

South West Region Business Link

Performance Report Quarter 4, 2008/09

1. Introduction

This report summarises the performance of the Business Link network in the South West during the year to March 2009 (Quarter 4, 08/09).

2. Business Link Customers

In the last 12 months 102,828 customers in the South West used Business Link Services, including 84,551 established businesses.

Of these, 8,200 customers received intensive assistance involving one-to-one support leading to an agreed plan of action to improve business turnover and productivity.

In addition, the network provided pre-start services to over 14,000 potential entrepreneurs.

South West Business Link customers

	Q4 2008/09 Actual	Target
Existing businesses	84,551	80,054
Start-ups	4,094	4,411
Pre-starts	14,183	13,408
All Customers	102,828	97,73
<i>Of Which, Intensively Assisted Businesses</i>	6,994	6,397
<i>Intensively Assisted Pre-starts</i>	1,204	780

BL MIR returns Q2 08/09. Rolling four quarter data

South West Business Link performance continues to be strong, with overall Penetration and Intensive Assistance levels above target. Customer satisfaction (88%) remains slightly below target (91%) due to a rise in the number of 'neither satisfied nor dissatisfied' customers, rather a rise in active dissatisfaction. Business Link remains in a good position to support the South West's SMEs through the recession and to plan for future growth.

Comments

Existing Business

Concern caused by the recession has led to a 20% rise in telephone enquiries in quarter 4 of 2008/09. A significant increase in financial enquiries and increases in marketing, sales, legal, strategy and planning queries contributed to this. More recently queries have shifted from concerns around managing finances to those around raising finance and legal issues relating to handling bad debt and late payments.

The number of companies informing Business Link that they had already made or were contemplating making redundancies or were reducing working hours doubled between Quarters 3 and 4.

There was a significant increase in referrals to Train to Gain during Quarter 4, due in part a targeted tele-marketing campaign. There was a notable increase in the number of referrals for the health and social care sector.

Pre-Starts & Start-ups

Start-up performance fell just short of target, after a significant turnaround mid year to address poor performance in this area. Specific reasons for the improved performance are:

- Higher pre-start activity, particularly Business Awareness sessions where attendance has increased by 88%, plus a more effective follow-up activity by the customer liaison staff.
- Recent strengthening of the Start-Up team both in knowledge, process control and actual staff numbers.
- Increased number of enquiries from people who have been made redundant – as people are struggling to find a new job they are looking to self employment as an option.
- Improved partnership working with organisations such as A4e, Colleges and Job Centre Plus.
- Additional start-up courses and more money spent on advertising.

While deteriorating economic conditions are likely to generally discourage people from starting new businesses, this impact is unpredictable, as people being made redundant do look to start businesses as an alternative to employment. The number of queries from individuals who had been made redundant doubled between Quarter 3 and Quarter 4 of 2008/9, with large numbers considering setting up lifestyle businesses.

Business Link is seeing the benefits of recent increased work with the education sector. Work will continue on linking up with HE and FE students and increasing the profile of enterprise and entrepreneurship in line with Government policy.

Economic conditions, such as reduced availability of finance, are likely to have dampened rates of conversion from 'Pre-start' to 'Start-up', contributing to performance being below target for this target.

Social Enterprise

1,108 Social Enterprises were supported during 2008/09, with 133 receiving an Intensive Assist. The majority were either pre-starts or established businesses, with few in the start-up phase. Difficulties remain around identifying and defining exactly what a social enterprise for all concerned, often including the enterprises themselves.

Intensive Assistance

Quarter 4 showed an increase in performance in this area, with annual targets for the provision of Intensive Assistance to both established businesses and Pre-starts both being comfortably exceeded.

The recession has contributed to this performance, with businesses coming to the service for support. It should however be noted that a growing number, approx 20%, of the businesses receiving an Intensive Assist are forecasting a GVA decrease for their business.

In addition to the recession, staff recruitment exercises with teams at full strength, marketing campaigns, improved telesales and a successful start-up seminar programme have all contributed to this performance.

Customer Satisfaction

Despite a 0.8% rise in customer satisfaction in the last quarter, performance is below target this remains an area of focus for improvement. Action plans have been put in place and discussed in detail with Business Link Providers. These Action Plans include:

Training on;

- expectation setting
- writing "brilliant" Business Support Plans and the diagnostic process
- finance training

Coaching on;

- penetrating diagnosis
- pre-meeting work and follow-ups
- clarifying processes

Putting more resource into service recovery, i.e. targeting and supporting 'indifferent' clients or those raising issues through feedback. Beating the drum on quality and making a difference.