

Blaenau Gwent Effect

Enterprise Facilitation Project

Project Report - April 2013

www.bgeffect.com

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Chair man

Background and Introduction

Blaenau Gwent Effect was operationally established on March 14th 2011 to provide Enterprise Facilitation® services based on the principles of the Sirolli Institute. The increasing financial hardships, lack of employment opportunities and anti-enterprising culture in the Blaenau Gwent area made it an ideal candidate for an Enterprise Facilitation® approach.

Enterprise Facilitation® promotes a people-centred, bottom-up and localised approach which stimulates people to become more enterprising and pursue entrepreneurship as a career path. The belief of the Sirolli Institute is that a successful business requires three main competencies:

- technical ability to produce a product or service
- ability to market the product or service
- ability to manage the finances of the venture

Very few individual entrepreneurs, if any, have ever possessed all three competencies. Within the principles of Enterprise Facilitation, this is known as the 'Trinity of Management'®. Sirolli argues that successful entrepreneurs simply make up for their lack of a certain competency by finding a partner who possesses the skills which they lack. Consequently, the model aims to aid local entrepreneurs in becoming successful, by building teams of competence around them.

The BG Effect project was formed out of a partnership between the public, private and community/voluntary sectors. Funding from the Heads of the Valleys and Communities First programmes, Waterloo Foundation and Blaenau Gwent County Borough Council was obtained to get the pilot project started. The project has continued since Sept 2013, with the continued funding support from Welsh Government via its BETS department.

The BG Effect aims to create an enterprise culture within the local community and provide local people with an opportunity to consider self-employment as a career path. In doing so BG Effect hopes to both maintain current job opportunities, and create new employment in the local area which will aid in its future economic sustainability, and bring about a positive regenerative change. Indeed, Effect stands for Enterprise

Facilitation for Effective Community Transformation. This approach is intended to sit alongside, and complement, the traditional business and enterprise support services provided by the Local Authority and other organisations.

In practice, Enterprise Facilitation® consists of two main components; an Enterprise Facilitator and a volunteer panel. These components are also supported by a Management Board. The Enterprise Facilitator becomes the initial point of contact for business owners and aspiring entrepreneurs, and helps them understand their specific business idea. The service is free, informal and confidential, and if the client requires any help or direction with their ideas, which the Facilitator cannot provide or secure, then the Facilitator can take their case to the panel. The second element is a Volunteer community panel, composed of anywhere between 20 to 60 local stakeholders, which support the Facilitator by providing introductions to community leaders, business owners and other useful contacts. The panel seek to address the specific needs or problems of each case, and where possible attempt to provide useful local contacts and advice which may benefit the client.

The Volunteer Panel's first and most important task is to introduce the Facilitator to the community. The project does not market itself, only its clients' successes, so in the initial stages it is vital that the Management team and Volunteer panel leverage their personal networks, contacts and trust, to introduce the Facilitator to the community, so that potential clients can find the Facilitator.

The Enterprise Facilitator is not a business advisor nor an expert, but is someone who is a good listener, supportive, well-networked, and able to evaluate the skills and needs of entrepreneurs. The Volunteer Panel includes local business and civic leaders, economic development practitioners, and private sector professionals. Both the Enterprise Facilitator and board members receive training from the Sirolli institute in the principles of Enterprise Facilitation® and the Trinity of Management.

The Sirolli method offers a more flexible, informal and arguably more user-friendly approach than more traditional business support. The BG Effect model is able to cater for clients outside of normal working hours when perhaps traditional service providers could not be accessed. Additionally, the Enterprise Facilitation® model places no time constraint on an Enterprise Facilitator's time or length of support available to each client, meaning that clients always have access to support as and when issues arise.

The Sirolli method allows for increased engagement and proliferation, by being less intimidating and more in line with the mind-set and attitudes of many entrepreneurs. Moreover, current business support cannot deliver on its targets for business start-ups unless there are individuals coming forward with business ideas. The Enterprise Facilitation® model, through its encouragement of potential entrepreneurs and its building of a volunteer panel drawn from local businesses and members with links into the community, is clearly about a means of delivering this requirement for growing the 'enterprise culture'.

Enterprise Facilitator

The role of the Facilitator is to provide an informal, people-orientated enterprise development function. The Facilitator achieves this by assisting potential entrepreneurs in identifying their needs and establishing a network of local contacts, who may already be known to the client but perhaps the client had not realised the potential support from those around them, who may be able to assist the client with certain aspects of their business; be that production, advertising, distribution or any business function. The Facilitator also acts as a friendly mentor who is able to identify with the client and understand their goals and ambitions, and help the client understand how best to reach those goals. The project to-date has exceeded many of the initial targets. A statistical data spread sheet is attached.

The Enterprise Facilitator has a unique role and has developed a comprehensive network of business support and voluntary community agencies. The Enterprise Facilitator meets regularly with Communities First partnerships, local CVC, Job Centre+, and A4E. He also attends open day and marketing events. This project differs from the traditional business support activities because the Facilitator is able to offer potential clients the opportunity to meet at local venues at times convenient to the Client. This may be over a week-end period or late evenings.

Monitoring and Evaluation

As part of the management role, the Management Board commissioned the Centre of Regeneration Excellence (CREW) to evaluate the project. An Interim Evaluation report has been prepared as is available on the BG Effect website www.bgeffect.com or in hard copy format on request.

In Summary, the CREW report highlighted the main benefits of the Enterprise Facilitator role, and the individual selected for the position, as follows:

- ✓ The role of the Facilitator is working well and is valued by local entrepreneurs.
- ✓ Moe Forouzan exemplifies the role of the Facilitator.
- ✓ The informal nature of the support is valued by local entrepreneurs, and encourages more people to engage with BG Effect process.
- ✓ Moe's local contacts are not only helping his individual clients, but also building small networks of local businesses who are working together (IT and Media Cluster).
- ✓ Awareness of the BG Effect is being increased by word of mouth, as past clients have no hesitation in recommending the process to peers.
- ✓ More local people are being encouraged to think entrepreneurially
- ✓ Facilitator's role improved by not having strict targets that must be met, allowing for honest and impartial advice to be given.
- ✓ The lack of rigid structure allows the Facilitator to view, and deal with, every case on its individual merits, and isn't forced to following set criteria which may not be suitable to every client.

Volunteer Panel

The Volunteer Panel is the second major resource adopted by the Sirolli method, and is a major component of the Sirolli principle's success. Enterprise Facilitation® is an equal partnership between the Facilitator and this Panel, with the latter being a key factor in the success of any

programme. The Panel is comprised of a group of volunteers drawn from the local community, who come together to establish a credible, reliable and trusted community resource. The Panel currently has 78 existing members.

The Panel usually meets once per month or as and when the Enterprise Facilitator identifies a need, and is made up of individuals from a range of different backgrounds and interests. The role of the panel is to make introductions for the Facilitator, boost the number of contacts, increase the profile of the Blaenau Gwent Effect and, by using their local knowledge and expertise, assist Clients to reduce barriers and fulfil their aspirations. The theory is that by increasing the profile of the BG Effect and its services, more people in the community will be motivated to seek the advice of the Facilitator. Also, once the Facilitator has met with a client and established what support they require, he is able to approach the panel to collectively discuss the case and generate ideas, leads and contacts in order to help the entrepreneur.

One of the key aspects to the success of both the Management Board and the Volunteering Panel is the continuing recruitment of enthusiastic and committed members from a diverse range of backgrounds.

Management Board

Integral to the BG Effect project is the Management Board. The Board has the overall responsibility for managing the BG Effect project, securing funding and overseeing project delivery. The Board consists of 11 members and has changed its membership and dynamic in line with the growing needs and development of the project. The members have a wide range of skills and a strong team culture.

The Management Board continues to meet on a monthly basis and receive statistical data from the Enterprise Facilitator as well as directing the future work practices to meet the aims, objectives and visions of funders, clients and local community members.

The Facilitator is in daily contact with the private sector chair of the board, Mark Langshaw. This working practice allows the Board and the Facilitator to work efficiently together and ensures the smooth running of the BG Effect. This also evidences the Board's commitment to being

actively involved in running the BG Effect and ensuring its success. This is backed up by the results of our key person interviews (CREW REPORT, 2012) which has highlighted that the Board are very much in control with a core of committed individuals.

The CREW Report (2012) confirms the strong working Management relationship:

- ✓ Strong team culture with good retention of original Board Members.
- ✓ Follows good working practice of being in constant contact with the Facilitator to ensure the informed delivery of BG Effect services.
- ✓ There has been praise of the strong Leadership provided by Mark Langshaw, and the Board's commitment to running the BG Effect with a strong private sector approach.
- ✓ The Management Board should also be commended for their willingness to let the Facilitator carry out his role without much emphasis on meeting set targets.
- ✓ The Board have ensured that the procedures are in place to track their outputs and outcomes.

Training

Dr Ernesto Sirolli has, from the first inception of the Blaenau Gwent project, supported, mentored and trained the Enterprise Facilitator, the Management Board, and several members on the Volunteer Panel. The Sirolli Institute continues to be actively involved in the project by providing on-going peer support, advice and guidance to the Enterprise Facilitator and Chair of the project.

Dr Sirolli has made several visits to the project and has attended Volunteer Panel meetings to assess its effectiveness and provide further development and learning. He commented very positively in the way in which the project was being run, the professionalism shown in managing a meeting of a large number of people, but most importantly, he was "blown away with the passion, knowledge and support of the local community " who attended this meeting.

The Facilitator has attended the annual Sirolli Institute Forum of all the projects worldwide which will help reinforce the training and allow the Facilitator to share valuable experiences and learning, as well as expand his network which will benefit clients. We hope to be able to continue to fund the funding to allow regular attendance at future Forums.

Marketing and Communication

The BG Effect project website was developed and launched in March 2012. Shortly after the website went 'live' it was decided to bring the website in line with the new BG Effect branding. This resulted in the website being 'off-line' for a short period of time, however, the BG Effect holding page was implemented. The re-branding has now been completed and the website went 'live' in early summer 2012. A raft of information including case studies of client's experiences through the BG Effect project can be found at www.bgeffect.com

Analytical data is reviewed each month from the website, which is receiving approximately 200 visitors per month, and a good source of reference data and provides an easy contact method for Clients to contact the Facilitator. The project "practices what it preaches", and the website was developed and is maintained by a client of Effect.

New Board Members with extensive expertise in marketing (digital media), journalism and Economic Development have been enlisted onto the Management Board. Their knowledge and skills have enabled the BG Effect project to be promoted through Twitter and Facebook. Members of the Management Board have also joined the on-line Linked-in business networking forum. This is providing a useful mechanism of increasing communication between the local community and between existing Management Board Members, and we hope to make more use of digital marketing in the future.

Future of the Project / Current position

The Chair and Enterprise Facilitator have been working closely with neighbouring Local Authorities to promote the project and assist with the future expansion of the project over a wider geographical area (demonstrating good practice and collaborative working).

Several meetings with other Welsh Local Authorities, funders, stakeholders and representatives from the Sirolli Institute have taken place and several of these Local Authorities have, as a result, expressed an interest in developing the Enterprise Facilitation model. These Local Authorities are currently determining funding options and the Powys region has held a public communication meeting in April 2013, addressed by Dr Sirolli and supported by BG Effect to determine if the community is interested in a project in their local areas. The meeting was an overwhelming success, with over 60% of the attendees confirming their interest and willingness to be involved in a project in their area. BG Effect looks forward to supporting this neighbouring project and assisting in its launch.

Conclusion

The management team are very pleased with the progress of the project to date. Since March 2011, the project has achieved the following:

- **38 new businesses** started
- **58 new jobs** created
- **10 businesses** help to **expand** and **2** helped to protect an existing **21** jobs
- **38 existing businesses helped** to solve an issue within their business

The project has worked with **433 clients**, **288** of which are **new businesses** to be created, and **145** are **existing businesses** looking for help with a specific issue. In addition, the Facilitator has helped 14 clients question the viability of their proposed venture, before they committed a large number of funds and risked potential debt.

32% of the clients are female, which is remarkable when you consider the fact the before the project the ratio of female self-employed entrepreneurs within the region was negligible. The project also works with 35 social enterprises, many of which are facing funding and sustainability issues.

The engagement of the local community is vital to the project's success, and the project is very proud of the **78 members** of the **Volunteer Panel**, who are very active and passionate about supporting the project, which is making a real difference in their community.

The project has proved the success of the model taught by the Sirolli Institute, and the true value of the local community working with the network of skills and knowledge that exists to help regeneration from a grass roots level. We look forward to the further successes we are sure the project will obtain, are grateful for the support from our existing funders to date, and hope to secure additional funds to be able to expand the project further.