



## Small Business Friendly Projects

An initiative of the Small Business  
Development Corporation

# Preparing for public works

Interactive tools for small business



Small Business  
Development Corporation

13 12 49  
[smallbusiness.wa.gov.au](http://smallbusiness.wa.gov.au)

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**Construction work and infrastructure projects can have a significant impact on small businesses. This can include both financial and non-financial disruptions, such as a loss in turnover, reduction in customers and disruption to deliveries caused by road works.**

The purpose of this document is to help small business owners prepare for construction work associated with the development of new infrastructure, or maintenance of existing infrastructure (e.g. road works, water pipes), near their premises.

The SBDC is a Western Australian Government agency that has been delivering relevant, practical support to small business since 1984. Its primary role is to offer free, confidential advice and guidance to small business owners. The agency also works with all levels of government to improve their interactions with the small business sector.

# Material for the planning/ pre-construction phase



## TOOL 1

Prepare your business for the construction phase by collecting as much information as you can on the project and taking steps to prepare for a potential drop in revenue. The SBDC has prepared

this list of tasks to guide you during the planning/ pre-construction phase of the project. Record the relevant information in the second column for future reference.

### Initial Checklist - The Project

Gather as much information as you can about the project and its potential impacts on your business

<p><b>Who is responsible for the project?</b> E.g. local government, State Government or private developer.</p>	
<p><b>Who is the project's designated contact person and alternate contact person?</b> Record their phone number and email address Note: there may be a head contractor responsible for managing the construction. You will need their contact details as well as the project manager's.</p>	
<p><b>Contact your local government's Economic Development Officer</b> They can help you with questions about additional signage or easing parking restrictions for customers.</p>	
<p><b>What is the potential impact of the construction project on the local area or business?</b> For some suggested questions to ask the project manager see page 10.</p>	
<p><b>Assistance</b> Is there any funding available from the project team to help disrupted businesses? E.g. For advertising and promotion activities or to compensate for a loss in revenue.</p>	

## Material for the planning/ pre-construction phase



### TOOL 1

#### Review your plans for the scheduled construction period

**What usually happens in the period earmarked as the planned construction phase?**

Does your business hold any special events or promotions during that time of year?  
Is it usually a busy time of the year for your business?  
Do you see a fluctuation in customer numbers over this period? E.g. the busy time peaks later in the day because it's winter.

**Review your staff rosters for the construction period**

Give your staff plenty of notice of roster changes.

**Will the project impact on customer or supplier access to your business?**

Consider how you will overcome this. E.g. putting up temporary signage, or upload maps on social media that show customers how to access your business during construction.

#### Build your networks

**Contact your local chamber of commerce and business associations to discuss the project**

Record their contact details for future reference.

**Contact businesses that have lived through public works**

They may have advice for you on strategies that worked and didn't work.

**Contact other local businesses in your area**

Discuss the project and their willingness to work together.

**Hold an initial meeting with fellow business owners**

For some suggestions to guide this discussion, see page 11.



### TOOL 1

#### Initial Financial Management

There are some actions you can take to financially prepare for public works in your area. This includes reducing your expenses and building a contingency fund.

The SBDC's website has a number of useful tools that can help you with financial management, such as cash flow forecast templates, sales forecasts and breakeven analysis. See [smallbusiness.wa.gov.au/templates-guides-tools/business-tools-and-templates](http://smallbusiness.wa.gov.au/templates-guides-tools/business-tools-and-templates) or call 13 12 49.

#### Review your financial position

- Do you have enough cash (including in your bank account, money owed by customers, and stock) to cover debts due and payable during the construction period?
- Does your business rely on debts to operate?
- Do you know your gross margin?
- Do you know your net margin?
- Do you know your break-even position?

#### Review your risk management strategy

Do you have a risk management strategy?  
If not, consider the impact of risk on your financial viability during the construction period. Consider if you are too reliant on a small number of major customers or suppliers, or one source of income. Ensure your systems for monitoring payment by customers are adequate so your business is paid in full and on time.

#### Review previous years' income and expenses for the scheduled construction period

You need an accurate financial picture to make informed decisions about preparing for the construction period.



### TOOL 1

#### **Estimate your cash flow during the construction phase**

- Estimate your regular/guaranteed income.  
E.g. from regular customers or ongoing orders.  
This does not include discretionary income, like extra customers who make a one-off purchase or whose visits depend on the weather.
- How much income do you need to pay for your fixed costs (e.g. utilities, occupancy costs, wages for permanent staff)?  
How much do you need to keep your doors open?
- Estimate expense reduction.  
How much do you need to reduce your expenses by to offset a reduction in your discretionary income?

#### **Make a plan to reduce expenses to deal with a decrease in income**

- Staff costs.  
Review your staff roster. If you think customer numbers will decrease during the construction period, plan staff holidays during that time.  
Reduce your casual staff numbers.
- Review your inventory and ordering systems.  
Can you reduce your stock levels during the construction phase?  
Can you negotiate prices with your suppliers?
- Negotiate to reduce your bills.  
Talk to your utility providers (e.g. water, electricity, internet) and landlord (rent, variable outgoings).



### TOOL 1

<p><b>Make a plan to increase your income</b></p> <ul style="list-style-type: none"> <li>• Consider how to retain existing customers and attract new ones.</li> <li>• Consider diversifying your product or service range.</li> <li>• Put practices in place to ensure customers pay on time.</li> <li>• Can you convert unsold stock to cash?</li> <li>• Adjust your prices – you should be doing this every year in line with inflation. Review your prices leading up to the construction and make sure they are appropriate.</li> </ul> <p>TIP: Some business owners are uncomfortable putting their prices up – don't be! It is normal practice and is expected by customers.</p>	
<p><b>Develop a financial strategy specific to the construction period</b></p> <ul style="list-style-type: none"> <li>• Contact your lenders – restructure debt and lines of credit in light of potentially diminished revenue during construction.</li> <li>• Seek advice about your financial strategy by making an appointment with an SBDC business adviser on 13 12 49.</li> </ul>	
<p><b>Review your business</b>          With the information you have about the construction project, review your business for any changes you can make to minimise a loss in revenue. Involve your staff in these discussions – they may have some innovative ideas you can implement</p>	
<p><b>Operating hours</b>          Will construction restrict customer access at certain points during the day? Could you change your opening and closing times during the construction period?</p>	
<p><b>Access</b>          If construction restricts the regular access point to your business, consider making alternative arrangements for customer access (e.g. through the back door rather than the front entrance).</p>	

## Material for the planning/ pre-construction phase



### TOOL 1

<b>Deliveries</b> Consider changing delivery times and location to accommodate any restrictions in access to your premises.	
<b>Marketing and communication plan</b> Do you need to create, update or expand your plan?	
<b>Website and social media</b> Consider creating a new (or updating your existing) website or social media presence for your business.	
<b>Customer Communication</b> Plan your communication with existing and potential customers. What message do you want them to hear from you during the project? How do you plan on staying in touch and encouraging their custom?	
<b>Contact details</b> Gather customer contact information for the purpose of sending updates during the construction period.	
<b>Methods of communication</b> Investigate the best communication channels. E.g. social media, direct email or phone contact.	
<b>Create systems</b> <ul style="list-style-type: none"><li>• Review how you deal with customer complaints and issues.</li><li>• Communication schedule – timing, messaging and methods.</li><li>• Record any decisions you've made about how and when to contact customers, as well as any messages you want to communicate in a customer communication plan.</li><li>• Develop a script for your employees to use when giving customers directions and information during the construction phase.</li></ul>	



## Material for the planning/ pre-construction phase



### TOOL 1

<p><b>Physical signage</b> Consider using temporary signage (directional, parking, driveway or alternative access signs) to direct your customers to your business.  Make sure you get permission from your local government before you order signs.</p>	
<p><b>Begin communicating</b> Inform customers in advance of the construction work and what your plan is. E.g. changing opening hours, access points to the business.</p>	
<p><b>Prepare to Implement Plans</b> Prepare to implement the plans you have developed prior to construction starting</p>	
Customer communication plan	
Stakeholder communication plan (e.g. other businesses, project team)	
Marketing and promotion plan	
Financial management	

## Planning / pre-construction phase

### Questions to ask the project manager:

Get in touch with the project manager as soon as you become aware of the project. Use this opportunity to get as much information as possible about the project's construction phase and raise any potential issues you see that they may not.

Here are some things you may wish to find out:

- The name and contact details of the project manager and on-site construction manager. These might be different people.
- Do they plan to hold regular stakeholder meetings to discuss the impacts on or concerns of local businesses?
- When will the project start?
- What is the anticipated length of the construction phase?
- Does the project team have a contingency plan if the project runs over time? Does this plan consider the impact on local businesses?
- Will access to the area be restricted? E.g. road closures, reduction in parking, changes to public transport timetables or routes.
- If the project coincides with a busy period for your business, will the project team negotiate a different start time?
- Does the project team plan to help local businesses during the construction phase? E.g.:
  - » Contributing to promotional or advertising funds
  - » Providing 'open for business' signs
  - » Ensuring access to businesses is not restricted
  - » Promoting local businesses to construction workers e.g. place menus from local cafes and restaurants in the break room
  - » Purchasing goods and services from local businesses e.g. catering for events, printing services, office supplies
- » Creating maps and other promotional events to draw customers to the area
- » Establishing a business interruption fund to provide businesses with financial assistance to cover certain fixed operating expenses.
- Do they have a plan to manage the traffic in the area? E.g. do they have a parking plan for the construction workers that won't decrease parking available for customers?
- Will there be a lot of dust and noise during construction? If there will be, ask the project manager what they will be doing to assist local businesses to deal with this. E.g. you may have to hire a cleaner twice a week instead of once and you may want to query whether the project team will contribute towards this additional cost.

## Planning / pre-construction phase

### Initial Meeting of Local Businesses

Affected businesses may wish to work together to minimise the impact of the construction work on their local area. E.g. affected businesses can pool their resources to create a united advertising/promotional campaign to keep customers coming to the area. They can also nominate a spokesperson to raise their concerns with the project team.

The SBDC recommends local businesses hold an initial meeting to discuss the potential impacts of planned construction projects in their area and how they will work together to minimise these impacts. It may be worth contacting your local chamber of commerce or business association and invite them to attend the meeting.

If an agreement cannot be reached amongst the affected businesses, consider if your business would benefit from the ideas listed in the table below. If you don't reach consensus amongst the larger group, you may wish to implement some of the ideas yourself or with a smaller group of businesses.

Consider the following points to guide your initial meeting. Some of the ideas will require further work by the businesses (such as developing promotional activities), however it is worth raising the topic at the preliminary meeting and getting everyone's ideas and opinions.

Business Group Meeting	
<b>Preliminaries</b>	
Organise the group	<input checked="" type="checkbox"/>
Collect the contact details of each business willing to work together and distribute it at the end of the meeting.	
Nominate a group coordinator to set meeting dates and distribute information.	
<b>Potential impacts</b>	
Discuss the potential impacts of the construction project on businesses in the area. E.g. access restriction, noise, dust, traffic. Tip: Keep this discussion brief and positive to ensure the group stays focussed on thriving during the construction phase!	<input checked="" type="checkbox"/>

## Planning / pre-construction phase

Business Group Meeting	
<b>Promotion and Advertising</b> Consider agreeing on a coordinated approach to promotional activities to keep customers coming to the area during the construction phase.	
Resources	<input checked="" type="checkbox"/>
Discuss what resources may be needed to create a coordinated approach to promotion of the area.	
Discuss how each business can contribute e.g. time, money, skills (advertising, graphic design, social media management).	
Social media	<input checked="" type="checkbox"/>
Discuss how each business currently uses social media.	
Consider talking to a social media expert for advice on how the group can coordinate their messages and what platforms to use, e.g. Facebook, Instagram. Contact the SBDC on 13 12 49 for general social media advice.	
Agree on a shared tagline for advertising campaigns, e.g. We are still open for business!	
Create images of the group's message that you can post online.	
Consider using loyalty apps and community Facebook groups to promote your message.	
Agree on a social media strategy, which may include cross promotion of businesses in your group.	
Update your free business listing on 'Google My Business'. This will help people find your business on Google Search and Maps.	
Local advertising in the area	<input checked="" type="checkbox"/>
Check the local government's rules around temporary signage. You may find they are willing to relax restrictions during this period of disruption.	
Place professionally printed signs in prominent areas around the site and in nearby locations. Consider using directional, parking and access signs.	
Consider how you can use temporary fencing to display art works to make the area attractive to customers, or signs to direct them to your business.	

## Planning / pre-construction phase

Business Group Meeting	
Promotional events	<input checked="" type="checkbox"/>
Plan a series of business-generating promotional events in your neighbourhood. See if the local government wants to be involved in organising or funding these events.	
Pool your ideas and resources to do something really special and creative – people love being the first to try something new and can share their experience on social media.	
Communication	
Project team	<input checked="" type="checkbox"/>
A coordinated approach to communication may help build a positive relationship between the project team and businesses in the area.	
Select a representative to be in charge of communication with the project team (e.g. letting them know about business concerns and sharing updates from the project team).	
Business group	<input checked="" type="checkbox"/>
Discuss the best way to communicate with each other. Some methods could include setting up a private Facebook group, messaging apps (e.g. WhatsApp), regular meetings, emails or telephone. Tip: Create a private Facebook group to share information and construction updates with other local businesses. This is also a great way to share any successful tactics used to encourage customers.	
Agree on a communication schedule e.g. agree on frequency of emails and meetings.	
Customers	<input checked="" type="checkbox"/>
Discuss how each business currently communicates with its customers and how this can be enhanced leading up to, and during, construction, e.g. collecting email addresses from regular customers to provide them with project updates and specials, and to let them know you are open.	
Discuss how your group can coordinate its communication to customers who regularly visit the area.	

## Planning / pre-construction phase

Business Group Meeting	
Customers	<input checked="" type="checkbox"/>
Create a positive message for customers to encourage them to keep coming back to the area.	
Encourage customers to connect with your business via social media.	
Community	<input checked="" type="checkbox"/>
Discuss options to get other community organisations involved, such as schools and sporting groups, to encourage local support for business.	
Supporting each other	
Discuss ways local businesses can support each other. Some ideas include cross-promotion of businesses to customers through personal recommendations or displaying each other's posters and business cards.	
Purchase your supplies or services from businesses in your group. This is a great way to keep the money in the area.	
Consider contacting businesses in a nearby area that won't be impacted by the construction to let them know the services/products businesses in your group offer. If you offer complementary services or products, the other businesses could promote you to their customers. Tell them you will return the favour.	

# Material for the construction phase



## TOOL 2

Construction Phase Tasks	
<b>Implement plans developed in the pre-construction phase</b>	<input checked="" type="checkbox"/>
Financial management	
Communication plans	
Marketing and promotion plans	
Changes to your business plan e.g. operating hours, product/ service diversification	
<b>Monitor business activity</b>	<input checked="" type="checkbox"/>
Customer numbers – are there changes in peak periods?	
Customer demographic – has it changed?	
Review stock levels	
Review sales – what is selling, what is not?	
Review revenue and expenses during construction	
<b>Networks</b>	<input checked="" type="checkbox"/>
Hold regular meetings with your business group	
Communicate with your business group, customers and project team as planned and ad hoc if needed	
<b>Review and modify plans</b>	<input checked="" type="checkbox"/>
Monitor the effectiveness of the plans you have implemented and consider if they can be improved	
Discuss performance of the plans with your staff, customers and other businesses to seek feedback and ideas. E.g. you can ask your customers if the amended operating hours suited them	
Make any necessary amendments to these plans	
<b>Customer communication</b>	<input checked="" type="checkbox"/>
Continue to communicate with your customers	
<b>Seek advice</b>	<input checked="" type="checkbox"/>
Contact the SBDC on 13 12 49 to discuss how your business is going during the construction. Our business advisers may have some advice on implementing your plans, or improving them if necessary	

# Material for the project completion phase



## TOOL 3

Project Completion Phase Task	
<b>Review plans developed from the pre-construction phase</b>	<input checked="" type="checkbox"/>
Are there any elements of the plans that will still work for your business now the project is completed? Consider if you should keep them going	
Seek feedback from your customers, staff and other business owners	
<b>Monitor business activity</b>	<input checked="" type="checkbox"/>
Review customer numbers and sales results during the construction period	
What products or services were consistent sellers during the construction period?	
Continue to monitor customer numbers in the post construction period	
If customer numbers are low, consider how you can increase them	
<b>Networks</b>	<input checked="" type="checkbox"/>
Celebrate with your business group, customers and project team	
Consider sending thank you cards to your supporters	
<b>Financial management</b>	<input checked="" type="checkbox"/>
Review your financial data from the construction phase	
Review your expenses from the construction period. Can you continue with these changes to keep expenses lower?	
<b>Customer communication</b>	<input checked="" type="checkbox"/>
Let your customers know that the project is finished	
Hold promotional events to encourage old and new customers to come visit the area	





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