

Case Study

Enterprise Inc2



About

Enterprise Inc2 was a three-year project running from 1 January 2012 until 31 December 2014, following the successful delivery of Enterprise Inc and an earlier SPEED project. The overall aim of the project was to support enterprise skills development and to enable beneficiaries to create sustainable, successful business enterprises. The beneficiaries were recent graduates (or those about to graduate) from the following universities:

- University of Derby
- De Montfort University, Leicester
- University of Lincoln
- University of Northampton

The above Universities were delivery partners with the overall project being managed and co-ordinated by EMIN; EMIN being the accountable body and contract holder with the ERDF secretariat. Record keeping and administration was undertaken through use of the dedicated Enterprise Inc2 system which was provided by EMIN, with all central administration and reporting undertaken by the EMIN team.

The project, over its three year life, recruited 445 beneficiary students and recent graduates and delivered for each of them:

- A cash bursary of £2,500 (paid across the life of their engagement)
- At least 30 hours of enterprise support, guidance and mentoring
- Access to mentors, coaches and guides
- Access to a web based suite of business support services

The project value was £2,734,200; 40% being funded through the ERDF with the remaining 60% being funded by the partner universities. This was equivalent to £11,939 per job which was considered to be a cost-effective use of the budget and a good value for money based on the comparator project figures. In addition, another aspect of the project being cost-effective is, despite the perception of it being an overhead cost, the EMIN salary costs at 7.8% of the total project costs were at the upper end of the normal range for projects such as this, however, the partners considered EMIN's services to be good value for money.

The tables below demonstrate that targets were substantially exceeded for graduates into SMEs, jobs created and businesses assisted to improve performance, and the outputs achieved by the programme make a significant contribution to economic performance indications of LEP areas, in which the delivery partners are based.

Outputs

Enterprise Inc2	Profiled Target to end of Project	Actual from Project start to September 2014	Project Overall %
People assisted to start a business	445	400	90%
Cross Cutting Theme – Environmental Sustainability (Environmental survey completed)	445	441	99%
Businesses engaged in new collaborations with UK Knowledge Base	178	280	157%
Business created and new business attracted to the region	79	78	99%
Graduates into SMEs	112	198	177%
Jobs created	178	229	129%
Businesses Assisted to Improve Performance	178	355	199%

The following table details the outputs delivered by LEP areas, which, as already identified, made a significant contribution to economic performance.

LEP	D2N2	LLEP	GLEP	NEP/SEMLEP
Delivery Partner	University of Derby, Nottingham Trent University	De Montfort University, University of Leicester	University of Lincoln	University of Northampton
Businesses assisted to improve performance	127	118	41	69
Businesses engaged in new collaborations with UK knowledge base	92	92	26	52
People assisted to start a business	148	128	44	73
Graduates into SMEs	103	83	44	48
Jobs created	58	58	22	26
Environmental Survey completed	167	64	132	77

Business assisted to improve

In this category, the target set for the project was 178, with the actual figure being 355, which of course is a considerable achievement in terms of exceeding the targeted output.

New collaborations with UK Knowledge base

The targeted output for this element of the project was 178, with 280 being achieved.

People assisted to start a business

In this component, the project was set a target of achieving 445 people assisted in starting up a business, and the actual figure was 394. Within the survey, 85% of the respondents declared an intention to set up their own business with 70% indicating that they expected to continue work on their business after the project had been completed.

Jobs created

The target set for the number of jobs created was 178, with the actual number of jobs created being 229, which had the greatest immediate economic impact. Assuming the jobs were correctly recorded as full-time and that they were paid the minimum wage, the annual economic impact of these jobs was estimated at £3million which provided the lower threshold. However, if the same number of jobs created was estimated to be paid the median gross earnings for the UK, the annual economic impact rises to £6million. Even with the assumed reduction in new businesses (values showing the number of firms surviving four years averaging at 49%), the cumulative economic value for the jobs over that period sums in the bottom and top of the estimates ranges to £11.2million and £22.4million respectively.

Graduates placed with SMEs

The target set for the number of graduates placed with SMEs was 112, of which 112 placements were achieved. This provided evidence that the lower estimate of the number of jobs created on the lower estimate (as above) may be overly cautious.

New Businesses created or attracted to the region

78 new businesses were created or attracted to the region, with the target for this particular element being 79. While an important step in the possible growth of the economy, it is not itself a cause of positive economic impact.

Environmental survey CCT output

A target of 445 was set for this particular component of the project, with 441 being achieved. Again, this was an input indicator in economic value terms as the impact would either be felt in profitability or growth success in additional employment.

Challenges

There were no reported significant challenges in terms of project management, however, it was reported that the process of ERDF had sometimes not been a good 'fit' with what they were trying to do. Conversely, it was also reported that some of the processes required by ERDF had been beneficial to the project. This is particularly the case with data collection and monitoring, which some institutions have indicated that they will continue as it is a useful activity for evidencing impact. Additionally, project managers reported that collation of data from institutions proved problematic with each university collecting data in their own way. In addition, the number of people involved in advisory capacities did prove a challenge to manage.

Collaboration

As the project developed, a huge amount of knowledge was generated, which was required to be shared to help hone and develop the project activity; collaboration, therefore, was seen by the project managers as being vital for the project's success. In the case of the projects analysed, there was a large variety and level of engagement and collaboration. It was important to note that there was no real "best fit" in terms of

collaboration, and each project worked to its own strengths in order to meet the aims and objectives, with the project being identified as well-managed by EMIN and well-delivered by the six partner Universities. The varying levels were classed as follows:

- In two cases there was a high level of collaboration on the projects; typically meetings were monthly, but no more than bi-monthly. In one case, the project had residential boot camps that they reported worked well.
- One model involved universities sitting on each other's panels when beneficiaries presented ideas at the start of a cohort – this led to partnership work and the opportunity to see the types of students coming through.
- In another case, there was a management board that met to disseminate information usually every two months. The delivery group met every quarter to share good practice.
- At the opposite end of the scale, one project had no specific sharing with other projects - but project staff attended conferences and events and met staff from other projects informally at those events.

Evaluation

The evaluation for this project was undertaken between August and November 2014 and included consultation with EMIN, consultation with delivery partners, consultation with beneficiaries through a survey and one-to-one telephone interviews, analysis of four comparator projects and an economic appraisal. Towards the end of the study, a regional evaluation day was held with the EMIN team and delivery partners to seek feedback on findings to date, to explore the benefits of partnership working and to invite suggestions for sustaining the benefits of the project beyond the current funding period.