Best Form

Boosting Entrepreneurship Tools for Migrants

Guidelines for the adaptation of producst developed by SIED

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1. Introduction

This report focuses on the learning materials developed under the SIED project, particularly those seen as suitable for adaptation to the needs of migrant entrepreneurs in Best Form partners' countries. It discusses issues concerning the changes that might be required to make existing learning materials relevant and facilitate their application in the new localities. The report also discusses ways of expanding and improving existing materials, through new content, to strengthen the education of business advisers that is at the core of the community based business support (CBBS) model.

This paper complements the Report on the Experience of SIED, project upon which Best Form based its proposal for the application of a community based business support model (CBBS) in Portugal, Spain, Italy, Germany, Romania and Poland.

2. The products developed by SIED

The development of a community based business support approach or model under the SIED project involved three major areas of work:

- Developing community representatives as business advisers (CBBAs) through a **Professional Development Programme**
- Supporting the community organisations introducing business support services and employing a business adviser through a **Programme of Capacity Building** , and
- Supporting the emerging group of organisations and advisers offering business support to under represented groups through **Network Development**

Most of the learning products, such as training programmes, stand alone workshops, guides and handouts were developed as part of the first two areas of work outlined above, namely the Professional Development and Capacity Building programmes.

Diversifying into new services or new markets is a complex undertaking for all organisations, whether commercial or not-for-profit. The Capacity Building programme of SIED helped community organisations obtain a better understanding of the impact of the business support function on their organisations, clients and communities.

Practical help focused on getting managers to understand the role of business advisers and how best to support them. It also helped senior managers in organisations identify practical ways of integrating business support into their more established portfolio of services and thus exploit synergies between them.

Although Best Form is not concerned with the full implementation of the CBBS, it is important for partners not to lose sight of the need to assist organisations with the introduction of a new area of service – the business support function – when pursuing a community based business support approach; this consideration should be prominent in any follow up project. In this paper, however, we will only be discussing the products developed under the Professional Development Programme, as the primary concerns of Best Form are the training of business advisers through two pilot programmes and adaptation of materials and programmes for their education.

3. The Professional Development Programme (PDP)

This programme was designed to assist people who are already embedded in local communities to develop the skills which are necessary to deliver high quality advice and guidance to individuals and groups who have developed enterprises or who wish to consider enterprise development and self-employment. One of the objectives of the training was designed to enable people to reach the UK standards for professional business advisers and thus gain credibility and membership of relevant professional bodies.

Delivery of the programme is based on five key principles:

- Learning by doing
- Supported practice
- Development of Support mechanisms and networks
- Linking effectively with mainstream providers
- Embedding enterprise support with other services

The programme consisted of the following components:

- **Recruitment of Trainee Community Based Business Advisors** – Community organisations were offered assistance with the recruitment process by providing Job Descriptions for CBBAs, involvement in the administration of the recruitment process and participation in recruitment panels

- **The introductory module for business advisers** –The more robust component, this module consisted of between 8 to 10 workshops covering two broad areas of study; Business Advisory practice and skills and Essential Business Topics.

  The workshops included in this module are:

  - The need for a Community Based Business Support approach
  - Understanding Business
  - Introduction to Business Start-Up
  - Working with Clients (Advisory Skills)
  - Introduction to Finance for Business Advisors - Part 1
  - Introduction to Finance - Part 2
  - Spreadsheet for Business
  - Marketing for Business Advisors

- **The programme of sector specific or themed workshops** – Also a series of workshops on those business sectors and themes most relevant to the main client groups. Some of the business sectors covered included Food, Creative industries and Personal services. Some of the key themes included Starting Up in Business and From Welfare Benefits to Business.

- **The programme of mentoring support for business advisers** – This was a structured programme of support offering trainees access to a personal mentor. Mentors were experienced business advisers recruited through the Institute of Business Consulting. Support involved face to face meetings with mentors and phone and email communication. A major aim of this support was to help trainees to prepare for the accreditation process, which involved external assessors observing candidates delivering business counselling on three occasions to different clients at different stages of business development. ACBBA was responsible for the Identification of Suitable Mentors, developing and delivering a Brief for Mentors, Matching Mentors and Business Advisers and Managing the Mentoring programme

- **The networking and mainstreaming programme** – This programme involved organising monthly meetings of business advisers to monitor progress, share experiences, discuss local issues and facilitate peer-to-peer learning. It also involved linking up community based business advisers with enterprise agencies and developing better referral routes for clients. Coordinating the ongoing

professional development of advisers was another aspect of the networking and mainstreaming programme.

- **Self study** – One of the major learning materials developed under SIED was the guide How to Be a Brilliant Community Based Business Adviser, designed to facilitate self study and thus help trainees to make more rapid progress in a relatively short period of time

4. The PDP Products Suitable for Adaptation into Best Form

Given that Best Form is primarily concerned with the piloting of a training programme for trainee business advisers, we suggest the components of the PDP developed under SIED most suitable for adaptation are those related to group training, namely:

- The Introductory Module for business advisers, and
- The programme of Sector Specific or Themed Workshops

Concerning the recruitment of trainee business advisors, partners running pilot courses in Italy and Portugal may consider using the Job Description and Person Specification created under SIED, with modifications as appropriate, prior to embarking on the promotion and recruitment of participants for their programmes.

With regards to the self study guide, the Portuguese partners should benefit from the content adaptation of the ACBBA/SFEDI publication 'How to Be a Brilliant Community Based Business Adviser' undertaken by the Aga Khan Foundation, as part of a European funded project called Up-Skilling Business Advisers. This guide was also adapted in Germany, Spain and the Czech Republic. Unfortunately, Italy was not represented in this project. However, the Italian pilot might consider making the original publication (in English) available to participants in their course.

5. Guidelines for the Adaptation of SIED products

5.1. Workshops Content

Workshop 1 - The need for a Community Based Business Support approach

Given that the community based business support model is essentially about local development, this workshop provides an opportunity to get participants to share their experiences and knowledge of the

employment and business needs of their communities, the extent to which these needs are being addressed by the mainstream and the role of community based organisations and other self help initiatives. Based on people's own experiences, the workshop also provides an opportunity to examine the links – or lack of - between different stakeholder groups, including people from disadvantaged groups and organisations in the community, public and private sectors. This section of the workshop could be called 'Setting the Scene'. Whilst it is important for course tutors to handle contextual information in order to facilitate and steer the discussion - it is the participants who should be primarily responsible for providing the local context in which a discussion of the CBBS model should be taking place. Only a highly participative, interactive discussion can ensure participants see the CBBS model as an extension of their activities, something to be recreated locally and not as a rigid import. The scene would then be set for the tutors to discuss the CBBS approach and its potential with a focus on the role of community based business advisers.

Workshop 2 - Understanding Business

The purpose of this workshop is to promote an understanding of enterprise in the broadest possible meaning of the term. This is particularly important, as advisers are likely to encounter a wide range of initiatives, from community action in the field of childcare care and safety provision through to more formal social enterprises and commercial businesses.

This workshop covers two major areas:

a) A focus on Enterprises as entities operating in a broader environment, which includes not just customers, competitors and suppliers but also government agencies connected with different regulatory systems. Environment that is constantly changing, as the impact of economic factors such as employment/unemployment rates, surges and drops in demand, downward or upward pressures on prices force businesses to adopt new strategies to survive and grow. Legal frameworks are also not static, forcing businesses to be aware of changes in legislation in the fields of employment law, taxation and legal structures. Technological advances, for example in communications, coupled with changes in consumer behaviour caused by the mass adoption of these technologies, also force businesses to consider introducing new ways of attracting and maintaining customers (see Fig below for a diagrammatic representation of the Enterprise – Environment concept). Markets for specific products and services are also dynamic, making it imperative for entrepreneurs to be aware of the major trends affecting different markets, who are the key players and what competitive strategies might be more realistic for small enterprises to pursue.

The information on the environmental factors affecting enterprises has to be relevant to the places where training is being delivered and will, therefore, require complete adaptation.

b) A focus on the Entrepreneur, including a discussion on the two major areas of entrepreneurial development:

- **Personal**, including ability to communicate well with customers, suppliers and officialdom, to analyse information and to 'read' people and situations to inform decision-making and negotiations; passion and belief in own products and services; drive and self-discipline
- **Business**, including a good understanding of financial management, particularly cash flow management; marketing including selling and management, including business planning.

Workshop 3 - Introduction to Business Start-Up

The aim of this workshop is to provide advisers with good, practical knowledge of the most common requirements when starting up in business, which also tend to include the most common enquiries from clients:

- What legal structures are available to businesses and how can entrepreneurs help clients choose the most suitable option for them
- What are the more generic regulations that might apply to small businesses, for example in the areas of employment and health and safety
- What specific regulations apply to different types of small businesses, for example businesses offering services related to the care of children or vulnerable people, preparing and selling food, selling alcohol or organising events
- What types of financial services might be available and how can entrepreneurs meet different lenders' criteria

All the above information has to be related to the specific areas where trainee business advisers will be working in.

Workshop 4 - Working with Clients (Advisory Skills)

The CBBS model aims to offer high quality, client-focused advice and assistance to people who have developed, or wish to develop enterprises or become self-employed. It is in the Client-Adviser relationship

that the qualities advisers bring to their practice are tested.

In this workshop trainees are introduced to the following business advisory skills:

- **Communication, Influencing and Meeting Skills** – These are the skills needed for influencing clients and being seen to provide appropriate support. Emphasis is placed on the ability to understand – through listening skills - where clients are coming from, in terms of background, experience, resources, needs and expectations in order to come up with a Diagnosis. The need to help clients to develop concrete action plans and offer practical support is also discussed.

- **Maintaining Effective Business Support Relationships with Clients** – Although it requires time and skills, it could be argued that, in most cases, the building of effective client relationships is key to the success of the support. In the context of support for disadvantaged groups, building relationships becomes even more critical, as clients journeys towards starting up in business are likely to be longer and fraught with difficulties.

The above skills are treated in some detail in the ACBBA/SFEDI guide 'How to be a Brilliant Community Based Business Adviser'. Sections 2, 3 and 6 of the guide are particularly useful, so the pilot programmes could use the guide to prepare the material to be discussed in workshop 4 'Working with Clients'. Portuguese partners should also be able to benefit from the adaptation of the guide into Portuguese carried out by the Aga Khan Foundation.

Workshops 5 & 6 - Introduction to Finance for Business Advisors

Financial Management is the process of managing the financial resources of a business to ensure they are well applied, so as to generate profit and maintain a good control of the cash flowing in and out of the enterprise. A good understanding of finance is, therefore, essential for the sustainability of the enterprise.

Some of the key areas to be covered in these workshops include:

- An understanding of the value of Financial Management for helping owners obtain a clearer picture of their businesses' actual performance and also use this information to make sensible predictions of future performance.

- An understanding of financial statements not as figures but indicators of a 'story' about the business' performance, giving pointers for the owner (and adviser) to probe deeper and find out,

for example, the reasons behind an unexpected sales drop in a given month or an increase in costs compared to a previous period. In other words, for the 'story' to be more meaningful and, thus, inform decision-making and planning, it has to be complemented with an analysis of what is behind the figures in a given financial statement.

- Similarly, in the context of a forecast for a new business, what gives meaning to the figures is the type and quality of the information used to prepare them; what is the level of contacts or prospective customers that can justify early sales? Is enough known about potential customer groups to justify the expected sales progression? Are the marketing activities in the business plan adequate? Is the business proposition sound? The worst mistake an owner could make is to prepare a forecast that 'looks good' but bears no resemblance to the business' position and resources.

- Other topics to be covered include an understanding of the nature of different costs (variable and fixed); ways of analysing profitability, including a discussion on gross profit margins and breakeven point and a good understanding of how to prepare a realistic cash flow forecast.

Workshop 7 - Spreadsheet for Business

It is important for business advisers to acquire a level of fluency in the use of spreadsheets, particularly MS Excel. Whilst it is not realistic to expect trainee business advisers to become fluent in MS Excel in one workshop, the session should be used to introduce a good Excel-based planning tool, such as the forecasting tool developed by ACBBA, which enables people with very basic knowledge of Excel to prepare a full financial forecast, including cash flow, sales forecast, profit forecast and projected balance sheet. This tool also generates a report of the key performance indicators for advisers to discuss with their clients.

The level of adaptation for this workshop will depend on whether partners have ready made forecasting tools or decide to use the tool developed by ACBBA.

More than a session on spreadsheets, these workshops should be seen as reinforcing the discussion on Financial Management. In this context, preparatory work should not prioritise solely for the computer-based tool but pay attention to how to use the session to re-visit financial concepts.

Workshop 8 - Marketing for Business Advisors

Marketing is a fundamental knowledge area for clients and business advisers. It could be argued that without clients, a business is not yet 'in business'. Therefore, attracting and maintaining clients become the major tasks faced by entrepreneurs. Although Marketing is a vast subject, requiring more than one or two workshops, the session should aim to introduce advisers to the different dimensions of Marketing outlined below. The session should also aim to stimulate trainee business advisers to engage in self study and start applying the concepts and techniques to real organizations, including their workplaces and to the business ideas clients might present to them.

- Marketing as a concept – This refers to the attitude that business decisions should be based on what the consumer wants, rather than simply selling what your business has to offer. There are three key elements:
  - Understanding customer needs
  - Matching the enterprise's strengths to market opportunities
  - Segmenting the relevant market to concentrate efforts (resources) on the key groups

- Marketing as a process – This refers to marketing as a management process responsible for identifying, anticipating and satisfying customer requirements profitably. Process which calls for management decisions on product, pricing, distribution, promotion and personal selling, and in some instances customer service. These elements are known as the 'Marketing Mix'.

- Marketing as a series of techniques that make the process possible. Some of these techniques are Buyer Behaviour; Market Research; Segmentation and Targeting; The Marketing Mix and E-Marketing

6. Conclusions

- The SIED project involved three major development processes, namely a Professional Development Programme for business advisers, a Programme of Capacity Building to support organisations and a Network Development Programme to bring advisers together and link them up to other stakeholder groups
- The SIED products most suited for adaptation into Best Form fall under the Professional Development Programme

- In particular, Best Form adaptation work should concentrate on the Introductory Module for business advisers and the Sector Specific or Themed Workshops
- Although SIED provides both a structure or framework as well as detailed content in the form of presentations, handouts, guides and tools for the delivery of the Introductory Module and the Themed Workshops, partners will need to develop new content to make the sessions relevant to the local and national realties in Portugal and Italy, where the pilot programmes will be taking place.
- Content for Workshop 4 - Working with Clients (Advisory Skills) could be drawn almost entirely from the guide 'How to Be a Brilliant Community Based Business Adviser'. In the case of Portugal, contact could be made with the Aga Khan Foundation to have access to their adaptation of the guide
- The SIED experience also provides a number of principles, including the importance of learning by doing and self study. It is important to bear these in mind when planning the delivery of the pilot programmes and setting expectations for them; the workshops will only set trainees onto a learning path towards becoming business advisers, path including other activities and requiring a longer time frame
- We suggest the introduction of an evaluation session with trainee business advisers at the end of the workshops programme to have an opportunity to discuss in detail participants' experiences, their views on the materials and approaches employed, the concepts discussed and their applicability as well as the amount of time dedicated to each subject and suggestions for improving the training.