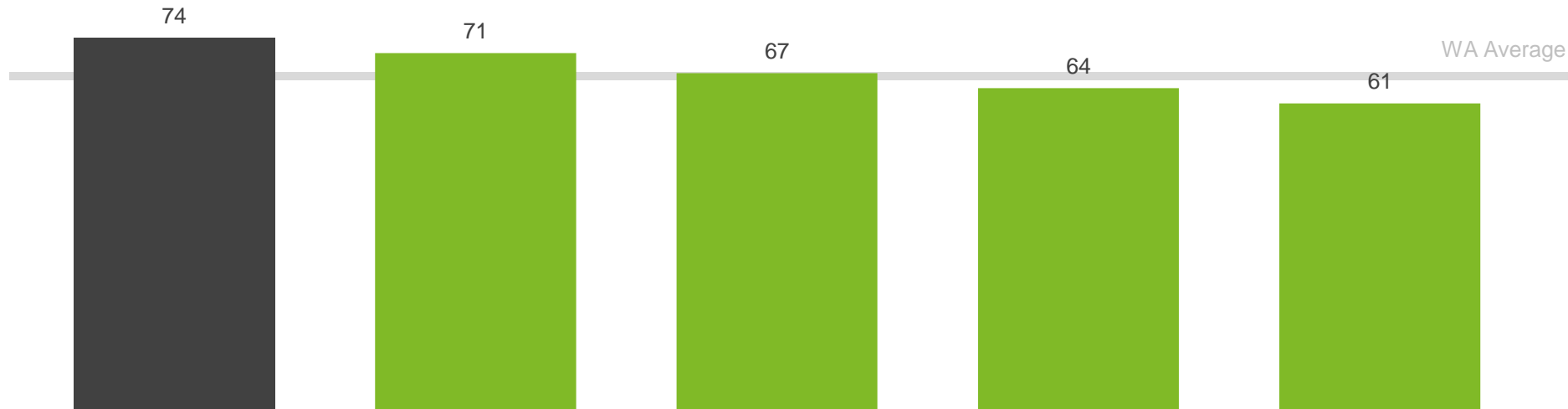
The 'Overall Performance Index Score' is a combined measure of the City of Karratha as a 'place to work or operate a business' and as a 'governing organisation'. The City of Karratha's overall performance index score is 74 out of 100, 7 points above the industry standard for Western Australia.

Overall Performance Index Score

average of 'place to work or operate a business' and 'governing organisation'

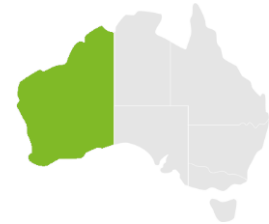
■ City of Karratha

■ Metropolitan Councils



MARKYT Industry Standards

Performance Index Score



City of Karratha	74
Industry High	74
Industry Average	67

The City of Karratha is leading the industry in the following areas:

- Place to work or operate a business
- Governing organisation
- Value for money from rates
- Ease of doing business with the City
- How the business community is consulted about local issues
- How the business community is informed about what's happening in the local area
- Developed and communicated a clear vision for the region
- Understanding issues and challenges facing business



In the City of Karratha's Community Priorities Window, detailed overleaf, most services are in Window B. They are higher performing areas, receiving average ratings between good and okay, and with less than 10% of business respondents highlighting these areas as a priority to improve.

Moving forward, the business community would like the City of Karratha to **prioritise** areas in Window F:

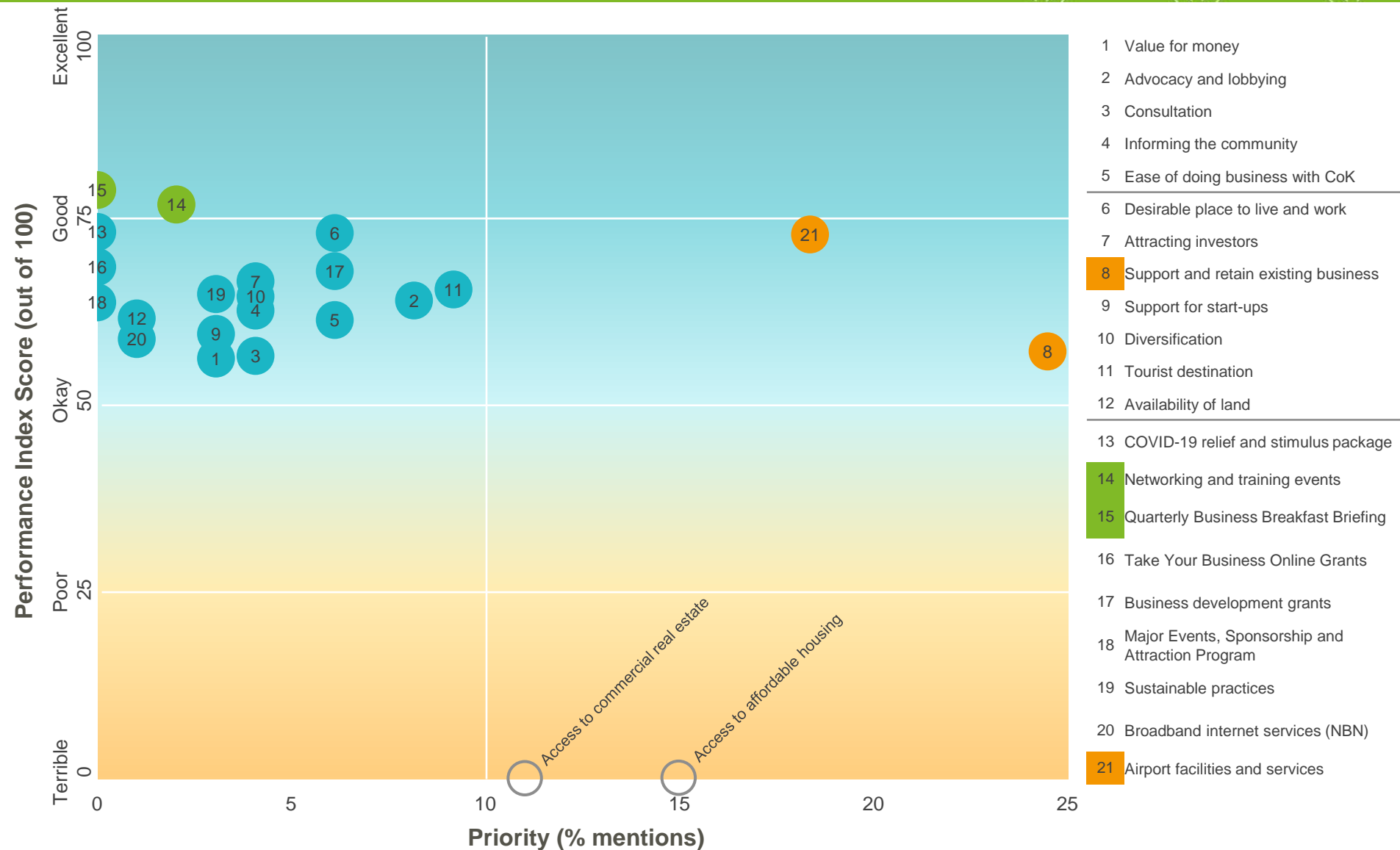
- Support and retain existing businesses
- Airport facilities and services

Secondary priorities which were not included in the performance measures but were spontaneously mentioned as areas to address include:

- Access to affordable housing
- Access to commercial real estate



MARKYT Community Priorities Window™



Q. How would you rate performance in the following areas? Base: All respondents, excludes unsure and no response. (n=varies)

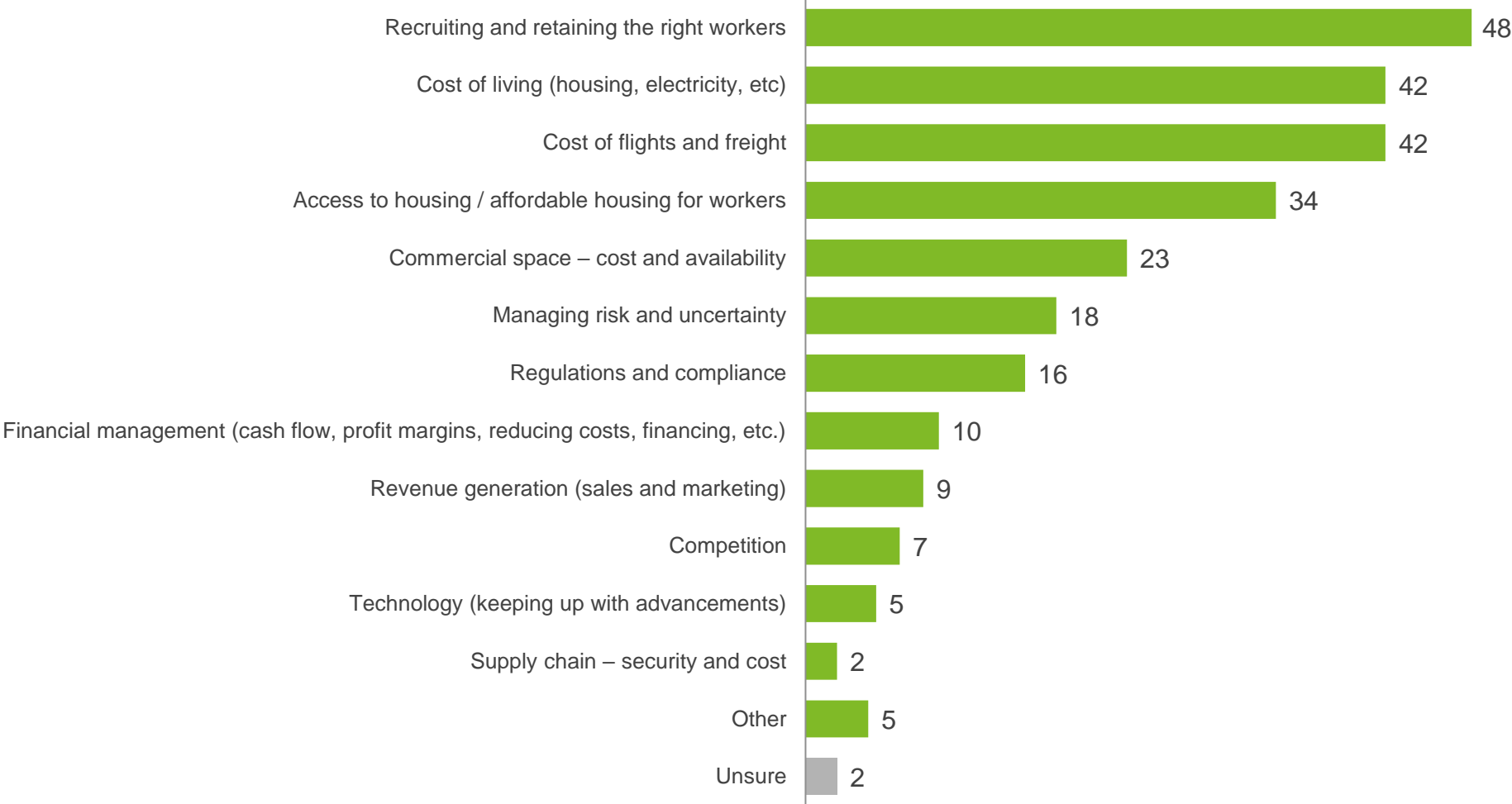
Q. Which areas would you most like the City of Karratha to focus on improving? Base: All respondents, excludes no response (n = 98)

Business Climate

Issues or challenges facing businesses

Issues or challenges facing businesses

% of respondents



Q. What are the main issues or challenges facing your business? Please select up to 3 choices.

Base: All respondents, excludes 'no response' (n = 176).

Issues or challenges | demographic variances

% respondents	All respondents	Business Owner	MD/CEO/GM	Other senior management	KDCCI members	Non-members	Home-based	Non home-based	Male	Female	18-34 years	35-54 years	55+ years	Sole trader	2 to 5 employees	6 to 19 employees	20+ employees	0 to 3 years	4 to 10 years	11+ years	Karratha CBD	Other Karratha	Karratha LIA	Outside Karratha
Recruiting and retaining the right workers	48	41	63	65	44	35	16	48	46	36	48	40	41	14	28	47	65	26	32	57	53	27	70	42
Cost of living	42	43	38	46	39	39	39	39	45	34	35	39	44	36	42	43	29	44	32	40	45	41	41	37
Cost of flights and freight	42	42	38	50	42	39	35	43	38	44	43	38	47	36	46	37	45	44	37	43	47	38	41	42
Access to housing / affordable housing for workers	34	29	54	42	35	28	19	37	38	28	43	26	44	7	30	41	35	35	21	38	29	27	54	21
Commercial space	23	32	13	4	23	28	23	25	17	33	48	22	13	29	34	20	13	37	29	13	42	14	9	16
Managing risk and uncertainty	18	19	21	8	22	22	23	21	22	20	13	23	25	14	20	27	19	21	26	19	16	29	14	11
Regulations and compliance	16	18	17	12	18	20	23	17	21	14	9	18	22	7	28	14	13	23	18	14	7	20	14	37
Financial management	10	9	13	8	11	11	16	10	12	11	22	10	6	21	10	10	10	9	18	8	11	16	4	0
Revenue generation	9	7	17	8	9	7	23	4	7	11	0	11	6	21	12	6	0	12	13	3	4	11	5	16
Competition	7	9	0	4	7	7	6	7	4	11	13	6	6	7	6	8	6	7	5	8	7	7	5	5
Technology	5	4	4	8	4	7	6	4	3	6	4	7	0	7	6	4	3	2	13	2	5	2	4	16
Supply chain – security and cost	2	3	0	4	3	2	3	3	3	3	0	2	6	7	2	2	3	2	5	2	2	2	4	0

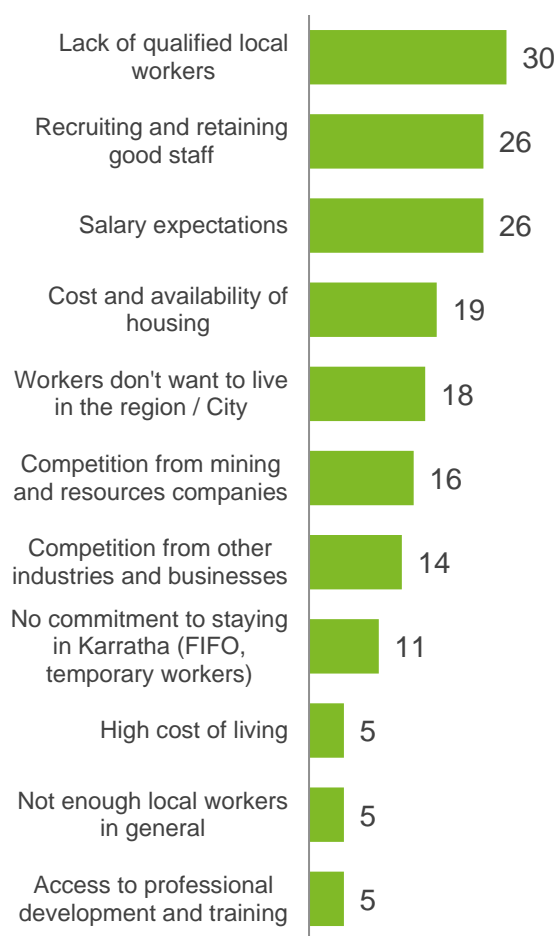
Q. What are the main issues or challenges facing your business? Please select up to 3 choices.

Base: All respondents, excludes 'no response' (n = 176).

Recruiting and retaining the right workers

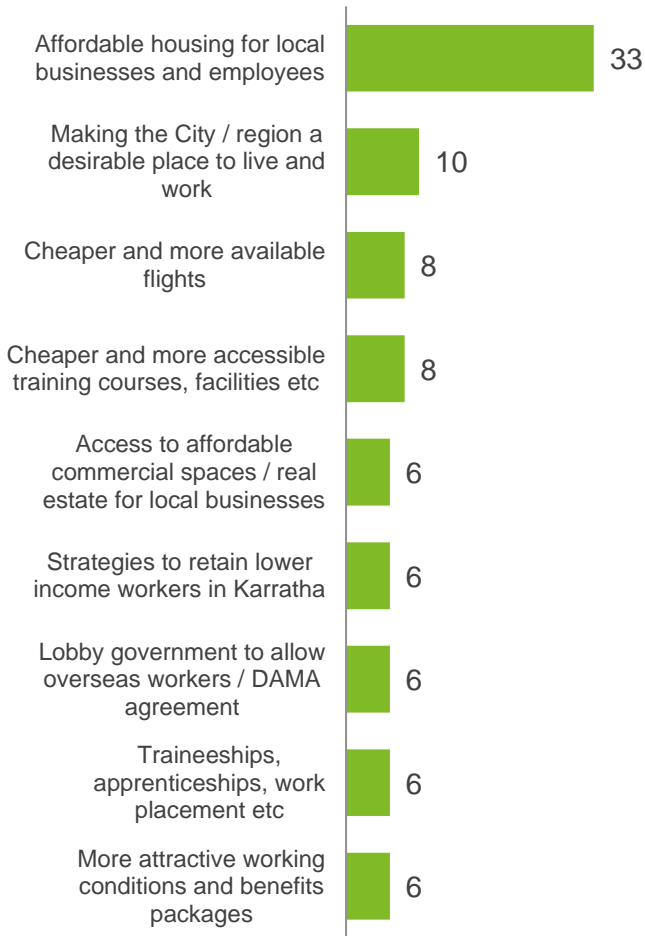
Challenges

% of respondents



Solutions

% of respondents



How the City can provide support

% of respondents



Q. In relation to recruiting and retaining the right workers, please describe your specific challenges, ideal solutions and how the City can support your organisation.

Base: Respondents who consider "Recruiting and retaining the right workers" to be a challenge for their business, excludes 'unsure' and 'no response' (n = varies from 45 to 57). *Charts show responses 5% and higher.

Proportion of purchases from within CoK region

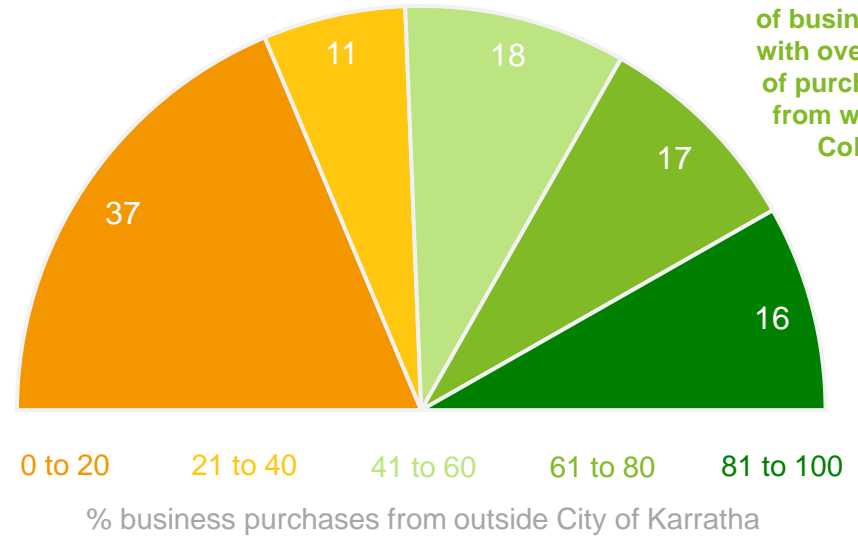
51% of businesses said that more than 40% of the goods and materials supplied to them came from within the City of Karratha region.

This was highest among younger respondents (18-34 years), businesses based in the Karratha light industrial area, businesses with 6 or more employees and other senior managers.

This was lowest among sole traders and businesses based outside of Karratha City.

Performance ratings

% of respondents



Variances across the community

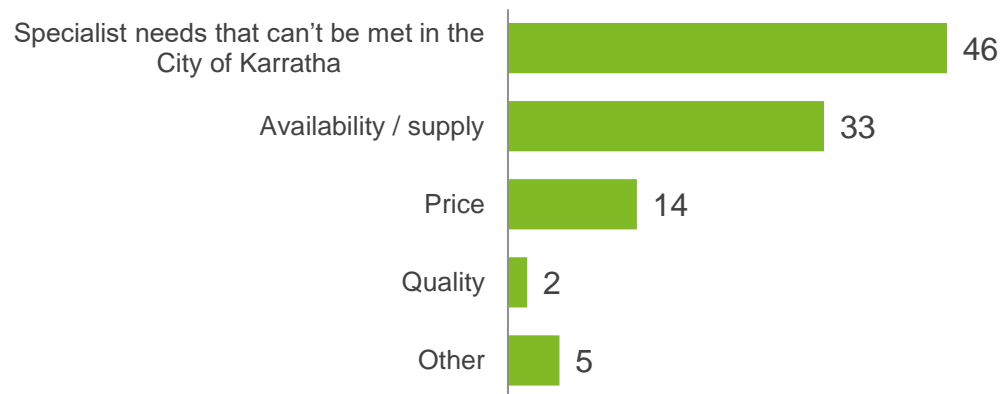
% of businesses where over 40% of their goods and materials come from within the CoK region

Total	Business Owner	MD/CEO/GM	Other senior management	KDCCI members	Non-members	Home-based	Non home-based	Male	Female	18-34 years	35-54 years	55+ years	Sole trader	2 to 5 employees	6 to 19 employees	20+ employees	0 to 3 years	4 to 10 years	11+ years	Karratha CBD	Other Karratha	Karratha LIA	Outside Karratha
51	48	48	64	56	50	42	57	61	44	73	55	41	21	43	65	68	47	51	60	43	50	70	28

Reasons for purchasing from outside CoK region

Reasons for purchasing from outside CoK region

% of respondents



Females, older respondents (55+ years) and those based in the Karratha CBD were more likely to purchase goods and materials from outside the region due to specialist needs that can't be met locally.

Home based businesses were more likely to do this due to availability and supply of goods and materials.

Newer businesses (operating for 3 years or less) were more likely to specify price as a reason for purchasing goods and materials from outside the region.

% respondents	All respondents	Business Owner	MD/CEO/GM	Other senior management	KDCCI members	Non-members	Home-based	Non home-based	Male	Female	18-34 years	35-54 years	55+ years	Sole trader	2 to 5 employees	6 to 19 employees	20+ employees	0 to 3 years	4 to 10 years	11+ years	Karratha CBD	Other Karratha	Karratha LIA	Outside Karratha
Specialist needs that can't be met in the CoK	46	48	50	40	48	48	31	52	39	60	48	43	63	58	41	49	50	46	42	52	60	37	51	53
Availability / supply	33	30	30	35	30	38	46	29	32	29	29	39	17	33	30	40	27	32	33	33	14	41	34	35
Price	14	15	10	15	14	12	19	12	18	9	19	13	13	8	17	9	17	22	8	12	16	16	9	6
Quality	2	2	0	5	3	0	0	3	3	2	0	4	0	0	4	2	0	0	8	0	5	2	0	0
Other	5	5	10	5	4	2	4	4	7	0	5	3	7	0	7	0	7	0	8	3	5	4	6	6

Q. What is the main reason that your business sources goods and materials from outside of the City of Karratha region?

Base: Respondents who have purchased goods and materials from outside the CoK region, excludes no response (n = 148)

Familiarity with local services and facilities

Familiarity with local services and facilities

% of respondents who were familiar with service area and able to comment

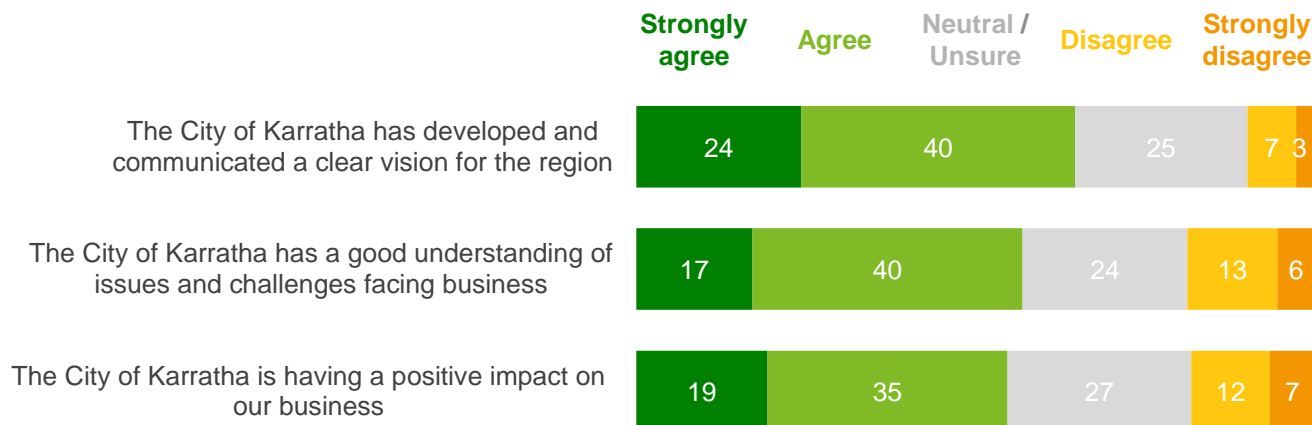


Performance

Business Sentiment

Level of agreement

% of respondents



MARKYT Industry Standards

% total agree

City of Karratha		Industry Average	Industry High
2019	2020		
64	65	49	65
45	57	40	57
46	55	NA	NA

% total agree	Total	Business Owner	MD/CEO/GM	Other senior management	KDCCI members	Non-members	Home-based	Non home-based	Male	Female	18-34 years	35-54 years	55+ years	Sole trader	2 to 5 employees	6 to 19 employees	20+ employees	0 to 3 years	4 to 10 years	11+ years	Karratha CBD	Other Karratha	Karratha LIA	Outside Karratha
Communicated a clear vision for the region	65	62	63	71	72	52	65	66	68	63	74	64	66	79	60	65	71	56	71	70	74	64	66	53
Good understanding of issues and challenges	57	57	50	61	64	52	58	61	62	58	74	61	50	79	52	59	68	56	63	62	62	62	54	42
Positive impact on our business	55	53	54	57	61	50	52	59	58	55	61	56	56	79	50	59	58	53	63	57	62	57	45	47

Q. How strongly do you agree or disagree with the following statements about the City of Karratha:

Base: All respondents, excludes 'no response' (n = 181)

Performance ratings | Overall & Leadership

Performance ratings

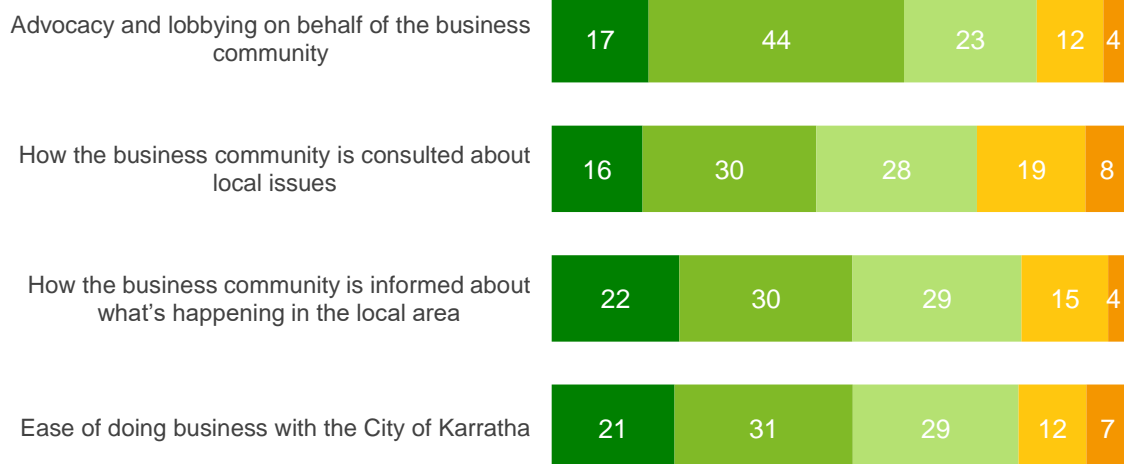
% of respondents



Overall
performance



Leadership and
engagement



MARKYT Industry Standards

Performance Index Score

City of Karratha 2019	2020	Industry Average	Industry High
70	77	70	77
64	72	65	72
48	57	49	57
58	64	NA	NA
53	57	50	57
59	63	57	63
54	62	59	62

Q. How would you rate performance in the following areas?

Base: All respondents, excludes 'unsure' and 'no response' (n = varies from 113 to 191)

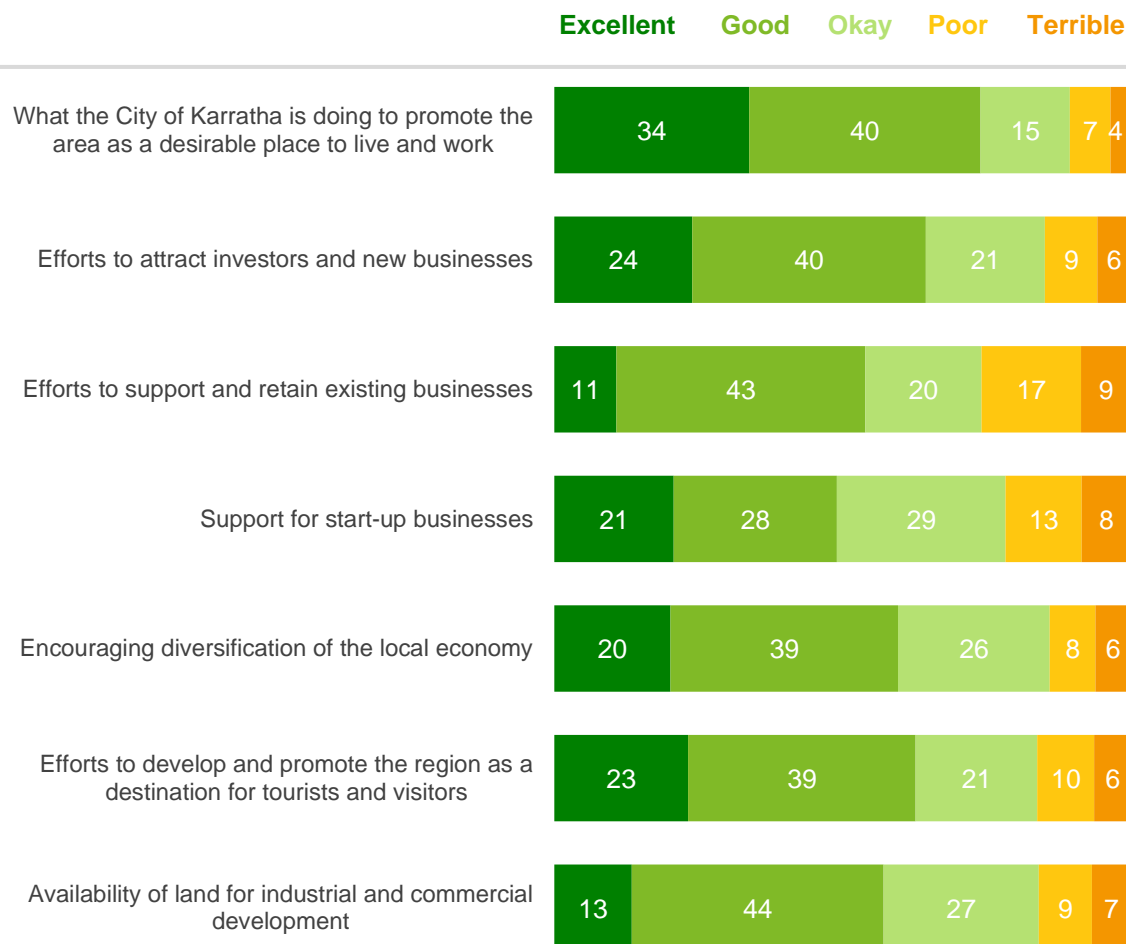
Performance ratings | Economic development

Performance ratings

% of respondents



Economic development



MARKYT Industry Standards

Performance Index Score

City of Karratha		Industry Average	Industry High
2019	2020		
74	73	NA	NA
62	67	NA	NA
49	58	NA	NA
50	60	NA	NA
62	65	NA	NA
67	66	NA	NA
60	62	NA	NA

Q. How would you rate performance in the following areas?

Base: All respondents, excludes 'unsure' and 'no response' (n = varies from 106 to 142)

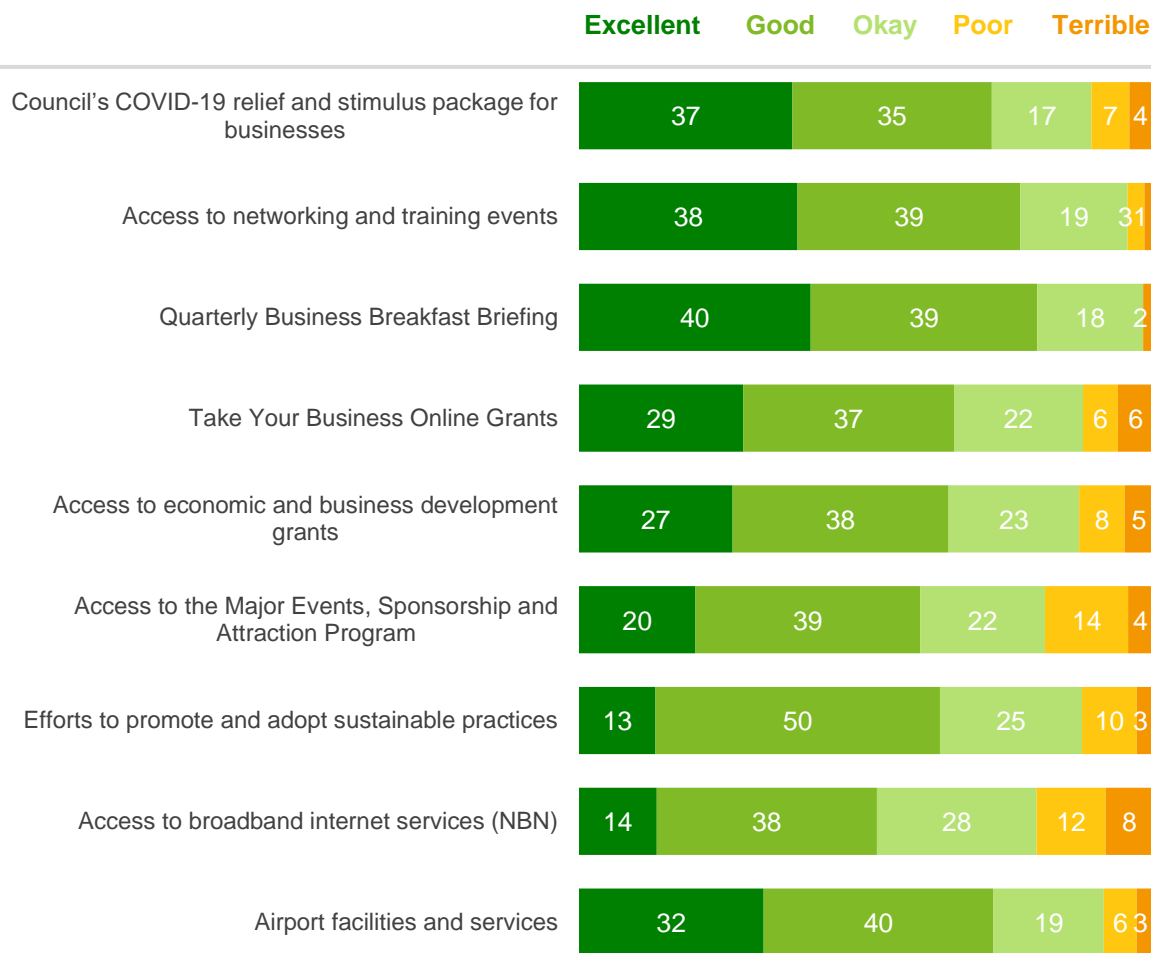
Performance ratings | Business services

Performance ratings

% of respondents



Business services



MARKYT Industry Standards

Performance Index Score

City of Karratha 2019	2020	Industry Average	Industry High
NA	74	NA	NA
NA	77	NA	NA
73	79	NA	NA
68	69	NA	NA
57	68	NA	NA
NA	64	NA	NA
60	65	NA	NA
NA	59	NA	NA
73	73	NA	NA

Q. How would you rate performance in the following areas?

Base: All respondents, excludes 'unsure' and 'no response' (n = varies from 69 to 140)

Performance:

MARKYT  Community Trends Window

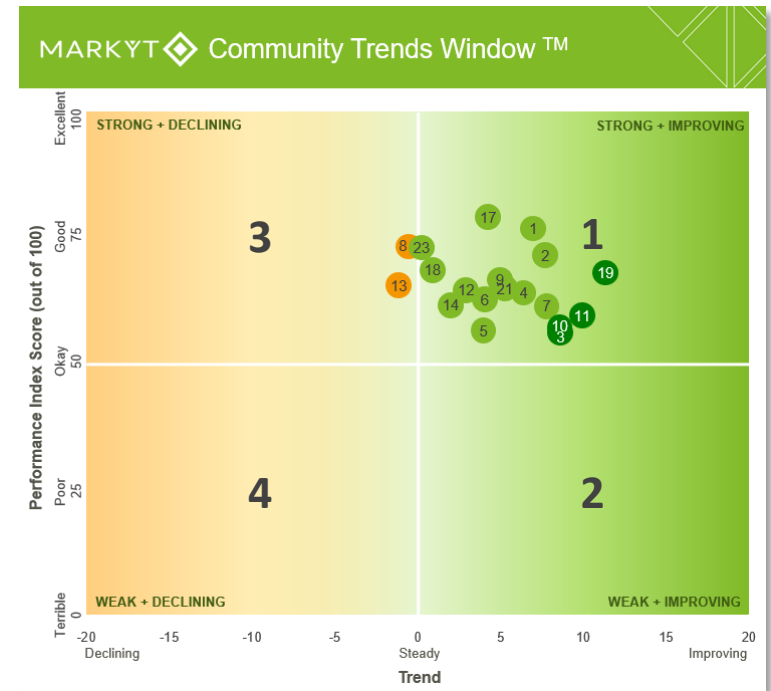
The MARKYT® Community Trends Window shows trends in performance over the past 12 months.

In the City of Karratha's Community Trends Window, detailed overleaf, most services are ideally located in Window 1. They are higher performing areas that continue to improve. The **stand-out improvers** are:

- Access to economic and business development grants
- Support for start-up businesses
- Efforts to support and retain existing businesses
- Value for money from Council rates

There is some need to arrest decline among higher performing areas (Window 3), such as:

- Efforts to develop and promote the region as a destination for tourists and visitors
- What the City of Karratha is doing to promote the area as a desirable place to live and work



MARKYT Community Trends Window™



Performance:

Overview of Community Variances

Community variances | Overall & Leadership

Index Score / 100	Total	Business Owner	MD/CEO/GM	Other senior management	KDCCI members	Non-members	Home-based	Non home-based	Male	Female	18-34 years	35-54 years	55+ years	Sole trader	2 to 5 employees	6 to 19 employees	20+ employees	0 to 3 years	4 to 10 years	11+ years	Karratha CBD	Other Karratha	Karratha LIA	Outside Karratha
Place to work or operate a business	77	74	81	81	82	71	77	79	79	79	90	77	75	80	74	79	87	77	78	81	79	75	78	75
Governing organisation	72	70	71	75	78	66	70	75	71	76	89	72	69	75	69	73	83	69	72	78	76	71	72	60
Value for money	57	54	60	63	60	51	57	57	56	57	62	59	48	69	50	56	66	53	63	56	61	61	52	54
Advocacy and lobbying	64	61	66	73	68	56	57	66	62	67	69	65	60	70	60	61	76	57	70	66	67	60	62	63
Consultation	57	52	62	66	62	49	56	58	59	56	66	57	53	64	54	49	76	54	62	58	55	57	57	55
Informing the community	63	58	69	71	68	54	56	65	65	62	70	65	56	64	61	56	79	62	66	64	66	63	59	60
Ease of doing business	62	57	71	68	65	54	56	64	64	60	70	61	60	64	56	57	79	57	64	64	61	64	64	50

Community variances | Economic development

Index Score / 100	Total	Business Owner	MD/CEO/GM	Other senior management	KDCCI members	Non-members	Home-based	Non home-based	Male	Female	18-34 years	35-54 years	55+ years	Sole trader	2 to 5 employees	6 to 19 employees	20+ employees	0 to 3 years	4 to 10 years	11+ years	Karratha CBD	Other Karratha	Karratha LIA	Outside Karratha
Desirable place to live and work	73	70	76	83	76	69	67	75	73	74	82	74	68	83	66	71	86	68	78	75	77	73	72	62
Attracting investors	67	64	68	70	73	55	63	68	66	67	79	66	61	71	57	70	77	62	67	71	72	65	63	63
Support and retain existing business	58	53	67	64	63	47	55	59	58	57	67	58	51	63	51	56	72	53	61	60	60	58	56	48
Support for start-ups	60	57	63	66	64	50	54	62	60	58	74	60	50	73	50	58	77	53	64	64	60	58	61	44
Diversification	65	62	65	71	68	58	54	68	63	67	78	65	54	73	59	62	77	59	68	67	69	61	64	56
Tourist destination	66	62	66	75	69	60	60	67	64	68	82	65	58	71	60	62	80	62	65	69	69	64	62	58
Availability of land	62	59	65	66	65	56	60	62	60	63	69	60	63	60	56	62	72	55	63	66	65	62	57	52

Community variances | Business services

Index Score / 100	Total	Business Owner	MD/CEO/GM	Other senior management	KDCCI members	Non-members	Home-based	Non home-based	Male	Female	18-34 years	35-54 years	55+ years	Sole trader	2 to 5 employees	6 to 19 employees	20+ employees	0 to 3 years	4 to 10 years	11+ years	Karratha CBD	Other Karratha	Karratha LIA	Outside Karratha
COVID-19 relief and stimulus package	74	74	65	75	77	65	74	73	70	77	83	75	59	86	71	67	83	71	79	72	73	74	70	75
Networking and training events	77	76	79	76	81	66	73	79	77	78	89	76	72	77	76	74	84	75	78	78	80	75	76	71
Quarterly Business Breakfast Briefing	79	78	82	77	82	69	79	79	80	78	86	79	75	86	75	77	87	77	81	80	82	78	76	77
Take Your Business Online Grants	69	67	71	73	70	66	70	68	65	72	80	70	57	94	64	65	75	65	70	71	72	71	62	69
Economic and business development grants	68	67	65	73	69	65	70	67	66	70	82	68	58	86	63	65	74	64	69	71	73	71	60	72
Major Events, Sponsorship and Attraction Program	64	60	70	64	67	56	71	62	62	66	73	63	58	85	58	60	72	67	58	65	62	69	56	69
Promote and adopt sustainable practices	65	62	66	71	68	59	63	66	68	61	67	66	62	70	63	59	77	59	71	66	64	70	65	57
Broadband internet services (NBN)	59	58	62	60	60	56	63	58	61	58	72	59	51	67	57	55	67	61	60	58	61	63	54	56
Airport facilities and services	73	69	83	77	78	66	64	76	77	69	80	74	70	67	68	73	87	69	76	75	80	73	69	56

Local Business Initiatives

Importance of business initiatives

Perceived importance of business initiatives

% of respondents



Q. The City of Karratha is always considering new initiatives to support local business and strengthen the local economy. To support you to invest in or expand your business, which of the following City initiatives do you consider to be MOST (1st, 2nd and 3rd) and LEAST important? Base: All respondents, excludes no response (n = varies from 131 to 146)

Importance of business initiatives | demographic variances

% First most important	All respondents	Business Owner	MD/CEO/GM	Other senior management	KDCCI members	Non-members	Home-based	Non home-based	Male	Female	18-34 years	35-54 years	55+ years	Sole trader	2 to 5 employees	6 to 19 employees	20+ employees	0 to 3 years	4 to 10 years	11+ years	Karratha CBD	Other Karratha	Karratha LIA	Outside Karratha
Projects to ensure housing remains affordable	21	15	44	29	22	22	19	22	21	22	13	20	31	14	12	27	32	7	32	25	28	14	22	19
Campaigning for more affordable and accessible flights	16	18	17	14	16	17	10	19	18	16	17	14	25	14	12	20	19	16	11	21	21	16	20	13
Offering stronger preference to local businesses for procurement opportunities	16	18	6	24	20	11	10	19	18	16	17	20	9	14	22	14	13	14	13	21	14	12	24	25
Financial support and relief packages	10	13	0	5	11	9	10	11	9	13	26	8	6	14	8	12	10	12	13	8	7	12	11	6
Subsidies to conduct energy audits and install renewable energy technology	7	8	11	0	7	7	10	6	7	8	9	7	6	21	6	6	3	12	0	8	2	8	9	6
Reviewing the City's processes to reduce red tape	5	5	6	10	6	4	6	5	8	3	4	6	6	0	10	2	6	5	8	5	5	6	4	19
Advertising and marketing assistance to help your business to reach new customers and markets	5	6	6	0	4	7	13	3	4	6	0	6	6	7	10	2	0	9	8	0	2	10	2	0
Campaigns such as 'Try Local \$100' to inject money into the economy	4	5	0	5	2	7	3	4	1	6	0	3	6	0	8	0	3	2	3	5	9	0	2	6
Assistance with innovative methods to reduce freight costs	3	2	6	5	4	2	3	4	4	3	4	3	3	0	6	4	0	7	3	2	5	6	0	0
Surveys to understand business needs and gather important industry data	2	2	0	0	2	2	0	3	0	3	9	1	0	7	0	2	3	2	5	0	5	0	2	0
Support to help small businesses to respond to crisis situations	2	3	0	0	1	2	3	1	1	2	0	2	0	0	2	2	0	2	0	2	2	4	0	0
Assistance to identify and close supply chain gaps	1	0	0	5	0	2	0	1	1	0	0	1	0	0	0	0	3	2	0	0	0	2	0	0
None of these	6	5	6	5	4	9	13	4	7	3	0	9	0	7	4	8	6	9	5	5	0	10	4	6

Q. The City of Karratha is always considering new initiatives to support local business and strengthen the local economy. To support you to invest in or expand your business, which of the following City initiatives do you consider to be MOST (1st, 2nd and 3rd) and LEAST important? Base: All respondents, excludes no response (n = varies from 131 to 146)



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MARKYT 