

free

Fostering Return to Employment through
Entrepreneurship, Innovation and Creativity

WP3 Needs Analysis

Needs Analysis Report

Castlereagh Enterprises Ltd



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www.spi.pt/free

1. Introduction

The recent global financial crisis has triggered a massive contraction in the economies of many European countries – thousands of businesses have been forced to close and millions of workers have found themselves redundant. Older workers (many with few recognised qualifications and who have been engaged in the same activity for many years) and the young (who have little or no work experience) face particular difficulties in finding a new job.

The creation and development of new enterprises is of crucial importance in sustaining the health of any market economy. Advisors, trainers and other professionals that provide business start guidance to unemployed people should be adequately trained and have access to any relevant resources tools that will assist them in providing this support.

The Leonardo da Vinci Project FREE (Fostering Return to Employment through Entrepreneurship, innovation and creativity) will develop an online resource for use by professionals working with unemployed people. Our intention is that it will enable these professionals to enhance their hard skills (knowledge of issues relevant to entrepreneurship, creativity and innovation) as well as their soft skill set (relevant personal characteristics). FREE will involve the adaptation of existing materials and their integration into a single interactive multilingual web-based tool.

The consortium that will develop FREE is composed of 6 institutions from 5 countries, all of these organisations have experience in the implementation of EU funded projects and will add value to the project.

2. Project Partners

Sociedade Portuguesa de Inovação (Coordinator)
Porto, Portugal
www.spi.pt

Castlereagh Enterprises Ltd
Belfast, United Kingdom
[http:// www.castlereagh.com](http://www.castlereagh.com)

European Distance & E-learning Network
Milton Keynes, United Kingdom
www.eden-online.org

Hellenic Regional Development Centre
Patra, Greece
<http://www.hrdc.org.gr/>

National Training Fund
Prague, Czech Republic
<http://www.nvf.cz/spps>

XXI Inveslan
Bilbao, Spain
<http://www.inveslan.com>

3. Terms of Reference

All partners (except EDEN) actively participated in the development of this report by undertaking questionnaires with representatives of the target group (advisors and other professionals working with the unemployed) and the beneficiaries (unemployed people interested in starting a business). Both of these needs analysis questionnaires were devised by leader of Work Package 3 (Castlereagh Enterprises Ltd).

The partners were asked to sample between 15 and 30 respondents in both the target group and beneficiary categories. Since the support systems available to the unemployed and the provision of business start advice differ from country to country each partner was asked to use their local knowledge to choose the most appropriate respondents.

Partners were encouraged to sample professionals working with the unemployed in a client-facing role as these were best able to reflect the real needs of our target group. With regards the beneficiary group the partners were instructed to question those who were unemployed and interested in starting a business or those who have recently become self employed who were previously out of work.

Partners were not asked to collate any data from the completed questionnaires. Partners were asked to email each completed questionnaire as an email attachment in MS Word format to the WP leader so that the data could be analysed and this report drafted.

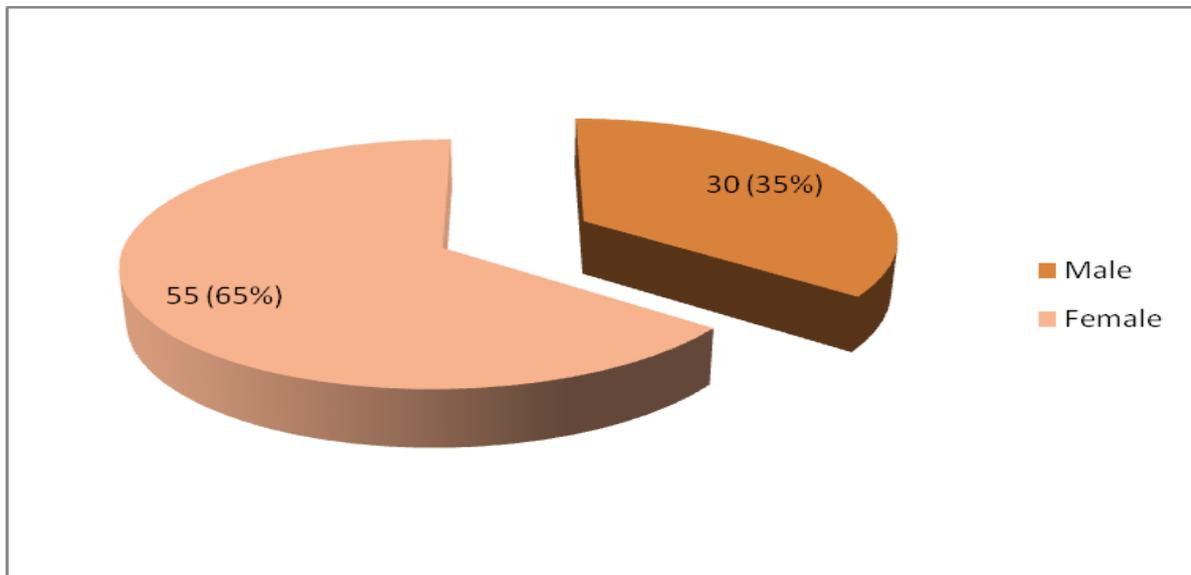
4. Analysis of the Target Group Sample

4.1 Q.1 Job Title

The partners sampled a diverse range of professionals who work with unemployed – 85 individuals responded including Business Advisors, Training Co-ordinators & Trainers, Unemployment Advisors, Employment Counsellors, Economic Development Officers, Careers Advisors and Recruitment Consultants.

4.2 Q.2 Sex

Graphic 1 - Sex

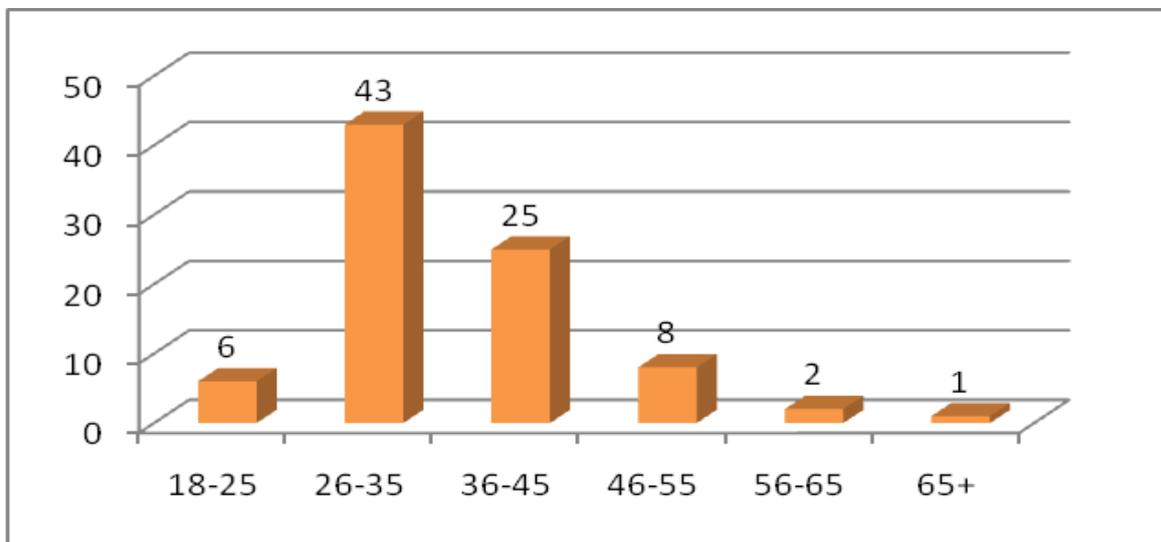


Of the professionals questioned 65% were female, this might support an assumption that the provision of support services to the unemployed and the business advice sector is increasingly female-dominated. Of the 5 partners involved only HRDC (Greece) undertook more questionnaires with male respondents than with female.

4.3 Q.3 Age

The professionals questioned tended to be relatively young; more than half of the total number of respondents were in the 26-35 age group whilst 87% were less than 46 years.

Graphic 2- Age

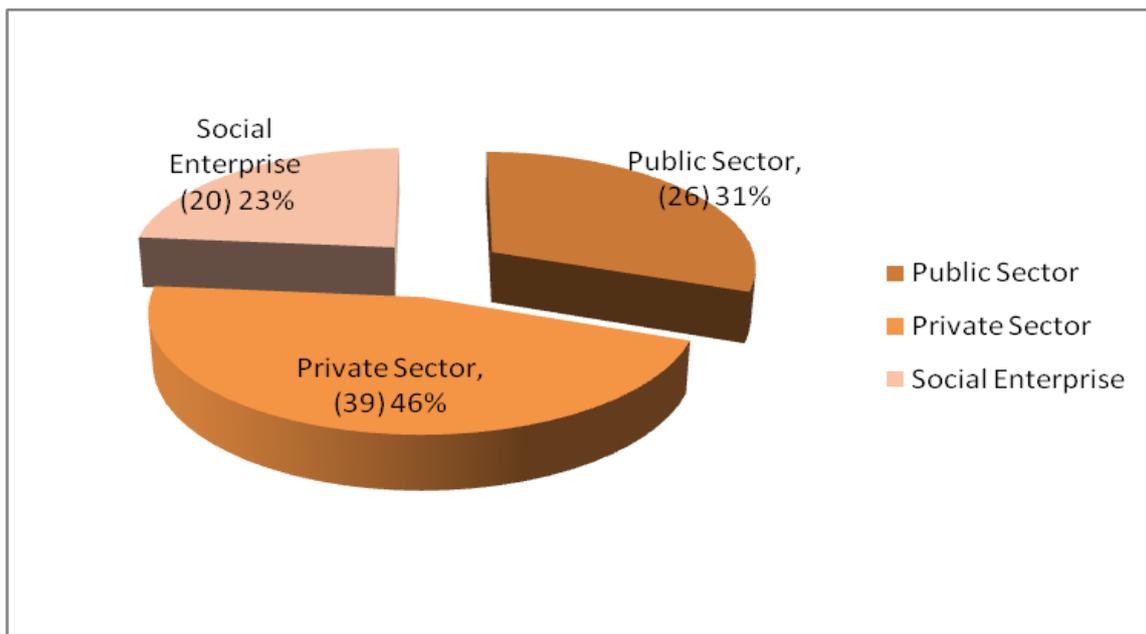


4.4 Q.4 Nationality

All the respondents described their nationality as indigenous to the particular country in which the questionnaires were undertaken.

4.5 Q.5 Type of Organisation

Graphic 3 – Type of Organization



The types of organisation which the respondents work for reflects National differences in terms of how business support and guidance for the unemployed are delivered across the partner countries. It is also evident that the partners tended to sample individuals from the same or similar types of organisations as themselves thus SPI in Portugal which is a private sector enterprise tended to select private sector employees whereas the social enterprise CEL in the UK mainly questioned employees from other social economy businesses. This was to be expected, as it is likely that the partners selected colleagues and contacts from their own professional networks to undertake the questionnaire with.

4.6 Q.6 Organisation Description

The respondents were selected from a wide range of organisations including Local Enterprise Agencies, Private Consultancy Firms, Colleges, Charities, Job Centres, Counselling Agencies, Universities, Training Providers, Business Associations, Business Incubators, Advice Centres, Recruitment Agencies, Chambers of Commerce,

Local Government and self employed professionals. The varied nature of these organisations ensures a broad and representative sample of those assisting the unemployed in the areas of enterprise, creativity and innovation.

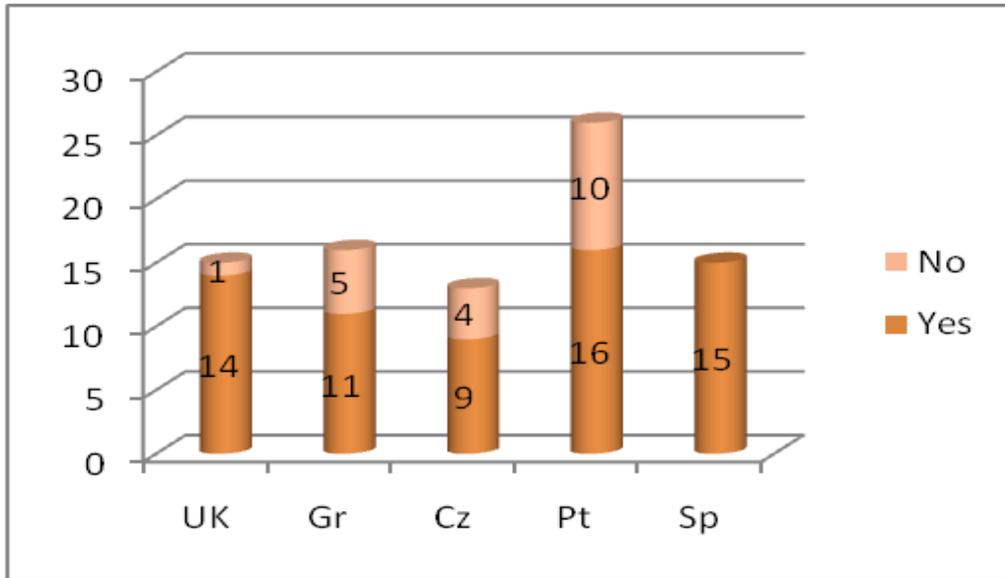
4.7 Q.7 Are your services available to all unemployed people?

The intention behind this question was to find out what eligibility criteria (if any) are applied restricting participation to the services being delivered by the various organisations. Unsurprisingly, ‘eligibility rules’ were observed across the five countries usually defined by the mission of the organisation or the particular initiative that the respondent was engaged in delivering e.g.

- In the UK the support provided by The Princes Trust is restricted to those <30 years old and the ‘Steps to Work’ programme is only available to those who have been in receipt of ‘Job Seekers Allowance’ (a Social Security Benefit) for more than 6 months.
- In Greece some employees of a University were questioned – their services are only available to students & graduates of that University
- In the Czech Republic eligibility for some programmes is at the discretion of the Labour Office, again University based services are restricted to students & graduates
- In Portugal due to the demands of funding bodies some training programmes are restricted to participants with low skills / poor education or to residents of a particular area or by participants’ age. Additionally, the Project Manager of a Business Incubator revealed that the only projects displaying high levels of innovation and strong technological focus are eligible for support – participation in initiatives provided by Universities may depend upon the candidates’ ‘entrepreneurial attitude’ and subjects previously studied.

On reflection we should also have asked if the services were funded and thus provided free of charge to unemployed participants.

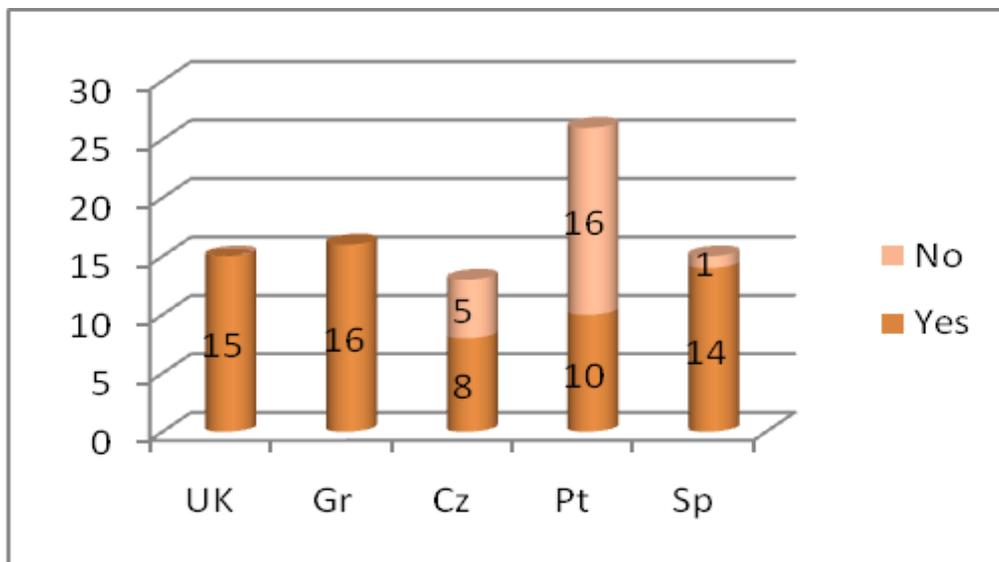
Graphic 4 – Are your services available to all unemployed people?



4.8 Q.8 Do you work directly with the unemployed in an advisory capacity?

Since the support systems for business start and unemployment vary from country to country it was essential that partners utilised their local knowledge to choose the most appropriate questionnaire respondents. The partners were encouraged to seek out advisors that work in a 'face to face' capacity assisting unemployed people to start a business.

Graphic 5 – Do you work directly with the unemployed in an advisory capacity?



72% of those questioned work in an advisory capacity directly with the unemployed. Only Portugal returned questionnaires from a population in which the majority do not perform a client-facing advisory role with the unemployed. This may be explained by the relatively large number of private sector employees sampled (public sector bodies and social enterprises tend to deliver support to the unemployed) and by the fact that a significant proportion of respondents described themselves as ‘Trainers’ (who presumably do not see their role as ‘advisory’). A significant proportion of those sampled in the Czech Republic also did not perceive their role as providing advice directly to the unemployed.

4.9 Q.9 How many years have you been employed in your present role?

Table 1 – years of experience

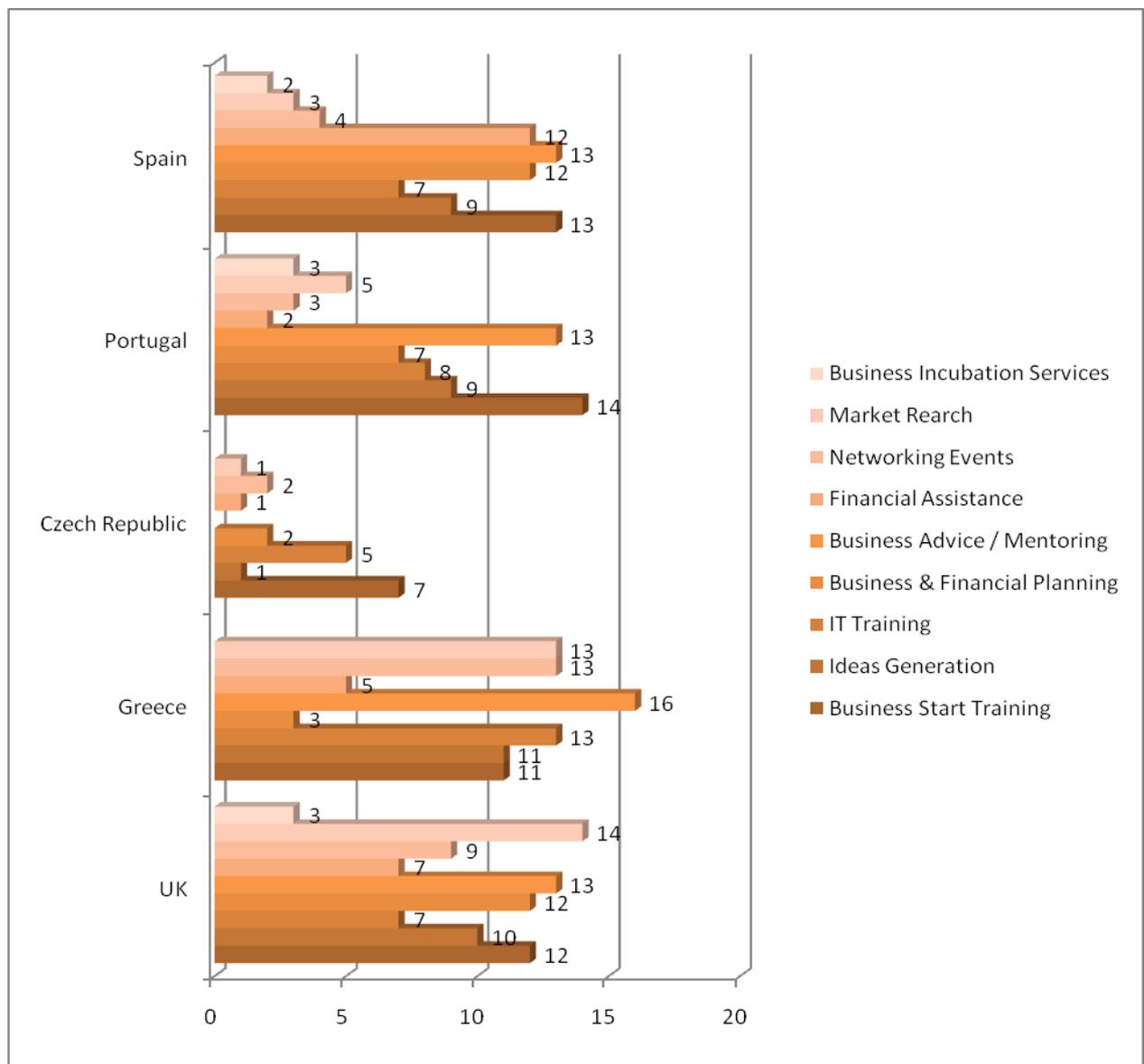
Country	Total Years	Sample	Average Experience (years)
UK	95	15	6.3
Greece	101	16	6.3
Czech Republic	72	13	5.5
Portugal	172	26	6.6
Spain	88	15	5.9
Total	528	85	6.2

The respondents selected have over 500 years relevant experience between them – the average age of those sampled is 6.2 years.

4.10 Q.10 Which services do you provide to unemployed people?

The respondents were asked to state whether or not they provided 9 core services deemed relevant in the delivery of business support.

Graphic 6 – Which services do you provide to unemployed people?



The data would seem to suggest that there are significant differences in terms of the business support services provided (by the sampled organisations) in the partner countries. The most striking conclusion from the above chart (assuming that respondents did not misinterpret the question) is that the Czech Republic’s business support infrastructure is less developed than the other partner nations.

We can perhaps get a clearer indication regards the ‘availability’ of these services (or lack thereof) by totalling the responses from across the five countries. The table below ranks the services provided by the organisations in ‘reverse order’, it shows that ‘Business Incubation’ is the least likely service to be provided by the respondents sampled, whereas Business Start Training is the most common.

Table 2 – Rank of the services provided

Service	Total
Business Incubation Services	8
Financial Assistance	27
Networking Events	31
Business & Financial Planning	36
Market Research	36
Ideas Generation	40
IT Training	40
Business Advice / Mentoring	55
Business Start Training	57

The provision of ‘Business Incubation Services’ (including workspace and office support) and ‘Financial Assistance’ are beyond the scope of FREE. However topics such as ‘Networking Events’, ‘Business & Financial Planning’, ‘Market Research’ & ‘Ideas Generation’ could be addressed by the interactive tool.

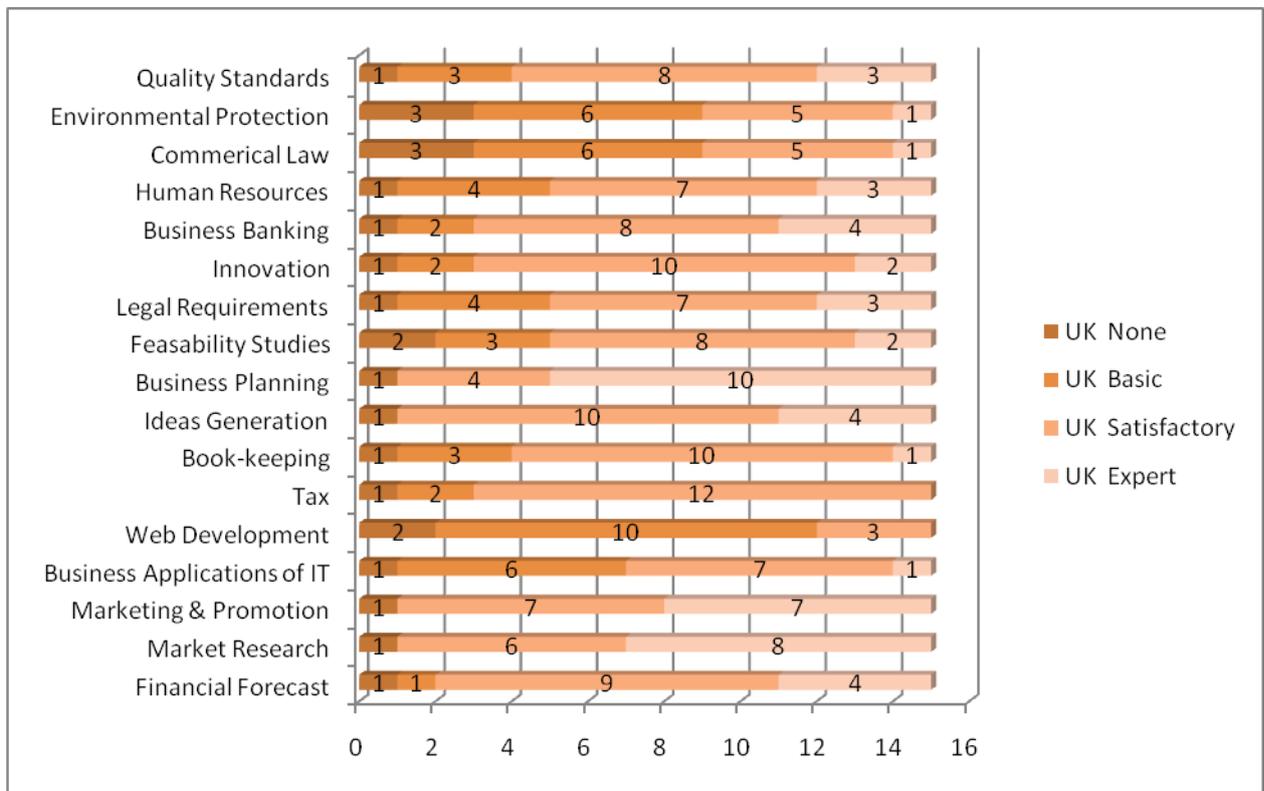
4.11 Q.11 Rate your knowledge of the following topics

This question was designed to test the level of knowledge ('none', 'basic', 'satisfactory' or 'expert') which the respondents felt they had in terms of the 'hard skills' relevant to providing business start support.

An inherent problem with asking people to rate themselves is that the answers given are likely to be subjective. Thus we found that confident assertive personalities tended to rate their knowledge at a higher level than less confident individuals. The fact that the questionnaires were normally conducted by a peer or colleague (rather than an unknown outsider) is also likely to have affected respondents' answers.

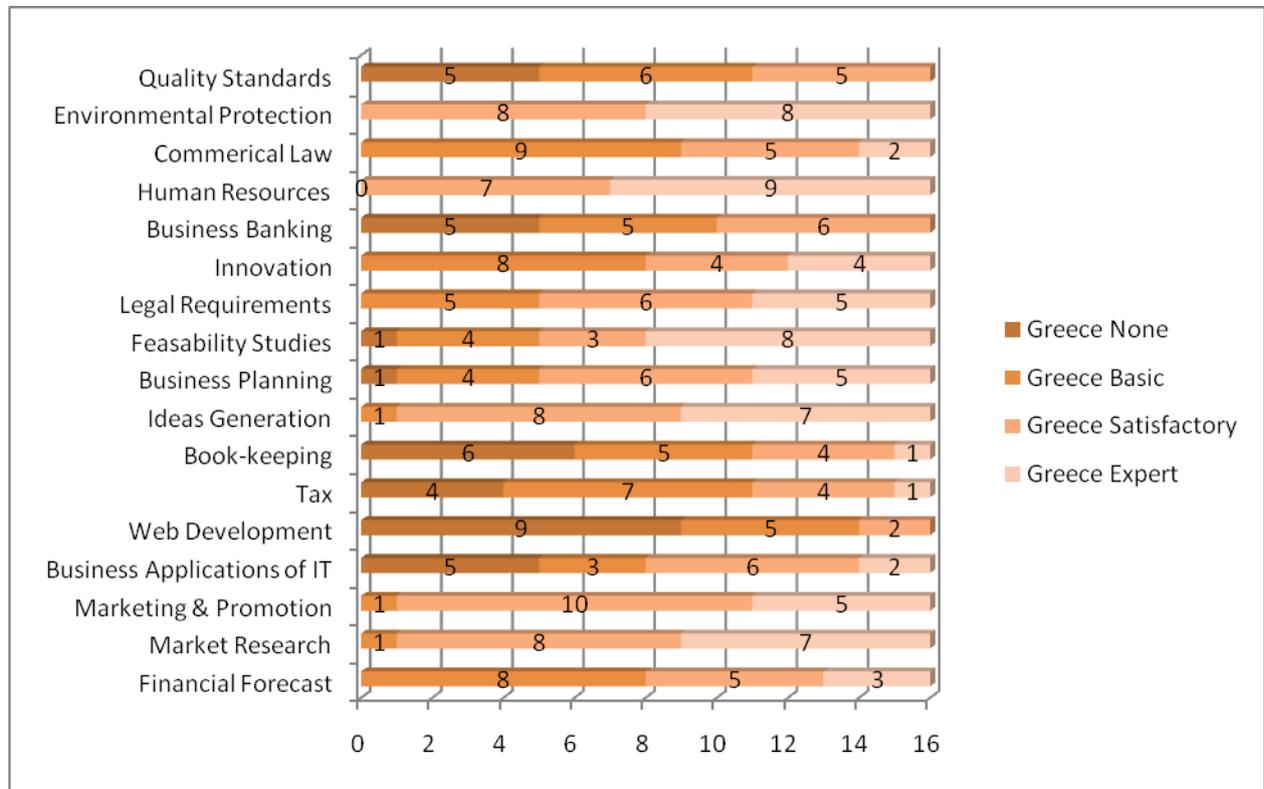
It is likely that the differing 'strengths and weaknesses' of the advisors and other guidance professionals in the various countries are indicative not only of their particular roles and the remit of their organizations but of differing cultural and historic factors as well .

Graphic 7 – Rate your knowledge (United Kingdom)



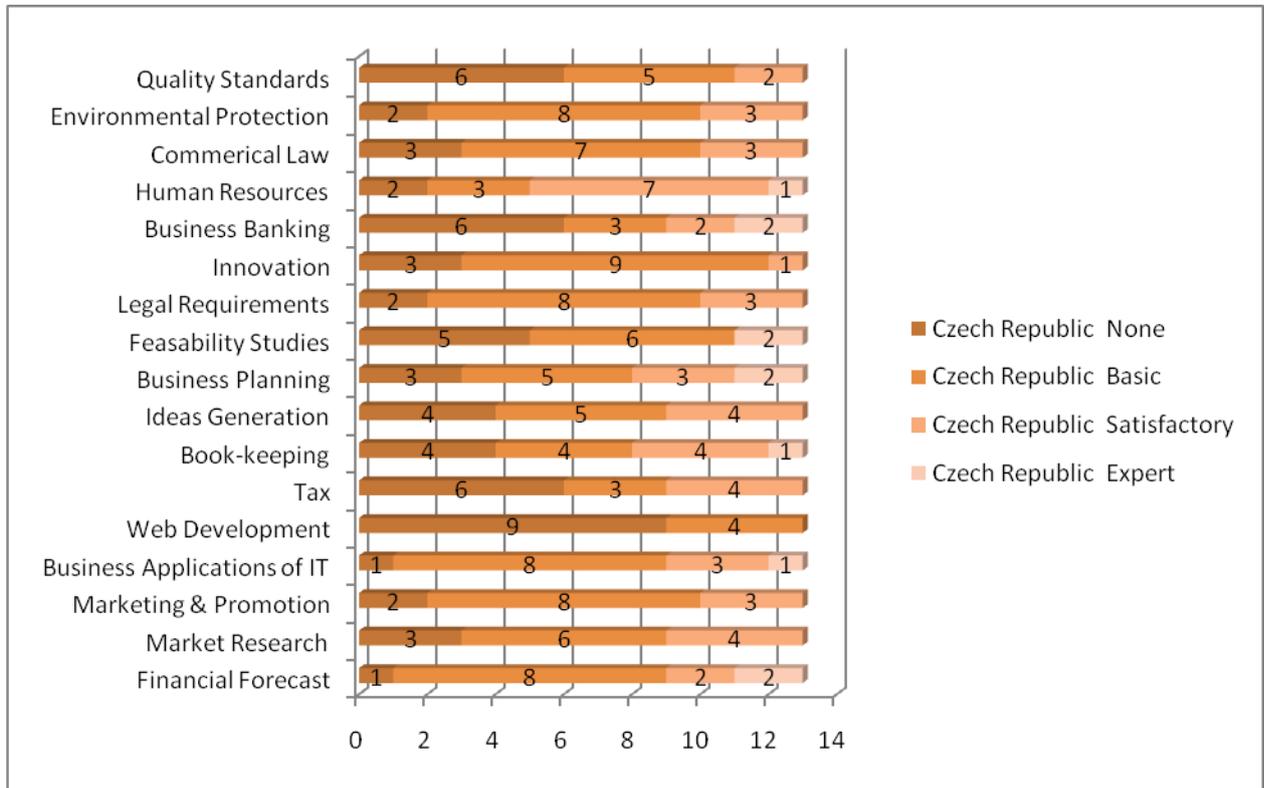
In the UK we found that those questioned tended to rate their 'hard skills' knowledge highly – this is perhaps unsurprising given that the vast majority of respondents were professional business advisors. However, significant numbers of those sampled rated their knowledge of certain topics (Environmental Protection, Commercial Law and Web Development) as low because these technical subjects tend to be the preserve of specialist professionals.

Graphic 8 – Rate your knowledge (Greece)



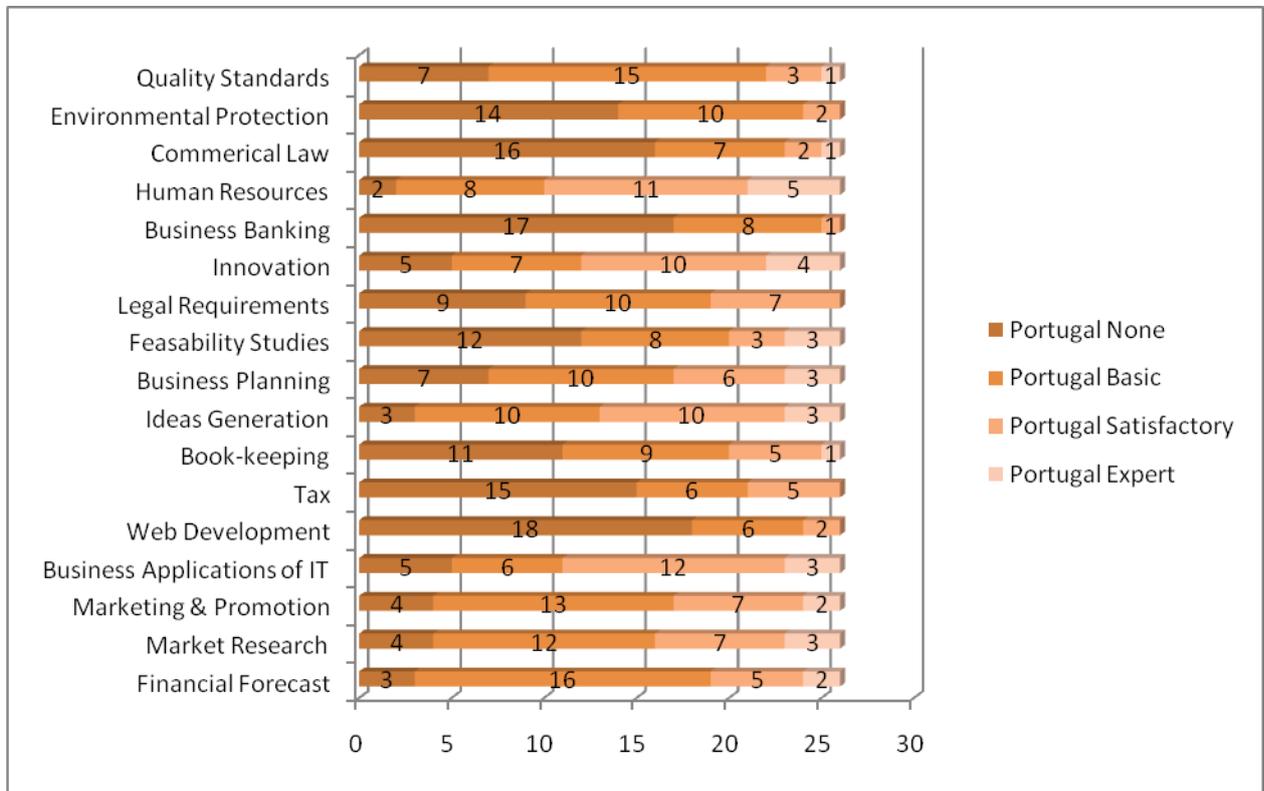
The questionnaires returned from Greece highlighted a lack of understanding of areas such as Business Banking, Book-keeping and Taxation. Whereas knowledge of Marketing issues and Ideas Generation were perceived highly.

Graphic 9 – Rate your knowledge (Czech Republic)



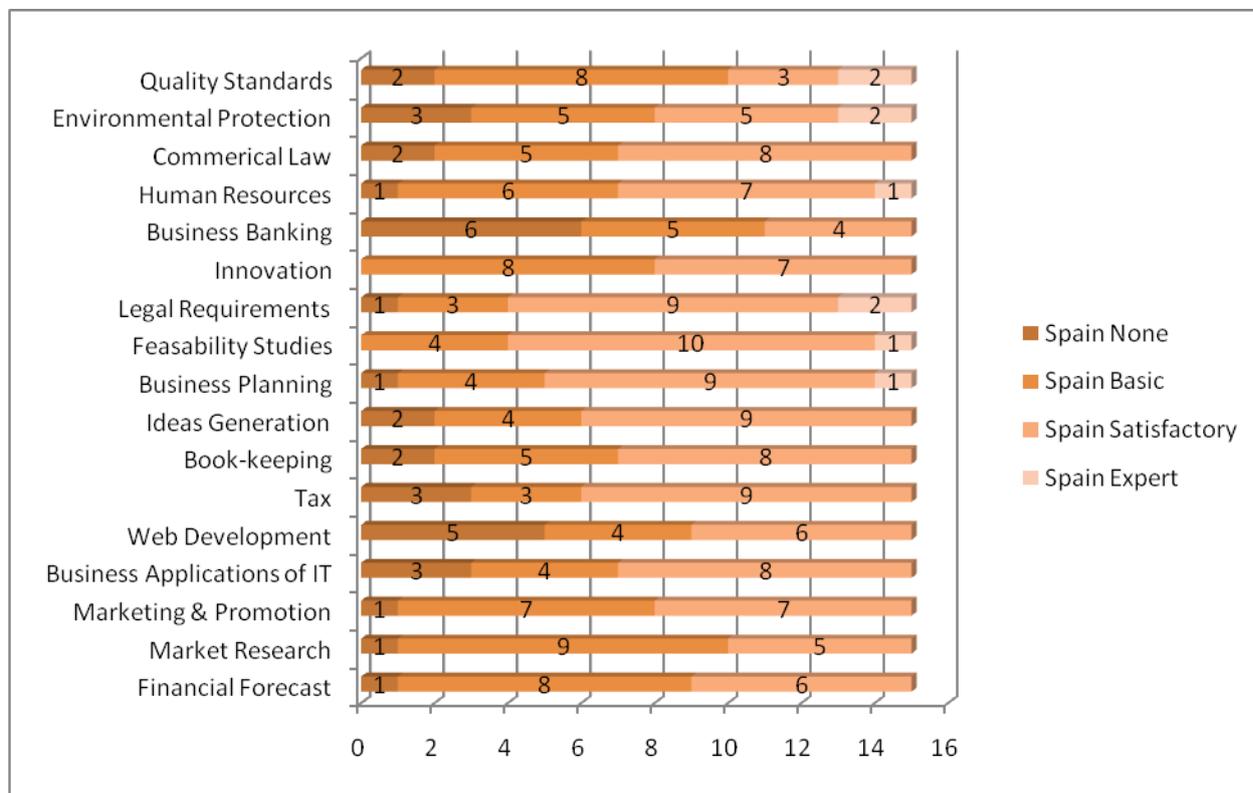
Few of those questioned in The Czech Republic saw themselves as ‘experts’ in any of the various subjects – they were more likely to admit to having no or basic knowledge. This may point to further evidence that business support infrastructure (especially for the unemployed) is less developed here than in the other partner countries.

Graphic 10 – Rate your knowledge (Portugal)



Most of the Portugese respondents admitted having little or no knowledge of many of the subject areas with the exception of Human Resources, Innovation and Business Applications of Information Technology. This may be explained by the high proportion of ‘trainers’ sampled who are likely to have highly specialised knowledge of certain specialist subjects but who feel they lack a broader knowledge of topics outside of this remit.

Graphic 11 – Rate your knowledge (Spain)

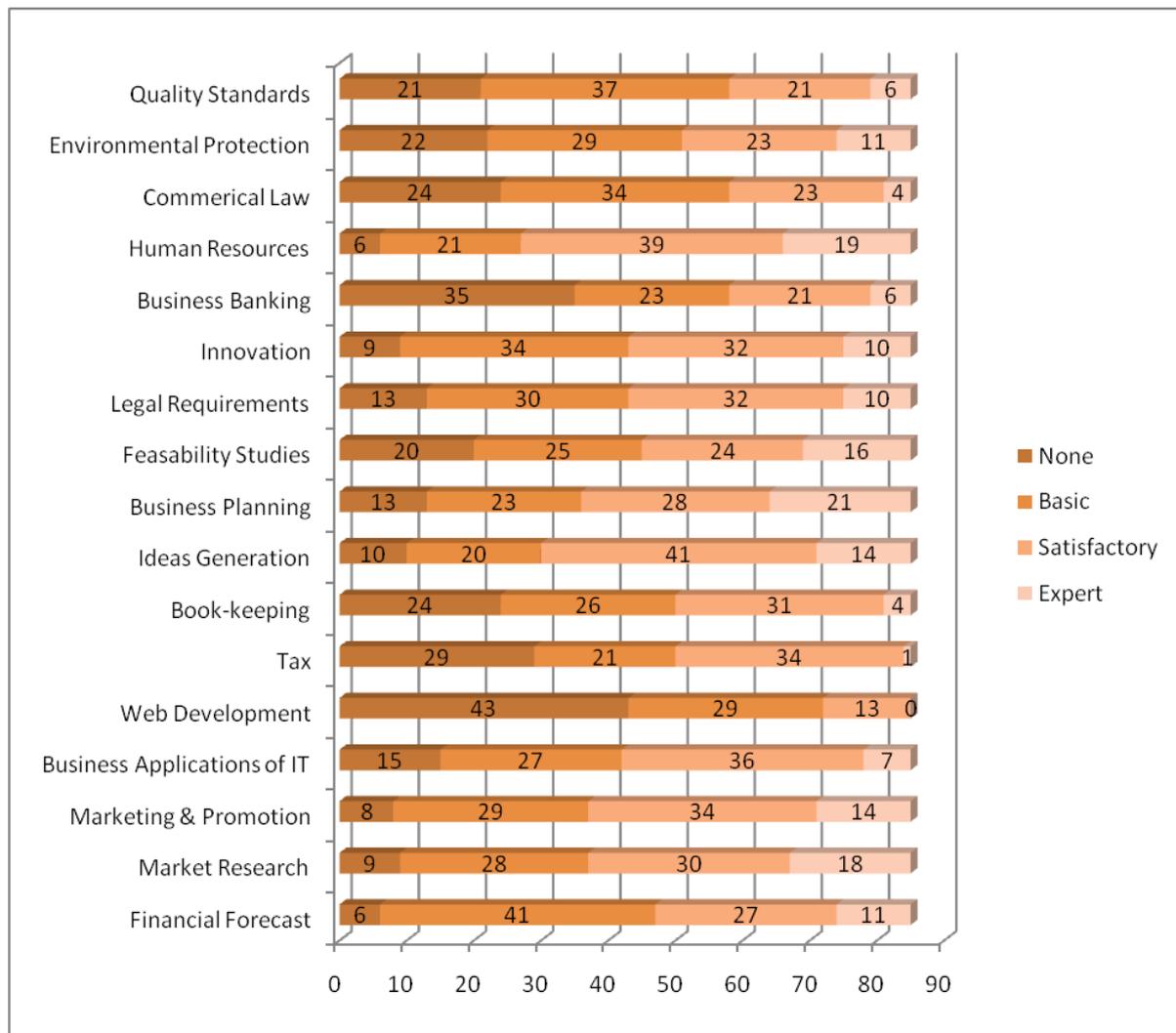


The Spanish respondents tended to consider themselves strongest in the areas of Legal Requirements, Feasibility Studies, Business Planning and Ideas Generation. Knowledge of Quality Standards, Business Banking, Market Research and Financial Forecasting were perceived as less than satisfactory by the most of those questioned. The fact that many of the those sampled rated their knowledge of legal requirements highly is likely to be related to the excessive bureaucracy associated with starting and running a business in Spain.

The diagram below represents a composite of all the responses to Q. 11 from the five countries. Overall it indicates that those sampled feel they have insufficient knowledge of Quality Standards, Environmental Protection, Commercial Law, Business Banking, and Web Development. These are quite technical areas, it is likely that the advisors and guidance counsellors sampled tend to signpost clients to qualified / experienced professionals (Quality Systems Consultants, Environmental Protection Agencies / Consultants, Solicitors, Banks and Web Designers) rather than attempt to deal with these subjects themselves. This lack of confidence

regarding their knowledge of these topics and subsequent referral to ‘specialists’ is likely to perpetuate their relative ignorance.

Graphic 12 – Rate your knowledge (Composite of all responses)



Those sampled rated themselves highest in their knowledge of Human Resources, Ideas Generation and Marketing. These subjects are less technical than those mentioned in the paragraph above, it is also likely that persons with highly evolved soft skillsets will have more affinity for these areas.

We can see that none of the professionals questioned feel that they 'know it all'. Different advisors will have different areas of expertise but they all would appear to recognise that there are gaps in their personal knowledge which has a detrimental impact on their ability to advise those interested in enterprise, innovation and creativity. It appears that they feel there is room for improvement in terms of their personal and career development.

4.12 Q.12 Are there other topics which you feel are important?

The majority of respondents felt that Q.11 included all the relevant business 'hard skills' needed by business start advisors working with the unemployed. Other topics were suggested, some of which were not strictly related to business functions and others that are covered in Q.13 which addresses personal characteristics (soft skills).

Suggested additional topics offered by those questioned included;

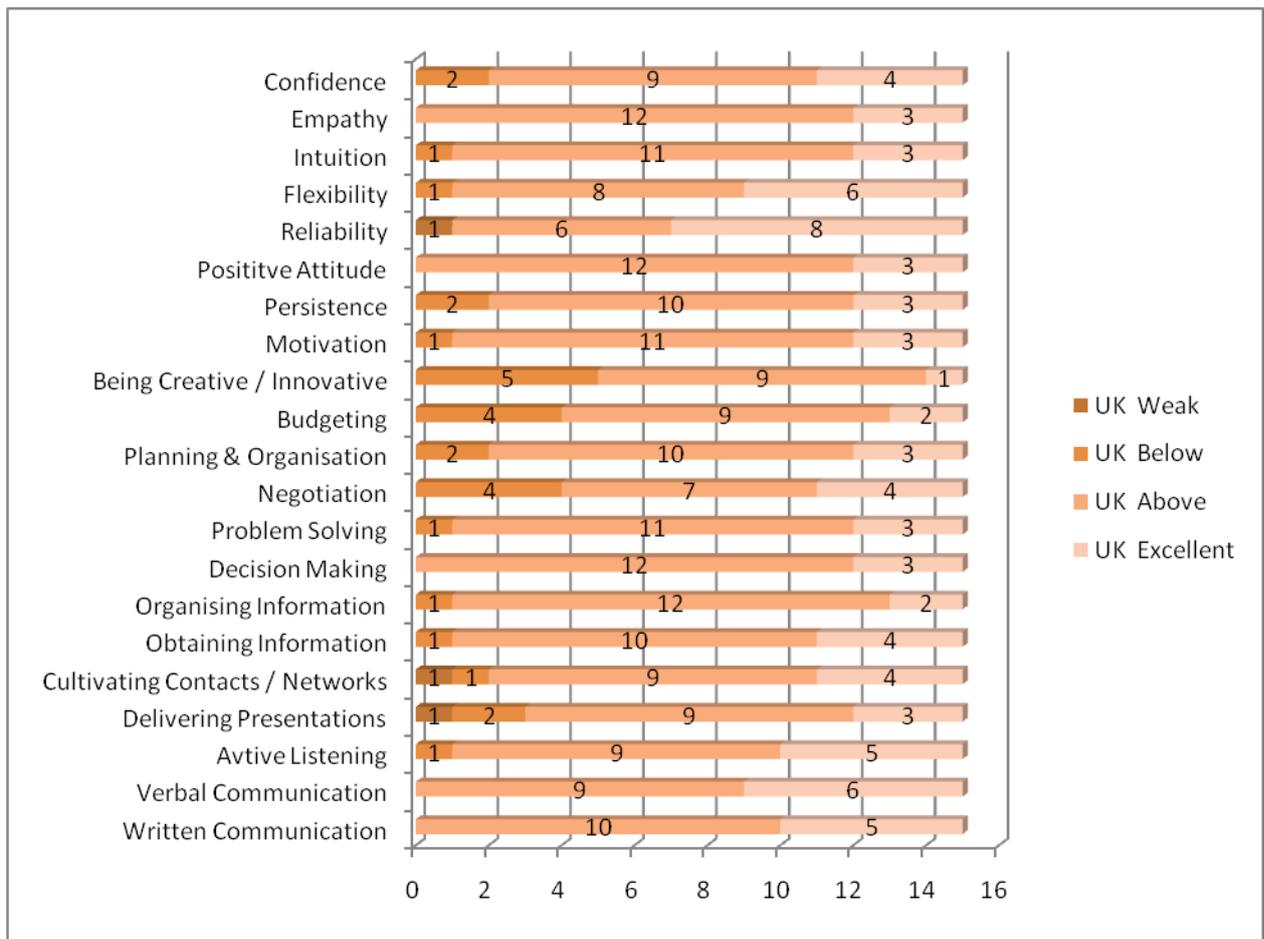
- CV preparation
- accurate knowledge of any other programmes / initiatives being delivered on behalf of the unemployed (to assist with 'signposting')
- stress management
- knowledge of foreign languages
- international trade
- financing methods (banks, business angels, grants etc)
- benchmarking & business improvement models
- time management
- Web 2.0
- the creation and strengthening of business networks
- adapting to change
- Neuro-Linguistic Programming
- leadership and team management
- conflict resolution
- employment law.

4.13 Q.13 Please rate your personal skills

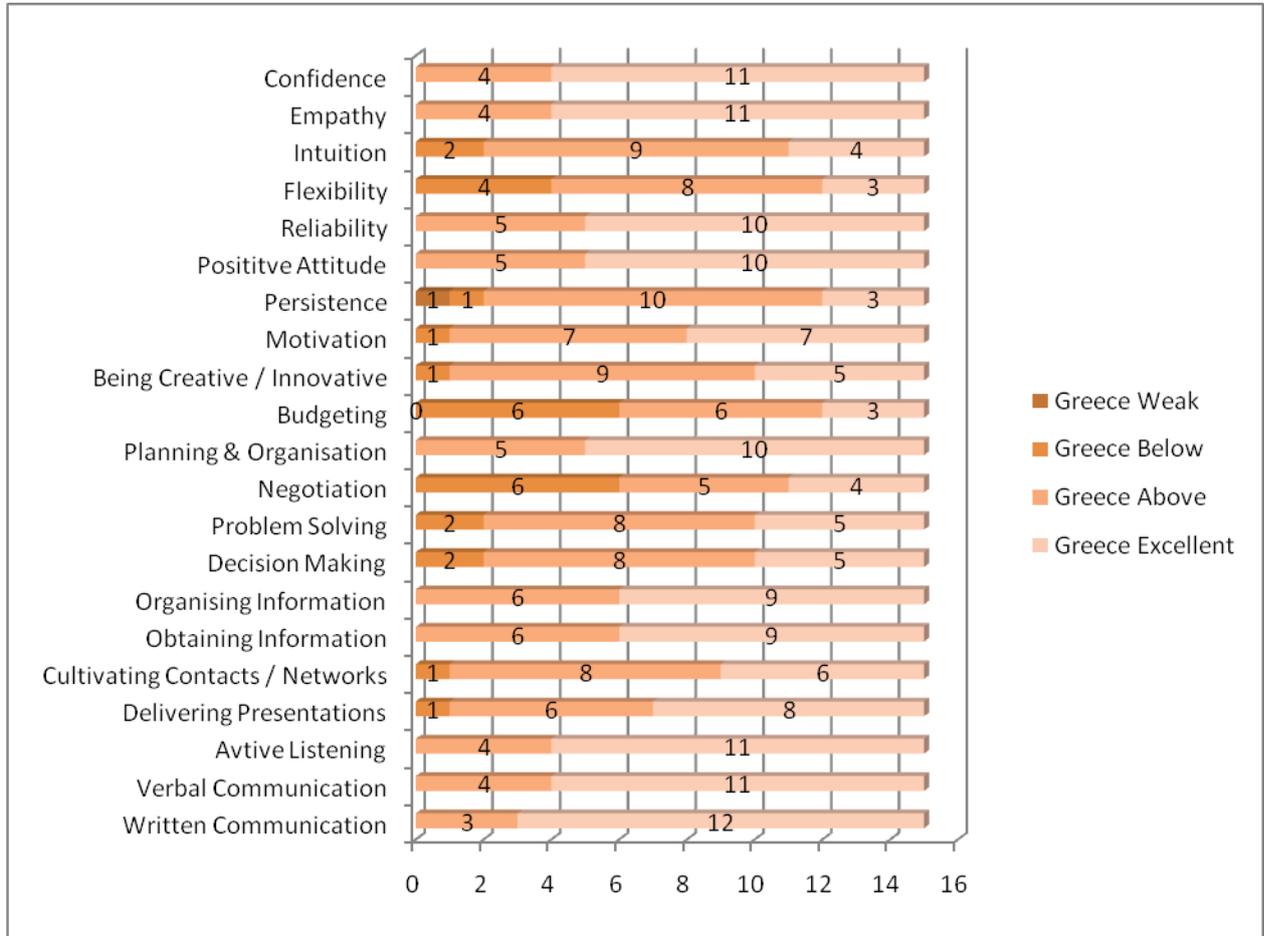
The respondents were questioned about a variety of relevant personal characteristics or ‘soft skills’ - they were asked whether they felt that they were ‘weak’, ‘below average’, ‘above average’ or ‘excellent’ in each of these areas. The raw findings are presented nationally in the following charts.

The charts on the following pages represent the responses generated ‘country by country’ and our provided for information only. No analysis is offered regarding the differing perceptions of advisors’ soft skills in each country as this would not be of any value to the development of a single interactive tool. Please see p.26 for analysis of all the compiled responses.

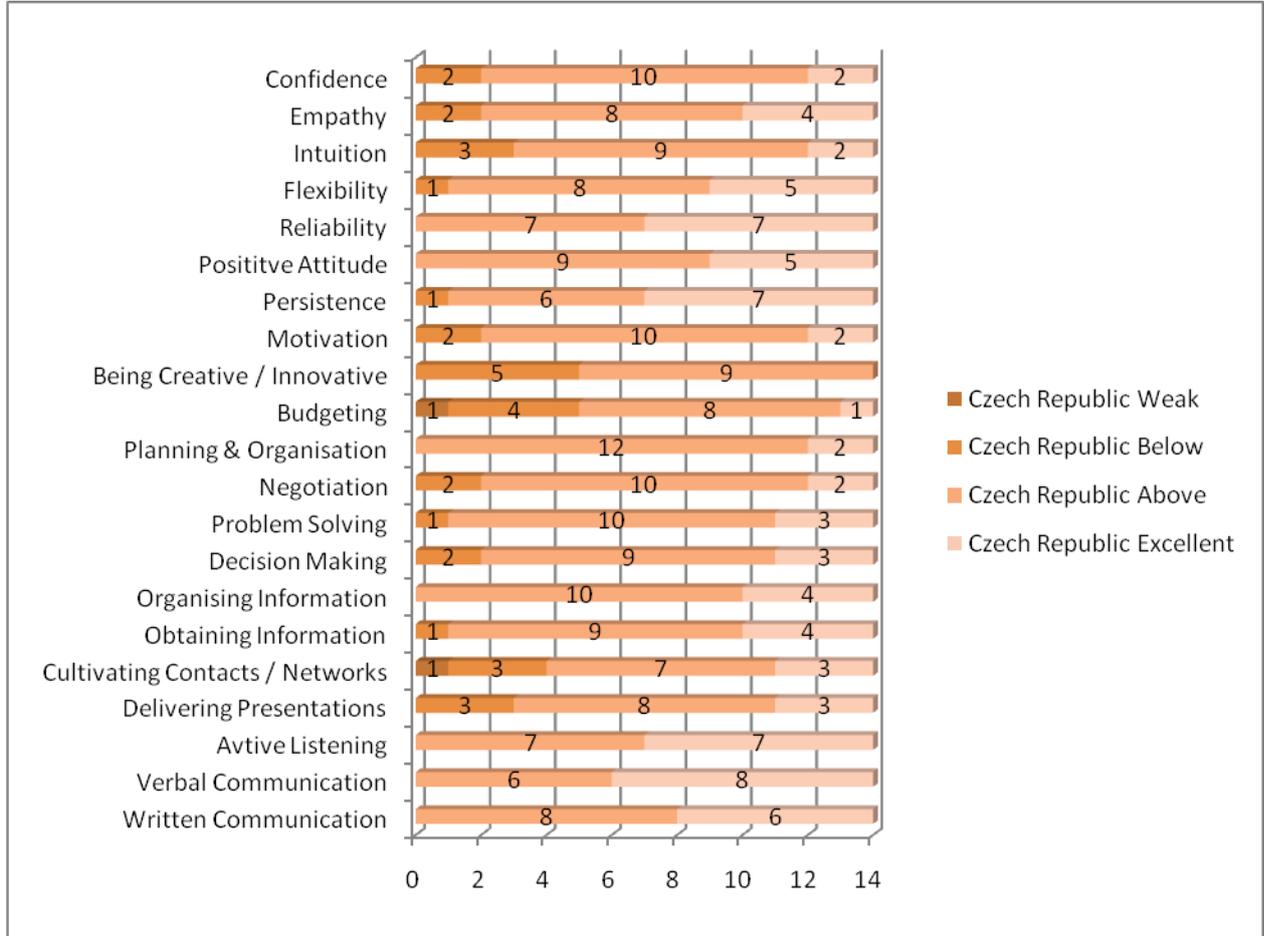
Graphic 13 – Rate your personal skills (United Kingdom)



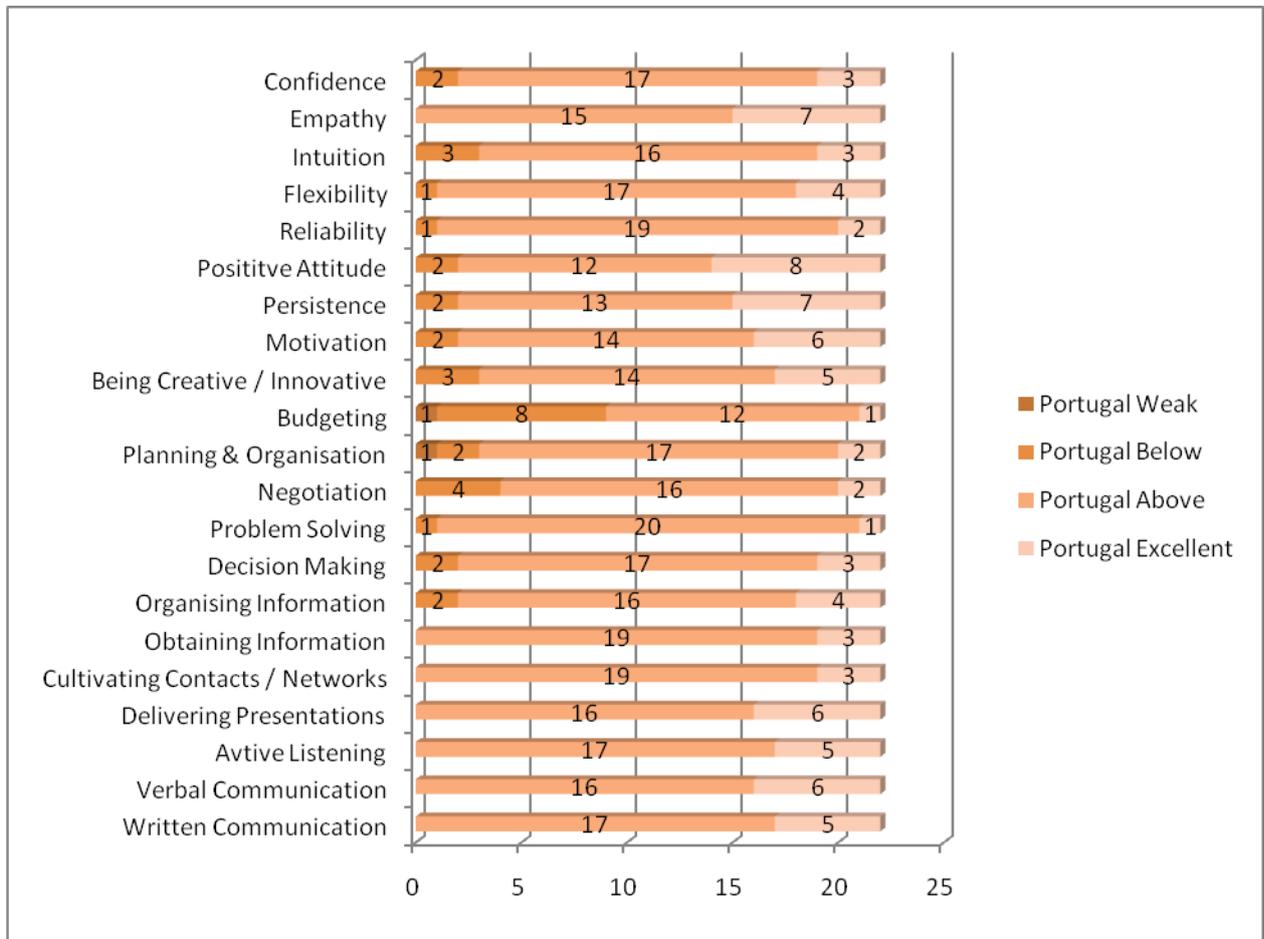
Graphic 14 – Rate your personal skills (Greece)



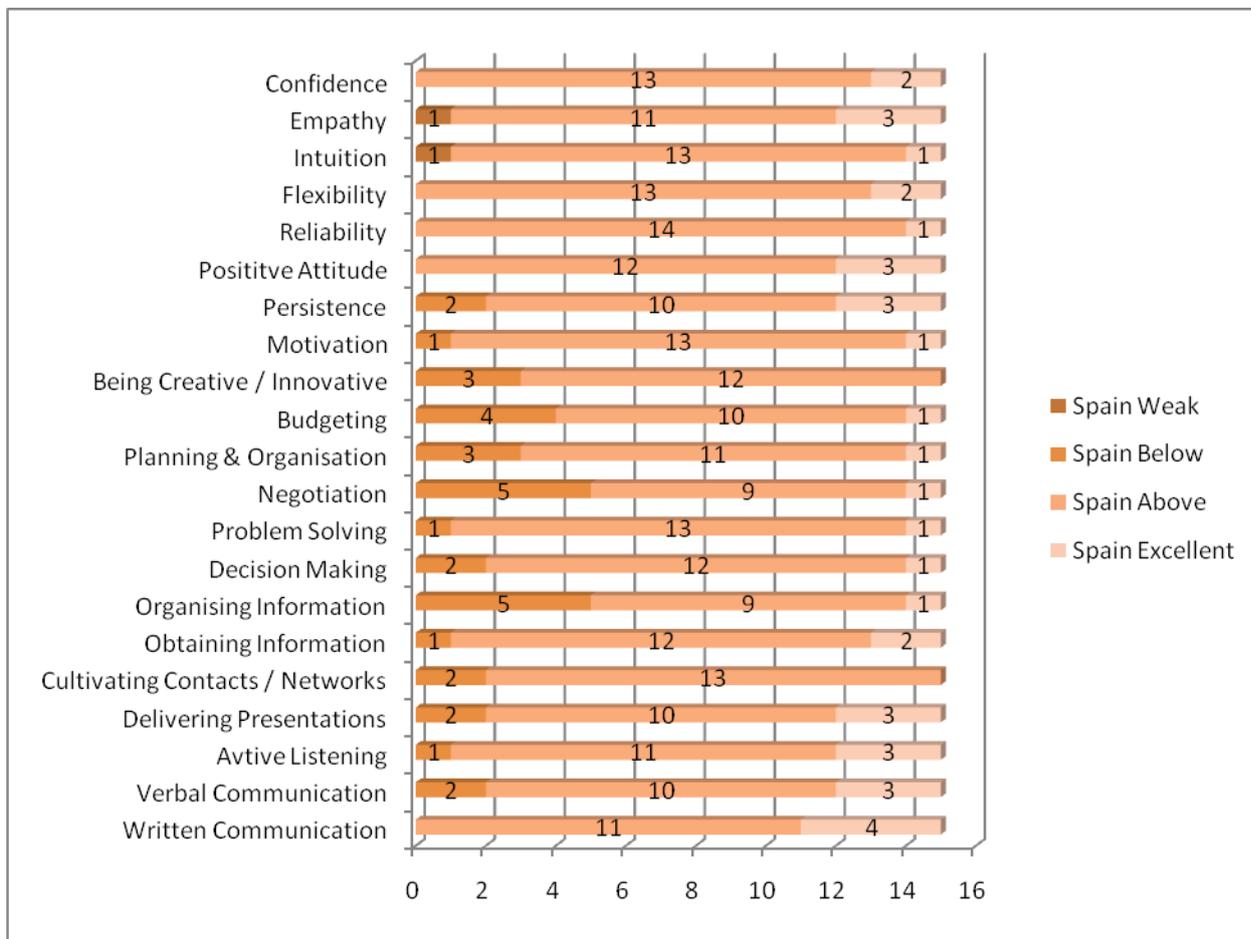
Graphic 15 – Rate your personal skills (Czech Republic)



Graphic 16 – Rate your personal skills (Portugal)

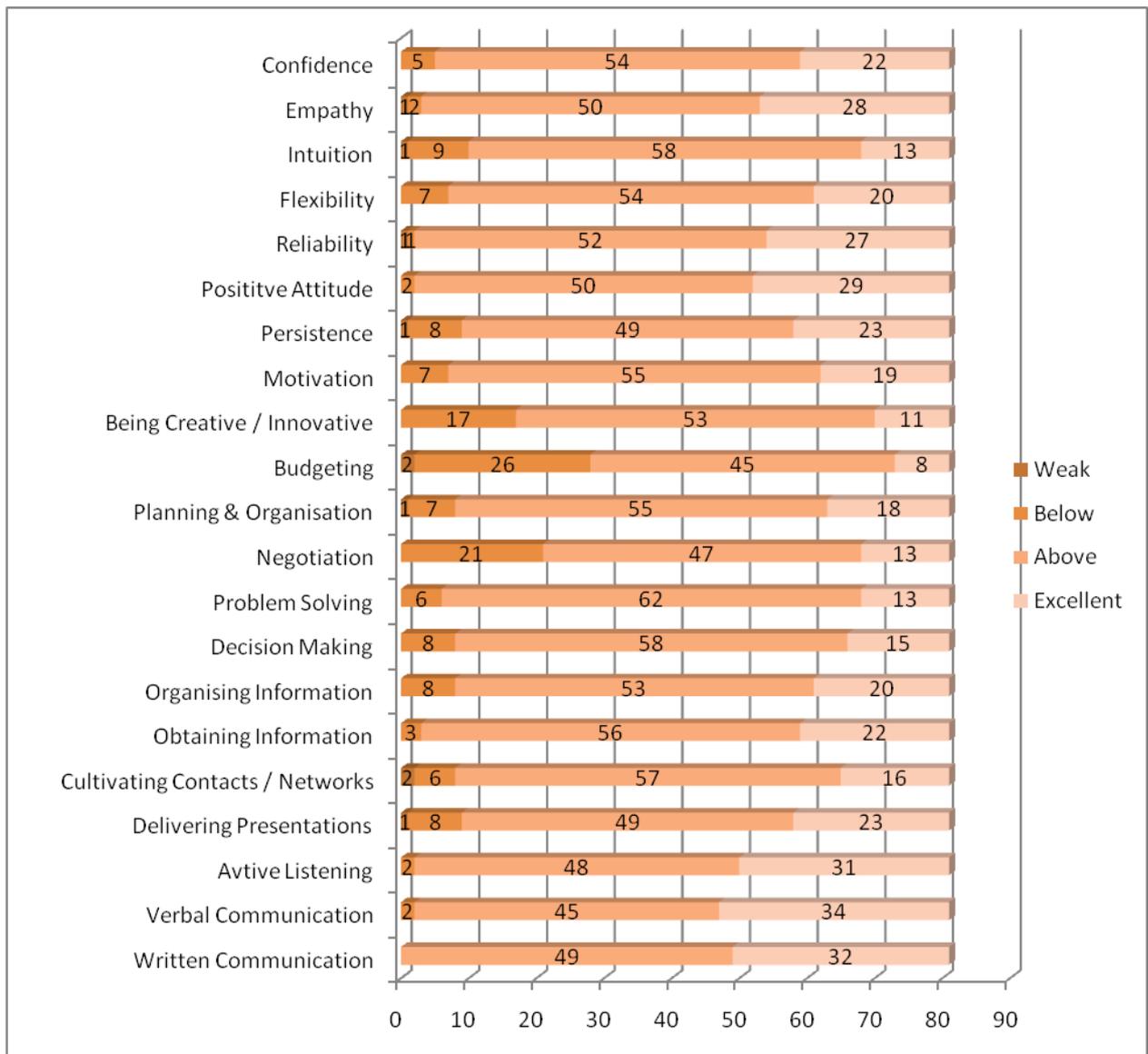


Graphic 17 – Rate your personal skills (Spain)



There is little benefit for the FREE project in comparing perceived soft skills differences among those sampled in the partner countries. The following chart shows all of the compiled responses to Q.13, it demonstrates that those questioned generally rate their soft skills highly. When the responses to all of the questions are averaged we find that 89% of those sampled feel that they possess above average or excellent soft skills.

Graphic 18 – Rate your personal skills (Composite of all responses)



As with Q.11 the answers given to this question depend on the accuracy of the individuals' self analysis (and their honesty when relating this to whoever was conducting the questionnaire). It is perhaps more difficult to quantify ones soft skills than it is to rate one's knowledge of specific functional areas of business support since soft skills tend to be more of a 'grey area'. There is also perhaps a temptation to overstate one's soft skills because to admit to having weak or below average soft skills may be seen as tantamount to admitting unsuitability for one's job.

There were 3 skills which significant numbers of respondents felt they were weak or below average in; creativity and innovation, budgeting and negotiation. On reflection, the inclusion of 'budgeting' here was perhaps ill advised as this discipline is more likely to be viewed as a hard skill.

4.14 Q.14 What other personal skills do you feel are important?

In response to this question the following traits or characteristics were mentioned:

- Approachable
- Capable of Motivating Clients
- Ability to understand Clients
- Emotional Intelligence
- Patience
- Assertive
- Ability to read non verbal signals
- Ability to criticise constructively

4.15 Q.15 Training / Continuous Professional Development provided by employers

From the responses generated there would seem to be a lack of structured training / career development options sponsored by employers throughout all of the partner countries. Whatever training is undertaken appears to be 'ad hoc' in nature, few organisations seem willing to commit to the expense of developing (and funding) personal development plans. Where training is provided it tends to be via attendance at workshops and seminars – it is likely that this 'training' is specifically related to the delivery of particular programmes or initiatives and is concerned with administrative procedures rather than developing the advisors / trainers etc.

Those who work in academia seem to have the best access to career development options through the development of Personal Training Plans and funded attendance on accredited training courses. In the rest of the organisations (whether private sector, public sector or social enterprise) training / CPD appears to be generally left to the individual employee to research, pursue and in most cases pay for.

4.16 Q.16 Key organisational competencies

When asked what they thought were the key competencies of their organisations in providing self employment support to the unemployed the respondents listed a variety of strengths which can be grouped under several headings:

- **Strong client focus** – answers such as 'personal training & guidance', 'listening & support' and 'speedy response' convey the importance of treating each client as an individual and delivering advice, training and support to address assessed needs. Thus there is a need for organisations and advisors to adopt a flexible approach when dealing with those interested in entrepreneurship, creativity and innovation rather than attempting to impose a 'one size fits all' type solution.
- **'Free at the Point of Delivery'** – it is particularly important for organisations working with the unemployed that their activities be funded – otherwise potential clients are likely to be prohibited

from availing of the support provided because they cannot afford to participate. Some of the private sector employees acknowledged that charging clients for their advice and support effectively rules out the unemployed from taking advantage of their services.

- **Networks** - some of those questioned mentioned 'contacts', 'access to information' and 'strong community linkages' indicating the benefits of having strong contacts with other relevant service providers from whom advice can be sought and to whom clients can be referred.
- **Business Planning Expertise** – the ability to prepare structured Business Plans, Marketing Plans and Financial Projections on behalf of clients is evidently a key strength of many of those questioned.
- Some of the respondents highlighted having a 'positive attitude', 'confidence' and the ability to give 'leadership' to their clients as key strengths.
- The ability of organisations to offer a 'one stop shop' or 'holistic support' to clients from the assessment of clients business proposals and the assessment of client competencies through to the delivery of targeted training and one to one business advice and planning was also seen as important.

4.17 Q.17 Challenges

The perceived challenges facing the organisations which have the potential to impact on the support services provided to unemployed interested in starting a business can be summarised as;

Financial Resources the most immediate challenge which was mentioned time and again by the respondents from all of the partner countries was the fallout from the ongoing financial crisis in Europe and the impact that this is likely to have on their ability to continue delivering core business support services. Well publicised national budget deficits and the declared need by many governments for 'austerity measures' and public spending cuts mean that there is a lot of uncertainty regarding funding for programmes and initiatives.

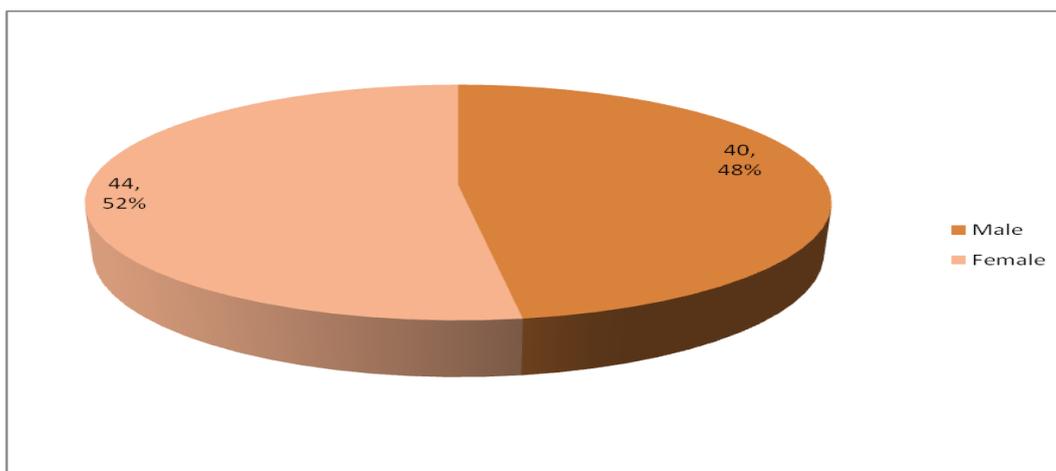
Human Resources	some of those questioned pointed to having large client waiting lists (due to vastly increased numbers of people out of work) & to having insufficient numbers of experienced staff to adequately deliver services.
Geography	one respondent mentioned the difficulty in servicing large catchment area
Bureaucracy	another 'universal' issue is the level of bureaucracy expected of delivery agents by programme funders and the increasingly 'target driven' evaluation of initiatives which unwittingly impact on organisations to deliver flexible client focused support.
Lack of Coordination	some respondents complained of overlap and duplication in services offered by a range of organisations in their area which is inefficient and confusing for clients.
Keeping up to date	some responses highlighted the problem of keeping abreast of changes in the structure and delivery of programmes & initiatives
Reality v Theory	some professionals noted the challenge of applying the 'theory' of business start support to real world conditions
Marketing	some organisations feel that inadequate and or ineffective marketing of their programmes, services and initiatives is a challenge – if potential clients are unaware of the support available it is impossible to deliver that support to them.
Standard of Clients	a small number of respondents mentioned that they were challenged by the unsuitability of some clients to start and develop a business in the first instance and by the unrealistic expectations of clients.

5. Analysis of Beneficiaries Questionnaires

The second population that the FREE partners were interested in sampling were the likely ‘beneficiaries’ of the project i.e. unemployed clients identified in the UK, Czech Republic, Portugal, Spain and Greece who are interested in starting a business (or previously unemployed people who have recently started a business). Partners were asked to sample between 15 – 30 individuals who met either of these criteria. 84 people completed the questionnaire.

5.1 Q.1 Sex

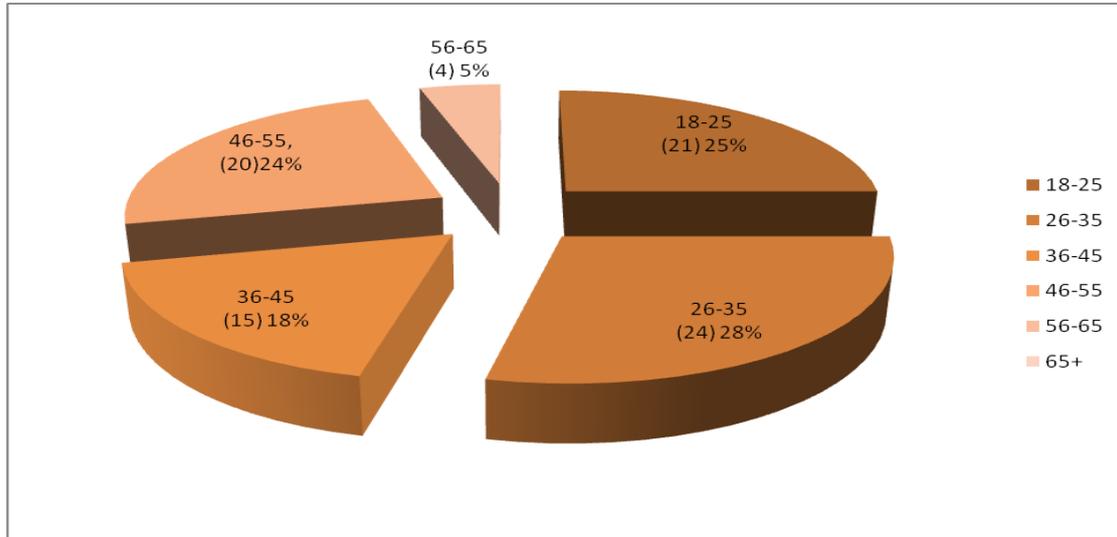
Graphic 19– Sex



5.2 Q.2 Age

During the development of the FREE project proposal two distinct target groups were identified who may benefit from the resulting tool; young adults (aged 18 – 25) and mature adults (over 45s). On analysis of the completed questionnaires we found that 25% of the respondents belonged to the young adult category and 29% fell into the mature adult category.

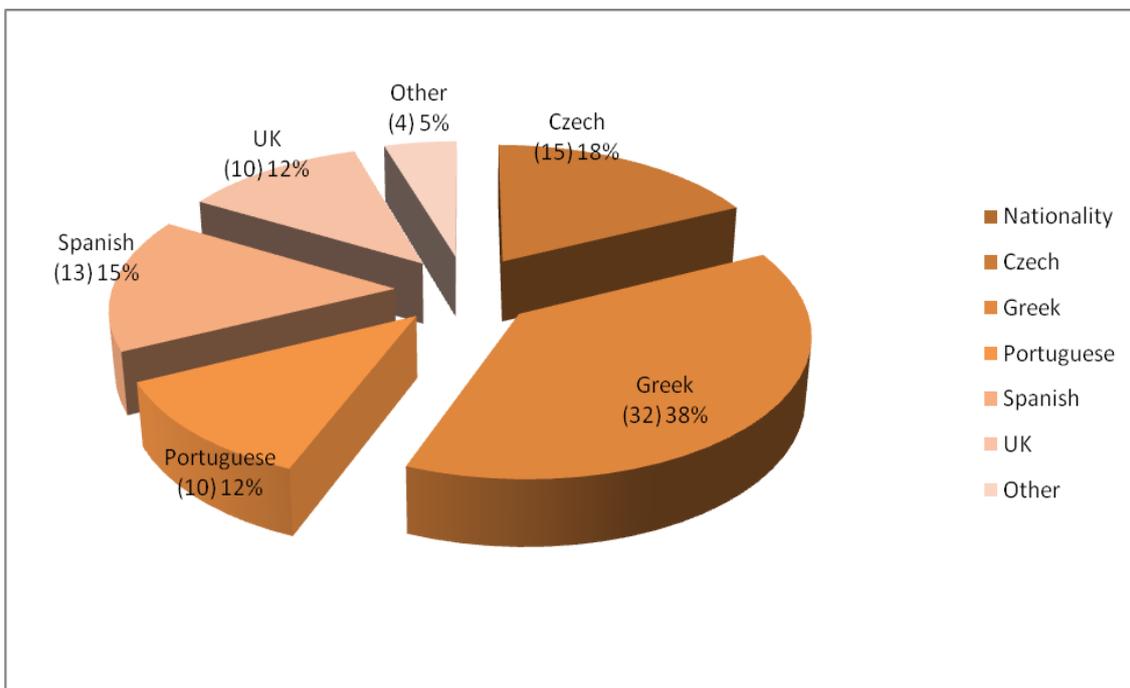
Graphic 20– Age



5.3 Q.3 Nationality

The Nationality of the respondents is shown in the pie chart below – of those who claimed to be ‘other’ one was Irish living in the UK, the rest were immigrants to Portugal (an Argentinean, a Dominican and one person from São Tomé and Príncipe)

Graphic 21– Nationality



5.4 Q.4 Period of Unemployment

The respondents were asked how long they had been out of work. We cannot infer anything about ‘long term’ unemployment rates in each of the partner countries from this data for two reasons:

- the small number of people sampled is unrepresentative of the total numbers unemployed in each country
- some of the organisations which carried out the sampling may only work with those who have been recently made redundant, others only with those who’ve been unemployed for longer than some specified period.

The national data has therefore simply been compiled to give an ‘overall’ picture. We found that 68 (80%) of those questioned had been unemployed for one year or less.

Graphic 22– Period of unemployment



5.5 Q.5 Previously self-employed

When asked if they had ever been self-employed, 17% (14) answered yes. These were then asked to elaborate on the reason(s) why they no longer worked for themselves. A range of responses mostly connected with the economic downturn (but not exclusively) were given:

- I was buying from Germany, the rise of sterling against the euro made it unsustainable
- My customers (within hospitality sector) went into decline and stopped spending money
- The business was not busy enough for two people, I left and my partner stayed
- I was offered a job and felt it offered more security than self-employment
- Financial difficulties and poor planning
- I sold my business
- Family pressures

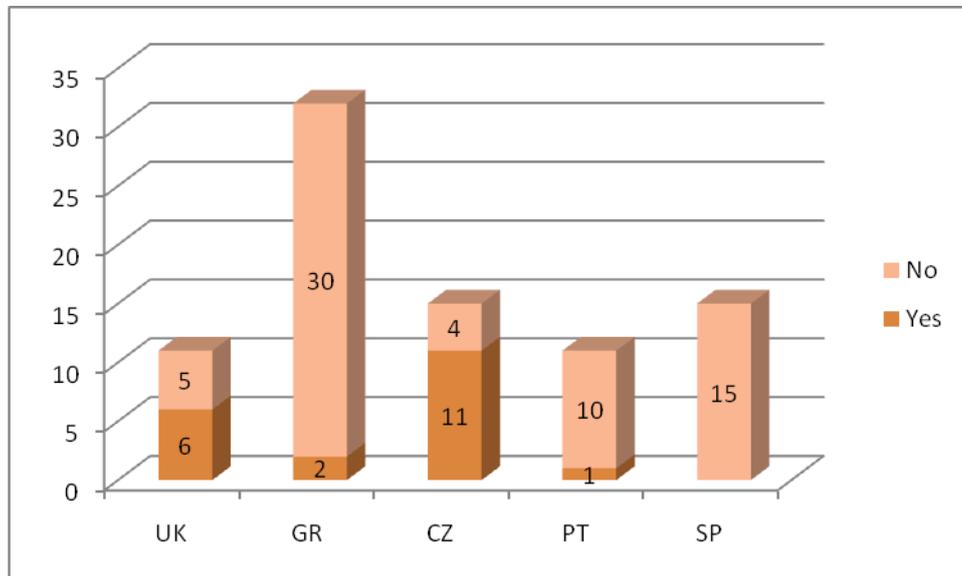
Those who had never been self-employed (83%) gave a wide range of personal and financial reasons for not having started a business. The most popular response was not having access to sufficient finance, followed by the current poor economic conditions, then lack of skills / experience / contacts, having a secure job & being averse to risk, not having a business idea, lack of start-up support and family reasons. Some sample responses are listed below:

- My husbands job required a lot of travelling so I was never in one location for long enough
- I stayed in a job to get as much experience as possible before starting my own business
- I never came up with a good enough idea to leave the security of my job
- I had a full time job with an excellent salary and terms and conditions of employment
- Lack of experience, lack of support and I do not have enough money to start a new business
- Since I have finished my studies, I have always been working and have never thought about self employment
- Lack of resources and motivation for self employment
- Bureaucracy problems
- I do not have a large enough network of contacts on my own
- I do not want to have responsibilities

5.6 Q.6 Previous start-up assistance

Of those sampled almost a quarter claimed that they had received some type of start-up assistance in the past (training, advice, mentoring, and business planning support). We are unable to draw any conclusions about entrepreneurship rates in the five countries from this information nor can we infer anything definitive about the accessibility of start-up support programmes / initiatives.

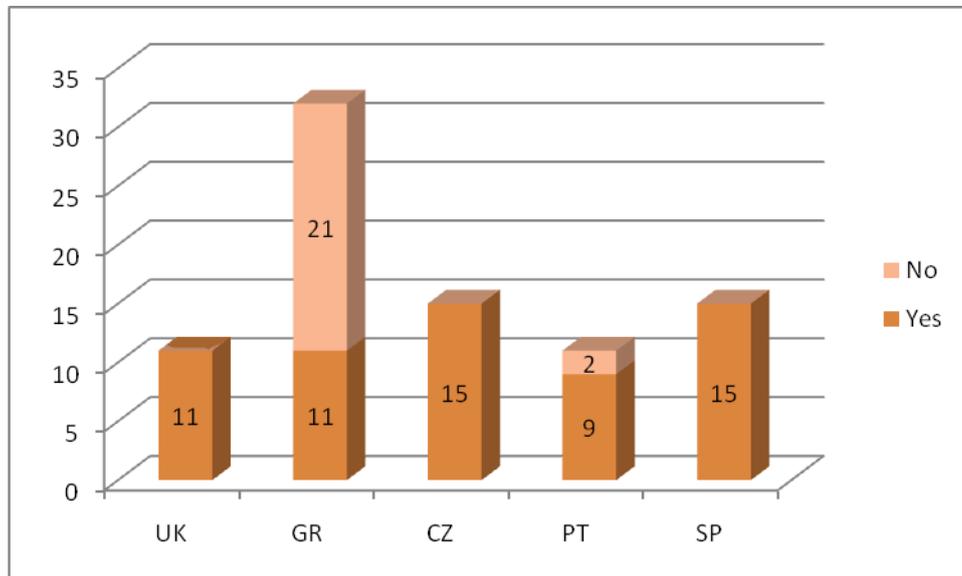
Graphic 23 - Have you ever had any assistance to start a business?



5.7 Q.7 Interest in self-employment

The partners were asked to sample unemployed people who were interested in starting a business (or previously unemployed people who had recently started a business) – despite this almost a quarter of those sampled stated they were not interested in starting a business. However this figure is skewed by the number of returns from Greece (which was disproportionately large), amongst the other partners all but 2 of those questioned were interested in becoming self-employed.

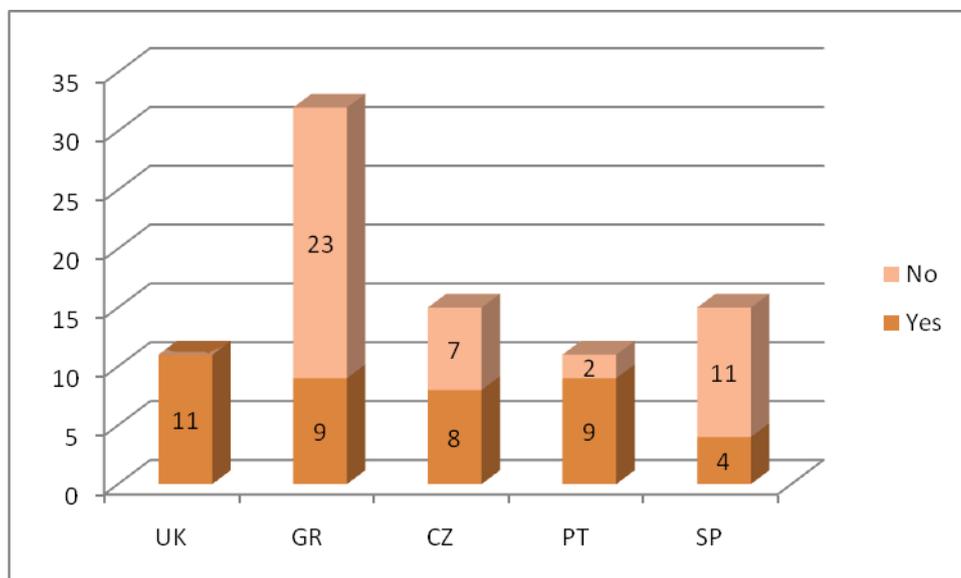
Graphic 24 – Interest in self-employment



5.8 Q.8 Do you have a business idea

More than half of those sampled said that they did not have a business idea (again, the relatively large number of questionnaires returned by the Greek partner has skewed the data). When adjusted to take account of those who are not interested in starting a business (Q.7) we can see that 24% of our respondents demonstrate a clear need for assistance with generating a business idea and / or help with assessing their suitability of possible business ventures.

Graphic 25 – Do you have a business idea?

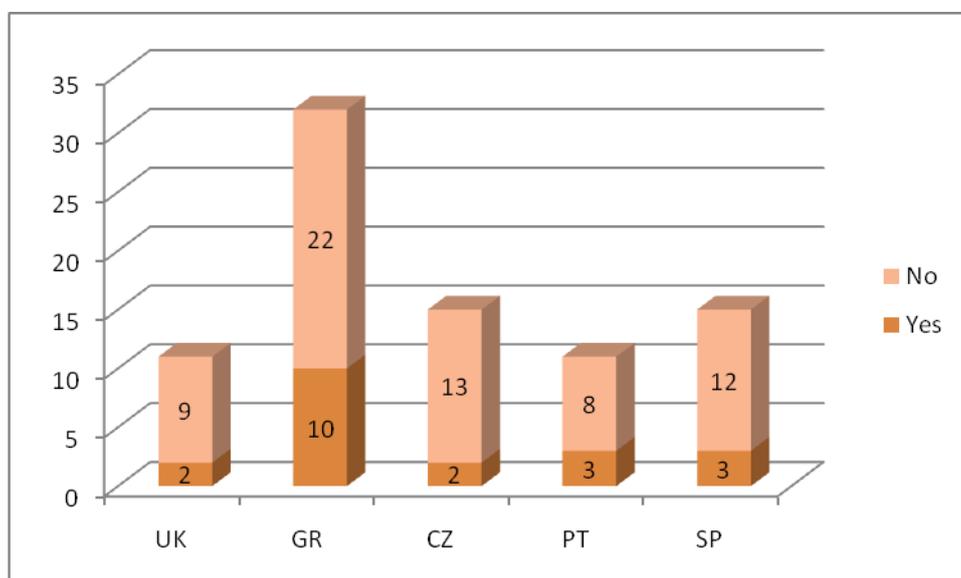


5.9 Q.9 Confidence to Start a Business without Attendance

The sample group were asked if they were 'confident that they would be able start a business without any assistance'. This question was open to misinterpretation; the intention was to find out whether the respondents felt that they had enough business knowledge to start-up without seeking any guidance support organisations, however it is possible to construe that the assistance referred to financial assistance. Notwithstanding this we observed that 76% of our sample group indicated that they needed help to start a business.

This is hardly surprising given that the sampling was generally undertaken by organisations offering start-up support to unemployed people – clients who feel confident enough to start their own enterprise without assistance are unlikely to contact such organisations and would therefore be unknown to them.

Graphic 26 – Confidence to Start a Business without Attendance



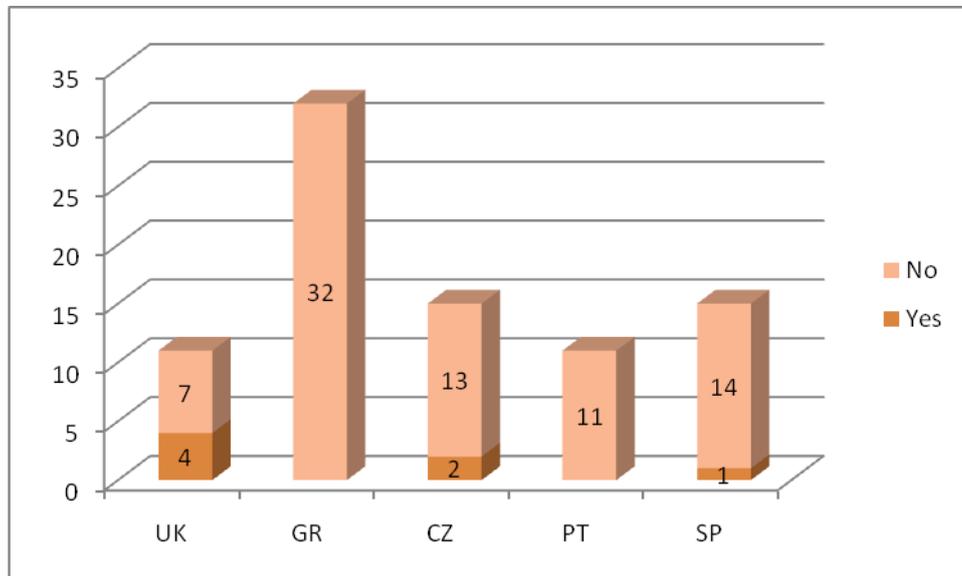
5.10 Q.10 Perceived levels of Government support for start-ups

The question ‘do you feel encouraged to start a business by the government?’ revealed a very negative impression of government support amongst the partners. Less than 6% of our sample felt encouraged by their government to launch a business venture. In Portugal and Greece nobody who was asked felt ‘encouraged’ by government.

General dissatisfaction with governments for a host of reasons (alleged economic mismanagement, failure to adequately regulate the banks and other financial institutions, soaring unemployment and MPs expenses scandals to name but a few) mean that national governments are unlikely to be seen in a positive light, particularly by the unemployed who may well blame their government for their hardship.

When asked why they did not feel encouraged by government, many respondents cited the lack of financial support either through grants or low interest loans available (this was a common complaint in all countries), high levels of bureaucracy (all but Greece), lack of information (all countries), lack of specialist advisors (Czech Republic) and a tax systems that does not encourage enterprise (Czech Republic).

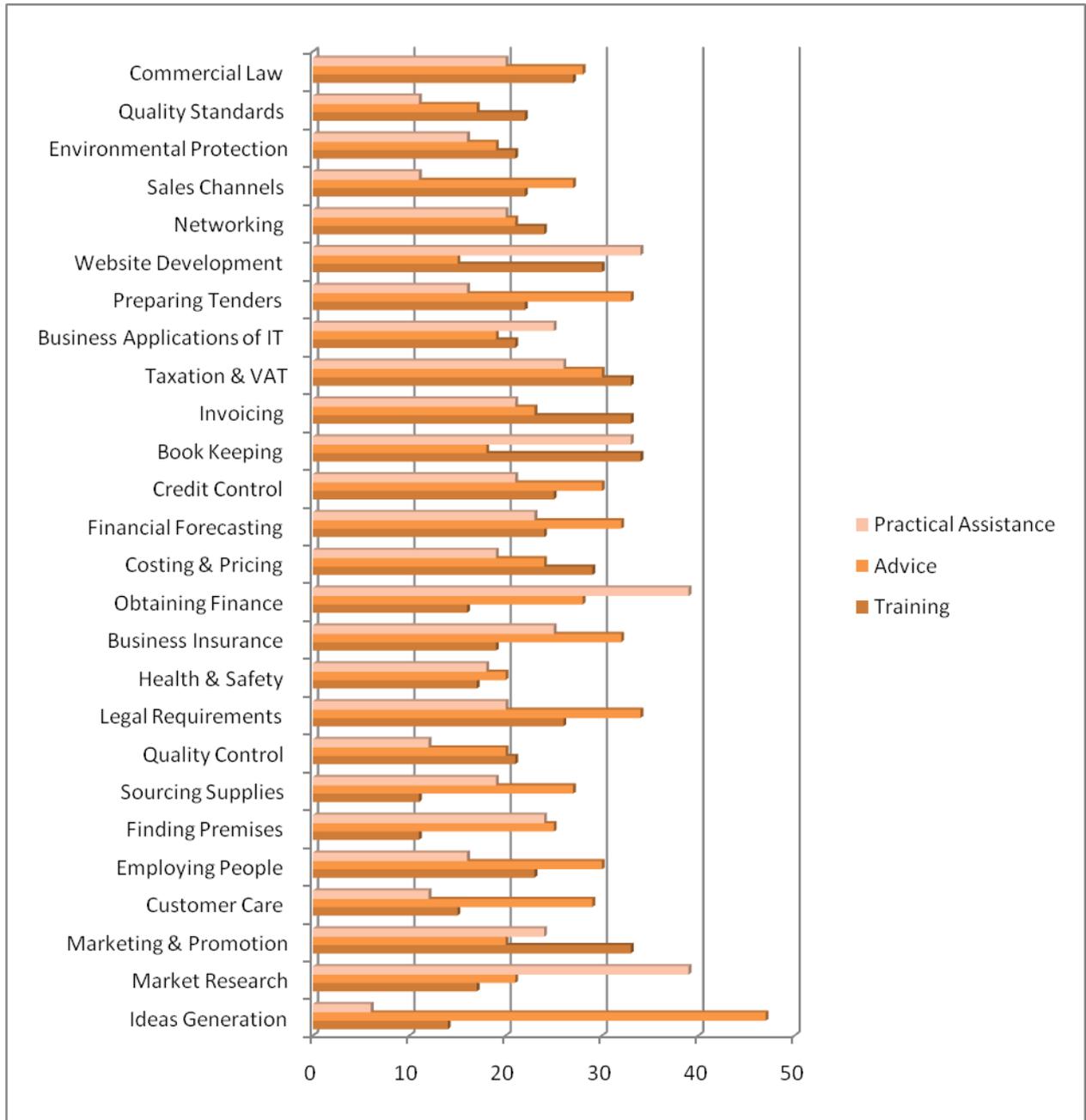
Graphic 27 – Perceived levels of Government support for start-ups



5.11 Q.11 Business functions where support is required

The sample was provided with a list of business related topics and asked whether they felt they needed ‘practical assistance’, ‘advice’ or ‘training’ concerning these functions to help them start a business (each respondent could select none, one, two or all three of the support types for each of the subjects)

Graphic 28 – Business functions where support is required



It is interesting to compare the types of subjects for which respondents generally felt they needed more practical assistance with (e.g. market research, obtaining finance and web development) with the topics that they would rather have advice about (ideas generation, legal requirements and insurance) and with the areas where they felt that training would be most beneficial (taxation and VAT, invoicing, book-keeping)

By totalling all of the requests for support (practical assistance, guidance and training) we are able to rank the subjects in order of demand as indicated by the unemployed people who were sampled. Thus support with Taxation & VAT issues was in highest demand with 89 requests.

Table 3 – Rank of the business functions where support is required (total)

Service	Requests
Taxation & VAT	89
Book Keeping	85
Obtaining Finance	83
Legal Requirements	80
Financial Forecasting	79
Website Development	79
Market Research	77
Marketing & Promotion	77
Invoicing	77
Business Insurance	76
Credit Control	76
Commercial Law	75
Costing & Pricing	72
Preparing Tenders	71
Employing People	69
Ideas Generation	67
Business Applications of IT	65
Networking	65

Finding Premises	60
Sales Channels	60
Sourcing Supplies	57
Customer Care	56
Environmental Protection	56
Health & Safety	55
Quality Control	53
Quality Standards	50

Despite receiving relatively few 'support requests' for the topics at the bottom of the list (Quality Control & Standards, Health & Safety etc.) it is unlikely that the respondents know more about these topics than those that appear towards the top of the list. It is more likely that the clients interviewed are less interested in these subjects and / or cannot see their relevance and do not appreciate the benefits to themselves and their proposed businesses of getting support in these areas.

In the table below we have ranked the top 10 'areas of need' in each of the three types of support, where a subject / topic appears in the top 10 of two or more categories it has been colour-coded (the numbers to the right of each topic represent the total number of respondents which indicated they required each particular type of assistance).

Table 4 – Rank of the top 10 'areas of need'

Rank	Training		Advice		Practical Assistance	
1	Book Keeping	34	Ideas Generation	47	Market Research	39
2	Marketing & Promotion	33	Legal Requirements	34	Obtaining Finance	39
3	Invoicing	33	Preparing Tenders	33	Website Development	34
4	Taxation & VAT	33	Business Insurance	32	Book Keeping	33
5	Website Development	30	Financial Forecasting	32	Taxation & VAT	26
6	Costing & Pricing	29	Employing People	30	Business Insurance	25
7	Commercial Law	27	Credit Control	30	Business Applications of IT	25
8	Legal Requirements	26	Taxation & VAT	30	Marketing & Promotion	24
9	Credit Control	25	Customer Care	29	Finding Premises	24
10	Financial Forecasting	24	Obtaining Finance	28	Financial Forecasting	23

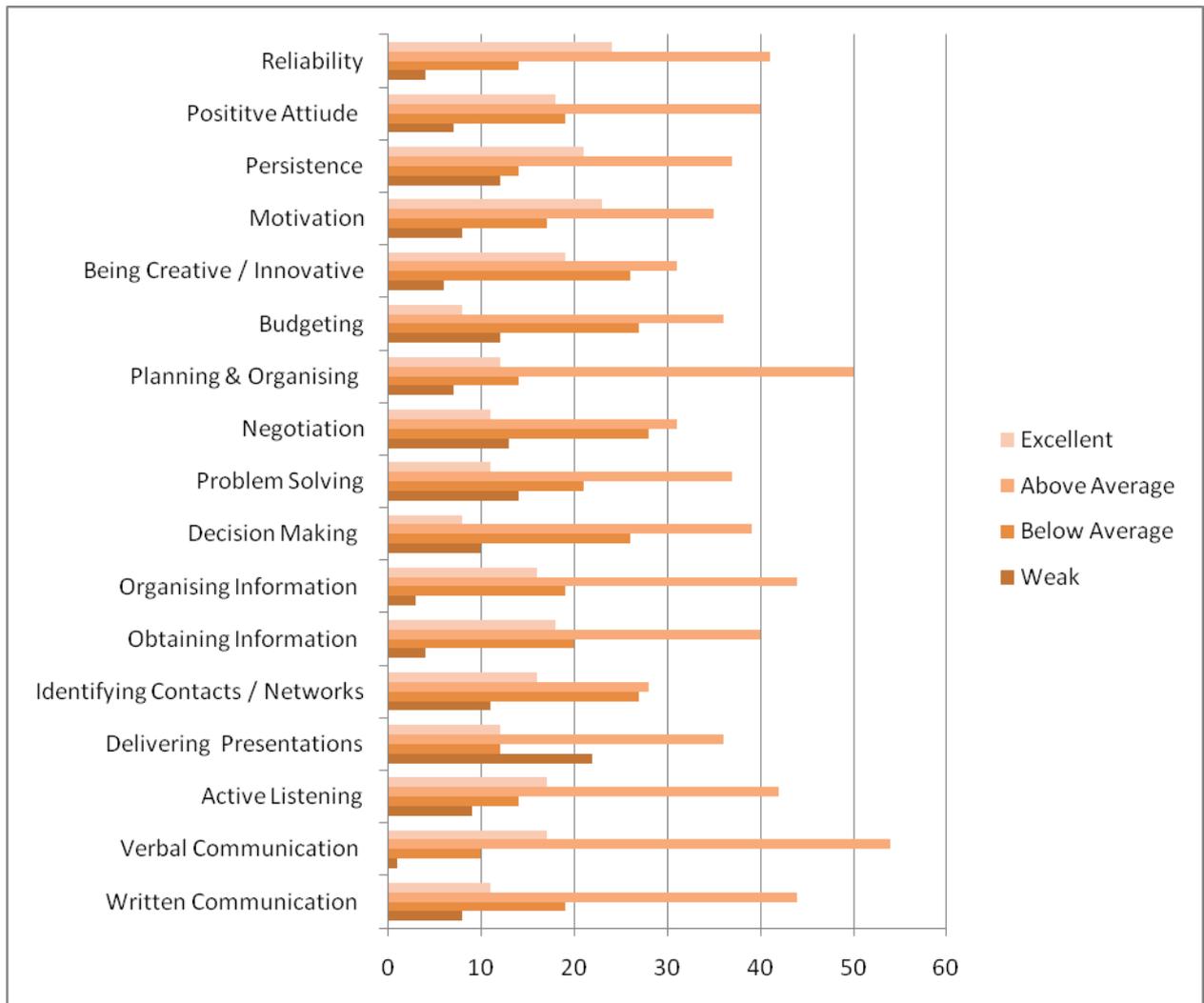
By looking at the information in this way it would seem that clients wish to receive training in how to perform the 'on going' functions that regularly recur in any business (e.g. book keeping, marketing, invoicing & tax). Advice is likely to be sought on matters which are perceived as 'specialist' and not normally part of 'day to day' business management (e.g. ideas generation, legal requirements, tender preparation). The types of subjects which clients are most likely to require 'practical assistance' with are market research, obtaining finance and web development – again these are regarded as specialist areas where suitable professional help is deemed necessary.

5.12 Q.12 Rate your personal skills

The sample group was asked to rate relevant personal skills as either 'weak', 'below average', 'above average' or 'excellent'. As noted previously with reference to the 'advisors', we should take care when trying to draw lessons from this type of subjective self analysis.

It is likely that the most agreeable / approachable / capable clients that could be identified by the partners were asked to take part in the survey – are these people likely to give a truly representative sample of all the unemployed people interested in starting a business?

Graphic 29 – Rank your personal skills



6. Conclusions

It would be inappropriate at this stage to prescribe what type of interactive tool should be developed to best meet the needs of our target group.

What we can see is that individual advisors / consultants / trainers have significant 'knowledge gaps' in subject areas which are fundamental for effective enterprise support. We can also see that these professionals play a crucial role in enabling their clients to become economically active through entrepreneurship, innovation and creativity; as 76% of our (unemployed) sample group indicated that they needed help to start a business.

It would seem that some professionals feel that their services are not marketed effectively – is this something that the FREE tool could address?

Assistance with 'Networking Events', 'Business & Financial Planning', 'Market Research' & 'Ideas Generation' appear to be offered by relatively few of the sampled organisations - could the FREE tool assist professionals to develop their knowledge of these areas?

Those professionals sampled feel they have insufficient knowledge of Quality Standards, Environmental Protection, Commercial Law, Business Banking, and Web Development – should the FREE tool attempt to cover these areas or are they best left to specialists?

There were 3 soft skills which significant numbers of respondents felt they were weak or below average in; creativity and innovation, budgeting and negotiation – how can FREE improve this?

There is a need for relevant, accurate cost effective and accessible training material for professionals working in this area – if the FREE content were to be accredited by a recognised body it is likely to be seen as more valuable by the target group.

The FREE Interactive Tool should incorporate a general 'personal development plan' (Continuous Professional Development) template that could be adapted by individual users.

The FREE Interactive Tool should encourage users to adopt ‘best practice’ in relation to customer service e.g. by highlighting the need to respond quickly to enquiries and always seeking to provide a client focused approach.

The development of professional networks / relevant personal contacts should be promoted where possible by the FREE tool, this will enable our target group to keep abreast of developments within complimentary organisations and the programmes which they deliver, ultimately enabling advisors to deliver higher levels of customer service.

24% of potential clients demonstrated a clear need for assistance with generating a business idea and / or help with assessing their suitability of possible business ventures – could the FREE tool strengthen the skills set of professional advisors to assist their clients with this?

It may be helpful for the partners to devise a universal ‘role profile’ for those working with the unemployed in the areas of entrepreneurship, creativity and innovation – a minimum set of standards that could be applied in each of the countries against which advisors could benchmark their competencies. However, given the varying degrees of enterprise support available in each country, and the wide range of organisations involved in delivery this is likely to be a significant challenge.