

# VICTORIAN SMALL BUSINESS ENGAGEMENT GUIDELINES

**WORKING WITH SMALL BUSINESSES DURING DISRUPTIVE INFRASTRUCTURE PROJECTS**



Victorian  
Small Business  
Commission



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## Message from the Victorian Small Business Commissioner

I am delighted to introduce these Small Business Engagement Guidelines on behalf of the Victorian Small Business Commission (VSBC). My office works to create a fair and competitive environment for Victorian small business to operate, grow and prosper and we believe that these guidelines will prove to be a valuable resource for the Victorian community.

Over the years, we have received numerous applications for dispute resolution where the disruption caused to traders by an infrastructure project is cited as a key issue. In response, we have created these guidelines to provide a tool for constructive engagement between small businesses and organisations who are undertaking disruptive infrastructure projects within their vicinity.

A disruptive infrastructure project could be any one of a range of temporary construction works, such as the reformation of a streetscape, roadworks or upgrading utilities. The disruptive element talks to the way that the project impacts the day to day operations of small businesses in the area. These guidelines should be applied when planning such a project to make sure that affected small businesses are consulted and their needs considered.

The guidelines are intentionally broad and general because we encourage parties to work together and think creatively to tailor suitable solutions. The depth and breadth of your organisation's ability to develop these guidelines will depend on your budget and capacity but it is vital that engagement with small businesses is at the forefront of your work.

I encourage you to use these guidelines and to share your success stories with my office so we can use them as examples for other agencies working on disruptive projects. Together we can pave the way for engagement with small businesses to be considered best practice behaviour across the State.



**Judy O'Connell**



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*Together we can pave the way for engagement with small businesses to be considered best practice behaviour across the State.*

# Overview

These guidelines are grouped into three key processes:

- 1 **impact assessment**
- 2 **communications strategy**
- 3 **disruption mitigation plan.**

The three processes will inform each other. Your impact assessment will occur prior to the commencement of the project and then inform the development and breadth of your communications strategy, which will operate for the entirety of your project. The disruption mitigation plan will be informed by both the impact assessment and communications strategy and be in operation from the time that works start. Each of these should be considered and finalised prior to commencing construction to ensure that there is a clear strategy in place for any issues that may occur.

It is a good idea to delegate these processes to specific staff or teams depending on the capacity of your organisation. If an organisation or government body is outsourcing the project to contractors, it is recommended that the processes discussed here are built into key performance indicators for the project. Either way, it is important that the people on the ground for your team have authority to commit to promises that may be made to businesses when developing these processes or discussing impacts to avoid any disappointment down the track.

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## What these guidelines do

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These guidelines have been prepared by the VSBC to help minimise the negative impact that disruptive infrastructure projects can have on small businesses.

They are intentionally general in nature so that they can be adapted to suit the processes and structure of your organisation.

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## What these guidelines don't do

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Applying these guidelines to projects does not reduce legal liability that may otherwise occur in the process of construction. Legal advice should be sought where appropriate.

These guidelines do not intend to confer any expectations of, or entitlement to, financial compensation for individual businesses.





# Impact assessment

## Purpose

To ascertain the impact that the infrastructure project may have on small businesses in the area.

## Process

Developing the impact assessment will require both the expertise of specialists in your organisation and input from key stakeholders in the area.

To determine the impact of your project you will need to first, establish the **impact zone** and identify a list of stakeholders within that zone. This will also provide an opportunity to collate data that will inform the communications strategy.

You will then need to determine the **scale of the impact** on these stakeholders and develop a **small business impact report** for each business. For each impact point, it should be noted what is truly negotiable and non-negotiable as this will inform the scope of support measures and considerations in the disruption mitigation plan.

## 1 Impact zone

- 1.1 Specialists from your organisation with a clear understanding of the scope of the works will need to make an objective assessment as to the impact zone. They will need to consider businesses that are directly obstructed, but also businesses where the impact may be secondary such as the diversion of traffic, noise pollution or the temporary outage of services such as water and electricity.

## 2 Scale of impact on the zone

- 2.1 You will need to assess the scale of the impact on businesses. This will likely vary for different businesses based on their location and business type, so you will need a **zone impact report** for the overall area, and a **small business impact report** for each business.
- 2.2 The impact report needs to consider the length of the project, with an expectation that the longer the project, the greater the engagement with the business.
- 2.3 The tables provided here list issues to consider when creating your report. There is some crossover in the considerations for both the area and individual businesses to account for variations in proximity to the works. This assessment will be informed by engagement with affected businesses from your communications strategy and objective evaluations made by visiting the area.

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*Completing on-ground impact assessments and meeting small business owners to better understand their business has assisted in a number of projects and how we stage the works.*

Douglas Morris, Strategic Engagement Officer, VicRoads

**Table 1 > Zone impact report**

Impact	Considerations
Access	<p>Will there be an impact on:</p> <ul style="list-style-type: none"> <li>• physical access to the trading area?</li> <li>• the road networks?</li> <li>• public transport?</li> <li>• parking in the area?</li> <li>• footpaths and nature strips?</li> <li>• deliveries to / out of the business area?</li> <li>• fire exits or disability access?</li> </ul>
Visibility	<p>Consider the experience of customers to the area and how they will perceive the trading zone:</p> <ul style="list-style-type: none"> <li>• can customers see storefronts?</li> <li>• can cars being detoured away from the area see that the trading area is still open?</li> <li>• does the project significantly intrude on the trading area?</li> </ul>
Services	<p>Will services be interrupted such as water, electricity, gas or internet?</p> <p>Are there any other utility maintenance works scheduled at a similar time?</p>
Comfort	<p>Will there be significant noise pollution?</p> <p>Will there be dirt and dust?</p>
Economic	<p>What is the anticipated effect on trading due to the above?</p> <p>Will there be any impacts to supply chains for business not directly in the impact zone?</p> <p>Are there perishable items likely to be affected?</p>
Length	<p>How many weeks will the project run for?</p> <p>Can the size of the project area be modified once certain works are done?</p>
Other	<p>In what other ways is the project likely to negatively impact on small businesses in the area?</p>











**Table 2 > Small business impact report**

General information	Details required
Contact details for the business	Preferred method of engagement: <ul style="list-style-type: none"> <li>• email</li> <li>• phone</li> <li>• face-to-face</li> <li>• If a tenant, who is the owner of the building?</li> </ul>
Trading times	Peak hours and days of trade, for example: <ul style="list-style-type: none"> <li>• the morning weekday coffee run for a café</li> <li>• the week before Mother's or Father's Day for a gift shop</li> <li>• the lead up to Easter for a chocolate shop</li> </ul>
Customer base	How many customers are expected per day? Consider the nature of the customer base and the likelihood it will be affected: <ul style="list-style-type: none"> <li>• does the business have regular customers that will just need advice that the business is still open?</li> <li>• does the service use pre-booked appointments?</li> <li>• what proportion of customers are walk-throughs?</li> </ul>
Necessary access	What specific access does the business need to operate, such as: <ul style="list-style-type: none"> <li>• deliveries</li> <li>• waste removal</li> </ul>
Proximity	How close is the business to the project and impact zone?
Comfort	Will the place of business be impacted by: <ul style="list-style-type: none"> <li>• significant noise pollution?</li> <li>• dirt and dust?</li> </ul>



## Summary

- 1 Specialists from your organisation will need to determine the **impact zone** to inform your communications strategy and **impact assessments**.
- 2 Assessing the **scale of impact** will be a matter of objective evaluation and assisted by feedback and engagement with small businesses.
- 3 The information gathered will inform the solutions developed in your **disruption mitigation plan**.



# Communications strategy

## Purpose

To ensure that clear and transparent communication occurs between the project managers and the affected small businesses throughout each stage of the project.

To assist in meaningful and constructive engagement with small businesses.

## Process

The communications strategy should be created as early as possible as the information gathered through engagement will inform your impact assessment and disruption mitigation plans.

To develop your strategy, you need to clarify the following:

- 1 the scope of your project
- 2 who it will affect
- 3 when and how you will engage with the affected businesses.

### 1 The scope of your project

- 1.1 Prepare a key summary of the project that includes details of the:
  - nature of the project
  - reasons why it is being undertaken
  - benefits of the outcome
  - areas to be affected
  - key dates for works including the anticipated completion date.

### 2 Who will your project affect?

- 2.1 Develop a list of all parties who are likely to be impacted by the project – the key stakeholders.

As part of the impact assessment you will establish an impact zone therefore visiting the area and making a list of all small businesses in the zone is important. The local council in the area will be a key stakeholder themselves, but they can also help you with local traders' associations and advise of small businesses that you may be unaware of, for example businesses that operate from home or portable businesses such as food trucks.

This list should also include local MPs, the media and any other body likely to be approached by affected small businesses.

- 2.2 It may be helpful to organise stakeholders into tiered groups based on their priority, so that you can target your communications as per the table provided.





**Table 3 > Key stakeholders**

Priority groups	Communications
Tier one	<ul style="list-style-type: none"><li>• receive key summary</li><li>• receive all updates</li><li>• initial face-to-face contact with a representative from your organisation</li><li>• have a direct line of contact with your organisation, such as a case manager, throughout the project</li></ul>
Tier two	<ul style="list-style-type: none"><li>• receive key summary</li><li>• receive regular updates</li><li>• can refer affected small businesses on to your organisation</li></ul>
Tier three	<ul style="list-style-type: none"><li>• receive key summary</li><li>• receive targeted updates</li></ul>



### 3 When and how will you engage with the affected businesses?

3.1 Based on your capacity and budget, a range of communications channels is recommended to ensure that you are reaching all key stakeholders in a process that is suitable to them. When choosing your methods, make sure to accommodate any language or cultural barriers. Some suggested methods of communications are:

- face-to-face interaction with affected small businesses
- less direct methods such as phone calls, emails and letters
- an eNewsletter
- information sessions
- social media
- advertising in local media.

3.2 It is important that your communications strategy allows for feedback from and engagement with small businesses. In the earlier stages of your project, this engagement will shape your impact assessment and some of the tools in your disruption mitigation plan. Once the project is underway, feedback is important to manage your relationship with stakeholders and ensure that you are continuing to engage with them regarding the project.

3.3 Along with the key summary and your initial engagement with stakeholders, you will need to provide updates to stakeholders throughout the project. Depending on their connection to the project, stakeholders will require updates of varying frequency. For example, if works are delayed one day and extended access to the site is required, small businesses in the

immediate zone will need to be made aware but the media less so.

3.4 Put this information into a timeline so that you can track your communications and ensure that you are providing for full engagement.

#### Summary

- 1 **Key summary** is distributed to stakeholders well before commencement of project.
- 2 **Feedback and engagement** informs impact assessment and disruption mitigation plan.
- 3 Regular **updates** are to be provided to stakeholders based on priority.

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*Keeping communication open was vital, and not just paying lip-service to the idea of it but having face to face contact. It was great to have the project managers reacting quickly. If people felt they were not being heard, it would just accelerate their frustration and anger.*

Gina McIver, President of the Williamstown Chamber of Commerce speaking to engagement between Melbourne Water and traders in Williamstown during the Williamstown Main Sewer Rehab Project.

# Disruption mitigation plan

## Purpose

To provide a range of support measures for project managers to mitigate the impact that the project has on affected small businesses.

To work with small businesses to achieve commercially practical outcomes.

## Process

Both the communications strategy and impact assessment will inform your disruption mitigation plan to ensure that you consider both the concerns raised by businesses and the impacts on their ability to operate effectively. Accommodating these interests will require a multi-faceted approach and not every option will be possible.

The disruption mitigation plan includes five sections:

- 1 practical considerations for the process of construction
- 2 any marketing support that can be provided to small businesses to assist them to raise awareness of the business
- 3 education and tools that can be provided to businesses which otherwise assists their operation
- 4 discussion of alternative dispute resolution
- 5 quality assurance.





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### Case Study > Melbourne Metro Rail Authority

The Melbourne Metro Rail Authority has developed Business Support Guidelines for Construction to guide its relationships with small businesses affected by the Melbourne Metro Rail Project.

One area affected by the project includes a cluster of upwards of 70 businesses that operate in the triangle that is formed by St Kilda Rd, the north and south arms of Albert Rd and Kingsway, in South Melbourne. The area sits within the City of Port Phillip (CoPP) local government area.

The following list outlines support measures that were developed by Rail Projects Victoria (RPV), John Holland Early Works Managing Contractor (EWMC) and the Cross-Yarra Partnership Tunnels and Stations PPP (CYP):

- installation of clear business wayfinding at each key entry point into the Albert Rd triangle
- provision of offset parking for certain businesses that relied on parking being available
- provision of maps and other information to assist customers to get to the businesses
- design and printing of marketing materials
- paid advertising in local media to promote the cluster of businesses to residents
- promotions including offers and vouchers to encourage existing customers and residents to frequent the businesses
- involvement in provision of 'surprise and delight' items and vouchers for commuters during major construction activities when buses replaced trams (July 2017 and April 2018)
- sponsoring events in the businesses
- encouraging RPV staff and the contractor workforce to frequent local businesses
- encouraging the businesses to establish a formal traders' association and work together as a group.

## **1 Practical considerations**

**1.1** The communications strategy and impact assessment will assist you in determining if there are any practical considerations that your project can take on to reduce the impact, such as:

- working outside peak times
- using barriers to mitigate noise and dust pollution
- creating alternative access routes to the business
- reviewing transport options to the area and providing courtesy options where possible
- coordination of services such as utilities so small businesses do not have to deal with multiple outages
- paying for alternative parking for business owners if your works are obstructing their usual spaces.

Any efforts that can be made to demonstrate flexibility and accommodate the interests of small businesses will save costs further down the track and assist the project to run smoothly.

**1.2** Support affected small businesses by encouraging procurement throughout the project whether it be through using them to cater staff events and / or distributing promotional material for the business amongst staff.





## 2 Marketing

**2.1** If it is identified that the project will negatively impact on accessibility to and visibility of the business, providing marketing support to small businesses will help in:

- assuring customers that the business remains open
- attracting new customers.

Examples of marketing opportunities that could be funded by your organisation are:

- providing signage for the business that confirms it is open. This may be placed at the boundaries of your project and / or alongside signs indicating road works at its parameters
- assisting the business to advertise out of the immediate vicinity using mediums such as social media, radio and tv advertising
- organising special events to bring visitors to the area such as street festivals, raffles or discount days
- activating the area with pop-up businesses or mobile stores
- utilising project infrastructure as billboard space for street art and promotion.

## 3 Education and support

**3.1** The Small Business Mentoring Service is a Victorian-based mentoring agency where experienced business operators mentor and guide businesses that are new, looking to grow, or dealing with problems. Putting small businesses in touch with the agency, and funding an initial meeting if you have capacity will link the business with a mentor who can assist them to develop strategies to overcome the challenges of the disruption.

**3.2** Business Victoria provides resources and support for Victorian small businesses and its online hub [business.vic.gov.au](https://business.vic.gov.au) has advice and guidance for businesses at different stages of their development and to assist in dealing with challenges. The website also provides up-to-date information on awards and grants available to small businesses.

**3.3** Local councils can be a great resource for additional education opportunities.

## 4 Alternative dispute resolution

**4.1** The Victorian Small Business Commission provides a low-cost and efficient dispute resolution service to Victorian small businesses. Either party to a commercial dispute can file an application with the VSBC and a Dispute Resolution Officer (DRO) will be assigned to the matter. The DRO will work with the parties to either resolve the matter prior to mediation, at no cost, or to arrange a mediation at a subsidised fee of \$195 per party.



Either party can refer the matter to mediation. There is further information about the process on the VSBC website – [www.vsbv.vic.gov.au](http://www.vsbv.vic.gov.au).

## 5 Quality assurance

- 5.1 Ensure that you have measures in your plan that can ascertain the effectiveness of different strategies, such as measuring the number of complaints received throughout the project. This information will inform future projects and assist you in avoiding further issues as the project proceeds.

## Summary

- 1 The disruption mitigation plan is informed by your communications strategy and impact assessment.
- 2 Depending on your capacity you may be able to offer a variety of measures such as **practical considerations, marketing, education and support** and **alternative dispute resolution**.
- 3 The plan needs to include **quality assurance** measures to assess its effectiveness.



## We are here for you

Thank you for taking the time to engage with small businesses and to support the vital contribution that they make to the Victorian economy.

We are here to facilitate your engagement with small businesses and to ensure that your relationships are mutually beneficial and commercially viable.

If disputes arise throughout your disruptive infrastructure project despite the application of these guidelines, you can contact the VSBC on 1800 878 964 or at [www.vsbv.vic.gov.au](http://www.vsbv.vic.gov.au).









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