

# ENTREPRENEURIAL ECOSYSTEM SURVEY ANALYSIS, FINDINGS AND RECOMMENDATIONS

MARCH 2017

geemap

the  
Gordon



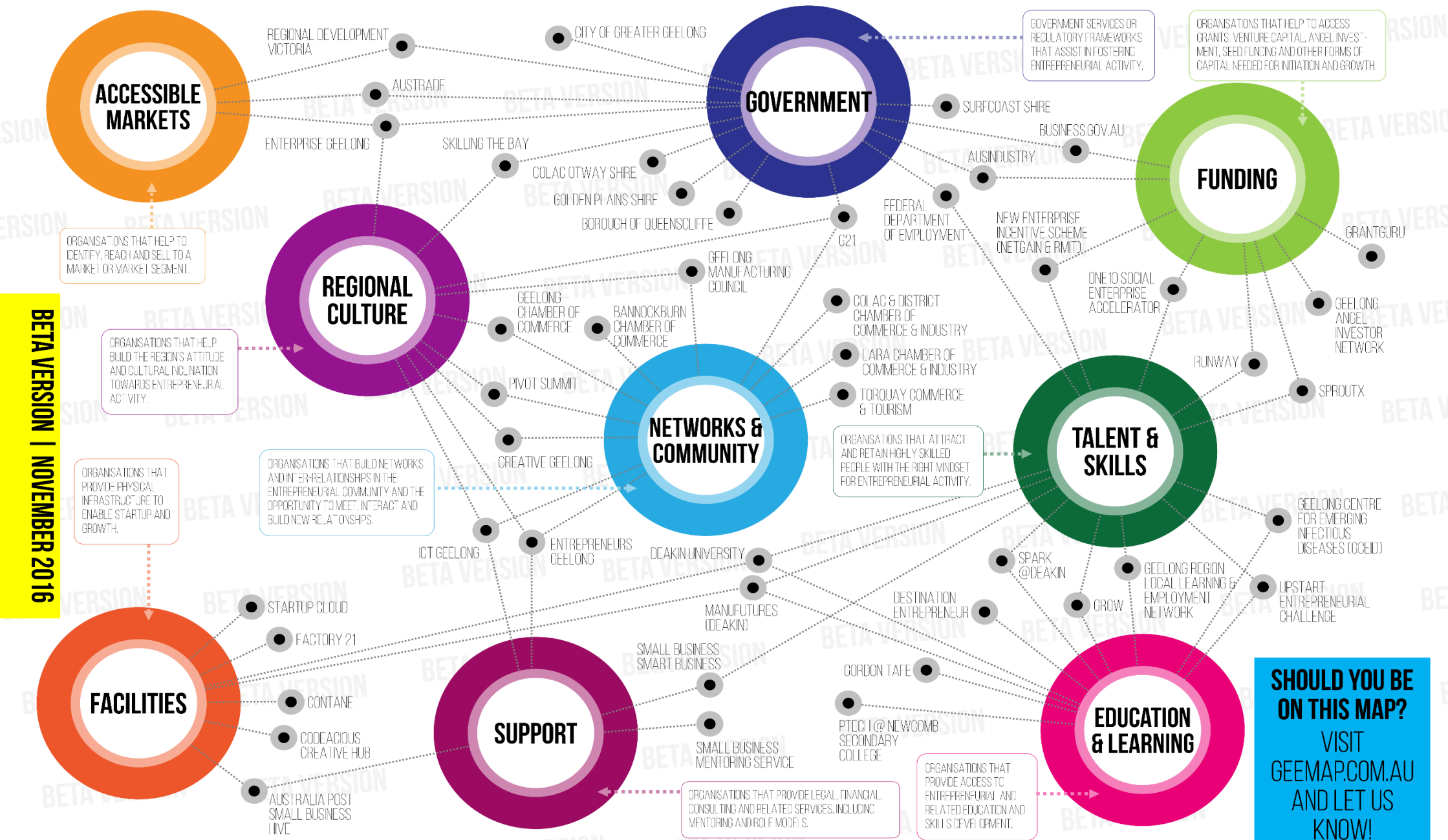
**Skilling**  
THE BAY



## GEOGRAPHICAL MAP OF ORGANISATIONS WHICH FORM THE PILLARS OF GEELONG'S ENTREPRENEURIAL ECOSYSTEM







BETA VERSION | NOVEMBER 2016

**SHOULD YOU BE ON THIS MAP?**  
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## EXECUTIVE SUMMARY

This report documents the first robust attempt to map and understand Geelong's entrepreneurial ecosystem with a view to driving maturity – as opposed to allowing it to develop 'organically'.

The research found that **many of the prerequisites for a healthy ecosystem exist**; the region appears to attract talent and skills, and many supporting services, learning programs and infrastructure elements are readily available. The **entrepreneurial community is active, however appears competitive rather than collaborative**. The regional culture in general views entrepreneurialism favorably, but has identified that a central resource is needed to make entrepreneurs aware of, and connect with, available services. **The region lacks a definitive strategy to guide the development of the entrepreneurial ecosystem**; this should be a 'next step'.

**The largest inhibitor of the ecosystem's further development is the lack of access to angel investment and seed capital**, and the ability of entrepreneurs to connect with this resource. This is a necessary requirement for additional maturity and growth of the Geelong entrepreneurial ecosystem and should be the highest priority of stakeholders to address.

## BACKGROUND

In August 2016, the [Skilling the Bay Forum](#) identified a need to map Geelong's nascent entrepreneurial ecosystem in order that action could be taken to enable it to mature and grow. In parallel, a cohort from Enterprise Geelong, Entrepreneurs Geelong and Deakin University Manufutures had similar intentions, and together the groups joined forces to collaborate.

An **academic literature review** was undertaken to explore how to approach mapping Geelong's own emerging entrepreneurial ecosystem. This review identified that most entrepreneurial ecosystems were structured around **nine key pillars** – accessible markets, talent and skills, finance and funding, networks and engagement, government and regulatory frameworks (referred to here as 'Civic'), support services and education and training ('learning'), regional culture and physical infrastructure ('facilities').

### PLEASE REFER TO APPENDIX A: PILLARS OF THE GEELONG ENTREPRENEURIAL ECOSYSTEM

A **survey** was then designed around these nine pillars to uncover insights into Geelong's entrepreneurial ecosystem. Organisations, businesses and institutions based in Geelong and offering services to Geelong's entrepreneurs were identified and requested to undertake the survey. The survey was open from 3<sup>rd</sup> January 2017 until 12<sup>th</sup> February 2017.

### PLEASE REFER TO APPENDIX B: SURVEY QUESTIONS

33 responses were received, from a target audience of approximately 40 organisations to whom the survey was sent.

It is intended that this report, its findings and recommendations, **be consumed by decision makers, policy makers and other actors in Geelong's entrepreneurial ecosystem to shape, mature and evolve it**, as part of the region's broader economic development journey. This report also makes recommendations for any future iterations of this survey which may be conducted.

This artefact forms part of the broader 'GEemap' initiative – which includes visually mapping the ecosystem. You can see the map at the GEemap website at: <http://www.geemap.com.au/>

## SUMMARY OF FINDINGS AND RECOMMENDATIONS

PILLARS	FINDINGS	RECOMMENDATIONS	PRIORITY, SCALE, COMPLEXITY
ALL PILLARS	<p><i>Overarching finding</i></p>	<p>That a <b>regional strategy for the region's entrepreneurial ecosystem is developed</b>, outlining a <b>vision</b> for the ecosystem, the strategic <b>choices</b> the ecosystem faces, and articulating which ones should be <b>adopted</b>.</p> <p>This strategy needs to be <b>owned</b> by a body that has the capacity, capability and the longevity to actively <b>champion</b> the entrepreneurial ecosystem, and facilitate consensus amongst the entrepreneurial community of the region. That champion needs to be <b>identified, supported</b> and <b>empowered</b> to lead and enact the strategy.</p>	<ul style="list-style-type: none"> <li>▪ <b>High</b> priority</li> <li>▪ <b>Medium</b> scale</li> <li>▪ <b>Complex</b> complexity</li> </ul> <p>This requires leadership and championship to reach general consensus within the community on the vision and direction for the ecosystem, and paths to achieve it.</p>
NETWORKS AND COMMUNITY	<p><i>Statements of perceptions of regional culture</i></p> <p>A significant cohort indicated that there was not genuine collaboration in the ecosystem.</p> <p><i>What can we do to improve the ecosystem?</i></p> <p>The ecosystem is competitive rather than collaborative.</p>	<p>That measures are taken to foster <b>genuine collaboration</b> across the ecosystem. Working together on a strategy in this space would be a useful first step toward this objective.</p> <p>An <b>engagement program</b> is required to align the two distinct cohorts identified through the survey - those who perceive that genuine collaboration is occurring, and those who perceive that it is not. This program could, for example, better understand the interaction differences between the two cohorts, and identify and address underpinning reasons for the perception of lack of collaboration.</p> <p><b>Continuing the whole-of-entrepreneur-community meetings that have been convened informally to date</b>, surfacing obstacles to the ecosystem and amplifying wins and successes. This could be facilitated, for example, through an existing organisation such as the G21 Region Alliance, Enterprise Geelong or other body with longevity.</p>	<ul style="list-style-type: none"> <li>▪ <b>High</b> priority</li> <li>▪ <b>Medium</b> scale</li> <li>▪ <b>Complex</b> complexity</li> </ul> <p>These recommendations centre on building a cohesive, committed, collaborative community – this is a <i>community-building</i> challenge.</p> <p>'Networks and Community' as a pillar of the Geelong entrepreneurial ecosystem should be considered a high priority, alongside 'Accessible Markets', 'Finance and Funding' and 'Talent and Skills'.</p>

PILLARS	FINDINGS	RECOMMENDATIONS	PRIORITY, SCALE, COMPLEXITY
<b>FUNDING AND FINANCE</b>	<p><i>Which services or products does your organisation provide?</i> The entrepreneurial ecosystem is generally well serviced, except for angel investment.</p> <p><i>Which option most accurately captures your organisation?</i> There were no responses where the function was angel investment or seed funding.</p> <p><i>Statements of perceptions of regional culture</i> Entrepreneurship is perceived by a significant cohort not to be financially rewarding</p>	<p><b>The entrepreneur ecosystem needs more angel investment and seed capital</b></p> <p>More needs to be done to both make <b>angel investment and seed capital</b> available, and to <i>connect</i> entrepreneurs to these funds.</p> <p>This may take many forms:</p> <ul style="list-style-type: none"> <li>▪ Encouraging greater investment in entrepreneurial activities from within the region itself, and from outside the region</li> <li>▪ Providing additional showcase and/or introductory sessions where entrepreneurs can meet with potential investors</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>High</b> priority</li> <li>▪ <b>Large</b> scale</li> <li>▪ <b>Complex</b> complexity</li> </ul> <p>This requires injection of capital from either public or private bodies – likely both. This goal will take several years to realise.</p>

PILLARS	FINDINGS	RECOMMENDATIONS	PRIORITY, SCALE, COMPLEXITY
<p><b>NETWORKS AND COMMUNITY</b></p> <p><b>LEARNING</b></p>	<p><i>Statements of perceptions of regional culture</i></p> <p>A strong perception that entrepreneurs are not aware of the services available to them in the ecosystem, or how to connect to them.</p>	<p><b>Developing an information and service connectivity resource</b></p> <p>That mechanisms (such as the GEEmap search function) are provided to enable entrepreneurs, startups and innovators to have a <b>stronger understanding of the support available to them in the region.</b></p> <p>Develop a <b>portal</b> which connects entrepreneurs at each stage of their lifecycle with the services they need.</p>	<ul style="list-style-type: none"> <li>▪ <b>High</b> priority</li> <li>▪ <b>Medium</b> scale</li> <li>▪ <b>Straightforward</b> complexity</li> </ul> <p><i>NOTE: GEEmap is currently working on such a portal.</i></p>



PILLARS	FINDINGS	RECOMMENDATIONS	PRIORITY, SCALE, COMPLEXITY
<b>LEARNING</b>  <b>FUNDING AND FINANCE</b>  <b>TALENT AND SKILLS</b>	<p><i>What challenges do you have in reaching these markets?</i> Branding</p> <p><i>What rules and regulations are pain points for organisations in the ecosystem</i> Grants, grant restrictions and grant applications are a pain point. ATO, taxation and ASIC compliance are pain points.</p> <p><i>Which skillsets do organisations have difficulty attracting or retaining</i> Raising finance was flagged as a skillset that is difficult to attract / retain</p> <p><i>Which roles do you employ?</i> Clerical and administrative staff</p>	<p><b>Run development workshops on pain points</b></p> <p>It is recommended that training / development / workshop events are held on government <b>grants</b>, their restrictions on funding and how to execute reporting obligations.</p> <p>It is recommended that training / development / workshop events are held on <b>ATO, taxation and ASIC compliance requirements</b> and how to meet them</p> <p>It is recommended that training / development / workshop events are held on <b>raising finance for entrepreneurial activities</b></p> <p>It is recommended that training / development / workshop events are held on <b>branding for organisations who provide services to entrepreneurs.</b></p> <p><b>Provide upskilling and / or cross skilling pathways for those people in clerical or administrative roles</b></p> <p>It is recommended that training / development / workshop events are held on <b>cross-skilling and up-skilling for administrative and clerical staff</b>, given these roles are likely to be eroded by machine intelligence and automation.</p>	<ul style="list-style-type: none"> <li>▪ <b>Medium</b> priority</li> <li>▪ <b>Small</b> scale</li> <li>▪ <b>Straightforward</b> complexity</li> </ul> <p>One or more of the learning or community organisations could deliver this upskilling with minimal effort. This goal could be realised within months.</p>

PILLARS	FINDINGS	RECOMMENDATIONS	PRIORITY, SCALE, COMPLEXITY
<b>NETWORKS AND COMMUNITY CIVIC</b>	<p><i>How are the organisations in the ecosystem funded</i></p> <p>There is a reliance on both government funded and volunteer-based organisations, making the ecosystem susceptible to government policy change and volunteer burnout.</p>	<p><b>Reduce reliance on the ecosystem on government funding and volunteers</b></p> <p>That measures are taken, such as taking a consolidated approach to maturing the region's entrepreneur ecosystem, that seek to <b>reduce the risk of volunteer, sponsor and member fatigue</b>.</p> <p>Reducing this reliance requires <b>diversifying sources of revenue and capital</b> - such as increased corporate engagement in the entrepreneurial sector – as seen for example with programs such as The Hub (Australia Post) and Spark Deakin (Deakin University) – where organisations have a dedicated business unit for innovation and/or entrepreneurialism. Another possibility here is encouraging private investment in the region's ecosystem.</p>	<ul style="list-style-type: none"> <li>▪ <b>Medium</b> priority</li> <li>▪ <b>Medium</b> scale</li> <li>▪ <b>Complex</b> complexity</li> </ul> <p>This requires the ecosystem to become more financially independent, but that is likely to take several years, and is dependent on the commercial success of existing entrepreneurial activities.</p>
<b>TALENT AND SKILLS</b>  <b>LEARNING</b>	<p><i>Statements of perceptions of regional culture</i></p> <p>A perception that entrepreneurship is not held in high esteem as a profession.</p>	<p>That the community identifies ways to increase the <b>esteem</b> in which entrepreneurialism is held as a profession, and to increase the prestige associated with this occupation.</p> <p>That the community identifies ways to <b>normalise the perception of being an entrepreneur as a 'real' job</b> – as normal as being a baker, a firefighter, an accountant or a lawyer.</p> <p>This may take the form of, for example, showcasing the professional achievements of entrepreneurs to high schools, TAFEs and universities, or working with other organisations to leverage content or campaigns that may have already been produced to address this issue.</p>	<ul style="list-style-type: none"> <li>▪ <b>Medium</b> priority</li> <li>▪ <b>Small</b> scale</li> <li>▪ <b>Complex</b> complexity</li> </ul>

PILLARS	FINDINGS	RECOMMENDATIONS	PRIORITY, SCALE, COMPLEXITY
ALL PILLARS	<i>Findings arising from the design and administration of the survey itself</i>	<p>That future iterations of this survey are administered both to organisations in the entrepreneur ecosystem pillars, <b>and</b> to entrepreneurs and startups to provide a more complete picture of the ecosystem.</p> <p>That the survey changes flagged in this report are incorporated into any future version of this survey which may be administered.</p>	<ul style="list-style-type: none"> <li>▪ <b>Medium</b> priority</li> <li>▪ <b>Large</b> scale</li> <li>▪ <b>Straightforward</b> complexity</li> </ul> <p>Now that the survey has been administered once, the approach is already documented, but would require resourcing to be executed again.</p>

## LINKS WITH OTHER REGIONAL PLANS AND STRATEGIES

This artefact is not intended to exist in isolation from other regional plans, reports and strategies – it is intended to complement and align. Below are key plans, and their relevant points, that dovetail with this report.

### CITY OF GREATER GEELONG – [“DIGITAL GEELONG”](#)

“The aims of the strategy are clear in relation to business. They are to ensure that the digital economy is seen as a high priority by – and is part of the mindset of – local businesses; to ensure digital support activities are in place; to seek to achieve in so doing a local ‘digital premium’ (new jobs, faster growth, greater competitiveness); and above all to position Geelong as a significant, smart, digital city with the right infrastructure and eco-system in place to support and create new business opportunities and to anchor and attract entrepreneurial talent to Geelong. We seek to leverage technology to expand Internet access, support local industry and spark innovation. It is crucial in this process, that the opportunity to make *Digital Geelong* a magnet for start-ups and innovation-led SMEs must also be seized.” (p.28)

### COMMITTEE FOR GEELONG – [‘WINNING FROM SECOND’](#)

“Support for innovation, entrepreneurs and start-ups is at the centre of contemporary second city development thinking, which is supported by evidence from the study tour. The support for new and existing business activities in Geelong needs to be an ongoing activity.” (p.81)

### G.21 GEELONG REGIONAL ALLIANCE AND DEAKIN UNIVERSITY – [“GEELONG ECONOMIC FUTURES 2017”](#)

This document outlines 5 economic development projects for the region, one of which is expansion of Carbon Nexus; proximity to a burgeoning entrepreneurial ecosystem is a supporting point for this project.

### ENTERPRISE GEELONG – [“INVEST GEELONG”](#)

This document highlights all pillars of Geelong’s entrepreneurial ecosystem, and advocates for investment in the region.

### SKILLING THE BAY – [“STAKEHOLDER FORUM REPORT AUGUST 2016”](#)

“Entrepreneurism Ecosystem Mapping Project - As a direct result of the forum, an informal entrepreneurial working group has been established, with contributors committed to building on momentum and developing a map of the Geelong Entrepreneurial ecosystem. Regular meetings have occurred to explore support for the project with Enterprise Geelong, Deakin University, Entrepreneurs Geelong and Skilling the Bay as key stakeholders. Scoping of the project is currently underway” (p.6)

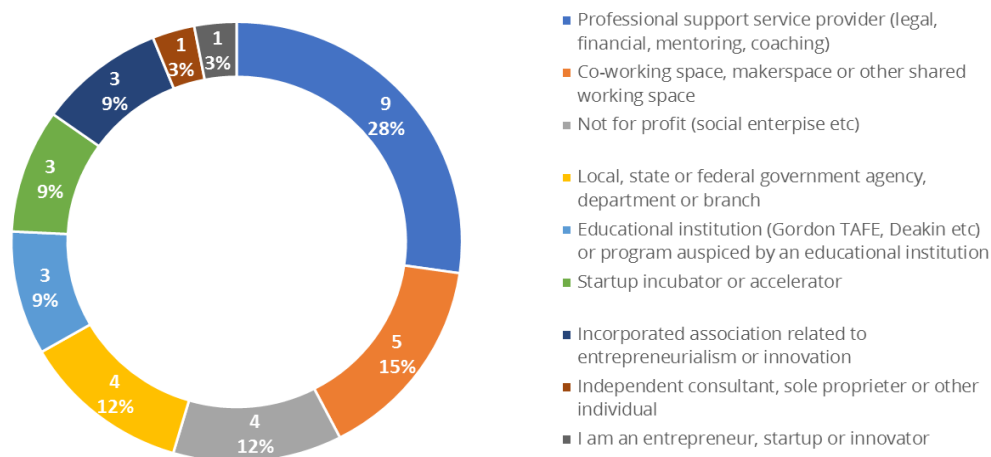
### DEAKIN UNIVERSITY AND GEELONG CHAMBER OF COMMERCE – [“GEELONG BUSINESS TRENDS 2016”](#)

“Twenty-five percent of respondents identified the greatest barrier to business growth as poor Local Government Leadership, Policy or Support.” (p.9)



## SUPPORT SERVICES

QUESTION: WHICH OPTION MOST ACCURATELY REPRESENTS YOUR ORGANISATION?  
(33 RESPONSES)



### FINDINGS

Over a quarter of the respondents to the survey identified as *Professional Support Service Providers*, with the next largest distinct cohort being *Co-working, MakerSpace or Business Hub Providers*. In the survey raw data, 6 respondents chose 'Other'. Analysis of these results showed a missing category of *Not for profit organisations* – such as social enterprises, and these have been represented in the graph above.

### SURVEY ENHANCEMENT

It is recommended that future iterations of this survey include a category in this question to better represent Not for Profit and Representative organisations.

The Geelong entrepreneurial ecosystem, proportionally, has many professional support organisations, co-working spaces and business hubs. There are many groups within the Geelong region who seek to foster entrepreneurialism, technology and innovation. There are several government agencies working in the entrepreneurialism space with a presence in the region. There are several educational institutions and/or educational programs centred around entrepreneurialism.

**Conversely, not a single organisation identified 'Angel investment, funding, seed investment or other funding' as its primary function, and only one organisation identified that it was something that they 'also did', but were primarily an Incubator / Accelerator.**

### RECOMMENDATIONS TO ADVANCE THE ENTREPRENEURIAL ECOSYSTEM

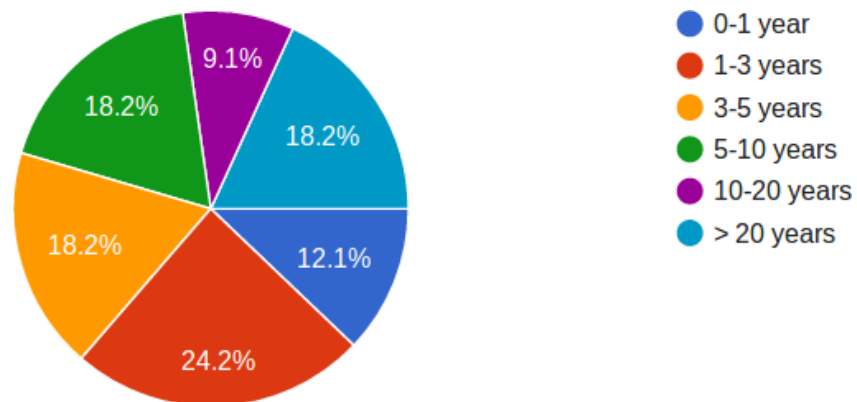
The **Literature Review** which preceded this survey clearly found that access to capital is a pre-requisite for increased entrepreneurial ecosystem maturity.

Although a dedicated Geelong angel investment and funding group exists<sup>1</sup>, it is the only such group in the region. More needs to be done to both make angel investment and seed capital *available*, and to *connect* entrepreneurs to these funds.

It is recognised that Australia's venture capital is at a fledgling stage – many other regional areas are in a similar situation regarding seed capital; investors will be risk averse until there are proven opportunities.

1 Geelong Angel Investor Network - <http://geelongangels.com.au>

QUESTION: HOW LONG HAS YOUR ORGANISATION BEEN OPERATING? (33 RESPONSES)



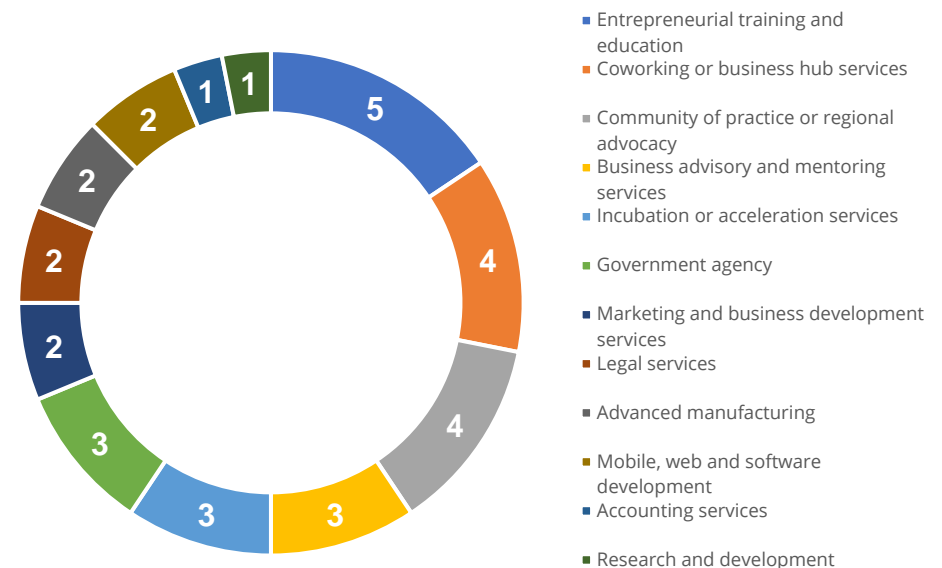
FINDINGS

Geelong's entrepreneurial ecosystem exhibits a diverse spread of operating age, with the largest cohort being organisations in operation 1-3 years (8 of 33 responses).

This is indicative of a healthy ecosystem; there are established organisations, those who have been operating several years and those who have been operating for several decades.

Whether this balance is most optimal for Geelong's entrepreneurial ecosystem cannot be determined from the available data; no recommendations are made around these findings.

QUESTION: PLEASE TELL US A LITTLE ABOUT YOUR ORGANISATION'S SERVICE OR PRODUCT OFFERINGS (33 RESPONSES)



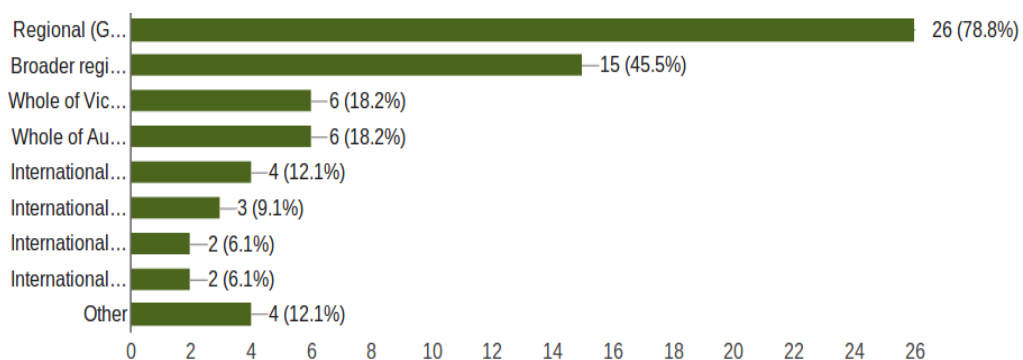
FINDINGS

This question was an open text field; most respondents provided a link to their organisation's services web page or similar. Services provided have been inferred from web pages, and grouped as above.

In general, the Geelong entrepreneurial ecosystem has most relevant services available to it, except for access to angel investment and seed capital and related services; again, this is a key gap.

## ACCESSIBLE MARKETS

QUESTION: WHICH GEOGRAPHIC REGIONS DOES YOUR ORGANISATION SEEK TO ENGAGE IN (IN THE NEXT MONTH)? (33 RESPONSES)



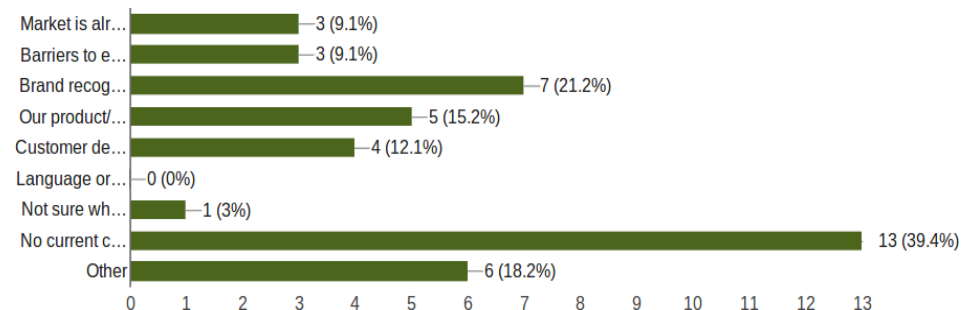
### FINDINGS

The organisations which make up the pillars of Geelong's entrepreneurial ecosystem are primarily focused on *Geelong*, and to a lesser extent, the *broader region*, with much smaller cohorts focused on *Whole of Victoria* or *Whole of Australia* operations. This means that it is likely that these organisations have very strong local knowledge and local networks.

The 'Other' cohort for this question invariably noted that they were locally based with global reach.

No recommendations are drawn from this question.

QUESTION: DO YOU FACE ANY CHALLENGES IN ACCESSING THOSE GEOGRAPHIC REGIONS? (33 RESPONSES)



### FINDINGS

Overwhelmingly, the organisations surveyed denied having difficulty accessing the markets they were targeting. This is likely to be due to the survey being targeted at **organisations** who make up the entrepreneurial ecosystem **pillars**, rather than entrepreneurs and startups themselves.

Interestingly, *Brand Recognition* was called out by over one in five of the organisations surveyed as a barrier to accessing markets. This may indicate that the Geelong entrepreneur ecosystem itself is fragmented and/or highly contended, with multiple organisations attempting to make their offerings known to the Geelong region. Equally, it may indicate that organisations are poor at branding.

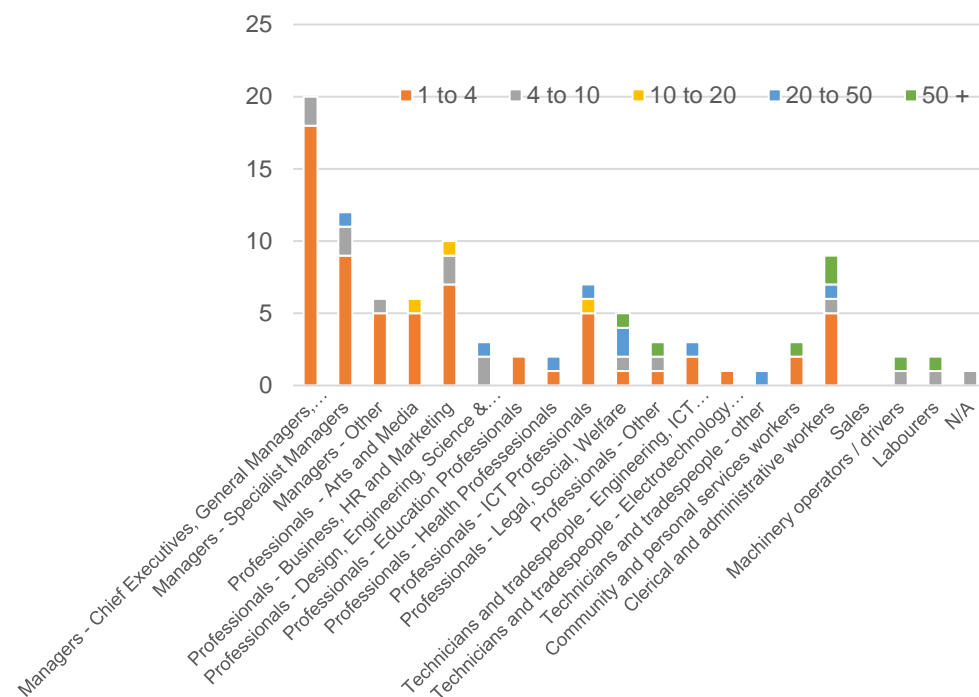
Again, there was a significant 'Other' cohort for this question.

- [Name of service] isn't well understood as a concept in Geelong
- Risk averse mentality
- Members face many of these challenges

The only recommendation from this question is to include 'Branding' in a series of workshops aimed at addressing gaps identified in the survey.

## TALENT AND SKILLS

HOW MANY OF EACH OF THE FOLLOWING FULL TIME EQUIVALENT ROLES DO YOU EMPLOY IN YOUR ORGANISATION? (33 RESPONSES)



### FINDINGS

This question used job categories specified in the Australian and New Zealand Standard Classification of Occupations (ANZSCO). The actual question also included a '0' response option, for organisations that had

none of the job category employed. This option is not shown in the graph to the left for better visual representation.

Across the **pillars** of the Geelong entrepreneurial ecosystem, it's clear to see that the predominant employment is that of 'Professionals', although there are a small number of outlier organisations who predominantly employ lower-skilled workers such as *Labourers* and *Machinery operators*.

This underscores high need for strong educational institutions in the region, who provide professionals with their formal credentials.

An unexpected finding was that there are three organisations in the ecosystem who employ over 20 *Clerical and Administrative staff*. Reports from bodies such as the World Economic Forum indicate that this job category is the most susceptible to the rise of artificial intelligence – chatbots, virtual personal assistants *etc* – and these jobs are likely to be at risk in the next 3-5 years.

Given the rise of digital technology, and the reliance of most entrepreneurial operations on advanced technology, the number of people employed as *ICT Professionals* was lower than expected.

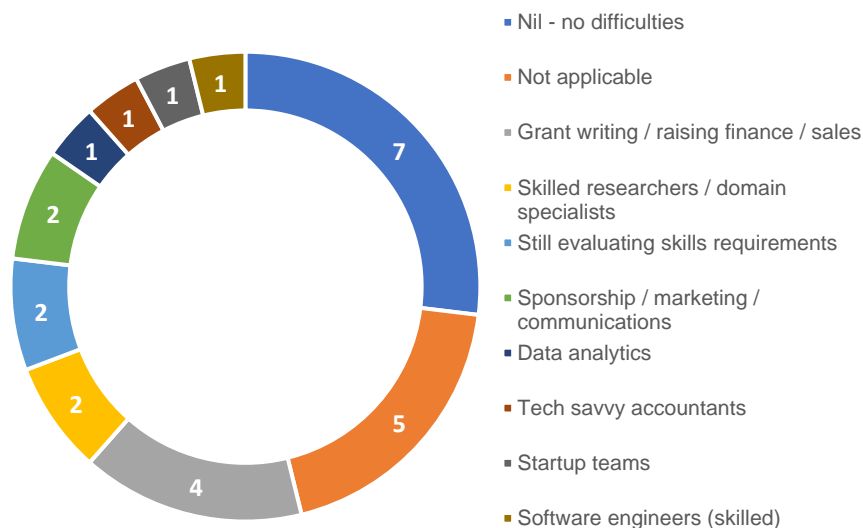
Unlike other questions in this survey, it is *unlikely* that the overall picture presented for this question would have differed greatly had the survey been administered to entrepreneurs and startups themselves, although the number of lower-skilled workers would likely have been lower.

### RECOMMENDATIONS TO ADVANCE THE ENTREPRENEURIAL ECOSYSTEM

Upskilling and / or cross-skilling pathways are required for the projected and anticipated job erosion of administrative and clerical roles in the near future due to advances in automation and machine intelligence.



## QUESTION: WHICH SKILLSETS DO YOU HAVE DIFFICULTY ATTRACTING AND/OR RETAINING IN GEELONG? (26 RESPONSES)



## FINDINGS

Although this question was an open-ended text question, analysis showed that the responses could be easily grouped.

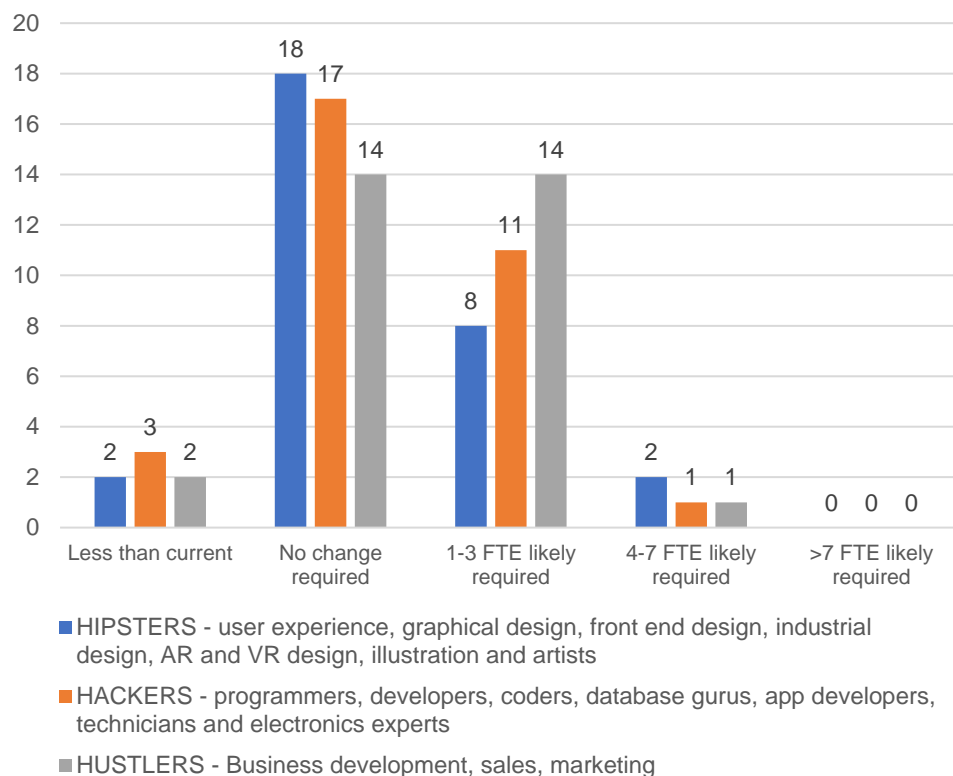
Overwhelmingly, the *Nil - no difficulties* (7 out of 26 responses) and *Not applicable* (5 out of 26 responses) were the largest cohort responses to this question. Of the others, the only one that stood out as a key theme was *Grant writing / raising finance / sales* (4 out of 26 responses).

Again, the responses here are likely to be different if this survey is administered to a broader audience including entrepreneurs and startups themselves.

## RECOMMENDATIONS TO ADVANCE THE ENTREPRENEURIAL ECOSYSTEM

- It is recommended that **training / development / workshop events** are held on:
  - ➔ **Grant writing** for entrepreneurial activities
  - ➔ **Raising finance** for entrepreneurial activities

## QUESTION: WHAT TALENT NEEDS DO YOU ENVISAGE YOU WILL HAVE IN THE NEXT 12 MONTHS? (33 RESPONSES)



## FINDINGS

In general, the respondents indicated there would be modest, if any change, in their talent requirements over the next 12 months. Of those roles where modest increases are expected, the greatest growth was in the **HUSTLER** – business development, sales, marketing skillset.

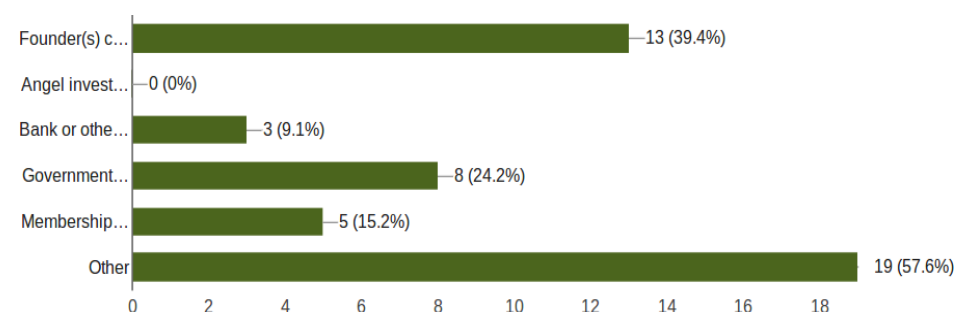
There is a touchpoint here with the previous question – where *Grant writing / raising finance / sales* was flagged as skillset that was difficult to attract / retain.

Again, the findings here would likely be different if the survey were expanded to a broader audience including entrepreneurs and startups themselves.

There are no recommendations made here other than to keep a **watching brief** on the anticipated skills requirements of the entrepreneurial ecosystem, in particular skills demand for the ‘Hustler’ skills group.

## FINANCE AND FUNDING

### QUESTION: HOW IS/WAS YOUR ORGANISATION FUNDED? (33 RESPONSES)



## FINDINGS

The 'Other' cohort for this question was overwhelmingly the largest (19 out of 33), followed by *Founders' Capital* (13 out of 33), then *Government grants* (8 out of 33).

The 'Other' responses are insightful:

- Funded by an auspicing institution or parent company – 5 responses
- Government, government funding (other than a grant) – 4 responses
- Fees from rates (local government organisations) – 2 responses
- Fee for service, consultancy fees – 2 responses
- Sponsorship – 2 responses
- Volunteer time and effort – 1 response
- Organic growth – 1 response
- Proprietary company – 1 response
- Research grant – 1 response

If the *Government grants* and other forms of government support in the 'Other' cohort are combined, it shows that 12 out of 33 organisations – over 35% - are dependent on some form of government assistance for their survival. This indicates that the pillars of the ecosystem are highly dependent on government funding, and hence, exposed to changes in government policy or direction.

8 out 33 organisations – nearly a quarter - are *Membership-based*, or reliant on *Sponsorship* or *Volunteer time or effort*. Again, there is a large dependency here on the membership base to undertake actions in support of the ecosystem. If members, sponsors or volunteers can no longer contribute to the ecosystem, then its ongoing maturation will be inhibited.

## SURVEY ENHANCEMENT

It is recommended that future iterations of this survey include categories in this question for auspicing institutions / parent companies, and expand the government grant category to include government funding of any type.

Given how recent the study of entrepreneurial ecosystems is in general<sup>2</sup>, there is little data available to which Geelong region's dependence on government assistance and volunteer effort can be compared; anecdotal reports indicate that Geelong's position is not unique across regional cities.

## RECOMMENDATIONS TO ADVANCE THE ENTREPRENEURIAL ECOSYSTEM

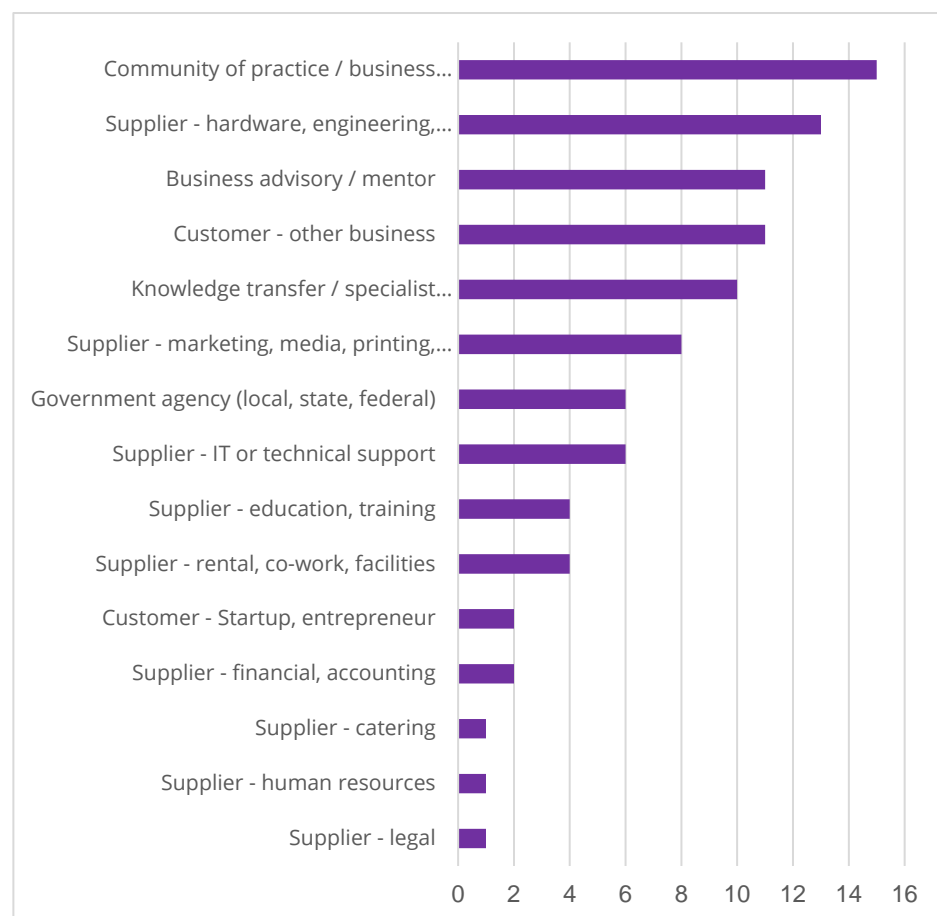
That measures are taken, such as taking a consolidated approach to maturing the region's entrepreneur ecosystem, that seek to reduce the risk of volunteer, sponsor and member fatigue.

That measures are taken to diversify the sources of revenue and capital within the entrepreneurial ecosystem to reduce the dependence on government assistance and volunteer effort. This may take the form of increased corporate engagement in the entrepreneurial sector, and/or, private investment.

<sup>2</sup> This was also identified in the Literature Review which preceded this survey

## NETWORKS AND ENGAGEMENT/COMMUNITY

QUESTION: IN THE LAST MONTH, WHICH OTHER BUSINESSES AND ORGANISATIONS DID YOU INTERACT WITH IN GEELONG? WHAT WAS THE NATURE OF THAT INTERACTION?  
(31 RESPONSES)



### FINDINGS

This question was a free text field. Some respondents (4 out of 31) found this onerous to answer and declined to provide details. As expected, the **pillars** of the Geelong entrepreneurial ecosystem have significant interactions with other organisations.

The highest number of interactions centre around *Communities of Practice / Business Associations, Supplier – hardware, engineering and manufacturing, Business advisory / mentor* and *Customer – other business*.

These findings indicate that the **pillars** of the Geelong entrepreneurial ecosystem are generally well connected to one another through communities of practice and business associations, and through business advisory and mentoring programs.

One unexpected finding here was that *only two interactions* were between a pillar organisation and a startup / entrepreneur *customer*. This underscores the need for a portal to allow pillar organisations and entrepreneurs to be better connected.

Again, the findings here would likely be different if the survey were expanded to a broader audience including entrepreneurs and startups themselves.

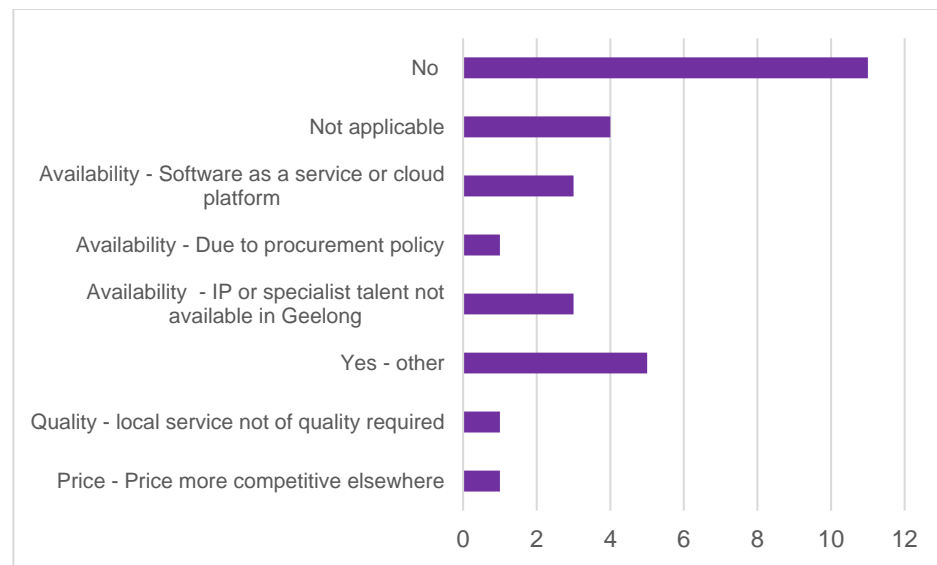
No recommendations are made from this question.

### SURVEY ENHANCEMENT

This question is onerous for respondents to answer; however a mechanism is needed to identify insights related to interactions within the ecosystem; there may be better approaches.



QUESTION: IN THE LAST MONTH, DID YOU SOURCE TALENT, MATERIALS, SERVICES OR PRODUCTS FROM OUTSIDE OF GEELONG? IF SO WHAT WAS THE DRIVER (PRICING, AVAILABILITY, QUALITY ETC)? (29 RESPONSES)



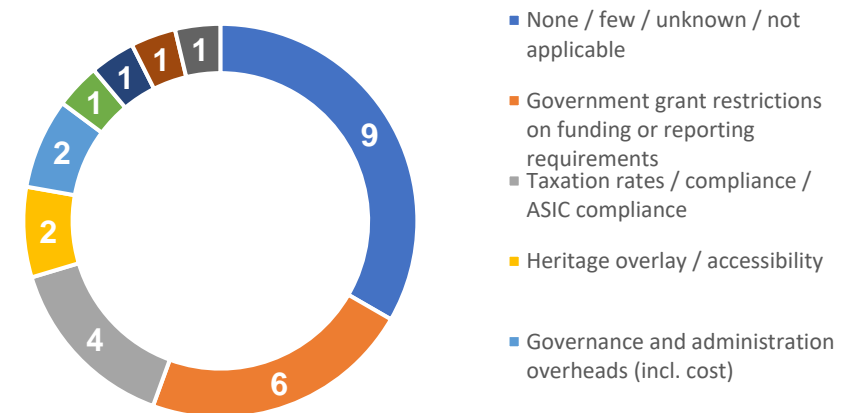
## FINDINGS

This question was a free text field, however, the responses allowed for easy grouping and are represented in the above graph. In general, pillars of the ecosystem did not procure outside the Geelong region, or if they did, it was likely to be because they were procuring a cloud software product, or the intellectual property or expertise was not available in the region.

No recommendations are made in relation to this question.

## GOVERNMENT AND REGULATORY FRAMEWORKS ('CIVIC')

QUESTION: WE ALL HAVE TO COMPLY WITH RULES AND REGULATIONS. WHICH ONES ARE A PAIN POINT FOR YOUR ORGANISATION? WHY? (26 RESPONSES)



## FINDINGS

This question was a free text question, however analysis of the results showed that the responses could easily be grouped. By far the largest cohort here was *None / few / unknown / not applicable* (9 out of 26 responses), followed by *Government grant restrictions on funding or reporting requirements* (6 out of 26 responses), with *Taxation rates / compliance / ASIC compliance* the third most represented cohort (4 out of 26).

In general, this means that over a third of the organisations which form the **pillars** of Geelong's entrepreneur ecosystem did not express pain points with rules and regulations.

The two key pain points are government grants, and reporting requirements, and taxation rates and compliance.

It is likely that responses would be different had the survey respondents included entrepreneurs and startups themselves.

### RECOMMENDATIONS TO ADVANCE THE ENTREPRENEURIAL ECOSYSTEM

- It is recommended that **training / development / workshop events** are held on:
  - ➔ government grants, their restrictions on funding and how to execute reporting obligations; and
  - ➔ ATO, taxation and ASIC compliance requirements and how to meet them

## REGIONAL CULTURE

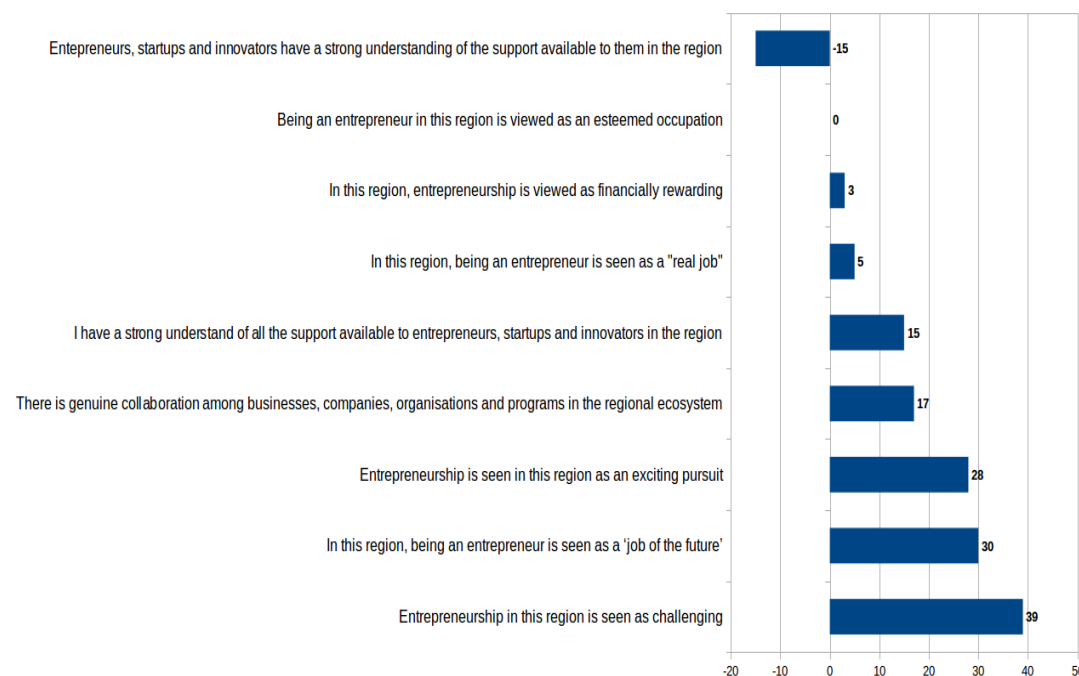
QUESTION: PLEASE SELECT HOW STRONGLY YOU AGREE OR DISAGREE WITH THE FOLLOWING STATEMENTS ABOUT ATTITUDES IN THE GEELONG REGION TOWARD ENTREPRENEURIALISM (32-33 RESPONSES PER STATEMENT)

*Please refer to the graph on the next page*

### FINDINGS

The graph on the following page consolidates all the responses to each statement, so that we are better able to explore the statements relative to each other.

Priority areas for attention in the ecosystem can be better visualised by weighting the positive, negative and neutral responses to produce an arbitrary score which is then sorted, as shown in the following graph:



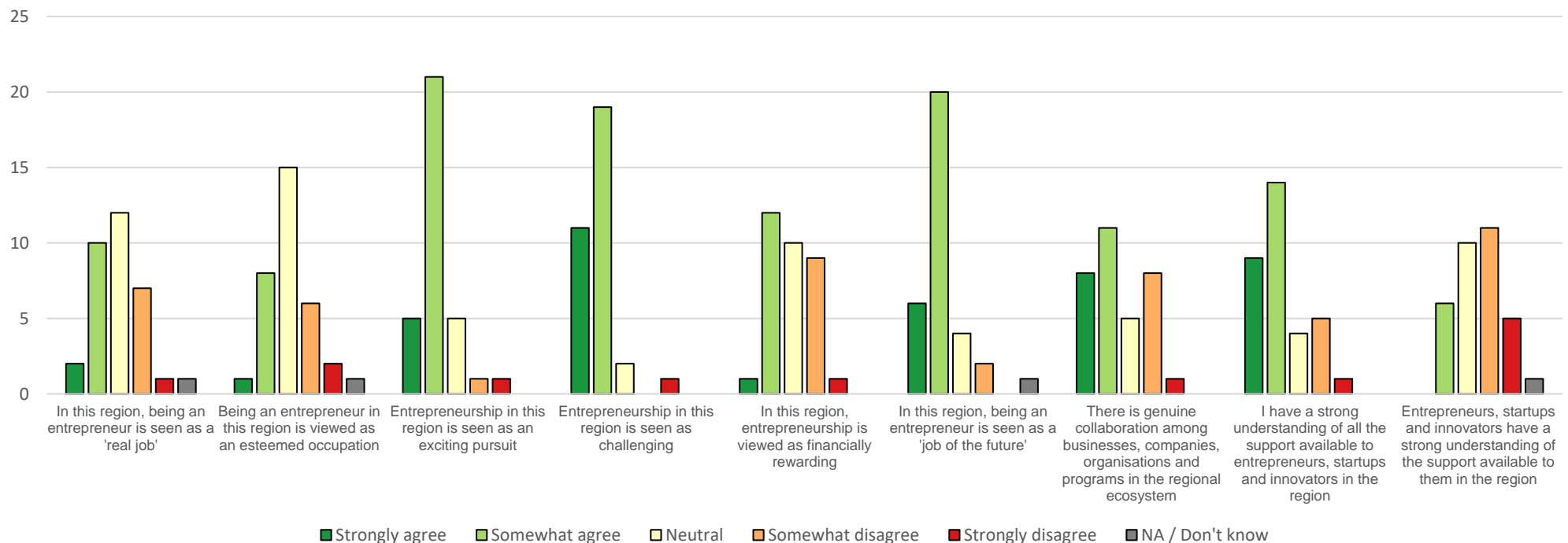
In terms of positive responses, it's clear that the **pillars** of the entrepreneurial ecosystem perceive that being an entrepreneur is *exciting*, that it is perceived as a *job of the future*, and that it is *challenging*. Looking at negative responses, there is a very strong perception that entrepreneurs in the region *do not have a strong understanding of the support available to them*. This validates the reason for initiating the GEemap project – and our efforts to make that support more visible.

Entrepreneurship being *financially rewarding*, and entrepreneurship being an *esteemed occupation* also had neutral to mildly negative responses. Again, we see a touchpoint here with the **Funding and Finance pillar** – as if entrepreneurship is not seen as financially rewarding, then people will be deterred from pursuing this path occupationally.

Building the esteem and prestige of entrepreneurship as a profession that people aspire to join is a long-term goal, achieved through amplification and visibility of strong case studies and exemplars.

One particularly interesting finding was that around *genuine collaboration in the Geelong entrepreneurial ecosystem*. The results here were polarised with the question receiving some strong positive, neutral and negative responses.

One interpretation of this result is that the ecosystem itself is fragmented or fractured – with two distinct groupings – one of which perceives there to be strong collaboration, and one the opposite.



## RECOMMENDATIONS TO ADVANCE THE ENTREPRENEURIAL ECOSYSTEM

- That mechanisms (such as the *GEEmap* search function) are provided to enable entrepreneurs, startups and innovators to have a stronger understanding of the support available to them in the region.
- That the community identifies ways to increase the **esteem** in which entrepreneurialism is held as a profession, and to increase the prestige associated with this occupation. This may take the form of, for example, showcasing the professional achievements of entrepreneurs to high schools, TAFEs and universities.
- If entrepreneurialism is not financially rewarding in the Geelong region, then the **causes of this need to be explored further and validated**. There is likely a **link here with the lack of available angel investment and seed capital in the region**, and the ability of entrepreneurs to connect to capital.
- That the community identifies ways to **normalise the perception of being an entrepreneur as a 'real' job** – as normal as being a baker, a firefighter, an accountant or a lawyer. Again, this may take the form of, for example, showcasing entrepreneurs to high schools, TAFEs and universities, or producing collateral to help educate audiences about the skills, qualifications and pathways available to those considering entrepreneurial pursuits.

The existing programs that normalise entrepreneurship – such as UpStart Challenge – should continue.

Entrepreneurship needs to be normalised in particular at primary school level, at the very earliest formation of career aspirations.

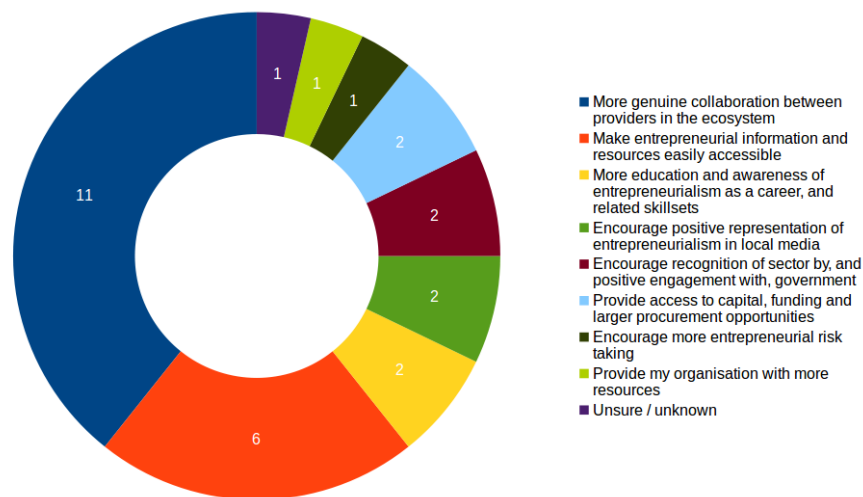
Efforts to recognise and amplify the achievements of entrepreneurs should also be bolstered.

- Finally, more **community building efforts** are required to connect the two distinct groups within the entrepreneurial ecosystem – those who perceive that genuine collaboration is occurring, and those who perceive that it is not. This could take the form of, for example:
  - ➔ **An engagement program** to better understand the underpinning reasons for the bifurcation in the entrepreneurial community and to redress it.
  - ➔ **Continuing the whole-of-entrepreneur-community meetings that have been convened informally to date**, surfacing obstacles to the ecosystem and amplifying wins and successes. This could be facilitated, for example, through an existing organisation such as the G21 Region Alliance, Enterprise Geelong or other body with longevity.
  - ➔ Determining, with broad input, a **whole-of-region plan for entrepreneur ecosystem**, which prioritises actions and activities to mature the ecosystem, and which dovetails (rather than competes with) existing regional plans. This plan needs to be owned by a body within Geelong that has the capacity, capability and the longevity to actively champion the entrepreneurial ecosystem.

*Without an identified and committed champion, this document will end up as 'shelf-ware' – it needs to catalyse action.*

## QUESTION: IF YOU COULD CHANGE OR ADD ONE THING IN ORDER TO GROW, IGNITE OR NURTURE THE GEELONG ENTREPRENEURIAL ECOSYSTEM, WHAT WOULD IT BE? (30 RESPONSES)

Although this question was an open-ended text question, the responses can be grouped into the themes shown below.



## FINDINGS

It's clear from the above that there is a very strong desire from the pillars of the entrepreneurial ecosystem both for more *genuine collaboration between providers* (11 out of 30 responses), and to *make entrepreneurial information and resources easily accessible* (6 out of 30 responses). Together these themes account for well over half of all responses to this question.

Other responses were more varied, but notably two included more access to capital, funding and larger procurement opportunities.

## RECOMMENDATIONS TO ADVANCE THE ENTREPRENEURIAL ECOSYSTEM

- It is recommended that an entrepreneurial ecosystem **online portal be developed** that helps to connect service providers with entrepreneurs at all stages of their entrepreneurial lifecycle.  
*NOTE: Such a portal is currently in development by the GEEmap initiative*
- It is recommended that actions are taken to foster more **genuine collaboration** across the entrepreneurial ecosystem community in Geelong.

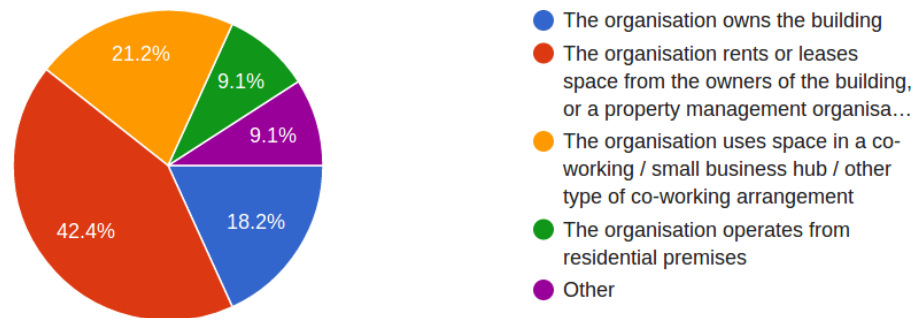
Multiple respondents in the survey hinted at 'political' obstacles to collaboration, with multiple groups seeking to be recognised as key influencers or leaders in the space. An engagement program is needed to better understand the barriers to closer collaboration.

Again, the recommendations from the previous question stand; a whole-of-region plan for the entrepreneur ecosystem should be developed collaboratively, and the informal gatherings taking place should continue.

- The *Literature Review* that informed the development of the survey concluded that the three high-priority pillars of the entrepreneurial ecosystem were Accessible Markets, Finance and Funding and Talent and Skills. The GEEmap project team advocates that **'Networks and Community' should be elevated to be a high-priority pillar** of the Geelong entrepreneurial ecosystem based on the data from the survey.

## PHYSICAL INFRASTRUCTURE (FACILITIES)

QUESTION: WHAT TYPE OF ARRANGEMENT DOES YOUR ORGANISATION HAVE FOR YOUR PREMISES? (33 RESPONSES)



### FINDINGS

As expected, most organisations which form the pillars of Geelong's entrepreneurial ecosystem *rent or lease* their space.

Interestingly, over 1 in 5 organisations use space in a *co-working / small business hub*. There is a touchpoint here with earlier questions around the types of organisations in the ecosystem – over 15% of organisations who responded provided co-working / business hub services. The market therefore appears to be responding to demand for this type of property arrangement.

What is not clear from this survey is the extent to which supply is currently meeting demand, and a **watching brief** should be kept here, to inform decisions around whether more co-working should be encouraged in the Geelong region.

QUESTION: PLEASE INDICATE HOW STRONGLY YOU AGREE OR DISAGREE WITH THE FOLLOWING STATEMENTS AROUND THE PHYSICAL INFRASTRUCTURE YOUR ORGANISATION HAS ACCESS TO (33 RESPONSES)

*Please see graph on next page*

This question revealed some unexpected insights.

Availability and price of internet infrastructure was generally **not** a pain point for the organisations surveyed, except for a small cohort. This may indicate geographic pockets of poor internet service availability. *If the survey were administered to entrepreneurs and startups, it is highly likely that the results would differ substantially.*

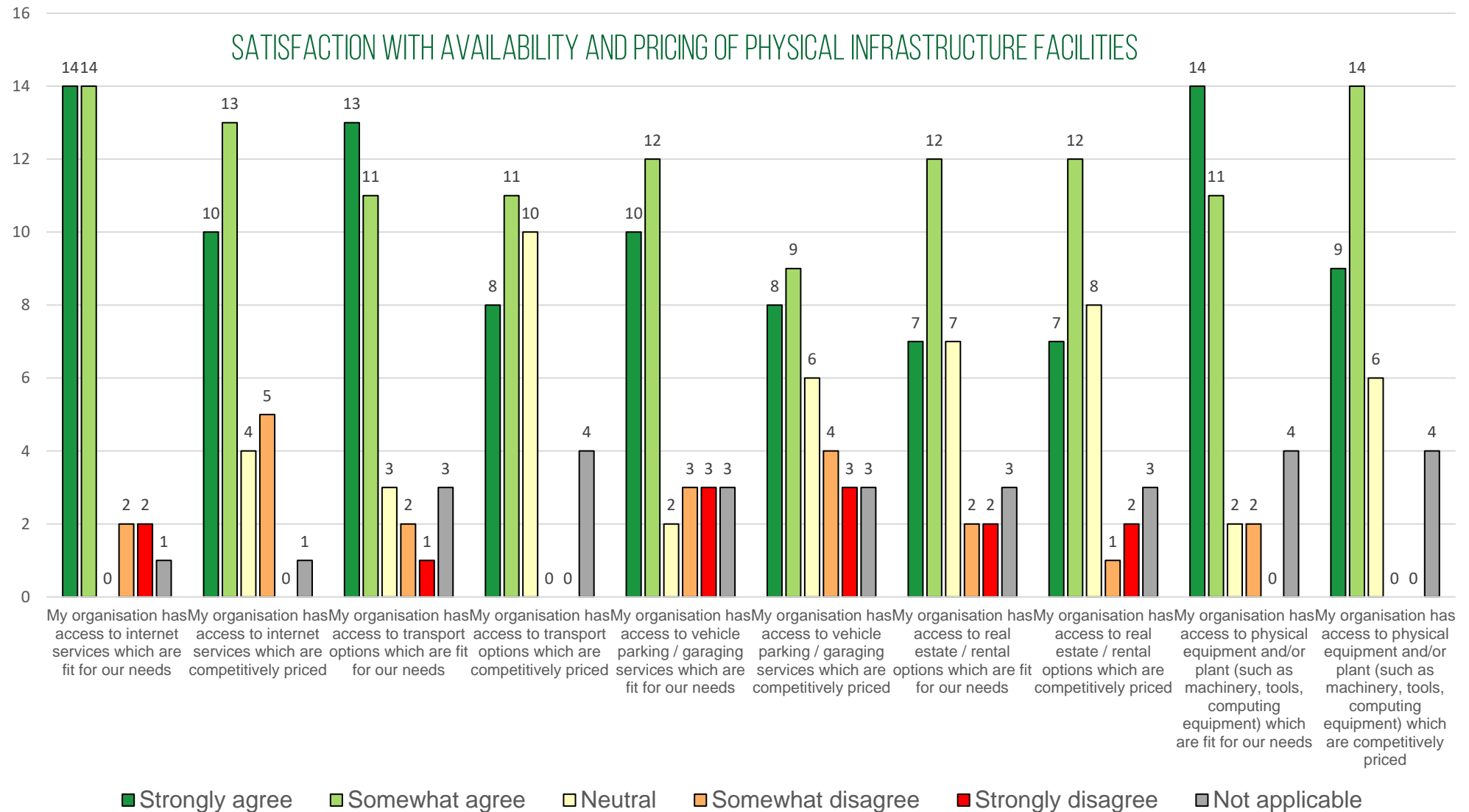
Transport pricing was very favorably regarded, with only a small cohort expressing a desire for alternative transport options. Availability and pricing of infrastructure such as plant and equipment was also **not** a pain point.

The availability and pricing of vehicle parking and garaging services was the only physical infrastructure element which attracted a significant cohort who expressed dissatisfaction (6 out of 33 responses for availability and 7 out of 33 responses for pricing). It is likely that this is related to a broader urban development issue within Central Geelong – that of dealing with increased vehicle traffic as the city's population expands, and a **watching brief** should be kept to identify how this response trends in the future.

There are no recommendations made here that could directly influence the development of the entrepreneurial ecosystem.

### END REPORT





## APPENDIX A: PILLARS OF THE GEELONG ENTREPRENEURIAL ECOSYSTEM

High priority attributes on which data should be captured			
CLASSIFICATION	ATTRIBUTE	DESCRIPTION	SUGGESTED DATA TO CAPTURE
Material	<b>Accessible markets</b>	The availability of, and ability to identify, reach and sell to a market or market segment.	What markets (local, domestic, international) the startup sells to, or would like to sell to.
Social	<b>Talent and skills</b>	The availability of, and ability to attract and retain highly skilled people with the right mindset for entrepreneurial activity.	What roles the organisation currently has, what roles are difficult to fill or retain talent in, what specific skillsets are lacking in the labour market.
Material	<b>Finance and funding</b>	The availability of, and ability to access grants, venture capital, angel investment, seed funding and other forms of capital needed for initiation and growth.	Where the funding and capital for the startup was sourced, whether the organisation offers funding, difficulties encountered in obtaining funding and investment.

Medium priority attributes on which data should be captured			
CLASSIFICATION	ATTRIBUTE	DESCRIPTION	SUGGESTED DATA TO CAPTURE
Social	<b>Networks and engagement</b>	The richness and vibrancy of networks and inter-relationships in the entrepreneurial community and the opportunity to meet, interact and build new relationships. This element also concerns the governance of the ecosystem itself.	What inter-relationships exist, and their quality, and what opportunities exist for cross-pollination in the entrepreneurial community. What governance mechanisms are used by the ecosystem, if any, and what are their characteristics.
Material	<b>Government and regulatory framework</b>	The degree to which government policies, frameworks and incentives foster or inhibit the initiation and growth of entrepreneurial activity.	What government services and regulatory frameworks are fostering or inhibiting entrepreneurial activity.
Material	<b>Support services</b>	The availability of, and ability to access legal, financial, real estate, consulting and related services, including mentoring and role models.	What services exist in the ecosystem specific to entrepreneurial activity and the level of satisfaction from startups with those services.

Social	<b>Education and training</b>	The availability of, and ability to access entrepreneurial and related education and skills development, technology transfer processes and the quality of the labour force pipeline.	What education and training institutions and offerings exist in the ecosystem specific to entrepreneurial activity, including technology transfer, and the level of satisfaction from startups with those offerings.
Cultural	<b>Regional culture</b>	The region's attitude and cultural inclination towards entrepreneurial activity; tolerance for risk and failure; narratives of success that serve to inspire others	The perceptions of regional culture toward entrepreneurialism; incubators and inhibitors in regional culture; anecdotes of success from startups.
Material	<b>Physical infrastructure</b>	The availability of, and ability to access real estate, infrastructure such as internet and transportation to enable startup and growth. This includes 'third spaces' - makerspace, co-working hubs, technology parks etc.	The level of satisfaction from the entrepreneurial community with physical infrastructure availability, quality and cost in the region.

## APPENDIX B – SURVEY QUESTIONS

### YOUR ORGANISATION'S CONTACT DETAILS

#### INTRODUCTION AND INTENT

We are seeking to build a map of all the organisations, programs, businesses or companies that make up the Geelong Entrepreneurial Ecosystem. Note that filling out this survey does not guarantee inclusion into the map; robust criteria are being defined against which inclusion will be assessed.

These questions help us represent you in the Geelong entrepreneurial ecosystem map, and help us to contact you if needed to clarify information, and keep the map up to date. When we refer to 'organisation' below, we are referring to your organisation, program, business or company.

#### PRIVACY

Name, address and contact details may be made public on the Geelong entrepreneurial ecosystem map. Other responses will be aggregated and de-identified, but may be released in the future as de-identified open data.

\* Required

The name of your organisation \*

The location or address your organisation normally operates from \*

What type of arrangement does your organisation have for your premises? \*

Mark only one oval.

- The organisation owns the building
- The organisation rents or leases space from the owners of the building, or a property management organisation
- The organisation uses space in a co-working / small business hub / other type of co-working arrangement
- The organisation operates from residential premises

- Other:

What is the best contact telephone number for your organisation? \*

What is your organisation's best contact email address? \*

What is your organisation's website? \*

What is your organisation's Twitter handle (@name)?

What is your organisation's Facebook page?

What other social media presence does your organisation have?

### WHAT DOES YOUR ORGANISATION DO?

*These questions help us understand the functions, activities and outputs of the Geelong entrepreneurial ecosystem and the barriers it faces in maturing.*

Which option most accurately represents your organisation? \*

Mark only one oval.

- Startup incubator or accelerator
- Angel investment, funding, seed investment or other finance provider
- Local, state or federal government agency, department or branch
- Educational institution (Gordon TAFE, Deakin etc) or program auspiced by an educational institution
- Incorporated association related to entrepreneurialism or innovation
- Co-working space, makerspace or other shared working space
- Professional support service provider (legal, financial, mentoring, coaching)
- Independent consultant, sole proprietor or other individual
- I am an entrepreneur, startup or innovator
- Other:

How long has your organisation been operating? \*

Mark only one oval.

- Zero to 1 year

- 1-3 years
- 3-5 years
- 5-10 years
- 10-20 years
- More than 20 years

Please tell us a little about your organisation's service or product offerings (putting a web link in here is fine) \*

Which geographic regions does your organisation seek to engage in (in the next month)? \*

Check all that apply.

- Regional (Geelong, Surf Coast, Bellarine, Colac Otway)
- Broader regional (Melbourne, Ballarat, Warrnambool)
- Whole of Victoria
- Whole of Australia
- International - Asia Pacific
- International - Europe
- International - Middle East
- International - Americas
- Other:

Do you face any challenges in accessing those geographic regions? \*

Check all that apply.

- Market is already crowded
- Barriers to entry in the market
- Brand recognition is difficult
- Our product/market or service/market fit is not quite right yet
- Customer demand rapidly changes
- Language or cultural barriers
- Not sure where to start to access the geographic region
- No current challenges
- Other:

How is/was your organisation funded? (check all that apply) \*

Check all that apply.

- Founder(s) capital
- Angel investment
- Bank or other financial institution
- Government grant
- Membership (membership fees)
- Other:

Please indicate how strongly you agree or disagree with the following statements around the physical infrastructure your organisation has access to \*

Mark only one oval per row.

- My organisation has access to internet services which are fit for our needs
- My organisation has access to internet services which are competitively priced
- My organisation has access to transport options which are fit for our needs
- My organisation has access to transport options which are competitively priced
- My organisation has access to vehicle parking / garaging services which are fit for our needs
- My organisation has access to vehicle parking / garaging services which are competitively priced
- My organisation has access to real estate / rental options which are fit for our needs
- My organisation has access to real estate / rental options which are competitively priced
- My organisation has access to physical equipment and/or plant (such as machinery, tools, computing equipment)

which are fit for our needs

- My organisation has access to physical equipment and/or plant (such as machinery, tools, computing equipment) which are competitively priced

We all have to comply with rules and regulations. Which ones are a pain point for your organisation? Why?

### WHO IS IN YOUR ORGANISATION?

This section helps us understand the key roles in your organisation, and what skills and capability the ecosystem has as a whole, and where skills and capability gaps exist.

How many of each of the following full time equivalent roles do you employ in your organisation? \*

Mark only one oval per row.

- MANAGERS - Chief Executives, General Managers and Legislators
- MANAGERS - Specialist Managers
- MANAGERS - Other
- PROFESSIONALS - Arts and Media Professionals
- PROFESSIONALS - Business, Human Resource and Marketing Professionals
- PROFESSIONALS - Design, Engineering, Science and Transport Professionals
- PROFESSIONALS - Education Professionals
- PROFESSIONALS - Health Professionals
- PROFESSIONALS - ICT Professionals

- PROFESSIONALS - Legal, Social and Welfare Professionals
- PROFESSIONALS - Other
- TECHNICIANS AND TRADES - Engineering, ICT and Science Technician
- TECHNICIANS AND TRADES - Electrotechnology and Telecommunications Trades Workers
- TECHNICIANS AND TRADES - Other
- COMMUNITY AND PERSONAL SERVICE WORKERS
- CLERICAL AND ADMINISTRATIVE WORKERS
- SALES WORKERS
- MACHINERY OPERATORS AND DRIVERS
- LABOURERS

Not applicable - not for profit, member based organisation or similar

Which skillsets do you have difficulty attracting and/or retaining in Geelong?

What talent needs do you envisage you will have in the next 12 months?

Mark only one oval per row.

- HIPSTERS - user experience, graphical design, front end design, industrial design, AR and VR design, illustration and artists
- HACKERS - programmers, developers, coders, database gurus, app developers, technicians and electronics experts
- HUSTLERS - Business development, sales, marketing



## HOW IS YOUR ORGANISATION RELATED TO OTHERS IN THE GEELONG ECOSYSTEM?

This information helps us build a picture of the relationships and connections in the Geelong ecosystem, and what opportunities there are for strengthening it.

In the last month, which other businesses and organisations did you interact with in Geelong? What was the nature of that interaction (such as supplier, business partner, business advisory, community of practice, knowledge transfer, training program development etc)?

In the last month, did you source talent, materials, services or products from outside of Geelong? If so what was the driver (pricing, availability, quality etc)?

Please select how strongly you agree or disagree with the following statements about attitudes in the Geelong region toward entrepreneurialism. \*

Mark only one oval per row.

- In this region, being an entrepreneur is seen as a "real job"
- Being an entrepreneur is viewed in this region as an esteemed occupation
- Entrepreneurship is seen in this region as an exciting pursuit
- Entrepreneurship in this region is seen as challenging
- In this region, entrepreneurship is viewed as financially rewarding
- In this region, being an entrepreneur is seen as a "job of the future"

- There is genuine collaboration and co-operation among businesses, companies, organisations and programs in the region's ecosystem
- I have a strong understanding of all the support available to entrepreneurs, startups and innovators in the region
- Entrepreneurs, startups and innovators have a strong understanding of the support available to them in the region

If you could change or add one thing in order to grow, ignite or nurture the Geelong entrepreneurial ecosystem, what would it be?

## DOCUMENT CONTROL

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## GEEMAP PROJECT TEAM

The core GEemap project team is:

- Mr Terry Hickey – Enterprise Geelong
- Mr Matthew Fletcher – Entrepreneurs Geelong
- Mr Jason Steinwedel – Deakin University (Manufutures)
- Ms Juliet Williams – Skilling the Bay
- Ms Kathy Reid – Independent Consultant

The team is supported by a Reference Group from across the region, and  
thanks are extended to that group.