

Transformation for Growth

What We Will Do & Why It's Important

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Agenda

- ▶ Aston Business School (10 mins)
- ▶ Birmingham City Council (10 mins)
- ▶ Questions & Answers (5 mins)
- ▶ The Transformation for Growth Project is part-financed by the West Midlands European Regional Development Fund Programme (ERDF) 2007-2013. The total project value is £479,276.

Why is the Project Important?

- ▶ Explicit national government agenda
- ▶ Plan for Growth (2011) – programme of reforms
- ▶ The government has 4 aims to help the economy to grow:
 - ▶ to create the most competitive tax system in the G20
 - ▶ **to make the UK the best place in Europe to start, finance and grow a business**
 - ▶ to encourage investment and exports as a route to a more balanced economy
 - ▶ to create a more educated workforce that is the most flexible in Europe

National Picture & Role of SMEs

- ▶ Barry Naisbitt, Chief Economist, Santander:
 - ▶ Coventry & Warwickshire Chamber of Commerce's annual conference (4.10.13.)
 - ▶ 0.2% growth 2012, 0.3% Q1 2013 & 0.7% Q2 2013
- ▶ Black County Chamber of Commerce (3.10.13.):
 - ▶ SMEs account for 99.9% of the UK's 4.5 million businesses – a crucial engine for growth
 - ▶ £230 bn per yr spent on goods & services across the whole public sector, Government wants to help SMEs compete for & win this business

Evidence of Growth in West Midlands

▶ HMRC:

- ▶ Exports increased by 6.5% Q2 2013
- ▶ Highest growth of all English regions
- ▶ 18% increase in regional exports compared with the same quarter in 2012

▶ Birmingham Chamber of Commerce Group (BCCG):

- ▶ Exports rise by 15% Q2 2013, compared with the same quarter in 2012
- ▶ Region's leadership in engineering & manufacturing
- ▶ Fastest growing market for the region is Asia and Oceania, exports increasing by £429 million in the past yr

Transformation for Growth

- ▶ **Reality:** some SMEs need bespoke support
- ▶ **Funding:** ERDF via DCLG
- ▶ **Partnership:** Aston Business School & Birmingham City Council
- ▶ **Duration:** October 2013 → June 2015
- ▶ **People:** me (ABS), 2 x CHAMPS2 Team Members (BCC), Business Engagement Facilitator
- ▶ **Hiring:** 1.5 Team Members
- ▶ **Additional Resources:** access to Aston experts & networks – supporters speaking today



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Benefit to SMEs

Free Business Advice

- ▶ 70 (Expressions of Interest) → 50 (Assists) → 35 (Collaborations)
- ▶ Each SME: **27 Days:**
 - ▶ Review
 - ▶ Recommendations
 - ▶ Support
- ▶ Knowledge transfer to enable business changes in the future



2 Way Engagement

- ▶ Selection process – high potentials
- ▶ Commitment from SME to want to grow
- ▶ Work with us eg prepare short business case
- ▶ Co-production Model



Transformation for Growth

Birmingham City Council

Elena Martin
CHAMPS2 Team

Birmingham City Council

- ▶ Birmingham City Council has a strategic role for the Greater Birmingham area, working with the Local Enterprise Partnership (LEP) to develop collaborative solutions to common problems and establish an economic growth strategy for the city and region.
- ▶ The council recognises that supporting businesses and providing opportunities to develop is a priority for encouraging the region's economic growth.
- ▶ It is therefore committed to developing stronger partnership working with business, academia, the public sector and the community to grow jobs and businesses across the region.

Sharing Knowledge

- ▶ Birmingham City Council has experience in business change of varied scale and complexity:
 - ▶ Completing a large scale 10 year business transformation programme
 - ▶ Currently going through council wide service reviews
 - ▶ Participating in collaborative projects with public and private sector

Sharing Knowledge

- ▶ CHAMPS2 business change method has been developed by Birmingham City Council in order to:
 - ▶ Reduce the risk of business change
 - ▶ Use a common approach leading to repeatable success
 - ▶ Consider all aspects of business change
 - ▶ Approach change from the 'right' starting point, the 'right' sequence and the 'right' time
 - ▶ Provide best practice tools and examples
 - ▶ Minimise the cost and maximise the benefits of business change



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CHAMPS2 Method

- ▶ CHAMPS2 offers a structured path through business change:
 - ▶ Rethinking of principles the business operates on - starting from a blank page
 - ▶ Reviewing all aspects of operation: processes, organisation structure/people and technology
 - ▶ Ensuring sound justification for any investment required, such as new technology
 - ▶ Providing guidance through the whole process, prompting managers to ask themselves the right questions at the right time
 - ▶ Measuring the difference achieved at the end



Thank You For Listening

Next Steps – Contact Michael Via
info@thetransformationproject.co.uk

► Questions?



Help Us to Help You

- ▶ 7.00 – 7.15: Round table discussions
- ▶ From your experience:
 - ▶ What factors are driving SME growth?
 - ▶ What factors are hindering SME growth?
 - ▶ How can we help SMEs to grow?
- ▶ 7.15 – 7.25: Nominate 1 person to give feedback
- ▶ 7.25 – 7.30: Next steps – become a beneficiary or a collaborator on the project