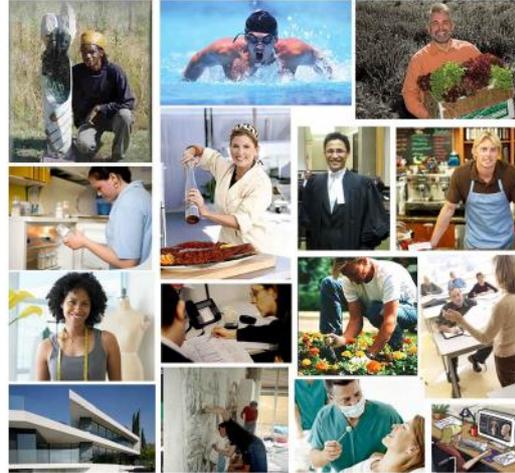


## 'Engaging' small businesses: some strategies you might not have thought of



AGCAS Biennial 2009

Jeanne Booth

### Jeanne Booth - Quick introduction

Head of the Careers Service at Coventry University 1991-7. Prior to that I managed student advice services at Loughborough Students Union and when I went to Coventry it was a broad brief including pre-entry guidance. When I left Coventry I became a portfolio worker, combining p/t salaried employment with the Open University and freelance consultancy projects, becoming a full-time freelancer and a limited company in 2004. I've got a broad portfolio working around widening participation, FE&HE, careers, employability and entrepreneurship. & clients include emda, local authorities, East Midlands Universities assoc, AGCAS, Aimigher, Lifelong Learning Networks, universities, colleges. & private training providers. In 2005 I also opened a gallery and conference venue in Nottingham & facilitated local independent business networks. So drawing upon things I've learnt from being in your shoes, from being an evaluator of projects working with small businesses and as a small business myself. That doesn't make me an expert at anything – but hope that I can offer some perspective you might not have thought of.

## UK Enterprises 2007

UK enterprises by number of employees out of a total of 4,679,080

0	3,460,360 (73.95%)
1-9	1,019,295 (21.78%)
10-49	166,815 (3.57%)
50-249	26,690 (0.57%)
250+	5,915 (0.13%)

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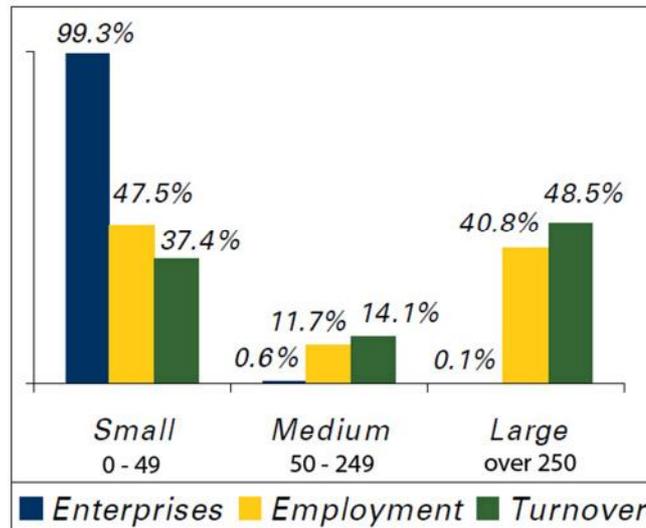
I'd like to start with some statistics – there are 4.5 million UK enterprises according to BERR & National Statistics published July 2008. (BERR/National Statistics URN 08/92 Statistical Press Release – attached for AGCAS participants – note 2009 release will be 14<sup>th</sup> October at <http://stats.berr.gov.uk/ed/sme>)

Vast majority don't employ anyone except the man or woman that is the company. We tend to equate enterprise with employment but of course not having any employees doesn't mean not creating work.

Next largest at 21.9% is those that employ 1-9 and if you put that together with the 10-49 you'll see over 99% of UK enterprises employ less than 50 people.

However there may be far fewer large companies but do they employ more people?

## Share of Employment and Turnover



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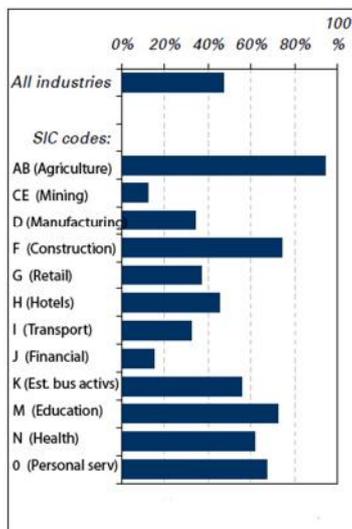
Almost.

Yellow column shows share of employment & under 50's have 47.5 of the share while the very big ones have just over 40%.

The green column is turnover - & it looks like the large companies have got biggest turnover - but turnover is just turning over money - it's not profit - large numbers don't make companies more viable as we've recently been finding out!

Maybe employment in the tiny companies is mainly concentrated in certain sectors?

## Small enterprise (0-50) share of employment within each industry sector



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Yes – but the picture might not be quite what we expect .

We could spend a lot of time unpicking this – we've unfortunately not got – but maybe safest to say it's probably better not to make too many assumptions without looking at the data. I have a friend works for our RDA in the East Midlands. He used to look after the creative industries & then he got shifted to construction. You'll probably know that most creative companies employ less than 5 people and he thought he'd be moving from the land of the little companies to the big Balfour Beatty's. Of course – he found that most of the construction companies are tiny – and incidentally – as creative as the creatives!

## Reasons for getting closer

### Careers Services

- Growing & innovating
- Declining traditional graduate vacancies
- Up to date guidance
- Source of students
- Source of teachers & curriculum development
- Community engagement

### Smaller Companies

- Networking opportunities
- Sales opportunities
- Promotion opportunities
- Source of skills
- Regular income opportunities
- Pursuing passion
- Community & social responsibility

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### Things people say are reasons for getting closer

#### Careers Services

1. Research/gov reports emphasise small co.s & start-ups as source of growth & innovation.
2. Decline in traditional graduate opportunities and growth in no. of graduates.
3. Many graduates will work and become small businesses so guidance needs to reflect that.
4. Local issues - More resilient local economy is based on broad web of small and mid-sized businesses rather than on a handful of large employers.
5. They are significant part of local community – source of students, teachers, parents.
6. *Audience – Go Wales – made point vibrant smaller companies source of good opportunities offering greater responsibility for graduates*

#### Smaller companies

1. Use networking for most things and always after opportunities. Eg. Marketing & Design co. answered college mailshot to prospective employers –an invitation to graphic design degree show. *'they didn't know what to do with me – I was interested but thought it would be a networking opportunity – maybe meet their director of marketing etc. But there was no opportunity for a two-way conversation.'*
2. Sales – HEIs have big procurement budgets and local authorities are beginning to use theirs to support local enterprises – why not HEIs?
3. Opportunity to raise their profile in very large marketplace - employees/students/parents
4. Skills – got a task in mind that needs skills they haven't got – cld be project, placement, research, vacancy
5. Regular income such as p/t teaching – lots of creative companies do this – & others
6. Passionate about what they do & opportunities to discuss/meet with others are interested
7. Often motivated not just by money but contributing to community & making a difference

## Understanding why smaller companies may want to get closer provides some insights into why some engagement strategies don't work so well

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1. Getting smaller companies represented on Careers Advisory Boards or Project Steering Groups (*note to self – audience didn't seem to have this experience/problem – so jumped this bit in actual presentation – bigger problem was internal sharing of contacts*) Think about composition and sell it to them as a networking opportunity. Remember they will most likely be the only people in the room not getting paid to be there so find ways to give them some payback( or pay them if you can). Make sure they know about tendering opportunities; you can't advertise but you can put their profile on your website, newsletter, reports as a contributing member. Make it someone's responsibility to look after them & find ways to thank them. That message will spread to others and they'll want to get involved.
2. Getting them involved on projects – quite a lot of projects cottoned on to holding breakfast meetings because lots of networks do. Be aware that this will exclude many female run businesses as very hard to juggle kids, school, breakfast meetings. Also difficult to get academics along to – and poor turn-out from own institution sends an unfortunate message. Also watch the language in invitations – can be very earnest/unintelligible to non-educationalists and one-sided – remember what their motives might be for coming.
3. Going out to local business clubs & networks – can get you in front of an audience of 20-100 companies but lots of people trying it – business link, train2gain etc. Offer something – sponsor buffet/free room? Something for goody bag – voucher for consultancy time, invite to special lecture? Remember people have come to network & don't want their time taken up listening to you go on about your project/service unless it holds clear benefits for them. Watch language – *engagement, cohort, upskill, higher level skills*. Prepare an elevator pitch to get over what you can offer in two minutes.

## Elevator pitch

- In groups of 6 write a two-minute elevator pitch for a project or the Service - you decide the features and benefits. Your audience is local companies.
- One of your group will deliver it against the clock - you must stop when the alarm goes.
- A selected group will be a panel and you will decide the criteria you will use to score each pitch.
- We will run the pitches one after the other (recording them if you agree) and then the panel will feedback with their score.

Write time down – 15-20 minutes preparation.

If you would like my notes for this  
session

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