



## **The Experience of the Social Inclusion through Enterprise Development (SIED) Project and its Relevance to Best Form**

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## 1. Introduction

This report summarises the main aspects of the SIED project to help partners gain a thorough understanding of the initiative 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. The paper deals with the key aspects of the model developed under the SIED experience and discuss some of the critical issues that adopters of the model might need to consider when transferring it into new areas.

As Best Form is concerned with the transfer of specific aspects of the CBBS model, primarily its training programme for business advisers and educational materials, a separate report focusing on these components has been produced.

## 2. Origins of the CBBS model

The SIED project was a highly innovative initiative designed to create a new business support infrastructure at community level through the direct involvement of grass root, community based organisations serving a diverse range of under represented groups.

In 2001 the London Borough Council of Islington formed a broad local partnership of public, private and third sector organisations to pilot and establish community based business advisors using European Union Equal programme funding, as part of an initiative called Reflex.

The project was innovative, seeking to capacity build local community organisations by equipping them with their own business advisors, who could effectively conduct outreach business support work with hard to reach, disadvantaged ethnic minority, faith and lone parent groups – overcoming their under-representation within mainstream business support, for example through Business Link, the main government sponsored business support agency. Success from the initial pilot work led to a second tranche of EU funding in 2004, allowing the model to be rolled out to the neighbouring boroughs of Lewisham and Camden and the establishment of the Association of Community Based Business Advisors (ACBBA) as an umbrella body to oversee the strategic development and sustainability of the project.

### 3. Aims and Objectives

The Community Based Business Support model was developed to address several key agendas:

- Making 'enterprise' available to all, particularly people facing disadvantage (Equalities agenda – New engagement approaches )
- Improving the rate of formation and survival of businesses owned by under represented groups and therefore stimulating the SME sector (Enterprise agenda – competitiveness)
- Presenting enterprise/self employment as a way of lifting some people out of unemployment (addressing labour market policies)
- Enhancing the delivery role of the third sector (Community Development)
- Improving links between community, statutory and private sector providers (Mainstreaming)
- Enhancing interaction between people from different backgrounds (Social cohesion)

### 4. Partnership Working

SIED involved a wide partnership of public, voluntary, academic and private sector partners, initially led by the London Borough of Islington and later by ACBBA. From its inception, the partnership adopted a fully inclusive approach, including a mix of mainstream and community organisations participating on equal terms within its steering group. Partner organisations fell into four main categories, according to the role they played in the project, as follows:

- Community organisations benefiting from the capacity building and Business Advisors Development programmes available through SIED.
- Core partners assuming the responsibility for leading one of the work packages giving shape to the project's programme.
- Organisations helping to establish links with mainstream bodies and other EU Equal programmes.
- European partners involved in the exchange of experiences on different themes related to employment, self-employment and small business development.

Local providers with expertise in community development and enterprise support delivered most of the development programmes for business advisors and community organisations as part of an integrated support package. This style of working illustrates the type of partnerships that flourished within SIED among community groups and between community groups and support organisations. There have been many spin-off benefits from partnership working, particularly in relationship to the ability to bridge the gap to mainstream support and to develop integration between community and mainstream business support activities. A particularly successful collaboration was the partnership formed by three separate Bangladeshi organisations brought together to work on a project promoting enterprise amongst women of that community, creating synergies that would otherwise not have happened. Overall, the various community groups are collectively much stronger in terms of their ability to obtain stakeholder buy-in and to access funding via the ACBBA umbrella.

## **5. The Development of Community Based Business Advisers**

### **5.1 Selecting Community Organisations**

The starting point for SIED was to find and work with existing community organisations well connected in their communities in order to increase their capacity. This approach was essential to gain the trust of community groups and foster a spirit of equality within a partnership that involved both beneficiaries and providers. Whilst there was ample evidence of the effectiveness of community groups in areas such as welfare advice and advocacy, knowledge of their business support work was patchy. However, several community groups had access to a relatively large business constituency and were also actively engaged in some form of business development activity, including mapping exercises and provision of business related information. This early finding helped validate the notion of building on existing capacity even in the case of business support, which had been assumed to be much less developed than was the case.

### **5.2 The Training Programme for Advisers**

The development as business advisors of individuals working in grass root organisations was the fundamental objective of SIED. In this context, the success of the model was dependent both on the programme of support developed by SIED and the qualities of the people recruited as trainee business advisors.

Essentially the Community Based Business Advisor (CBBA) has to be able to engage with the target market, have wide ranging enterprise and client handling skills and provide appropriate and effective diagnosis and advice. To achieve this, they receive:

- Induction training – now delivered by ACBBA via seven sessions with their experienced CBBAs and trainers
- Mentor support from a CBBA, with whom they can initially work with and discuss cases on an ongoing basis
- Partake in ACCBA’s monthly CBBA meetings, providing networking, peer support, sharing of good practice, lessons learned and workshop training
- Register for Small Firms Enterprise Initiative (SFEDI) accreditation, which is the officially recognized qualification for business advisers in the in the UK.

In addition, advisers’ education involves much practical ‘learning by doing’, as from the outset advisers were sent out to work in their communities, initially with mentor support to ensure the service to clients was not compromised by CBBAs’ inexperience.

The training of business advisers also required the development of a range of suitable learning materials to accompany the workshops and encourage self study.

Training topics aimed at providing trainees with a sound understanding of two major areas; the business advisory process and the core business topics (finance, marketing and planning). Most of the training was provided by the local enterprise agencies, including ACBBA and complemented with contributions from other professionals such as accountants, bank managers and solicitors.

The Business Mentoring programme involved individual coaching, provision of supervised business counselling opportunities and advice on professional development by experienced business advisers.

The accreditation programme involved self-assessment, observed counselling sessions and participation in the training programme outlined above in order to demonstrate the competencies required for SFEDI accreditation. ACBBA also negotiated group membership of the Institute of Business Counselling to enable trainee business advisers to access continuing professional development opportunities. SFEDI accreditation provided formal recognition to the new type of business support professional developed under SIED and enhanced advisers’ credibility before peers, clients and the mainstream.

A number of business related materials and tools were progressively introduced giving rise to a Small Business Resource Pack including:

- Briefings on popular topics such as Legal Structures; Registering a Company; VAT; Tenancy Agreements; Premises; Raising Finance; Using the Internet and Food Hygiene for catering businesses
- Translations of briefings into Bengali, Somali, Arabic, Greek and Spanish
- List of business related resources in the area such as business support organisations
- List of resources for small businesses on the web
- Computer based financial forecasting model to prepare cashflow forecasts, profit forecasts and projected balance sheets
- Business plan templates
- Glossary of finance terms
- Guidelines for Business Counselling

### **The 3 Components of the CBBS Model**



Figure 1. The three major areas of development in the CBBS model.

## Professional Development Programme

### The Essentials

- Understanding the CBBS model
- Understanding Business
- Working with Clients-Advisory Skills
- Marketing, Finance, Management, ICT

### Peer support

### Coaching & Shadowing

### Networking; ACBBA & Mainstream

### Accreditation (SFEDI)



Figure 2. Structure of the Professional Development Programme.



Figure 3. The different stakeholders in the CBBS model working for the benefit of clients.

## 6. Evaluation and Lessons Learnt

Almost since its inception the Community Based Business Support approach developed under SIED and Reflex has been gaining broad recognition as a model of good practice for regeneration. The achievements of the initiative and its potential have been highlighted in various evaluation and research reports produced

by organisations including Kingston University, Middlesex University and Ecotec. The model has attracted much interest at European level, giving rise to two related projects; Up-skilling Business Advisers (UBA) and now Best Form. UBA involved the transfer of the self study manual for business advisers published in the UK by ACBBA and SFEDI. Best Form involves the transfer of elements of the programme for business advisers developed under SIED as a way of improving migrant communities' access to quality business support.

Kingston University found that business planning and regulatory environment were the most common areas of knowledge enhancement and skills development amongst business advisers.

Regarding participant community organisations, the process of introducing the business support function progressed at different rates in different organisations, as it was affected by factors such the maturity and complexity of the organisation, staff changes and degree of training received. In general terms, however, community organisations believed they needed a full-time business adviser for the new service area to work well.

To some extent findings were also affected by the variety of roles that the business advisers had to balance within the organisations they worked for.

Given the central role of advisers in the model, their effectiveness as advisers and agents of change within their organisations depended on their personal qualities. The community based business adviser role requires high-calibre, multi-skilled individuals who combine interest in business development with commitment to their communities. Their work as advisers was influenced by their level of participation in other social and cultural activities, as well as their technical skills. As members of the community, they gained trust and once trust was established, clients were more willing to provide the type of information needed for a meaningful discussion on business needs. As agents of change, advisers need a reasonable level of experience, education and assertiveness to ensure the business advice function attracts organisational support and is not marginalised.

## **7. Conclusions and Application to Best Form**

As a new development, the search for a sustainable approach to community based enterprise support continues. The ACBBA model appears capable of flexible adjustment to address the enterprise and skills development requirements of specific market segments and localities, with a particular emphasis for assisting deprived and difficult to reach groups. In this context, the experience of Best Form, with its focus on migrant communities, will strengthen the case for the model's flexibility and applicability to specific

disadvantaged groups.

The introduction of the business support function in voluntary and community organisations highlights the fact that the ACBBA model is as much about community development as it is about enterprise support. There is a growing awareness that in the current economic climate, community and voluntary sector organisations can benefit from a more entrepreneurial approach to finding and generating revenue streams.

It would be extremely important, therefore, that in those areas where the model is being adopted, including the Best Form pilots in Italy and Portugal, ways are found for assessing the benefits for participating community organisations in terms of their sustainability.

The creation of a new job position – the community based business adviser - within the community sector poses the question of what career structure could be developed to ensure that individual business advisors can make progress professionally within the sector. Failure to create career opportunities within the community sector is likely to force experienced advisors to pursue opportunities outside the sector. In SIED there was a 30% fall out of advisors, due in part to career development moves but also through lack of sustainability of funding. Best Form could make an important contribution to the search for answers to this question by establishing a dialogue with the community sector, particularly where the pilot programmes will take place.

A sustainability strategy for initiatives where community based business support is being introduced should consider the incorporation of the same principles that gave rise to the Acbba model of intervention:

- Consensus of ideas, principles and objectives among key stakeholders
- Establishment of a broad partnership providing strong leadership
- Implementation based on concrete activities to develop knowledge and skills and visible outputs and outcomes
- Broad understanding of enterprise, including self employment, for-profit businesses and social enterprises

Clearly the adoption of the community based business support model is a strategic development requiring a long term view and a broad support base. Best Form cannot be expected to introduce the CBBS model during its life time. Its work, however, could be invaluable in preparing the ground for the adoption of the model, setting in motion a dialogue between key players, increasing the understanding of how they relate to each other, learning from the pilots in Italy and Portugal to fine tune the training programme for business advisers and generally gaining the support for the initiative at all levels.