

Review of the Regional Support and Student Entrepreneurship Programmes

Report

for

Scottish Enterprise

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economic development & regeneration

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Executive Summary

Introduction

EKOS were commissioned to provide a Strategic Review of the Regional Support Programme and Student Entrepreneurship Programme for the SE project manager, to inform SE decisions on the future of the programmes.

Objectives

The assessment has reviewed:

- strategic rationale, in terms of its fit with:
 - the Government Economic Strategy
 - SE's strategic focus
- market failure considerations:
 - nature of the market failure
 - how the projects respond to and help mitigate/solve the market failures
- management data/project monitoring;
- delivery processes;
- project benefits, outcomes/outputs (given the length of time the programmes have been operating an economic impact assessment was not required as part of this review):
 - achieved to date:
 - performance relative to targets set in approval papers:
- linkages and interdependencies with other provisions:
 - links to other projects
 - extent to which they complement or duplicate other provision; and
- a recommendation on when the project should be formally evaluated and impact conclusions drawn.

Method

The method consisted of the following:

- Inception discussion with the project manager;
- Documentation review;

- Consultations with:
 - Scottish Enterprise executives
 - the three business advisers involved in the Regional Support programme
 - SIE Chief Executive
 - Chairman of the SIE Board
 - Three companies that have received support; and
- Analysis and Reporting.

Conclusions and Recommendations

Strategic rationale and Market Failure

The Programmes have a strong strategic fit with the Government Economic Strategy (GES). The extent to which it fits with SE's Business Plan will depend on the criteria for the size of start-ups that can be supported in the future.

The Programmes help to mitigate against market failures by: providing advice and guidance on developing a sustainable business (information deficiencies); providing support to undergraduates to develop their idea whilst studying (barriers to entry) and providing advice and guidance to reduce the risks associated with developing a business (risk aversion).

The programmes are helping to address market failure at the level of the individual. Addressing market failure within the wider market will take longer to achieve and require a range of programmes/projects and other influencing factors to bring about changes in the culture of entrepreneurship.

Management Data and Project Monitoring

SIE report back to SE on a regular basis and this includes indicators (e.g. employment, income and finance raised) beyond the targets set, providing further insight into the performance of the Programmes. These types of data should form part of the formal indicators going forward.

The timing of this review means that it is difficult to assess the ultimate impacts of the Programmes. To help address this, the other form of indicators that would be very useful to develop would relate to the growth ambitions of the start-ups. This would provide details on the level of turnover and employment that the start-up is aiming to achieve by the end of year 3.

Delivery Processes

SIE have already been refining their approach to act as filters in the process to narrow the initial ideas down into a set of individuals that can be supported into developing sustainable businesses.



Using indicators for turnover and employment SIE could segment the portfolio of companies being supported to identify those that are high growth or with prospects for growth (in effect an additional filter). This would be used to inform SE's future support for the Regional Support Programme. Depending on the criteria set by SE, a range of options can be considered.

However, future support should be structured so as to maintain the link between the enterprise education and business development components (as this is a key strength of the project).

The existing boundary of 12 months should remain and any extension should be considered on a case by case basis if SIE were at a crucial point in the process of securing support for a company. Outwith this it is appropriate for SIE to follow up with companies to gather information on performance, for example finding out if SMART applications were successful.

Due to the varying levels of performance regionally there may be a need to provide greater support in some areas, notably the North, in order to develop ideas into businesses.

Project Benefits

Since the launch of the Regional Support Programme there has been a large increase in the number of companies starting up. The level of investment by SE at £343,000 is a ratio of 1:5.5 to income generated (£1,903,120) and 1:8 for total income/finance raised (£2,718,764), to date.

In 2006/07, the first year of the programme, many of the indicators were below target. However, this was due mainly to it taking longer for the RBAs to familiarise themselves and establish links with the existing support infrastructure in the universities. Analysis of performance in 2007/08 shows a large increase and a number of the indicators were ahead of target.

Pre the RBAs the average level of employment was one per business while the level in 2008 was 1.5. However, this is at an early stage for the 2008 businesses so a more appropriate comparator would be three years after starting (as is the case with the 2005 businesses). Therefore, further growth in these businesses is not yet captured. However, when considered together with the level of private equity/loans now being secured it would at least suggest that a number of these businesses have ambitions for growth.

(There are also examples from two companies in the case studies in Appendix A. For reasons of commercial confidentiality one other company chose not to have their case study included in the published review. Case studies from Burdica and Ecommo.com are included).

This Review is too early to be able to judge the ultimate impacts of the Programmes. Many of the companies are at an early stage in their development and therefore have limited turnover. However, we would



recommend that SIE reviews its current portfolio in terms of the growth ambitions of the companies to provide segmentation. This will help to inform the scale and nature of future support from SE. An indicator(s) that extend beyond VAT registration should be introduced, for example target level of sales and employment after three years.

Linkages with other Support

It took the RBAs longer than anticipated to familiarise themselves with the existing support infrastructure, particularly in the universities. However, taking the time to do this has been beneficial in identifying where support is required and avoiding duplication of existing provision.

Importantly, the RBAs do not see their support as being provided in isolation. Rather, where appropriate, they refer individuals to other forms of support e.g. PSYBT, Business Gateway, etc (referrals to other agencies are now ahead of target).

Equity, Equality and Priority Industries

The programmes do not have targets or a requirement to monitor in terms of equity or priority industries. The decision to provide support is based on the strength of the business idea and the willingness and motivation of the individual(s) to make it a success. In the future, it would be appropriate to include equity and priority industries indicators so that these can be monitored over time. This may indicate that there is a need for action to encourage activity within certain areas. Any future funding approval will also require an Equality Impact Assessment to mitigate against any negative impacts in relation to equality. The segmentation process identified above could include an indicator on those in priority industries to provide a current profile.

Formal Evaluation

At this stage it is only possible to undertake a Strategic Review of the Programmes. There will still need to be a formal evaluation of the Programmes in order to assess their actual impacts. We recommend that this take place in September 2009.



1. Introduction

1.1 Preamble

The Scottish Institute for Enterprise (SIE) was formed in 2000 with the aim of enterprise awareness raising and enterprise education within the Scottish higher education student population.

In 2006 grant funding was put in place by Scottish Enterprise (SE) for the Regional Support Programme for a period of three years. This involved employing four regional business advisors to provide training and mentoring support to students with promising enterprise ideas. The support was to be delivered across all twenty HEIs in Scotland and designed to overcome a perceived weakness in the enterprise support infrastructure in place for Scotland's students. The three year funding period was implemented in part to test whether this type of support could trigger and catalyse significant student enterprise with a direct and measurable added value to the Scottish Economy.

Further grant funding was also approved in 2007 for the Student Entrepreneurship Programme to boost the number of undergraduates with quality ideas for potential growth businesses.

EKOS were commissioned by the SE Appraisal and Evaluation team to provide a Strategic Review of the Regional Support Programme and Student Entrepreneurship Programme for the SE project manager, which will be used to inform SE decisions on the future of the programmes.

1.2 Objectives of the Assessment

The assessment has reviewed:

- strategic rationale, in terms of its fit with:
 - the Government Economic Strategy
 - SE's strategic focus
- market failure considerations:
 - nature of the market failure
 - how the projects respond to and help mitigate/solve the market failures
- management data/project monitoring;
- delivery processes;
- project benefits, outcomes/outputs (given the length of time the programmes have been operating an economic impact assessment was not required as part of this review):
 - achieved to date:
 - performance relative to targets set in approval papers:

- linkages and interdependencies with other provisions:
 - links to other projects
 - extent to which they complement or duplicate other provision; and
- a recommendation on when the project should be formally evaluated and impact conclusions drawn.

1.3 Method

The method consisted of the following:

- Inception discussion with the project manager to:
 - access all documentation, monitoring data, etc relating to the programmes; and
 - discuss and agree the consultation element of the work programme;
- Documentation review covering:
 - current SE Business Plan
 - Government's Economic Strategy
 - Programme approvals, objectives and targets
 - Monitoring data;
- Consultations with:
 - Scottish Enterprise executives
 - the three business advisers involved in the Regional Support programme
 - SIE Chief Executive
 - Chairman of the SIE Board
 - Three companies that have received support; and
- Analysis and Reporting.

1.4 Structure of the Report

The remainder of the report is structured as follows:

Chapter 2: provides an analysis of project development, market rationale, delivery and progress towards targets;

Chapter 3: reports the findings from the various consultations undertaken as part of the review; and

Chapter 4: details the conclusions and recommendations.

Appendix A provides case studies on two companies that have received support.

2. Regional Support and Student Entrepreneurship Programmes

2.1 Introduction

In this Chapter we present a descriptive overview of the regional support and student entrepreneurship programmes supported by SE funding. This includes:

- project development;
- rationale – strategic and market failure;
- delivery structures;
- targets; and
- performance.

2.2 Project Development

2.2.1 SIE

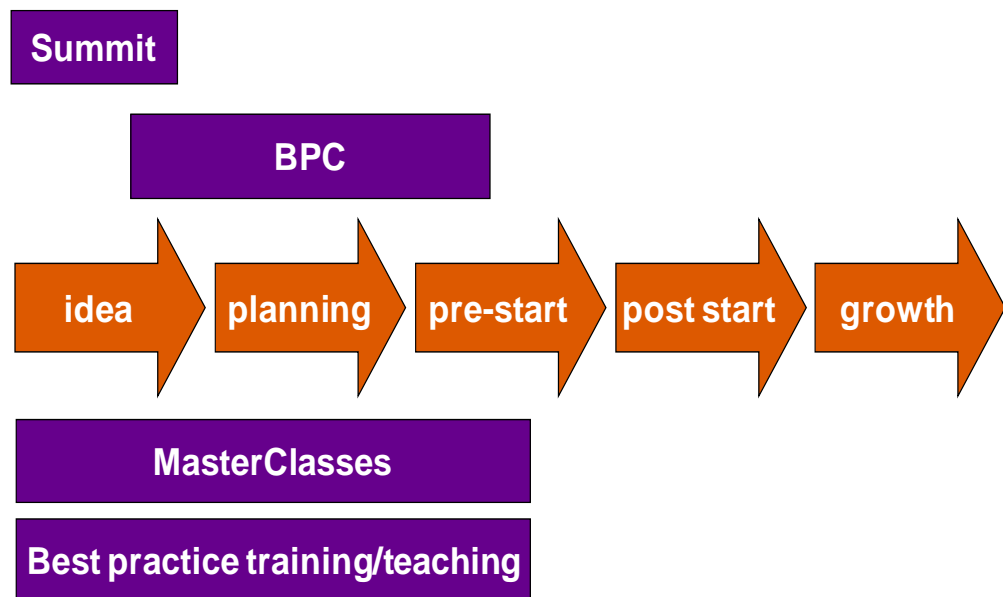
The Scottish Institute for Enterprise (SIE) was launched in 2000 with £4million of funding from the Office of Science and Technology (OST) to initially work with five Scottish universities. In 2001 a second round of funding enabled SIE to widen its remit to include all thirteen of Scotland's universities (that existed at that time).

In 2004 funding support for SIE passed to the Scottish Funding Council (SFC) which now supports the core educational remit of SIE through annual funding of £500,000¹ (2004-2007). As of January 2005 SIE became a partnership supporting all twenty of Scotland's higher education institutes.

Figure 2.1 over provides an indication of where the SFC funded activities of SIE sat within the timeline of a company's development.

¹ Further funding of £200,000 per annum was awarded in 2005 and 2006 to extend the SIE remit to include all higher education institutes across Scotland.

Figure 2.1



Note: Summit = Annual Entrepreneurial Summit; BPC = Business Plan Competition

As the picture highlights, the main activities of SIE were the annual summit; business plan competition and master classes/best practice training; all of which focused on the idea i.e. pre start part of the business development timeline. There was no real focus given to the start-up and post start stages. The result of this was that although a large amount of business ideas were being generated, too few were being taken forward to the business start-up stage. To address this, the Regional Support Programme was introduced.

2.2.2 Regional Support Programme

Initially a programme was designed in 2006 to introduce four regional business advisors (RBAs). Their remit was to deliver training and mentoring support to students with promising business ideas. These advisors were based on university campuses in Aberdeen, Dundee, Edinburgh and Glasgow.

It was felt that such support could be tailored to specific business needs, not covered by other business support organisations such as Business Gateway. Assistance and support is provided up to 12 months after students have graduated.

Scottish Enterprise funding of £540,000 was secured to allow SIE to employ the four advisors from 2006 and 2009.

Once the Regional Support Programme was implemented experience showed that there was still a gap in provision between the initial enterprise education awareness raising undertaken by SIE and the Regional Support Programme.

It was felt that the pipeline of ideas needed to be strengthened to generate more business ideas that had the potential for success. To bridge this gap the Student Entrepreneurship Programme was developed.

2.2.3 Student Entrepreneurship Programme

This programme aimed to help students to identify business ideas which have stronger potential for growth. These could then be supported through the Regional Support Programme to develop their idea into a business. The purpose was to strengthen the supply of quality ideas that were most likely to deliver sustainable businesses. This was to be achieved through four delivery elements:

- Enterprise Academy: aimed at finalists of the Scottish-wide student business plan competition, this support provided a range of workshops and master classes by experienced international entrepreneurs to ensure the best ideas had the greatest opportunity to succeed;
- Entrepreneurship Boot Camp: two intensive business development and support events (delivered summer 2008 and another due in summer 2009) for 80-100 students to consider the potential of their new business ideas and stimulate a flow of quality business ideas that can be assisted by the regional business advisors;
- Sponsorship of SIE Annual Summit: this one day event provides a programme of presentations and seminars by national/international entrepreneurs to approximately 2,000 students annually; and
- Podcasting: to be used as a value for money approach to disseminating entrepreneurial and best practice seminars via the SIE website.

In November 2007, £180,000 of further grant funding was provided by SE to help fund these activities for a two year period (November 2007 – September 2009) as shown in **Table 2.1**.

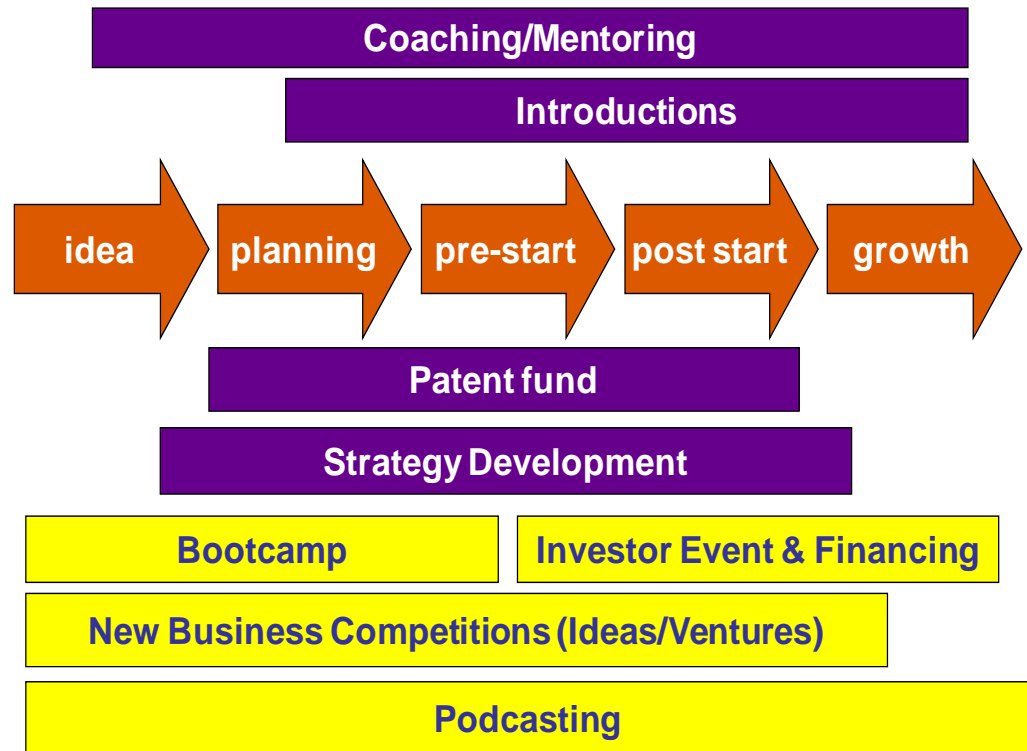
Table 2.1: SE Funding for Student Entrepreneurship Programme					
Delivery Elements	FY 07/08	FY 08/09	FY 09/10	Totals	% of total cost
Podcasting/internet	25,000	15,000	15,000	55,000	100%
Enterprise Academy	20,000	20,000	0	40,000	100%
Entrepreneurship Bootcamp	10,000	20,000	20,000	50,000	50%
SIE Annual Summit	7,500	7,500	0	15,000	15%
Independent Review	0	0	20,000	20,000	100%
Totals	62,500	62,500	55,000	180,000	-

Note: Although funding is detailed over three financial years, it is classed as a two year project by SIE due to the nature of the academic calendar.

2.2.4 Overall Support

With the introduction of these two programmes this provided a continuum of support from the initial idea phase through to the post-start and growth stage of the business cycle, as shown in **Figure 2.2**.

Figure 2.2



2.3 Strategic Rationale and Market Failure

2.3.1 Original Strategic Rationale

At the time that approval was sought to fund these projects there was close alignment with the following strategy documents:

- Smart Successful Scotland
 - Growing Businesses – responding to the challenge of increasing innovation through the targeting of business development support to members of the student population who have interesting business ideas, who are motivated to succeed, but lack the necessary business experience.
- Scottish Enterprise Operating Plan
 - Promoting a culture of enterprise; and
 - Increased innovation and commercialisation or research.

The rationale for intervention was that direct intervention to support SIE would assist students in successfully developing their business ideas. It was also believed that the Programme would increase demand for complementary programmes such as SMART and the Princes Trust. Furthermore, the additional funding in 2007 was seen as an opportunity to strengthen the pipeline between general enterprise awareness and capacity to build a potential growth business.

2.3.2 Recent Strategic Frameworks

Scottish Government Economic Strategy 2007

The 2007 Economic Strategy released by the Scottish Government provided a renewed focus for the Enterprise Network in Scotland. However, the support provided to SIE continues to meet the objectives of this strategy.

In particular one of the key priorities of the strategy is to provide a supportive business environment. The challenge for Government has been identified as creating the best possible environment for competitive businesses, entrepreneurship and innovation to flourish. To address this, a range of policies and approaches have been identified. Of these, the following are those that the Student Entrepreneurship and Regional Support programmes will contribute towards:

- ensuring responsive, accessible and joined-up business development services;
- removing the barriers to innovation and incentivising activity; and
- recognising and promoting the key role of Scotland’s universities and colleges as world-class assets in further developing our science base, other key sectors and the wider economy.

SE Business Plan 2008-2011

The SE Business Plan is structured around three areas; enterprise, innovation and investment. The programmes will potentially fit with a number of objectives within two of these areas:

- enterprise
 - help those businesses with potential to make a significant positive impact on the Scottish economy to realise their growth potential
 - increase the impact and speed to market of high growth start-ups; and
 - help to develop new business models, products and services to make a better connection between our academic research base and companies that benefit from innovative technology;

- innovation
 - support a culture of continuous innovation.

SIE's complementary nature with regard to the Business Plan remit is also highlighted by the Plan's commitment that Scottish Enterprise will work with growth companies, the Scottish Funding Council, higher education and other research organisations to help support a culture of continuous innovation and maximise Scotland's ability to compete internationally.

However, the key issue in the future is the extent of SE's remit for business start-ups. The focus identified in SE's Business plan is high growth start-ups with responsibility for Business Gateway now lying with the Local Authorities. However, SE have highlighted that there are currently discussions about providing support to companies that have 'prospects for growth'. The key consideration is whether this will also extend to start-ups. At present SE's definition for high growth start-ups are those that are capable of reaching market valuation of £5 million by the end of three years. The question is will the criteria for those that can be supported extend beyond this to include start-ups with the prospects for growth and if so what is the criteria that would be applied? This will determine whether the programmes will have a strategic fit with SE's activities.

Science for Scotland

The vision for the Science for Scotland strategic framework is a nation of world-class scientific achievement, a magnet for talent and for investment, a powerhouse of technology innovation and enterprise, increasing sustainable economic growth.

One of the tasks identified for Scottish Enterprise as part of this strategy is to work collaboratively with Government and its agencies to ensure that science and technology students are encouraged to develop entrepreneurial, business leadership and marketing skills.

2.3.3 Market Failure

Strategic fit in itself is not sufficient to justify intervention by public agencies. It is essential to identify gaps in provision and to understand why these gaps have come about. Market failure is the key to setting the strategic rationale for public sector intervention in any local economic development market.

The market failures that the programmes are addressing are:

- Information deficiencies: there are gaps in the student's knowledge which is preventing them from developing their ideas into sustainable businesses;
- Barriers to entry: at a time when the undergraduates' time tends to be heavily focused on their academic work the programmes provide support to them to progress their idea and pursue it after graduation; and

- Risk aversion: the programmes reduce the risks to developing an idea into a business at a time when opting for employment is less risky (particularly where students leave education with student debt).

Progress to date suggests that the programmes are helping to address market failure at the level of the individual. However, addressing market failure for the wider market will take longer to achieve, and cannot be achieved by these programmes in isolation, as it involves bringing about changes in the overall culture of entrepreneurship.

2.4 Delivery Structures

As **Figure 2.2** highlighted, the introduction of the two Programmes allowed SIE to provide a more overarching support service to potential student entrepreneurs with support being provided across the life cycle of the business from initial idea through to business start and future growth. Some key points regarding delivery of the two programmes are discussed below.

2.4.1 Regional Support Programme

Although four RBAs were initially employed, circumstances resulted in the RBA for Central, Fife and Tayside leaving his post in June 2008 when his contract expired. Rather than employing a replacement, the remaining three RBAs covered the area between them, with the RBA for the East taking responsibility for Stirling and Perth, and the North RBA covering Dundee, Abertay and St Andrews.

The introduction of the RBAs highlighted the varying degrees of enterprise support provision in each Higher Education Institute.

RBA observations were that there was a distinct variation not only within their areas but also between the different areas. For example, the RBA's have noted that the HEI with the most developed enterprise support infrastructure in the North East is still some way behind the main HEIs in the Central Belt.

This is an issue to take into consideration with regard to future resource provision.

Gaining an understanding of the services within each HEI and also building relationships with university staff and other support providers in their area, took a longer time than initially anticipated.

This "lag phase" has affected the timing of outputs achieved by the programme to date. However, the programme is benefiting from the knowledge and links established during this initial phase and the number of outputs achieved has increased during the second year (discussed later in Section 2.6).



2.4.2 Student Entrepreneurship Programme

Discussions with SIE highlighted the fact that both the Bootcamp and Podcasting elements of the Student Entrepreneurship Programme were developed and subsequently delivered with the aim of progressing towards self sustainability (although there are challenges to overcome to achieve this).

SIE plan to further investigate the potential for franchising the bootcamp idea out to other countries as a means of self financing the Scottish programme once SE funding ceases. Countries already showing interest include the US, India, Chile, Puerto Rico, Ireland, Latvia, Wales and England.

With regard to the Podcasting, this was launched in March 2008 with a target of 3,500 video viewings over the two year period. As of October 2008, video viewings sat at 7,900. Again, in an attempt to become self sustaining, the first paying content providers have recently been sourced.

Both of these initiatives highlight the potential self sustaining nature of the Student Entrepreneurship Programme and highlight the role of SE funding as a pump-priming exercise for the Programme.

2.4.3 Changes to existing services

With the introduction of the RBAs a number of changes were also made to existing SIE services.

National Business Plan Competition

The Business Plan Competition was redesigned as it was felt that many of the business plans submitted were not necessarily of a strong enough nature to be taken forward. For instance in a number of cases students were submitting business plans that they had produced as part of their university course. This did not necessarily mean they were of a commercially viable nature.

The competition was subsequently split into two separate areas – Ideas and Ventures – with the latter being those considered to have greater commercial viability. This allowed them to tailor different support to the two groups e.g. ideas – pitch coaching, ventures – residential academy.

Patent Fund

The patent fund was restructured to provide greater commercial focus with the role of the patent fund committee being undertaken by the RBAs. Furthermore, as a condition of funding, 50% had to be provided by the student, unlike previously when the entire 100% was met by SIE. Not only did this test the determination and commitment of the students, it also meant that only patents for products that were likely to be commercially viable were taken forward.

As is highlighted later in the report when targets for patents considered are discussed, this change to the Patent Fund was not detrimental to the demand for patent support. Although the level of patents lodged is below target.

2.5 Targets

Table 2.2 reports the programme targets set out in the Project Approval Paper from August 2006.

Table 2.2: Programme Targets (2006-2009)				
Target	2006/07	2007/08	2008/09	Total
No. of patents considered	25	35	45	105
No. of patents lodged	15	20	25	60
No. of students receiving first point of contact business development support	400	550	750	1,700
No. of entries in National Business Plan competition	600	1,000	1,500	3,100
Number of students participating in local and national Business Plan Training Workshops	580	750	970	2,300
Students referred to Business Gateway / SE / Fresh Talent	200	275	375	850
Students that have engaged with SIE activities that go on to receive Enterprise Fellowships or SMART Awards	20	25	30	75
Number of student businesses started (Gross)	20	35	50	140*

*Includes a further 35 business starts that are expected to occur in 2009/10.

Subsequent to this two additional targets were added:

- students referred to SMART Awards/Enterprise fellowships; and
- number of student businesses started with £67,000 in funding and/or turnover.

One of the targets was redefined to:

- number of student businesses started with a high EDI score.

In order to identify this SIE introduced a range of Enterprise Development Indicators (EDI's) to gauge the likelihood of the business growth. In total there were seven EDI's:

- registered or incorporated company;
- product or service developed;

- active marketing;
- intellectual property progression;
- commercial partners;
- £5000 income or spend; and
- facility.

Businesses with three or more of these already in place (classed as High EDI scores) were subsequently selected for mentoring and assistance. Where individuals had less than three of these indicators, they were directed to other forms of support (e.g. Business Gateway, PSYBT) to enable them to achieve these indicators. They were then encouraged to re-approach SIE for support. This had a two-fold effect:

- by directing individuals to other support mechanisms, this stopped the RBAs duplicating support available elsewhere, allowing them to focus on more appropriate areas; and
- by asking individuals to go elsewhere and work further on their project it tests their commitment to actually taking their project forward.

As **Table 2.2** shows, annual targets were expected to grow as awareness of the SIE support grew. Overall, the key target was to encourage 140 students to start their own business between 2006 and 2010.

2.6 Performance

2.6.1 Performance against Targets

Performance figures have been taken from the monthly reports produced by SIE, up until September 2008 (the first two years of the programme). **Table 2.3** reports progress towards targets during the periods 2006/07 and 2007/08.

Table 2.3: Programme Targets				
Target	2006/07	% Target Achieved	2007/08	% Target Achieved
No. of patents considered	30	120%	36	103%
No. of patents lodged	6	40%	9	45%
No. of students receiving first point of contact business development support	255	64%	819	149%
No. of entries in National Business Plan competition	536	89%	588	59%
Number of students participating in local and national Business Plan Training Workshops	334	58%	1,767	236%
Students referred to Business Gateway / SE / Fresh Talent	123	62%	322	117%
Students referred to SMART Awards / Enterprise Fellowships	109	545%	119	476%
Referred students that receive SMART Awards / Enterprise Fellowships	0	0%	0	0%
Number of student businesses started with High EDI score	16	80%	64	183%
Number of student businesses started with £67,000 in funding or turnover and/or VAT Registered.	7	20%	18	51%

Progress towards targets in the first year was affected by both the staggered start of the RBAs and also the longer than anticipated "lag phase" when RBAs were building networks, gaining an understanding of HEI enterprise provision and also promoting the project.

Results for 2007/08 show that the RBAs are now exceeding the following targets:

- referrals to Business Gateway;
- first point of contact;
- business planning workshops; and
- high EDI score firms.

Targets for patents considered and students referred to SMART awards are also exceeded, although actual achievement of these awards or patents still remains below target.

Discussions with the Chief Executive of SIE and the three current RBAs also highlighted a number of issues that must be taken into consideration when analysing the progress towards targets.



SMART Awards

As yet, no students have received SMART Awards/Enterprise Fellowships, despite 228 students being referred. The need to concentrate on final exams means that SMART awards are not considered until after graduation.

There is also the issue that given the timescale for application, these may not occur within the 12 months post-graduation time frame that RBAs are allowed to work with graduates.

Finally it was also highlighted that the majority of RBA clients were not in technical areas of science and technology and therefore less likely to go for SMART award funding.

For these reasons, the target for SMART awards within the twelve months after graduation is difficult to achieve. However, this may simply be a monitoring issue i.e. SIE will need to follow up with companies applying for SMART awards after the twelve months to find out if they were successful. This can then be claimed as an output against the project.

2.6.2 Regional Performance

The differences in the level and quality of enterprise support in each of the areas are more evident when progress towards targets is analysed at a regional level as in **Table 2.4**.

Table 2.4: Regional Progress Against Targets (Oct 07 – Sept 08)					
	West	Central, Fife, & Tayside	East	North	Total
No. of patents considered	24	0	8	4	36
No. of patents lodged	7	0	2	0	9
No. of students receiving first point of contact business development support	312	149	133	225	819
No. of entries in National Business Plan competition	202	119	61	206	588
Number of students participating in local and national Business Plan Training Workshops	512	336	189	730	1767
Students referred to Business Gateway / SE / Fresh Talent	143	72	64	43	322
Students referred to SMART Awards / Enterprise Fellowships	49	46	24	0	119
Referred students that receive SMART Awards / Enterprise Fellowships	0	0	0	0	0
Number of student businesses started with High EDI score	22	12	27	1	64
Number of student businesses started with £67,000 in funding or turnover and/or VAT Registered.	10	1	6	1	18

Note: Central, Fife, Tayside and Perth results are complete until end of June 2008. After this they were incorporated into results for the North and East.

Despite the North having the largest number of students participating in business plan training workshops and entries into the national business plan competition, only one High EDI scoring business was started up in the North.

In the East there were 27 high EDI business starts in 2007/08 and 22 in the West. These figures suggest that whilst those in the North are engaging in the earlier parts of the programmes this is not yet filtering through into the business start-up stage. Discussion with SIE has highlighted that the level of support provided at HEIs in the North is less than in other areas such as the West and East. Therefore, it is taking longer to establish the level of support required to boost the number of star-ups in the North.

2.6.3 Gross Outputs

Table 2.5 reports pre-RBA and post-RBA gross outputs i.e. pre and post the regional Support Programme across a number of indicators.

Table 2.5: Pre and Post RBAs						
	Academic Year	No. of BPC entrants	No. of Companies formed	No. of High EDI firms	Number of VAT registered/ > £67k income firms	Minimum number of staff
Pre-RBAs	2005	447	13	7	2	13
	2006	470	10	8	2	10
	Total	917	23	15	4	23
Post - RBAs	2007	533	51	16	4	54.5
	2008	588	98	64	18	145
	Total	1,121	149	80	22	199.5
	Academic Year	Cumulative Income (£)	Grants (£)	Private Equity / Loans	Total Finance Raised (£)	
Pre-RBAs	2005	25,220	130,000	0	155,220	
	2006	595,444	194,821	0	790,265	
	Total	620,664	324,821	0	945,485	
Post - RBAs	2007	1,537,870	178,544	84,000	1,716,414	
	2008	365,250	285,800	351,300	1,002,350	
	Total	1,903,120	464,344	435,300	2,718,764	

Post RBA this includes £70,000 provided through the Patent Fund (which is funded by SE) and a further £45,000 in additional SE grants secured by companies from SE

All of the indicators have increased since introduction of the regional support programme but what is particularly encouraging is the increase in the number of businesses formed and employment levels. Also the level of investment by Scottish Enterprise at £343,000 is a ratio of 1:5.5 to income (£1,903,120) and 1:8 for total income/finance raised (£2,718,764).

Pre the RBAs the average level of employment was one per business the level in 2008 was 1.5. Also this is at an early stage for the 2008 businesses so a more appropriate comparator would be three years after starting (as is the case with the 2005 businesses). Therefore, further growth in these businesses is not yet captured here. However, when considered together with the level of private equity/loans now being secured it would at least suggest that a number of these businesses have ambitions for growth. Also if for illustrative purposes the 18 VAT registered companies were to achieve a minimum of £67,000 this would equate to £1.2 million. When combined with the £1.5m from companies supported in 2007 this would give a total of £2.7m in turnover.

Caution should be exercised when comparing the income figures. The table shows the level of income secured to date by companies formed in their respective years, so those formed earlier have had longer to grow.



A target has been set for the number of companies reaching the VAT threshold of £67,000. However, the VAT threshold is pretty low so there is a requirement for an indicator that measures ambitions beyond this. A figure for the target level of sales say after three years should be introduced. This would ensure that the focus of support is on those with a minimum level of ambition. This links to the earlier point about SE ability to fund the programme in the future.

2.6.4 Equity, Equality and Priority Industries

The programmes do not have targets or a requirement to monitor in terms of equity or priority industries. The decision to provide support is based on the strength of the business idea and the willingness and motivation of the individual(s) to make it a success.

3. Consultation Findings

3.1 Introduction

In this Chapter we report the findings from detailed discussions with:

- SIE staff including the Chief Executive and three current RBAs;
- Chairman of the SIE Board; and
- SE personnel.

3.2 SIE

3.2.1 Introduction

This section reports the findings from a consultation meeting with the Chief Executive of SIE and the three RBAs.

3.2.2 Rationale for Programmes

Whilst SIE and other HEI enterprise activities were successful at stimulating ideas, there was a distinct fall-off in subsequent business creation. Thus the need for the Regional Support Programme, to develop more of the ideas into successful businesses.

Prior to the Regional Support Programme, SIE had focused on the business idea and planning through activities such as the business plan competition. However, this was not stimulating a large number of businesses being established, with limited start up support being provided.

It was also felt that Scotland was potentially losing valuable intellectual assets by not encouraging patent filing by some of its most talented people. There were also seen to be distinct gaps and variable coverage of support for student enterprise across the HEIs with a small number of HEIs accounting for the overwhelming percentage of student business starts. The Regional Support Programme is seen as away to progress towards more consistent support across the HEIs.

With regard to the Student Entrepreneurship Programme, this was developed to support the pipeline of ideas and improve on their quality. This would then allow the RBAs to concentrate their efforts on those ideas with the greatest potential for growth.

3.2.3 Market Failure

The SIE staff reported two perceived instances of market failure. The first of these was “information deficiency”. It was felt that students were unaware of the relevant information needed to successfully develop and implement their business ideas.

The second market failure was “risk aversion”. SIE felt that risk was high when students decided to pursue an enterprise project, particularly when current student debt is taken into consideration. By providing them with mentoring support throughout the different stages (initial idea through to business start) the RBAs were able to reduce the levels of risk involved in developing their idea into a business.

3.2.4 Monitoring

The staff at SIE reported gathering their monitoring data in a variety of ways. Initially, in terms of the targets set by SE such as numbers supported, contact made, patents considered etc this was gathered by each RBA and reported internally on a month by month basis. This data is then reported to SE on a quarterly basis.

In addition to the information reported by the RBAs towards SE targets, a variety of other information is gathered directly from the businesses supported such as income generated, grants/equity raised and number of employees. Although such data does not form part of the targets, it was felt that such data provided a stronger indication of the impact that the Regional Support Programme is having (as demonstrated earlier in Section 2.6.1). Similarly, the introduction of the EDI scoring system, was a useful indicator of the quality of business ideas being supported.

Whilst a number of the targets set are useful indicators of the success of SIE activity, they do not necessarily show the entire picture. Inclusion of targets regarding the aspirations of new businesses may provide a clearer indication of the success of the Programme.

3.2.5 Delivery Processes

Discussion with the RBAs highlighted the linkages between the two Programmes. The Student Entrepreneurship Programme was seen as bridging the gap between the enterprise education/awareness raising activities of SIE that are funded by the SFC and the work of the RBAs. Not only was it a useful tool for strengthening business ideas but also an effective filtering process so that RBAs were able to concentrate on those business ideas that demonstrated the greatest potential for success.

The introduction of the EDI scoring was also recognised by the RBAs as a useful means of highlighting individuals that would gain in certain instances from referral to other support services such as the Business Gateway. This was not necessarily seen as ending support for the idea. Instead, it was seen as a means of avoiding duplication of existing support.

In terms of delivery, developing an understanding of, and establishing relationships with, enterprise support within each HEI, as well as other support providers (e.g. PSYBT, Business Gateway, etc) has been important in avoiding duplication of support.

3.2.6 Strengths and Weaknesses

SIE staff identified a number of strengths with regard to the two programmes:

- the creation of the student entrepreneurship programme has helped to bridge the gap between enterprise education awareness raising activities and the actual business development support provided by the RBAs;
- this has helped to increase the number of ideas capable of progressing to businesses;
- by familiarising themselves with the other support on offer by the universities and other public sector agencies, the RBAs have been able to offer a more tailored support package to students that avoids duplication of the work of other organisations. ;
- furthermore, the regional support programme has been able to make successful links with other support programmes such as Business Gateway and PSYBT so that students are receiving the best possible support;
- the good working relationships with the universities and other support agencies. (For example, Kevin Burd of Burdica became aware of SIE through the Moffat Centre at Napier University – see case studies in appendix A);
- the projects within the student entrepreneurship programme are not only innovative new ways of engaging with individuals but in the case of the podcasting and bootcamp having been structured with the aim of becoming self sustainable (although a number of challenges are still evident at this time); and
- the introduction of EDIs has allowed for greater emphasis of RBA time on business ideas that are more likely to be sustainable in the long term. This is also supported by the redevelopment of the business plan competition into two separate competitions.

In terms of weaknesses, the two main areas highlighted by SIE were that:

- the SMART awards target was unsuitable. The majority of RBA clients are not in technical areas of science and technology and SMART awards take a long time to achieve so are difficult to achieve within the first 12 months after graduation; and
- support from the RBAs must end after 12 months of graduating, even though the business could be in a position whereby

continuing support from the RBAs for a longer period would result in far greater outputs.

A number of other issues were also highlighted. Although not weaknesses of the programme, they should be taken into consideration when considering potential future changes to the programmes.

The first of these is that it took longer than anticipated for the RBAs to familiarise themselves with the different support mechanisms in place at the different universities. There are also varying levels of support available across the universities.

Furthermore, these varying levels of support, alongside the fact that enterprise awareness raising and support was more integrated in some universities than others has led to certain areas/universities dominating the number of business ideas supported. This will raise issues for the future, and more emphasis may need to be placed on supporting graduates at universities where representation is currently lower.

3.2.7 [Future Developments](#)

As mentioned earlier in the report, SIE are currently looking at ways in which to make a number of their activities self sustaining. This will allow them to continue the projects within the student entrepreneurship programme.

With regard to the regional support programme, three developments were highlighted by SIE as required for the future. The first of these is a revision of the indicators to more appropriately reflect the activities the RBAs are undertaking.

Secondly, it was felt by SIE that a more robust CRM system would allow for such monitoring and reporting to be undertaken in a faster, more concise way, by the RBAs.

Thirdly, it was suggested that the time period for support be extended to two years after graduation to allow the RBAs to help fully develop the potential of the business ideas they are supporting.

3.3 [Chairman of SIE Board](#)

3.3.1 [Introduction](#)

This section reports on the findings from the consultation with the Chairman of the SIE Board.

3.3.2 [Aims and Objectives](#)

The aims of the programmes are broadly twofold: to increase the level of interest in and understanding of entrepreneurship; and to support those with good ideas to develop a business.

Not all students that engage will develop businesses. However, it does provide them with a clearer perspective and knowledge of how business' operate and skills around developing business ideas, business plans, etc.

3.3.3 Fit with the Aims/Objectives of the University Sector

The aims of the programmes fit strongly with those of the university sector where it is recognised that support can help to stimulate more business ideas. In addition, it fits with their aim of developing a stronger entrepreneurial culture.

3.3.4 Strengths and Weaknesses

The strengths of the programme were identified as:

- that SIE staff have established good working relationships with university staff that are also involved in entrepreneurial activity;
- the quality of the SIE staff (*"the key strength of the programme is the high standard of assistance provided"*, Kevin Burd, Burdica);
- the support complements rather than duplicates existing provision;
- SIE have generated a lot of interest from students;
- they have introduced some new innovative ways to engage students such as Bootcamp; and
- SIE provides a strong link between enterprise education and business development rather than them operating separately.

No specific weaknesses were identified at this time, rather it was felt that issues had been dealt with as they arose and the delivery approach had developed over time.

3.3.5 Future Developments

He feels that the programme should continue in the future as they have an important role to play in supporting the twin aims of developing an entrepreneurial culture and developing new businesses.

He feels that the strong link between the enterprise education and business development components of the support is very important. He would not wish to see these delivered separately as it would alter the effectiveness of each.

It was suggested that the programme should still operate at a similar level. Any proposals to increase the size of the programmes would need to be based on evidence of increased need and outcomes from the programmes.

3.4 Scottish Enterprise

3.4.1 Introduction

This Section reports the findings from consultations with four Scottish Enterprise personnel.

3.4.2 Aims and Objectives

Discussions with SE highlighted that the focus of these programmes was on business development, not enterprise education/awareness raising. The objective of both the regional support and student entrepreneurship programmes was to stimulate business start-ups within a part of the market that had proved difficult in the past.

3.4.3 Rationale for Programmes

The rationale for intervention identified by Scottish Enterprise was to combat the market failure of “information deficiency”. Although universities in Scotland were producing students with ideas, many of these individuals lacked the business knowledge to develop their idea.

Strategically, SE’s focus has shifted from the volume end of the market to a focus on high growth businesses with the potential for substantial wealth and job creation.

In the future it will be important that the support provided is targeted at high growth start-ups.

Furthermore the RBAs allow for greater collaboration and interaction between academia and enterprise, which is also an area the Scottish Government wish to strengthen.

3.4.4 Delivery Processes

The work of the RBAs was regarded as successfully linking with the enterprise services already provided by the universities and other agencies such as PSYBT and Business Gateway.

3.4.5 Strengths and Weaknesses

Personnel from SE highlighted a number of perceived strengths in the programmes. These included:

- the close alignment that the RBAs had with other support providers such as Business Gateway and PSYBT. It was noted that no real duplication appeared evident, and instead, the work of the RBAs was felt to complement these other services;

- innovative ways have been developed to engage with the undergraduates e.g. podcasting and bootcamp (*"the bootcamp was fantastic and really helped to further develop my idea"*, Alex Burton , Ecommo.com);
- anecdotal feedback from the universities regarding RBAs has been very positive; and
- the introduction of the RBAs is helping to support a culture change, especially in the universities themselves, to promote the benefits of enterprise and entrepreneurship. However, it is recognised that such a culture change is a long term aspiration.

Some weaknesses were also identified by SE staff:

- the fact that the RBAs were on fixed term contracts; and
- it was felt that the advisory group could play a more active role. In particular it was felt that the universities attendance had become less over time and increased engagement could be beneficial, especially with regard to future plans.

3.4.6 Future Developments

It was felt that a number of changes were needed for the future of the programmes.

In terms of monitoring, a need for more adequate indicators was identified by SE so that reporting would clearly reflect the level of outputs that the RBAs were generating, thereby supporting the rationale for SE involvement i.e. the creation of high growth businesses.

The issue of support only being provided for 12 months after graduation was also raised. While it was recognised that further support could be beneficial to some businesses it was felt that it was not necessarily appropriate for all businesses and that if an extension in the length of support was provided this should be assessed on a project by project basis.

Finally, it was recognised that there was a need for greater interaction between the advisory group and SIE.

4. Conclusions and Recommendations

4.1 Introduction

This Chapter provides conclusions for the study grouped around the objectives. It also provides recommendations in terms of the future of the programme.

4.2 Strategic Rationale and Market Failure

The Programmes were developed under a different framework for the delivery of economic development services in Scotland than now operates. However, review of the project against the Government Economic Strategy shows the strategic fit for the programmes remain valid. Indeed, the Programmes have a strong fit with the key aim of creating the best possible environment for competitive businesses, entrepreneurship and innovation to flourish.

The same would be true of SE's Business Plan depending on the extent of their remit in terms of supporting start-up companies in the future. At present SE's definition for high growth start-ups are those that are capable of reaching market valuation of £5 million by the end of three years. The question is whether the criteria for those that can be supported extend beyond this to include start-ups with the prospects for growth and if so what is the criteria that would be applied? This will determine whether the programmes will have a strategic fit with SE's activities going forward.

The market failure rationales for the Programmes remain valid in terms of information deficiencies (lack of knowledge to develop an idea into a business), barriers to entry (lack of time due to studying to progress their idea) and risk aversion (unsure about developing a business when employment is a less risky option, particularly when students often leave education with debt).

The Programmes help to mitigate against these market failures by: providing advice and guidance on developing an idea into a sustainable business (information deficiencies); provide support to undergraduates to develop their idea whilst studying with the aim of developing it into a business once their exams are over (barriers to entry) and providing advice and guidance to reduce the risks associated with developing a business (risk aversion).

Progress to date suggests that the programmes are helping to address market failure at the level of the individual. However, addressing market failure within the wider market will take longer to achieve, and cannot be achieved by these programmes in isolation. A range of programme/projects and other influencing factors are required to bring about changes in the culture of entrepreneurship.

4.3 Management Data and Project Monitoring

SIE already report back to SE on the progress of the Programmes on a regular basis. The level of information provided extends beyond the targets that were originally set as part of the approval process, which provides further insight into the performance of the Programmes. This includes information on employment levels, income and finance raised. Indeed, these types of data should form part of the formal indicators going forward.

The timing of this review means that it is difficult to assess the ultimate impacts of the Programmes. To help address this, the other form of indicators that would be very useful to develop would relate to the growth ambitions of the start-ups. This would provide details on the level of turnover and employment that the start-up is aiming to achieve by the end of year 3. Whilst the actual impacts achieved would still need to be assessed at the time of the evaluation it would provide a clearer indication of the type of companies that the programme is supporting in the meantime.

4.4 Delivery Processes

SIE have already been refining their approach to the support provided. Examples include, introducing EDI criteria and splitting the Business Plan Competition into Ideas and Ventures. These act as filters in the process to narrow the initial ideas down into a set of individuals that can be supported into developing sustainable businesses.

Using indicators for turnover and employment SIE could segment the portfolio of companies being supported to identify those that are high growth or with prospects for growth (in effect an additional filter). This would be used to inform SE's future support for the Regional Support Programme. Depending on the criteria set by SE and the number of companies meeting the criteria, a range of options can be considered.

However, the link between the enterprise education and business development components of the support was seen as a particular strength of the programmes. Maintaining this link in the delivery process was considered important by all of the consultees. Therefore, it would seem appropriate for future support to be structured in such a way as to maintain this link.

In effect, aiming to develop the best environment for entrepreneurship and innovation to flourish combined with targeted support for business start ups, where appropriate.

A suggested change to the Regional Support Programme was to extend the time after graduation for which support can be provided to 2 years. However, it is felt that the existing boundary of 12 months should remain and that any extension should be considered on a case by case basis. This extension would be used where SIE were at a crucial point in the process of securing support for a company e.g. grant, private equity, etc. An extension could be agreed in order to conclude that particular activity.

However, outwith this it is appropriate for SIE to follow up with companies to gather information on performance for example finding out if SMART applications were successful.

Due to the varying levels of performance regionally there may be a need to provide greater support in some areas, notably the North, in order to develop ideas into businesses.

4.5 Project Benefits

Performance against target for the Regional Support programme shows that in 2006/07 many of the indicators were below target. However, this was due mainly to it taking longer for the RBAs to familiarise themselves and establish links with the existing support infrastructure in the universities. This led to a lag in the performance of the Programme. Analysis of performance in 2007/08 shows a large increase and a number of the indicators were ahead of target.

Comparison of pre and post the Regional Support Programme shows that there has been a large increase in the number of companies starting up. The level of investment by Scottish Enterprise at £343,000 is a ratio of 1:5.5 to income generated (£1,903,120) and 1:8 for total income/finance raised (£2,718,764), to date.

Pre the RBAs the average level of employment was one per business the level in 2008 was 1.5. However, this is at an early stage for the 2008 businesses so a more appropriate comparator would be three years after starting (as is the case with the 2005 businesses). Therefore, further growth in these businesses is not yet captured. However, when considered together with the level of private equity/loans now being secured it would at least suggest that a number of these businesses have ambitions for growth. (There are also examples from the two companies interviewed for case studies. For reasons of commercial confidentiality one other company chose not to have their case study included in the published review. Burdica and Ecommo.com are included in Appendix A.).

This Review is too early to be able to judge the ultimate impacts of the Programmes. Many of the companies are at an early stage in their development and therefore have limited turnover. However, we would recommend that SIE reviews its current portfolio in terms of the growth ambitions of the companies to provide segmentation. This will help to inform the scale and nature of future support from SE.

An indicator(s) that extend beyond VAT registration should be introduced, for example target level of sales and employment after three years.

4.6 Linkages with other Support

It took the RBAs longer than anticipated to familiarise themselves with the existing support infrastructure, particularly in the universities. However, they feel that taking the time to do this has been beneficial in identifying where their support is required and avoiding duplicating existing provision.

Importantly, the RBAs do not see their support as being provided in isolation. Rather, where appropriate, they refer individuals to other forms of support e.g. PSYBT, Business Gateway, etc (referrals to other agencies are now ahead of target).

4.7 Equity, Equality and Priority Industries

The programmes do not have targets or a requirement to monitor in terms of equity or priority industries. The decision to provide support is based on the strength of the business idea and the willingness and motivation of the individual(s) to make it a success. In the future, it would be appropriate to include equity and priority industries indicators so that these can be monitored over time. This may indicate that there is a need for action to encourage activity within certain areas i.e. certain priority industries or to stimulate greater engagement from certain types of individual. Any future funding approval will also require an Equality Impact Assessment to mitigate against any negative impacts in relation to equality. The segmentation process identified above could include an indicator on those in priority industries to provide a current profile.

4.8 Formal Evaluation

At this stage it is only possible to undertake a Strategic Review of the Programmes. There will still need to be a formal evaluation of the Programmes in order to assess their actual impacts. We recommend that this take place in September 2009.

Appendix A: Company Case Studies

<p>Company: Burdica Contact: Kevin Burd</p>	
Business Idea	It is a biotech company specialising in the medical device sector.
Initial Awareness of SIE	Initially, Kevin heard about the support of SIE through the Moffat Centre at Napier University. This led to entry into the business plan competition and a meeting with Peter Van Bruchen.
Support Received and Opinion on Quality	<p>Outside of the competition he met with Peter five times to discuss a range of issues including law and patents. He received great advice from Peter and was put in touch with a number of people such as a lawyer. He also received a great deal of useful feedback on his pitching technique.</p> <p>The learning programmes offered by SIE were reasonable, but the meetings with the RBAs were far more useful. This resulted in help in revising a patent application and helped to pay for a patent attorney. Successful patenting brought increased value to the business and aided him with securing £100,000 of seed funding.</p> <p>Overall the service was of a very high standard. Unlike other support programmes, there was a lot less 'hand-holding'. Instead support taught them how to achieve things themselves. There appears to be a lot more competition for support compared with other services, which results in stronger business ideas being considered and assisted.</p>
Impact of Support Received	<p>Have received seed funding and venture capital funding as a result of the support and the company now has the financial capacity to fully pursue their product idea.</p> <p>Although he would not have given up on his business idea if SIE assistance had not been available, the support of the RBAs allowed the project to be brought forward by between 9-12 months.</p> <p>£150,000 has now been invested and he envisages that within three years the company will be employing 5-10 individuals and be commanding sales of £5-10 million per annum. In terms of employment, this is likely to be out-sourced as the company idea is based on a virtual network to reduce fixed costs.</p>
Other Support	A number of other support programmes were accessed, including DTI; Scottish Development International;

	<p>Seed Funding; and an EPIS loan.</p> <p>None of these were felt to duplicate the support of SIE. SIE allowed the company to become investor ready with the early stage patent support being very important.</p>
Strengths of SIE	<p>The key strength of the programme is the high standard of the assistance provided. This coupled with the patent support; 1-to-1 mentoring feedback and the broad array of students involved in the programme make the SIE support of great value to potential entrepreneurs.</p>
Weaknesses of SIE	<p>The main weakness of the support is the level of bureaucracy involved. It was felt that there were too many metrics to be met in order to receive assistance.</p>
Improvements	<p>The main improvement suggested was to focus on the overall mindset and approach of individuals to entrepreneurship. He feels that there is a need to encourage a faster pace of development among potential entrepreneurs in the UK, to be able to compete in a global market. He thinks this could be achieved by encouraging individuals to develop linkages and networks with entrepreneurs in other countries, to understand their approach and pace of development.</p> <p>Overall though, SIE is switched on to the needs of entrepreneurs and the assistance was very worthwhile.</p>

<p>Company: Ecommo.com Contact: Alex Burton</p>	
Business Idea	<p>The idea is to create an e-commerce system that is available to small scale businesses. It was felt that the main problem was up-front capital costs (website development, etc) and Ecommo.com looks to overcome this by providing an e-commerce platform that is available with no up-front fees. Instead, payment is made through transaction fees.</p>
Initial Awareness of SIE	<p>Initially studying at RGU, he became aware of SIE through the Business Plan Competition. He won through to the Bootcamp and then subsequently at the Summit discussed an SIE internship which he went on to undertake.</p>
Support Received and Opinion on Quality	<p>Received a variety of support. The initial business plan competition helped with the plan and layout of the company. The bootcamp was fantastic and really helped to further develop the idea.</p> <p>A full range of specialist support was also provided by the RBAs covering areas such as targeting of markets and dealing with employees. The three RBAs having such different specialisations is extremely helpful, as together they are able to assist you with almost any question you might have.</p>
Impact of Support Received	<p>Really wouldn't be in the position he is now without SIE. Initially the support from activities such as the business plan competition gave him the "bug for enterprise". SIE providing an environment to discuss ideas led to the development of Ecommo.</p> <p>He is currently working (unpaid) in the business with one other who is working for an equity stake. The company also has a Business Angel. They are currently product testing and have ambitions to employ 30 people within three years.</p>
Other Support	<p>The company is currently being self funded. In addition to support provided by SIE he has been receiving support from a business angel.</p>
Strengths of SIE	<p>There are three main strengths of SIE. The first is the actual atmosphere it generates as this creates real drive and enthusiasm for enterprise. Second is the wide knowledge of the RBAs and the high quality assistance they can provide. The third is the large network that can be accessed through SIE. He has met many useful people and made a great number of key</p>

	contacts through SIE.
Weaknesses of SIE	<p>He feels that not enough people in universities encouraged to set up businesses or were aware of SIE.</p> <p>Sometimes the courses provided by SIE packed a lot into them and it may be a real shock, especially to individuals getting involved for the first time. However, he felt that that this was a good representation of how things are in the real world (so this may not necessarily be a weakness).</p>
Improvements	<p>The only main improvement suggested was to increase awareness of the programme in universities. It was felt that there was a need to get enterprise activities fully integrated into universities and have staff promoting the idea of entrepreneurship more widely.</p>