

INCLUSIVE ENTREPRENEURSHIP IN WALES



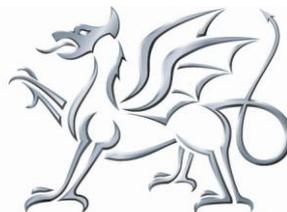
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THIS STUDY AND THE COMMUNITY OF PRACTICE ON INCLUSIVE ENTREPRENEURSHIP HAS BEEN CO-FUNDED BY THE EUROPEAN COMMISSION

EXECUTIVE SUMMARY

This report outlines a pilot study undertaken in Wales to test and evaluate a framework for the assessment of inclusive entrepreneurship and the identification of good practice. The study is part of a Community of Practice project involving Wales, Belgium, Spain, Portugal and Germany.

The framework is based on an Excel spreadsheet tool and has three sections for policy makers; for specialist advisers and for entrepreneurs from different target groups. These groups include unemployed, women, migrants and ethnic minorities, 50 plus, young people under 30, people with disabilities and social enterprises.

Interviews have taken place where individuals, within each of the stakeholder groups, were asked to comment on and score (4= totally agree to 1= totally disagree) a statement about entrepreneurship within the themes of strategy, culture, start-up support, consolidation and growth and access to finance.

Scores and comments were recorded in electronic form and a summary of scores produced for each of the stakeholder groups. This score was then colour coded, red, yellow or green, depending on the value and tables produced of the colour coded average score for each statement within each theme. (See Annex 1)

The tables are then analysed to identify where entrepreneurship activity is viewed to be good (green), fair but needs to be kept under review (yellow) and poor (red). This provides a tool which can form the basis of identifying where entrepreneurship practices are good and could be used as examples of good practice or where they may be gaps in provision or needs of particular groups of entrepreneurs.

In this pilot a relatively small number of interviews, 48 in total, were undertaken as the main objective of the study was to evaluate the tool and process and then make recommendations for future developments. However, through the interviews and analysis of the results a number of conclusions have been discussed in section 4 which identify existing good practice across Wales and where future challenges lie.

The project has also involved the identification of good practice within countries which are collated in an on-line database. This provides opportunities to search the database for examples of good practice from across Europe which could then be investigated and evaluated for potential implementation to address a gap in provision identified in the matrix tool.

The flexibility of the tool enabled the following to be evaluated:

- The visual format of the output from the matrix analysis easily identifies where there are areas of good practice, gaps in provision or needs for specific target groups. For example in Annex 1, a series of “green” cells such as those within the policy framework can be evidenced by the existence of the Entrepreneurship Action Wales for Wales which has been implemented over the past 5 years.
- A number of “red” cells can identify where there are barriers experienced by various groups or there is a lack of provision. In Wales access to appropriate finance is seen as a major barrier to entry into business for many under represented groups. This is seen very clearly in the matrix analysis for advisers and users where many cells in this theme are red. This concern is also reflected in the analysis for the policy makers where although it was recognised that finance was available in Wales there were issues in providing access to finance for specific groups which is illustrated in the resulting “yellow” cells.
- The database of good practice can be searched to address areas where gaps are identified. For example, in response to the barriers to finance for many under represented

groups, microfinance programmes from Germany or Portugal could be reviewed to determine their application within Wales.

➤ The results for each statement from entrepreneurs across the different target groups can be compared to identify any differences in experiences. In Wales the people with disabilities and social enterprises interviewed indicated that they had not had access to mentors although other groups had. This can be raised as a challenge within Wales to recruit and promote more mentors for these specific groups.

➤ The average score from policy makers or specialist advisers to a statement can be compared with the response from entrepreneurs. This helps to evaluate whether programmes or facilities are being accessed by entrepreneurs. Access to business premises for growth businesses is seen by policy makers and specialist advisers as good whereas most entrepreneurs see this as a major difficulty due to inconsistent availability across regions in Wales. This might mean to policy makers and advisers that new premises need to be planned or existing facilities where they are available need to be better promoted.

Outcomes and recommendations for using the tool

In summary, the pilot study has resulted in the following outcomes:

➤ The tool was tested with 14 policy makers, 14 specialist advisers and 20 entrepreneurs across Wales. All participants in the pilot were very positive about the project and willing to provide responses to all questions.

➤ The benefits of using the questionnaire within the framework of policy and best practice were seen as advantageous to policy makers and advisers. The potential of identifying gaps within provision for specific target groups and using examples of best practice from other regions or nations was seen to be a positive step forward.

➤ The ranking of 1 to 4 was appropriate as it did not provide the opportunity for a midpoint response. A "4" ranking was sometimes given with the comment "we have that" or "I did that" where respondents were involved with delivering or accessing particular initiatives. Sometimes a "2" ranking was given because "I couldn't give it a 1 because it might look bad". Through personal interview this was explored and reasons noted.

➤ Telephone interviews proved very efficient and effective. The distances and time required to obtain responses from different target groups in various parts of Wales would have not been possible in such a short period of time. Wales covers 20,000km². On the telephone participants were open and honest and willing to share their knowledge and experiences. Questions could be queried and explained as needed.

➤ A personal perspective was gained through obtaining some business background from entrepreneurs as well as asking the questions. The questions prompted stories from entrepreneurs which showed an insight into some of the barriers, issues and good practice experienced.

➤ The interviews with entrepreneurs highlighted the opportunity to provide some feedback at the end of the interview which could be used to help the entrepreneur. For example, where a lack of business support was identified and it is known to be available, the expert could provide information to help the entrepreneur access support.

➤ The policy makers would not necessarily have the knowledge of all the areas covered in the framework and some were chosen because of their expertise within a theme to give a more balanced view.

➤ The means of identification of entrepreneurs to participate in such studies is an important element. For the Wales pilot a database of entrepreneurs was available from the Cyfenter

EQUAL project which provided the necessary breakdown into target groups required within the tool.

➤ The good responses to strategic and culture statements were based on evidence of the strong strategic framework for entrepreneurship which Wales has been implementing since 2000 through the Entrepreneurship Action Plan for Wales. A major strength of the strategy is that it is focused around the needs of specific groups through a series of initiatives (see Annex 2) and built on a foundation of extensive research through the work of the Cyfenter EQUAL programme. The initiatives include the Youth Enterprise Strategy, development and delivery of enterprise materials and initiatives for schools, colleges and Universities and establishment of specialised business support organisations and partnerships, building of new infrastructure and establishing a Wales based finance institution.

➤ Across Wales there are significant differences in provision of support and infrastructure. The matrix is an excellent tool for highlighting these gaps and entrepreneur needs and which combined with the best practice framework could provide the basis for providing solutions.

➤ Areas suggested for inclusion in the tool are community support programmes; management development; employment; innovation; technology; ecommerce; continuity of support and sustainability.

➤ The tool could integrate within the enterprise ecology framework more information from the Global Entrepreneurship Monitor (GEM) project which attempts to describe and analyse entrepreneurial activity across a number of nations. This would provide a wider perspective of entrepreneurial activity to support the analysis of the tool.

1. INTRODUCTION

1.1. WHAT IS THE COMMUNITY OF PRACTICE ON INCLUSIVE ENTREPRENEURSHIP?

CoPIE is a learning and communication platform for people who are passionate about inclusive entrepreneurship. We work on the design and delivery of policies which make it easier for under-represented groups to become self employed or start up a business. We have called this 'inclusive entrepreneurship'. It builds on the work carried out over the last five years by nearly 300 EQUAL partnerships on opening up business creation to all members of society. Many of the 12 countries involved in this work created National Thematic Networks to exchange and mainstream their findings. The Community of Practice also drew heavily on the experience of the EQUAL partnerships involved in the Social Economy.

Inclusive entrepreneurship

Inclusive entrepreneurship is a comprehensive approach to widening the range of people that start and grow their businesses. It drives up employment and activity rates and cuts unemployment. It is a diversity assured approach that works effectively in communities that are discriminated against. To widen entrepreneurship we have brought together a Community of Practice on Inclusive Entrepreneurship COPIE led by Flanders and co-financed by the European Commission. COPIE is an open network aiming make entrepreneurship an attractive and viable option for more people during the 2007-13 period. COPIE has developed a new action planning approach which will be presented for the first time to around 300 delegates from the EU Member States at a Policy Forum in Hannover on 5-6 June 2007.

The Four entrepreneurial ladders out of exclusion

Although the definitions vary slightly in each Member State, the main themes dealt with in business creation are very similar across the countries. They have been described as the four parts of "an entrepreneurial ladder out of social exclusion". The four parts are:

- creating the culture and conditions for entrepreneurship;
- integrated start-up support and training,
- support for consolidation and growth and
- access to appropriate finance.

In all these areas there is already an important reservoir of good practice on how to promote inclusive entrepreneurship in many Member States. But this still generally takes the form of pilot projects and initiatives. At the end of Equal, there is a risk that this knowledge and experience can be lost. Our approach aims to combat this by helping regions to mainstream the good practice from all over Europe.

The founding partners

Flanders, Germany, Spain, Portugal and Wales are the founding members of COPIE. France, the Netherlands, Greece and Wallonia are participating as observers. They have all had direct experience

of trying to close the gap between employment and entrepreneurship policies. This gap exists because those concerned with social inclusion and employment policy tend to prioritise combating exclusion through employment. European employment policy is increasingly concentrated on supply side solutions (like training, counselling and “flexicurity”) for helping the labour force adapt to a rapidly changing environment created by globalisation and an ageing population. Policies for business creation tend to receive less attention.

The people involved in the Community of Practice believe that many more people from disadvantaged groups can help to create their own future rather than hope that decent jobs “trickle down” from the high technology, high growth sectors. They argue that “entrepreneurship” should not be seen as the prerogative of a privileged few. It is already a survival strategy for millions of Europeans – and, with the right conditions and policies, it has the potential for unleashing the creativity of millions more.

Developing Action Plans for Inclusive Entrepreneurship

One of the first tasks of the Community of Practice has been to design a methodology for developing “action plans” for Inclusive Entrepreneurship. The action plans are built around a tool that takes the stakeholders systematically through an analysis of enterprise support in their region, sub region or city. The tool itself consists of four scorecards on excel spreadsheets which are already available on-line. At present, this preliminary version of the tool and bank of good practices can be consulted on the COPIE website.

The tool helps policy makers and practitioners concerned with entrepreneurship to identify the main gaps or challenges to the support system for entrepreneurship in the four main themes identified by EQUAL - from the point of view of specific groups. Policy challenges are identified from the scoring process.

Armed with this knowledge they can locate the good practices developed elsewhere to meet similar challenges in the area of culture and conditions, start-up support and training, consolidation and growth and access to appropriate finance.

Finally, they can bring both elements together to design an action plan or strategy for inclusive entrepreneurship for the next period. Now that CoPIE has established a sound basis for co-operation we plan to grow the existing community of practice by adding five to ten new member regions from a range of different Member States. We are particularly keen to expand our network to include the new Member States

The rest of this report describes how the tool has been tested by one of the members of CoPIE.

1.2. THE PROCESS OF TESTING THE TOOL IN WALES

The tool was tested with 14 policy makers, 14 specialist advisers and 20 entrepreneurs across Wales.

Initial contact was made through emails or personal approaches giving an overview of the pilot, its aims and objectives and a request for an interview. Interviews were then arranged at a specific date and time to suit the interviewee.

The process was carried out on an individual and focus group basis through face to face, telephone and third party interviews. This sought to test out methods of obtaining of responses and the quality of information provided. Distances involved in obtaining the information across Wales would have prohibited face-to face interviews in such a short period of time.

On average a telephone interview lasted about 15- 20 minutes, face-to-face about 30-40 minutes and a focus group about 1.5 hours.

The **policy makers** interviewed included representatives from different departments within the Welsh Assembly Government with particular responsibility for enterprise, education, incubation, innovation, business support for under represented groups and growth businesses, and community development. Other organisations such as Wales Management Council, Disability Wales and Ethnic Business Support were also interviewed.

A focus group of 5 policy makers were interviewed with the remaining by face-to face, or telephone interviews.

In Wales, a number of organisations, under a project called “Potentia”, support the development of entrepreneurship and enterprise for under represented groups. These include Chwarae Teg (for Women), Ethnic Business Support, Prince’s Trust (under 30’s), Prime Cymru (over 50’s), Disability Wales and Menter a Busnes (Welsh Speakers). (see section 2.3 for more details).

Interviews for the **specialist advisers** were selected from these organisations and from further education, social enterprise, mainstream business support, private and voluntary sectors. Some of the advisers were able to provide responses for a number of groups so, in total, the 14 advisers provided 17 entries into the framework.

Entrepreneurs were initially identified through a Cyfenter EQUAL programme database. It was possible to identify from the database the target group of each individual so a representative selection of 40 entrepreneurs were emailed with a request to be part of the pilot. From the responses 9 telephone interviews were carried. Other entrepreneurs were identified from participants who were in or had been through a business support programme and a third party conducted the interviews with the individuals (9) completing their own questionnaire. The remainder of entrepreneurs were obtained through personal contact.

Entrepreneurs from a range of businesses were interviewed. Of the 20 businesses, 6 were in the retail sector making chocolates and timber products as well as artists and a funeral director. The 5 entrepreneurs from service sector provide training, mentoring, consultancy and business support whilst there were 7 entrepreneurs from the IT, media and film sectors including web and graphic design businesses. There was 1 entrepreneur from the voluntary sector and 1 author.

From the 20 entrepreneurs 31 responses were entered due to the multiple target group representation of some entrepreneurs. For example, a woman who is under 30 may have responded from each perspective.

During the interview individuals were asked to score (4,3,2,1) their level of agreement. A score of 4 means that they totally agree with the statement and normally means that provision is very good, a 3 means they agree and provision is good, 2 means disagree and provision is not good whereas 1 means they totally disagree and provision is very poor and there are major gaps in provision. The statements are structured under themes of strategy, culture, start-up support, support for consolidation and growth and access to finance.

In the final analysis, the scores were averaged for policy makers, specialist advisers and entrepreneurs under each theme and then coloured “green” (over 3), “yellow” (2-3) and “red” (less than 2). This method provides a visual framework from which conclusions can be drawn.

1.3. MAIN LESSONS FROM TESTING THE TOOL IN WALES

- All participants in the pilot were very positive about the project and willing to provide responses to all questions as well as an insight into their experiences of enterprise and expertise of developing enterprise programmes across Wales.
- The structure of the questionnaire and the process of interviews with policy makers and advisers worked very well and raised general awareness of issues and developments from those with different perspectives and areas of responsibility. Inclusive entrepreneurship, as evidenced throughout the interviews, has had a high

profile in Wales particularly in the provision of targeted business start-up support and the tool provoked discussion in some groups about the programme of mainstreaming of such provision in the future.

- The ranking of 1 to 4 was appropriate as it did not provide the opportunity for a midpoint response. A 4 ranking was sometimes given with the comment “we have that” or “I did that” and a 2 ranking because “I couldn’t give it a 1 because it might look bad”. Through personal interview this was explored and reasons noted.
- Telephone interviews proved very efficient and effective. The distances and time required to obtain responses from different target groups in various parts of Wales would have not been possible in such a short period of time. On the telephone participants were open and honest and willing to share their knowledge and experiences. Questions could be queried and explained as needed.
- One interview was undertaken as a focus group with 5 policy makers with responsibility for different elements of enterprise and business support. This lasted over 1.5 hours and instigated a wide range of discussion which proved to be valuable from the perspective of the quality of information for the study but also for the information sharing between the group.
- The group session with entrepreneurs completing their own questionnaire undertaken by a third party produced limited comments. This approach will need to be evaluated for future use and also ensure that appropriate training is given to the third party.
- A personal perspective was gained through obtaining some business background from entrepreneurs as well as asking the questions. The questions prompted stories from entrepreneurs which showed an insight into some of the barriers, issues and good practice experienced.
- The interviews with entrepreneurs highlighted the need to provide some feedback which could be used to help the entrepreneur. For example, where a lack of business support was identified and it is known to be available, the expert can provide information to help the entrepreneur access it.
- The policy makers would not necessarily have the knowledge of all the areas covered in the framework and some were chosen because of their expertise within a theme to give a more balanced view.
- Participants were advised that they could leave blank any question where they did not have experience or knowledge of. For example advisers may have limited knowledge of teaching materials and entrepreneurs of public sector contracts. Consequently some cells in the matrices are blank and not included in the analysis.
- Some of the questions presented a dichotomy for the interviewee. For example “grants are fast and flexible” and “advisers receive accredited training and are sensitive to the needs of target groups”. This can produce responses such as “How do I score that...they are flexible but not fast?”
- It was fortunate that a database of potential participants was available which provided target group information. In a wider study special consideration should be given on how to access entrepreneurs.
- Across Wales there are significant differences in the provision of support and infrastructure. For example, incubators. The matrix is an excellent tool for highlighting such gaps in provision or identifying entrepreneur needs. It could be used in different regions of Wales to identify where the challenges are and where potential funding streams could be targeted. This can be supported by accessing the information in the best practice database which can help provide the basis for possible solutions.

2. ENTERPRISE ECOLOGY

2.1. DEMOGRAPHICS: THE AREA AND ITS PEOPLE

➤ Wales is a mainly mountainous country with relatively small areas of coastal plain and lowland valleys, covering 2.078 million hectares (around 20,000 km²) with a coastline of approximately 1,280 kilometres. Around three-quarters of the total land area is classified as agricultural land, with a further 6% classified as forestry, and the remainder classified as urban land, military bases and ranges, reservoirs, lakes and other bodies of inland water. (WAG Convergence Consultation 2006)

➤ Wales has a population of 2.96 million, an increase of 2% from 1991. There are 22 unitary authorities with around 1.9 million (64%) living in the 15 authorities within the West Wales and the Valleys region designated under European structural funds as Objective 1 (2000 – 2006) and Convergence (2007-2013) programmes. These are: Blaenau Gwent; Bridgend; Caerphilly; Carmarthenshire; Ceredigion; Conwy; Denbighshire; Gwynedd; Isle of Anglesey; Merthyr Tydfil; Neath Port Talbot; Pembrokeshire; Rhondda Cynon Taff; Swansea; and Torfaen.

➤ The remaining 7 authorities of Cardiff, Flintshire, Monmouthshire, Newport, Powys, The Vale of Glamorgan and Wrexham qualify for Regional Competitiveness and Employment funding (2007-2013).

Figure 1: Map of Wales showing the 22 Unitary Authorities



➤ Wales's largest city, [Cardiff](#) (*Caerdydd*) was established as the capital of Wales in 1955 and has a population of 320,000. Swansea is the second largest city with 200,000 people and is situated in the West Wales and the Valleys region. The Local Authority area of Rhondda Cynon Taff has the largest population with over 230,000 residents in the heart of the valleys. About one-third of the population of West Wales and the Valleys is located in rural local authorities, while 40% of the population is concentrated in the South Wales valleys.

➤ Around 70% of the population of Wales live within reach of Cardiff in the South and Swansea in the West as shown in Table 1. North and mid Wales are more rural with longer distances to large towns.

Table 1: Population within Travel Time by Road

Area	Origin	Time Limit	Population	% of Total Population
North Wales	Bangor (Gwynedd)	45 mins	212,022	7.17
	Bangor (Gwynedd)	2 hours	688,946	23.29
South Wales	Cardiff	45 mins	1,242,578	42.00
	Cardiff	2 hours	2,023,219	68.38
Mid Wales	Newtown (Powys)	45 mins	69,205	2.34
	Newtown (Powys)	2 hours	992,443	33.54
West Wales	Swansea	45 mins	770,916	26.06
	Swansea	2 hours	2,163,184	73.12

➤ The [National Assembly for Wales](#) (*Cynulliad Cenedlaethol Cymru*) was formed in 1999, with powers to amend primary legislation from the U.K. Parliament. These powers were widened by the [Government of Wales Act 2006](#), which will take effect after the 2007 Welsh Assembly election. The [Welsh Assembly Government](#) (*Llywodraeth Cynulliad Cymru*) will be reformed from a committee within the Assembly to a separate Welsh Government executive body.

➤ The overall population of older people is increasing with 36% of the total population over 50, the highest in the UK. Some 19% are between 50 and 65, the current state pension age, and 17% over 65.

➤ The population in Wales is split into 52% female with 2.4% from ethnic minority groups, 22.3% disabled, and 6.8% of its population leaving school without any qualifications. Within the working population, 67% of those disabled are inactive and 4% long term unemployed compared with 17% inactivity and 4% long term unemployed for non disabled persons.

2.2. KEY EMPLOYMENT CHALLENGES.

➤ The Labour Force Survey in January 2007 shows:

- The employment rate of people of working age in Wales stood at 72.2%, up from 71.7% in the same period last year.
- The ILO unemployment rate at 5.2% of the economically active was up from 5.0% in the same period last year.
- The claimant count rate for Wales stood at 3.1% of the workforce, down 0.1 percentage point from February 2006. The claimant count rate for West Wales and the Valleys was 2.8% of the resident population of working-age. The rate for East Wales was 2.3%.
- The value of exports of goods for the whole of 2006 from Wales rose by 7.5% since 2005 and by 45.3% over 1999.

➤ Economic output per head has been lower in Wales than in other parts of the UK (and most other parts of Western Europe) for a long time - in 2002 it stood at 90% of the EU25 average

and still remains around 80% of the UK average. GVA per head in Wales is approximately £13,800 (€20,1488) the lowest in the UK (National Statistics, Dec 2006).

➤ Median gross weekly earnings in April 2006 for males in full-time employment was £448.4 (€654) and females £353.7 (€516).

Table 2: Employment Changes in Key Sectors 2001- 2004

WAG	Employment 2001	Employment 2004	% change 2001- 2004	Employment 2005	% change 2001- 2005
Key sectors					
Agriculture	35700	35100	-1.68	not available	
Manufacturing	289100	275300	-4.77	not available	
Services	921500	984300	6.81	not available	
Total	1246300	1294700	3.88	1316400	5.62

➤ Total workplace employment (Table 2) in Wales increased by 3.88% between 2001 and 2004, with increases in construction and all service industries, offset by decreases in agriculture and production.

➤ The tourism sector supported by hospitality and leisure has become an important factor to the current and future economy of Wales. Many are spread across the country and are isolated in rural areas. 85% have 10 employees or less.

➤ A comprehensive survey of the requirements of employers and identification of skills has been undertaken in 1998, 2003 and 2005 by the Welsh research programme, Future Skills Wales (FSW). The 2005 survey recorded approximately 38,000 vacancies in Wales. This represents 3.5 per cent of total employment and is decrease from the 2003 figure (4.9 per cent).

The survey looked at sectors with vacancies and found that the highest density of vacancies were: Hotels/Catering (9% of total employment); Banking/Insurance/Other Financial Services (7%); Other Services (6%).

The prime causes of hard to fill (HTF) vacancies were: lack of skills the organisation demands (30 per cent of all establishments with HTF vacancies); not enough people interested in the job (25 per cent); low number of applicants with required attitude, etc (21 per cent).

➤ In summary in Wales unemployment is not generally an issue although there are areas where closures and restructuring in the industrial sector has led to high numbers of job losses. This, over time, is being replaced by the creation of new businesses through entrepreneurship development and the growth of new clusters such as biotechnology, creative industries and the automotive sector.

The main employment challenges for Wales are:

- Above average youth unemployment.
- Long-term unemployed.
- Poor accessibility in rural areas.
- Ageing population.
- High levels of inactivity of people with disabilities.
- Low income through casual, part-time and seasonal employment.

2.3. ENTREPRENEURIAL DYNAMICS

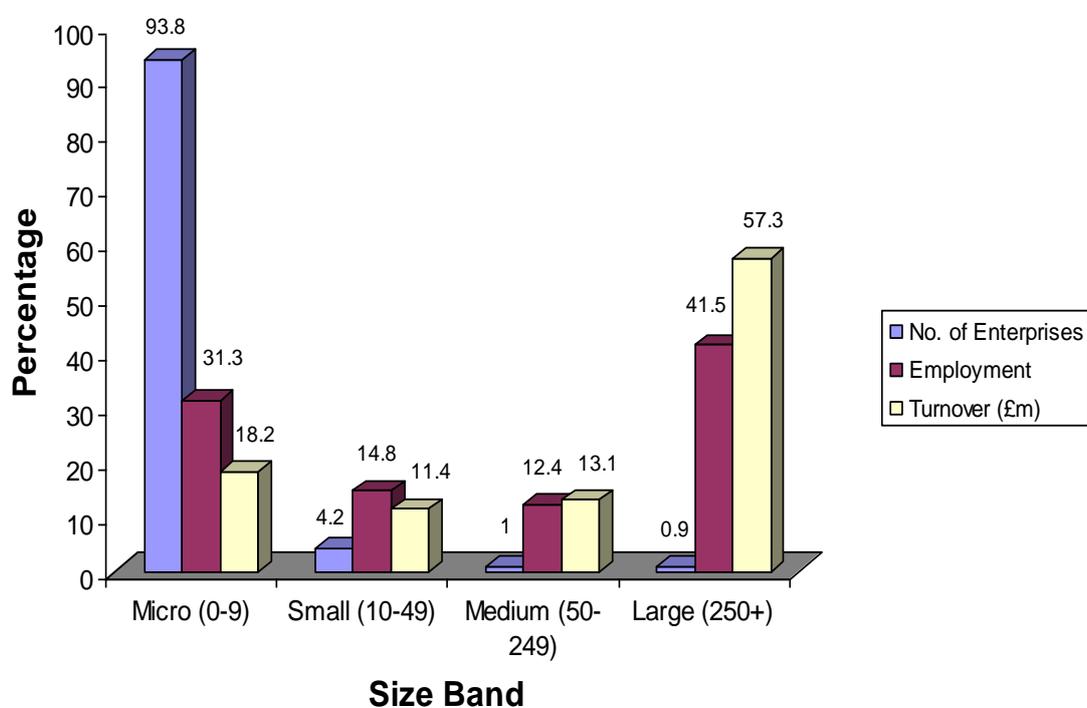
➤ It is difficult to get consistent figures for the number of enterprises in Wales due to the fact that businesses do not need to be registered unless for VAT purposes. Table 3 shows the number of VAT registered businesses by employee size and region in 2006 and totals 74035.

Table 3: Number of VAT Based Enterprises by Employee Size and Region (2006).

Size	<u>Number of employees</u>				TOTAL
	<u>0-9</u>	<u>10-49</u>	<u>50-249</u>	<u>250+</u>	
North	17,225	1,470	250	55	19,000
Mid	10,710	495	60	15	11,280
West	15,510	1,280	185	40	17,015
South	23,590	2,465	545	140	26,740
	67,035	5,710	1,040	250	74,035
% of TOTAL	90.55	7.71	1.40	0.34	100.00

➤ Figure 2, produced by the National Assembly for Wales in 2004, is based on enterprises with some activity in Wales and covers all private sector enterprises plus public corporations and nationalised bodies. The number of enterprises are estimated at 171,065.

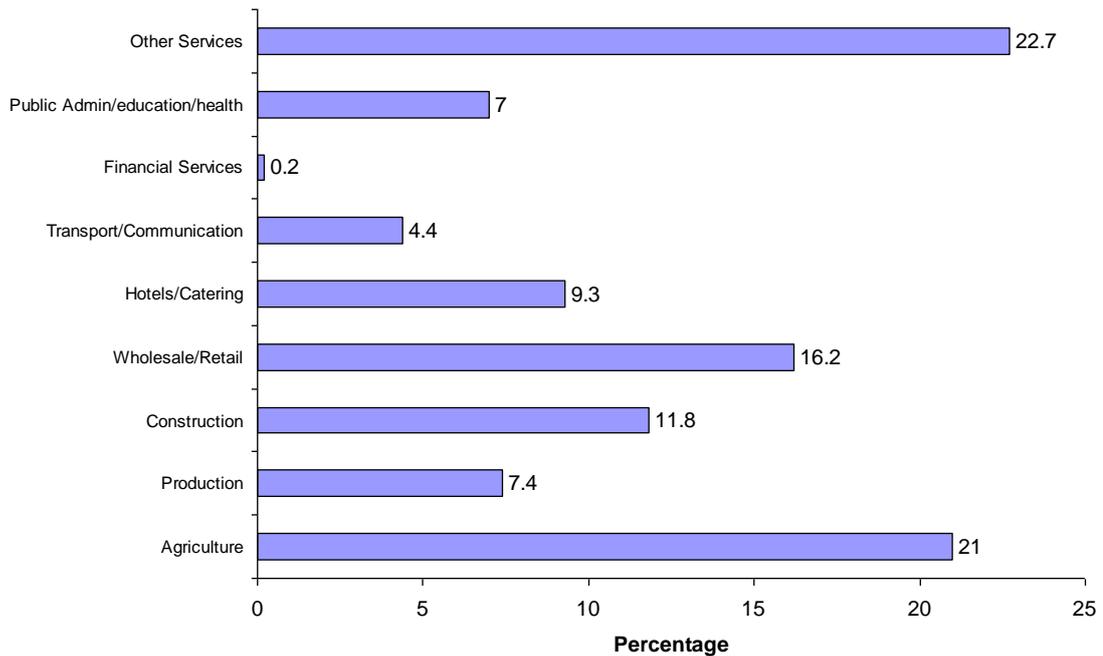
Figure 2: Summary of Enterprise Activity in Wales (2004)



- The total VAT registered stock in Wales increased by 900 (1.1%) during 2005, the highest level in the current data set (which began in 1994). There were 6,400 VAT registrations in Wales during 2005, a decrease of 600 (8.7%) over 2004 and 5,600 VAT de-registrations in Wales during 2005, a decrease of 500 (7.6%) over 2004.
- Between 1999 and 2005 the number of VAT registrations increased by 7.1% in West Wales and the Valleys and by 2.3% in East Wales, compared to rises of 5.1% and 0.6% across Wales and the UK as a whole respectively.
- The survival rate for Wales for businesses registered in 2002 and still trading three years later was 72.0 per cent, 0.7 percentage points above the UK average (71.3 per cent).
- About 90% of all VAT registered business in 2006 had less than 10 employees whereas 93.8% were classified as micro businesses (0-9 employees) in 2004. It is estimated that about 13% of those employed are on a self-employment basis.
- The micro and SME sector accounts for nearly half of the employment across Wales. Large enterprises account for 41.5% of employees with 57.3% of total turnover followed by micro businesses at 31.3% of employees with 18.2% of the turnover.
- Table 4 and Figure 3 show the distribution of VAT based enterprises across Wales by region and by total in each sector. The highest percentage of businesses are in the agriculture sector which accounts for 21% of VAT registered businesses and are mostly situated in mid Wales. Other services which includes property and business services are based mainly in South Wales.

Table 4. Distribution of VAT-Based Enterprises by region and sector. (2006)										
	Total	Agriculture	Production	Construction	Wholesale/Retail	Hotels/Catering	Transport/ Communication	Financial Services	Public Admin / education / health	Other Services
	%	%	%	%	%	%	%	%	%	%
North	25.7	27.7	25.3	26.4	25.6	27.0	27.0	22.9	24.3	23.3
Mid	15.2	33.3	10.2	11.5	10.1	11.5	11.2	2.9	10.4	9.5
West	23.0	28.4	20.3	22.1	22.8	24.6	21.3	11.4	21.3	19.8
South	36.1	10.6	44.3	39.9	41.5	36.9	40.5	62.9	44.1	47.4
% of TOTAL	100.0	21.0	7.4	11.8	16.2	9.3	4.4	0.2	7.0	22.7

Figure 3: Distribution of Total of VAT Based Enterprises Sector (2006)



- Amongst local authorities in Wales in 2004, Powys and Ceredigion had the highest percentage of jobs in the agriculture sector; Flintshire, Caerphilly and Blaenau Gwent had the highest percentage of jobs in the production and construction sector; and Cardiff and Swansea had the highest percentage of jobs in the service sector.
- Since 2000 Wales has participated in the Global Entrepreneurship Monitor (GEM) project which describes and analyses entrepreneurial activity across a number of nations. From the 2006 Wales report (www.neo-wales.com) the following entrepreneurial dynamics were highlighted.
 - The Total Early Stage Entrepreneurial Activity (ESE) is 5.5 %, a rise from 5.3% in 2004 and 2005. The means that approximately 98,500 individuals between 18 and 64 years are actively participating in the process of start-up or have just started up a new business. Wales is ranked 27th out of the 43 participating countries.
 - The proportion of the working population participating in start-up is 2.8%, a rise from 2.6% in 2005.
 - Female ESE was 3.7%, slightly up from 3.6% in 2005. The ratio of female/male entrepreneurial activity is 33%, a decline from 34.4 % in 2005 and less than the 35% average for all the GEM nations.
 - The highest level of early stage entrepreneurial activity is in the age group 25-34 at a rate of 7.5%, a significant increase from 6.2% in 2005. In the other groups the rates are 7% (35-44), 5.5% (45-54), 3.8% (55-64) and 3.2% (18-24).
 - In Wales white immigrants are the most entrepreneurial with 7.0% of the adult population involved. For non- white immigrants this decreases to 4.6%, compared with the UK where the rate for the same group is 15.8%.
 - The rate for those involved in entrepreneurial activities whilst employed is 7.3% (part-time) and 6.7% (full-time) against 7.1% for those economically inactive and unemployed (2.9%). Students, the retired or homemakers are the least likely group to start new businesses.

- A growing area across Wales is that of social enterprise. Welsh Assembly Government commissioned research suggests there are 620 social enterprises employing 5,600, with a further 438 organisations "emerging" employing 2,900 people. The Welsh Council for Voluntary Action estimates that the wider social economy is made up of 30,000 organisations employing a further 22,900.

A Social Enterprise Strategy for Wales was published in 2005 which sought to create an enabling environment, make social enterprises better businesses, establish the value of social enterprise and encourage the development of new opportunities. This strategy is currently under review.

- In 2002 a radical new approach towards providing business support to under-represented groups was introduced as a response to growing concerns about inconsistent business services, confusion about who to contact and a lack of integration.

The Potentia Programme was based upon a partnership between a mainstream provider, the Welsh Development Agency (now part of the Welsh Assembly Government) and a series of specialist organisations whose roots were in the under-represented groups Disability Wales, the Prince's Trust Cymru (young people), Chwarae Teg (Women), the Ethnic Business Support Programme, Prime Cymru (50-plus) and Menter a Busnes (Welsh speakers).

All of the organisations have been partners of the Cyfenter EQUAL programme and have a greater knowledge of and enjoy more trust among their respective target groups, so the aim was to use them to increase the outreach of the business support network designed through delivering a service specifically to meet their needs.

A protocol of agreements clearly defined the duration, type and cost of the support to be provided by the six specialist partner bodies. In general, they focused on providing preliminary first stage start-up advice to groups regarded as 'hard-to-reach' and then referred them on to the mainstream business advisors.

In 2007 the start-up support for young people and women has been mainstreamed but additional funding from the Welsh Assembly Government has been provided to Disability Wales, Prime Cymru and the Ethnic Business Support Programme until June 2008. This is aimed at continuing targeted support for businesses from these under represented groups.

By mid 2008 the aim is to mainstream all the provision of these specialist organisations to provide a fully integrated service for all.

- The main challenges now for entrepreneurship lie in encouraging and supporting new businesses to ensure social inclusion and develop growth businesses and enterprise skills. These will be integrated within the priorities within the new European Structural Programmes (2007-2013) (www.wefo.wales.gov.uk) which are focused on :
 - Promoting economic growth through higher value added products and services.
 - Strengthening the region's strategic economic infrastructure.
 - Tackling deprivation and improving local economies.
 - Increasing employment and promoting social inclusion.
 - Modernising and developing the Welsh economy, through focusing on the skills and adaptability of enterprises and workers.
 - Targeting investment in public services which will contribute to economic growth and jobs.

3. THE POLICY FRAMEWORK.

3.1. ADMINISTRATIVE CONDITIONS AND FRAMEWORK

STATEMENT	EVIDENCE
Administrative procedures for setting up a business are better than the European average(EU 27.5 days)	Average time depends on type of business. Sole trader can trade immediately. Within 3 months have to inform Inland Revenue, VAT , NI and PAYE. Limited Company have to file at Companies house, get bank account, Inland revenue, PAYE and VAT. Minimum time about 14 days.
It is possible to set up a company and test trade for a period without losing benefits	Wales Co-op run an Enterprise Rehearsal programme which allows 6 months test trading. Ffatri Fenter for Welsh speakers 6 months test trading. New Deal for young people and over 50's.
There is exemption from tax, VAT and/or social charges for start-ups and companies below a certain turnover	Limited companies pay reduced corporation tax. VAT registration required over £64K in turnover. Small Firms rate relief available.
It is possible to combine self employment with other activities without extra cost or administrative burdens	SE and paid employment need to complete tax return. Single social security number. No arrangement between jobs in most cases. Working tax credits for low earners.
Integrated financial programmes are available to support unemployed/inactive people becoming self employed.	Business Eye provide signposting to support. Provision varies across Wales. Some start-up or specialised support available.
Employment and social security offices recognise and encourage the self employment option	Careers advisers have developed manuals to provide support and have undertaken training programmes.

- In Wales the administrative procedures for setting up a business depends upon the type of business being established. For sole traders the only requirement is that within 3 months they advise HM Revenue & Customs of commencing. VAT registration is mandatory once a turnover limit is reached (currently £64k). For a limited company (Ltd) or limited liability partnership (LLP) the procedures take on average about 14 days. Better than the E25 average of 27.5 days.
- It is possible to combine self employment with other activities without extra cost or administrative burdens. Any self employed individual must complete a self assessment tax return – this would include supplementary sheets for both employment and self employment. This is controlled by an individual unique taxpayer reference and single social security number. Working (and child) tax credits are available for low earners irrespective of whether they are employed, self employed or a combination of both.

3.2. STRATEGY FOR INCLUSIVE ENTERPRISE

- The Entrepreneurship Action Plan (EAP) for Wales National Strategy – *'The Sky is the Limit'*, was adopted by the National Assembly in March 2000. It set out the vision and challenges for developing entrepreneurship to establish Wales as *"A bold and confident nation where entrepreneurship is valued, celebrated and exercised throughout society and in the widest range of economic circumstances."*

The action plan was followed by an Implementation Plan - *Making it Happen* in 2001. This has key actions designed to achieve the objectives and established the framework for the development and delivery of entrepreneurship and enterprise across Wales for 7 years.

These actions sought to change attitudes towards entrepreneurship, embed entrepreneurship education, widen horizons, stimulate community involvement with entrepreneurship, coordinate start-up support and support the needs of growth businesses.

Entrepreneurship and enterprise in Wales is driven by the Department of Enterprise, Innovation and Networks (DEIN) which is located within the Welsh Assembly Government (WAG), but is endorsed by both the Minister for Enterprise, Innovation and Networks and the Minister for Education, Lifelong Learning and Skills.

The EAP has provided the strategic framework for its delivery and through the commitment of the Welsh Assembly Government, public, private and voluntary sector organisations and the availability of structural funds, it has significantly changed the culture and enterprise activity across the whole of Wales in recent years.

- The *Youth Enterprise and Entrepreneurship Strategy for Wales (YES)* was launched in October 2004. The need for such a focus was identified within the EAP and the strategy was the result of collaboration by key partners across Wales over a 12 month period. It seeks to equip young people with a *'can do'* attitude and the drive to create opportunities for themselves.

The major WAG strategies identify entrepreneurship as a key economic driver. These include *A Winning Wales (2002)* *Reaching Higher (2002)* *Learning Pathways 14-19 (2002)*, *Wales: A Better Country (2003)* and *Wales: A Vibrant Economy (2005)*.

- The policy makers taking part in the pilot scored an average of 3.33 on the statement of an overall strategy for entrepreneurship. Most scored a 4 and quoted the Entrepreneurship Action Plan for Wales (EAP) and other WAG documents.

The future goal was seen as the need to build on the sustainability and mainstreaming of the successful achievements and good practice. *"Good business practice is about building on ideas and advancing forward"* (Policy maker).

- The EAP is unusual in that it has dedicated substantial resources towards ensuring that under-represented groups also have the opportunity to become entrepreneurs. The main vehicle for achieving this has been the Potentia project which was established in 2002. This is a Wales wide initiative to assist individuals from under represented groups to set up in business, with the long term aim of mainstreaming delivery of pre business start up for specific groups, into mainstream business support provision.

Organisations involved are Chwarae Teg (Women), Prime Cymru (over 50's), Disability Wales, Ethnic Business Support, Prince's Trust (under 30) and Menter a Busnes (Welsh Speakers). The aim is to mainstream activities by April 2008.

- Wales has developed a number of Spatial Plans and community strategies for disadvantaged areas such as the Valleys areas and designated Communities First areas. Over the next 7 years of structural funding many of these will be implemented across Wales.

- Wales is in a period of transition due to the election in May 2007 of a new Welsh Assembly Government and the start of new European Structural programmes. There has been good partnerships and projects developed and delivered through the implementation of previous structural funds. The next few months will see the new Assembly Government formed and new structural funds introduced. The challenge will be underpin future developments with the strong foundations of entrepreneurship and enterprise activities to date.

4. STAKEHOLDER ASSESSMENT OF POLICIES FOR INCLUSIVE ENTREPRENEURSHIP

4.1. INTRODUCTION TO SECTION

The tables shown in **Annex 1** are the averaged scores obtained from piloting the tool with 14 policy makers, 14 specialist advisers and 20 entrepreneurs across Wales.

In the tables for the specialist advisers and entrepreneurs separate columns provide responses for different target groups. The advisers completed the columns for the particular groups which they provided specialist support for. Entrepreneurs were selected to provide feedback across each of the target groups.

Any comments are examples of good practice identified by the interviewees are given in the far right hand columns.

The averaged results are coloured Green (score over 3), Yellow (score 2-3) and Red (score less than 2). Table 5 is a snapshot from Annex 1 and illustrates how this method provides a visual framework from which questions can be raised as to “Why?” and “what can be done to address this?”. Shown in table 5 are the average scores from the interviews with entrepreneurs for the statements relating to creating the culture for entrepreneurship.

Table 5: Average Scores for Entrepreneurs for Creating the Culture

THEMES		unemployed	women	migrants and ethnic minorities	50 plus	Young people under 30	People with disabilities
CREATING THE CULTURE FOR ENTREPRENEURSHIP	I found the administrative processes for setting up a business straightforward and quick	3.80	3.13	3.50	3.00	3.56	4.00
	I was exposed to enterprise ideas while at school	2.00	1.38	1.50	1.00	1.75	1.00
	Entrepreneurs like me are well presented in the media	2.40	2.63	2.00	2.75	2.33	2.00
	I have attended events and trade fairs targeted at start ups	1.40	2.25	2.50	3.00	2.11	3.00
	There are role models to encourage people like me to go into enterprise	3.00	2.75	3.50	2.50	3.22	2.00
AVERAGE SCORE	Average Score	2.52	2.43	2.60	2.45	2.59	2.40

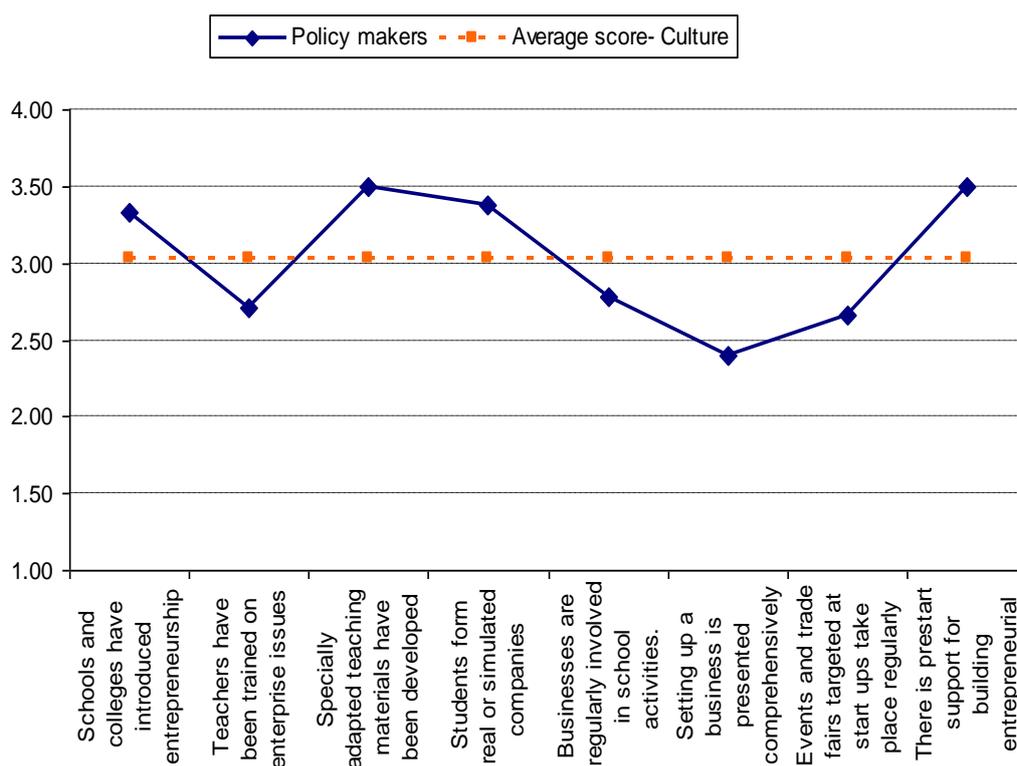
We can see from the “Green” cells in Table 5 for the first statement that all entrepreneurs in the pilot study from all the groups found the process of setting up a business straightforward and quick. However when asked about exposure to enterprise ideas at school those in the groups of women, ethnic minorities, 50 plus, young people and people with disabilities all disagreed with the statement.

The “why?” in most cases was that enterprise was not available in the schools at the time or in the region where the entrepreneur went to school. Eg. 50 plus, ethnic minorities and one of the under 30’s who did not go to school in Wales.

If we ask “what can be done to address this?” then we can look at the responses from Policy makers to see if there are current policies in place. In Wales significant resources have supported the development of curriculum, materials, teacher training and role models over the past 3 years to ensure that all young people are exposed to enterprise at some stage in school.

Graphs have been drawn to provide examples of the potential value of the tool in evaluating and comparing results obtained. Figure 4 shows the averaged responses from policy makers for each statement under the theme of culture and conditions. From this we would be able to identify where there are responses which indicate good practice (the highs) and where there are potential gaps or areas of need (the lows).

Figure 4 : Average Scores from Policy Makers for Culture and Conditions



It should be noted that this was a pilot study to test the tool, the process and the appropriateness of the questions. The number of individuals interviewed was small and in some cases there may be only one response per column for advisers and entrepreneurs. It is therefore difficult to draw many conclusions from the results and this supports the need for tool to be applied and analysed by experts who have the appropriate knowledge and experience.

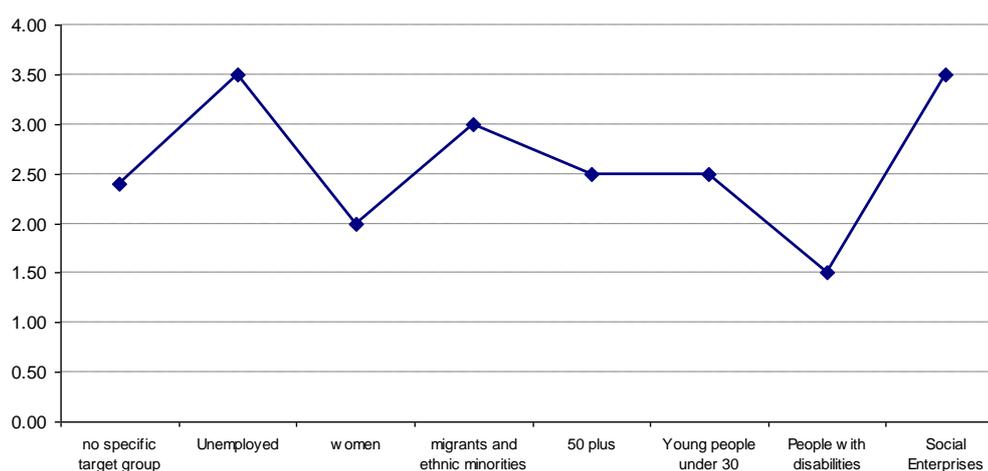
4.2. CREATING THE CULTURE AND CONDITIONS FOR ENTREPRENEURSHIP

4.2.1 Policy Makers

- In general policy makers agreed with the format and the range of the statements although several were unable to answer those related to the teaching of enterprise. In this instance the views from a specialist responsible for implementation of enterprise education across Wales was sought. The “green” cells (Annex 1) and the “highs” in Figure 4 support the availability of enterprise education in schools which is detailed in Annex 2.
- The statement “schools and colleges have introduced entrepreneurship into the curriculum” was felt to be too broad. Schools should be separate from Further and Higher education and a distinction should be made between entrepreneurship and enterprise.
- From Figure 4 the statement “Teachers have been trained to work on enterprise issues” shows a lower score and is a “yellow” cell (Annex 1). It was commented that there are initiatives to train teachers to deliver entrepreneurship based on the materials which have been developed and to date over 1600 teachers have been involved. But one of the challenges identified is *the need to embed entrepreneurship and enterprise within core teacher training programmes*. This could be added as a statement in this section for policy makers in future studies.
- The score for the culture theme was good for policy makers, advisers and entrepreneurs. This reflects the high level of activity that has been undertaken in this area over recent years in Wales as shown in the evidence provided in Annex 2. “Creating an Entrepreneurial Culture” was action 1 of the EAP and significant resources have been assigned to developing the theme which was seen as a major challenge to enterprise development in Wales.

4.2.2 Specialist Advisers

Figure 5 : Pre-start Support for Entrepreneurs - Specialist Advisers

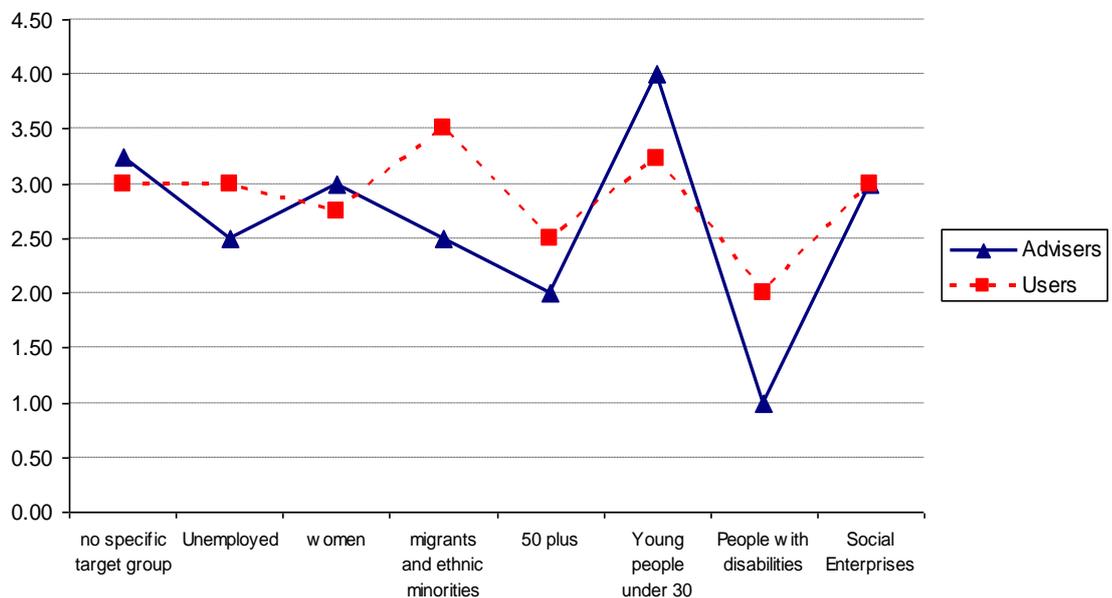


- As seen from Figure 5 the availability of pre-start activities was seen by specialist advisers to be dependent on target groups. For example there were programmes for unemployed, ethnic minorities, young people and communities through social enterprise but not as much for women, 50 plus or people with disabilities.

Advisers commented that the provision in all regions across Wales was variable and challenges will be *to mainstream existing provision and investigate provision for 50 plus and people with disabilities*. The tool could be adapted to identify the gaps across regions in specific themes.

- Again the statement on teaching materials produced a “do not know” response from some advisers and this statement should be reviewed for use within this theme. Maybe the statement should investigate “awareness raising materials for inclusive entrepreneurship”?
- The use of role models for some groups such as young people was felt to be good *but for those disabled and 50 plus it was identified as a gap in provision*. As shown in Figure 6 this is also reflected in the scores from the entrepreneurs. Many role models were those who had “made millions” and not seen as relevant to some entrepreneurs.

Figure 6 : Use of Role Models



4.2.3 Entrepreneurs

- “I was exposed to enterprise ideas at school” produced low scores for most groups as previously discussed. For example those over 50. The introduction of enterprise into the curriculum has only started in recent years. This statement would not lead to recommendations for action in Wales due to the response from the policy makers who identified existing work underway in the area.
- Many entrepreneurs had attended events and trade fairs (average score 2.78 “Yellow”) except those unemployed who were at the pre-start stage and had not had the opportunity yet. The scores given often depended on the type of business and the region where the business was located (urban or rural). An entrepreneur commented “*Events are often held in the day and as I work part time as well as run my business I am unable to attend*”.

4.3. START-UP SUPPORT AND TRAINING

4.3.1 Policy makers

- Over the past six years the number of programmes available to support the creation of new businesses has increased dramatically in Wales. Some programmes are provided through mainstream support organisations and others have been developed by Unitary Authorities with most of the programmes developed through support from European structural funds.

Business Eye (www.busesseye.org.uk/) provides a free, impartial information service for new and existing businesses. It has an online search directory facility which gives businesses a list of service providers in their area. It also acts as a referral system and all enquiries are directed to a local service provider. These providers are private not for profit organisations under contract to the Welsh Assembly Government to provide certain contracts for example start-up or growth support to businesses. These contracts all require the providers to address inclusive entrepreneurship.

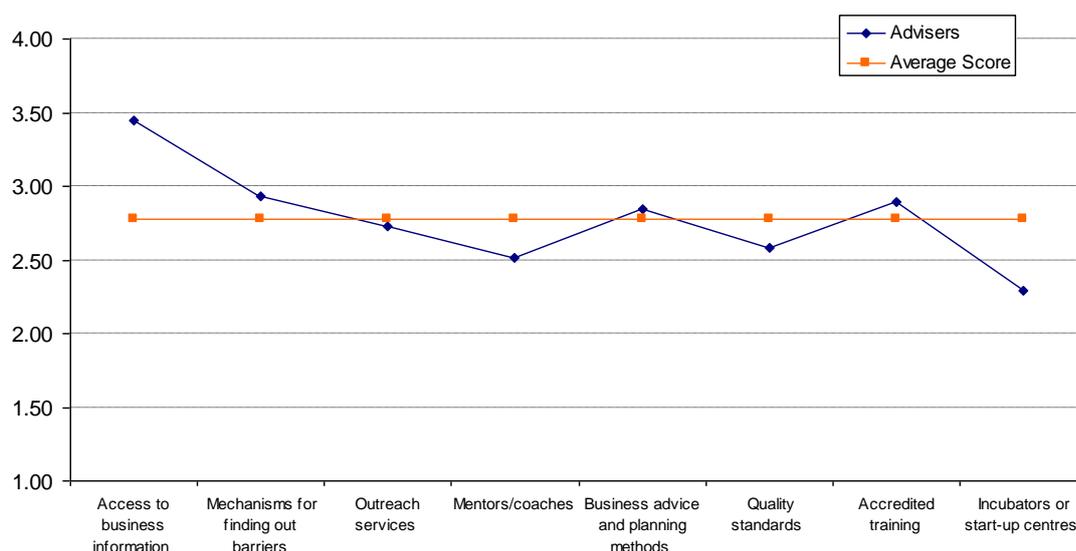
This availability (scored “green” by policy makers) is reflected by the “yellow” and “green” cells from advisers except those advisers working with people with disabilities and the majority of entrepreneurs. Comments such as “*They can but not sure if they do*” (from Policy maker) and “*struggled with access, so many and duplication*” (from entrepreneur) highlight some issues to be addressed. A search on Business Eye for forming a business and business planning in all Unitary authorities gave 61 services which indicates the level of activity available.

- Wales has developed an incubator strategy for the regeneration of some areas such as the Valleys. However existing provision was seen as “patchy” and some facilities were sector specific and targeting potential high growth businesses.

4.3.2 Specialist Advisers

- Figure 7 shows the average score given by advisers to each of the statements in the theme of start-up support and training and the overall average score for the theme.

Figure 7 : Start-up Support and Training - Specialist Advisers

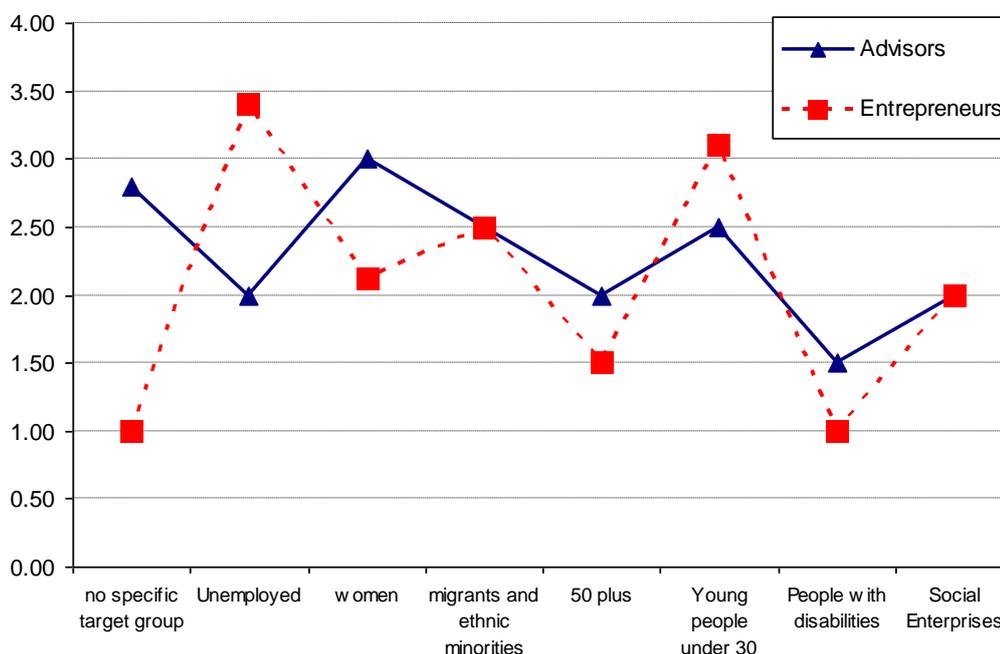


- From Figure 7 access to business information is seen as good whereas mentors with business experience, quality standards and access to incubators are below the average score. From Annex 1 it can be noted the averages for these areas are reduced by the “red” cells for specialist advisers working with people with disabilities.

These comments suggest that the diversity element in *training, quality standards and understanding the barriers and needs* have not been fully addressed.

- Figure 8 shows the scores for advisers and entrepreneurs on the “access to incubators” statement. The “lows” indicate the challenges to be faced in *providing incubators which are more accessible for 50 plus people with disabilities and social enterprises*. Comments received mirrored the responses from the policy makers in that provision across Wales was “patchy”.

Figure 8 : Access to Incubators – Specialist Advisers and Entrepreneurs



4.3.3 Entrepreneurs

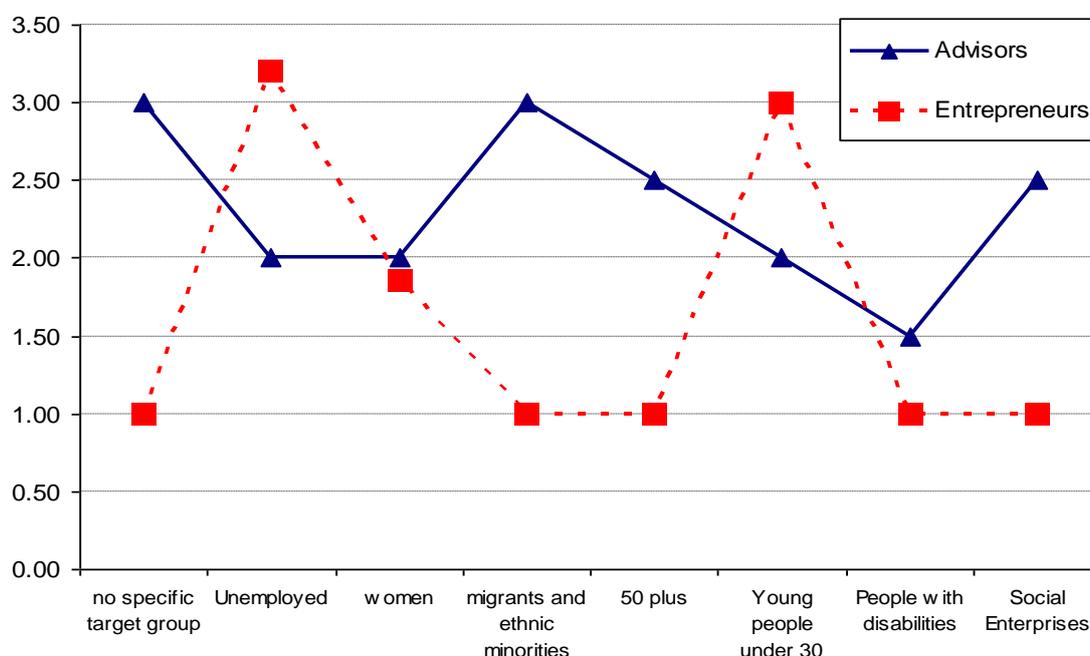
- Responses from entrepreneurs to this theme varied across business sectors. “*Struggled with access, so many*” was response to the advice system with “*Difficult to find and access*” to networking and business premises was given by a 50 plus women who had been in business for 18 months and was based in North Wales.
- An area of need which arose during the interviews was that of working from home and working alone. *Several entrepreneurs felt “isolated” and lacked networking opportunities*. A “spin-off” of the process was identified during a telephone interview with one entrepreneur when it became clear that there was lack of knowledge of any business support in the area. The expert was able to send information after the interview to help direct the entrepreneur to support.
- *Access to a mentor has proved a difficulty for some entrepreneurs*. The reasons include “*nobody has the knowledge for my specialist needs*” and “*I have never had any support because I am in the service sector. When I tried to get some I was sent on a wild goose chase*”. Many businesses would prefer a mentor for their specialism rather than for businesses development.

4.4. SUPPORT FOR CONSOLIDATION AND GROWTH

4.4.1 Policy Makers

- Overall the responses for support for consolidation and growth were satisfactory. Some concerns were expressed with *the large number of sources of support available* as discussed in the start-up section. Comments include “*Need for more joined up thinking between government departments responsible for skills, education, finance, enterprise and links with providers*”.
- Examples of good practice included the General Support for Business (GSB) programme which provides integrated support for post start with specialist provision in marketing, ICT and export. The challenge was seen to be *the sustainability and mainstreaming of such support programmes*.
- The lowest score (2.39) in this theme by policy makers was for affordable premises whose availability and accessibility were seen as “*patchy*” across Wales. Figure 9 for advisers and entrepreneurs showed large variations in score which was due to similar concerns and *lack of small manufacturing premises*.

Figure 9 : Premises Availability – Growth



4.4.2 Specialist Advisers

- *The support for consolidation and growth was highlighted as a concern for social enterprises.* It was questioned whether mainstream business support can provide the required support for social enterprises.
- “*Public procurement procedures have been made accessible to local private and social enterprises*” was commented on in that “*There has been a few seminars and it has been advertised but there has been limited action*”. This is a new programme which is still being rolled out across Wales.

A similar statement for entrepreneurs was scored low due in part to the applicability to the businesses involved in this pilot study. “*Sell2Wales*” was given as a good example of providing information about potential contracts but it was commented that “*it was hard work and you needed a track record*”.

4.4.3 Entrepreneurs

- The scores for entrepreneurs in the theme of support for consolidation and growth were low as indicated by the yellow and red cells in Annex 1. It is not possible to draw any conclusions from the scores for the following several reasons:
 - Some of the entrepreneurs in the pilot were in the process of starting-up in business or in early stages so did not have much awareness of what was available for the growth stage.
 - Some of the businesses interviewed were in retail and service sector and were not looking at expanding operations at the moment. One business was a funeral director with 14 employees who had been unable to access advice and find larger premises due to the type of business “We seem to be dismissed because we are in the service sector. We are not valued”. The main issue they face was in recruiting staff and they had “Given up trying to expand”.
 - A number of entrepreneurs were unemployed and on a start-up programme. The types of businesses commonly created are “Lifestyle” businesses. This is also the case with many businesses started by women and do not traditionally have growth potential.

4.5. ACCESS TO APPROPRIATE FINANCE

4.5.1 Policy makers

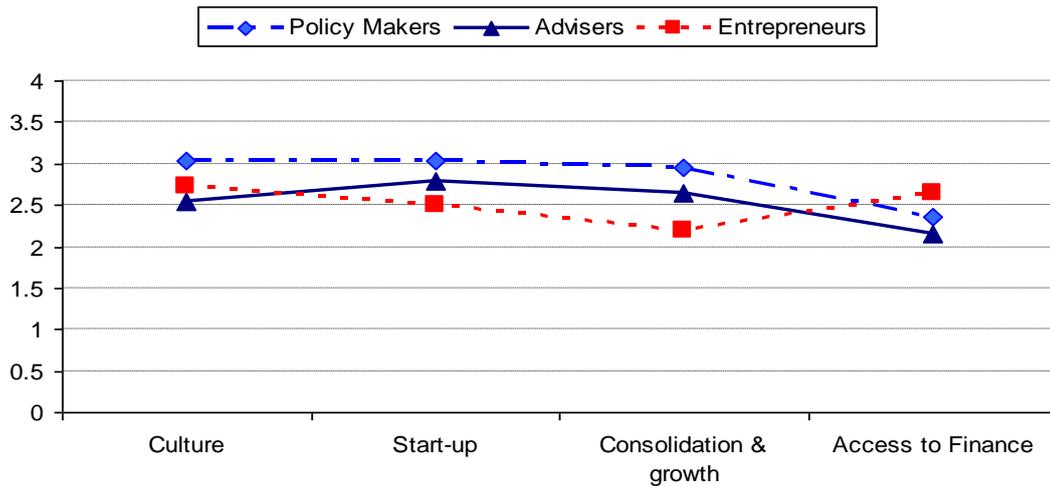
- Figure 10 illustrates the variation in average score within each theme for policy makers, advisers and entrepreneurs. From such a graph we would be able to compare the differences and look at trends and areas where they are issues and needs.

For example, Policy makers have higher average scores for most sections and the theme Access to Finance has the lowest average score for policy makers and advisers.

In this pilot we must take care over any conclusions from the scores because of the small sample size and from the differences in the questions in each theme for each group. One of the entrepreneurs’ questions was “It is easy for all to open up a current based bank account” to which most entrepreneurs scored at 4 because it is for most individuals. The exception being those who may have problems with accumulating enough points through proof of address and identity without passports.

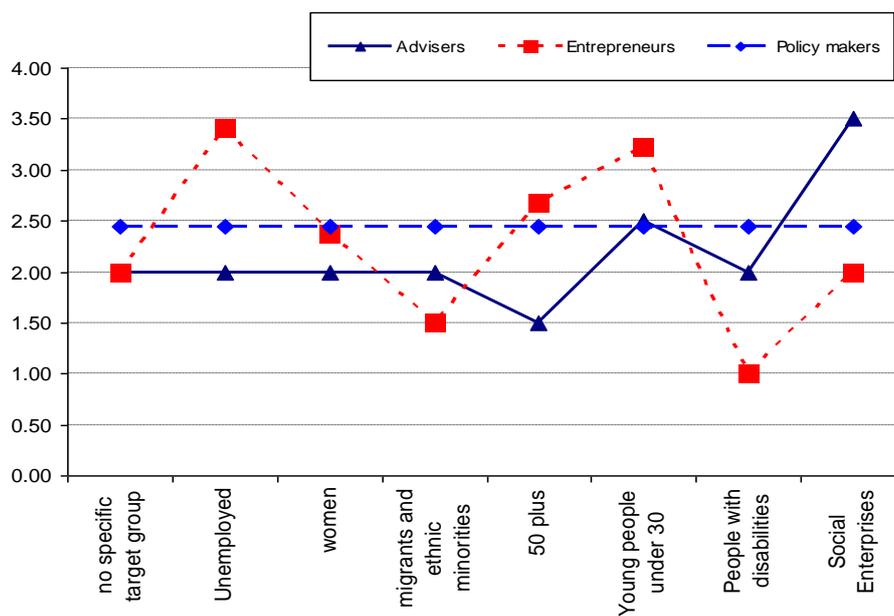
The high score for this question, which was not included for policy makers or advisers, has skewed the average score. However if similar questions were asked then such a tool would allow differences in responses to be analysed.

Figure 10: Average Score for each Theme



- *Policy makers and advisers identify access to finance as the main area for concern. In Wales there are a range of subsidies provided to start-ups but this is not consistent across all Unitary Authorities.*
- *In 2002 Finance Wales was established to encourage small and medium sized businesses in Wales to innovate and grow through lending and investing money. In general it was thought that loans were affordable (6% fixed through Finance Wales) but not seen to be easily available or accessible for certain individuals or groups such as the voluntary sector or those without a good credit rating.*
- *Figure 11 shows the average scores for policy makers, advisers and entrepreneurs for the question on “support for managing financial aspects”. Again caution should be taken because the question for advisers adds “for grants and loans” whereas for entrepreneurs it adds “for the business”. Given similar questions the graph can be used to highlight target groups which have particular needs for financial management support such as people with disabilities and migrants and ethnic minorities for example.*

Figure 11 : Support for Financial Management



4.5.2 Specialist Advisers

- Advisers thought that most public sector organisations had mechanisms in place for finding out about needs of different groups but were not convinced of such activity within the private sector.
- Most advisers evidenced Finance Wales as a specialist micro finance provider working with others as there are representatives from Finance Wales based within business support organisations working at a local level.
- *“Too late, not proactive” was a response to banks providing debt crisis advice. This is an area highlighted by the tool which should be investigated further.*
- The question “policy incentives exist to encourage financial service providers to provide services to the socially excluded. e.g. community reinvestment act” caused problems for some advisers. Those interviewed who are working with the community sector were aware of the Community Investment Fund in Wales but others were not. Perhaps this should have been in the policy makers questionnaire.
- The statement “grants are fast and flexible” provoked much debate with all groups and was mostly given scores which resulted in the large number of “red” cells as shown in Annex 1. *“Not available for some sectors”, “not fast”, “no bridging funding”, “some are fast but some difficult to access”, “none available in this area of Wales” and “applications are a lot of work”* are some of the comments. This is an area within Wales which still provides big challenges and especially for growth businesses which are the main focus under new structural funding.
- Financial management support is not good with the exception of social enterprises. Examples of good practice were identified through Finance Wales and the Knowledge Exploitation Fund (see Annex 2). This is seen by most entrepreneurs and advisers as one of the major issues faced especially for new start-up businesses and a major factor in survival rates.
- *“Finance is the most important part, we need to have fast and flexible support in the first 3 years”.* This quote provides the basis for an on-going challenge for Wales.

4.5.3 Entrepreneurs

- In general entrepreneurs thought that banks provide a wide range of financial products. Some entrepreneurs interviewed did not need any finance at this stage. *“Self financing” (Woman, 50+), “Don’t want to borrow money” (Male 50+).* *Access to micro finance within Wales has been seen as an area where schemes available in other European Countries could be modelled for use within Wales.*
- Opening up a bank account is straight-forward for most groups. However evidence is required such as passport and household bills which could be difficult for some individuals. Many banks provide a free 1 year banking service to all new start-ups with the Co-operative Bank now offering free for life banking for business accounts. With a review of free banking on personal accounts it will be interesting to see how business banking is affected in future.
- Entrepreneurs who were registered with support organisations had accessed start-up support and businesses in the food sector found it easy to get support. Graduates had accessed the Knowledge Exploitation Fund scholarship (see Annex 2) which provides £144 per week for 9 months.

“Where are they? Had no grants” (woman 50+ service sector), “Did not apply” (Male 50+ service sector) supports the self financing characteristic of this age group.

4.6. GENERAL COMMENTS

At the conclusion of each interview participants were invited to comment on the process, gaps in the tool or general issues which they wish to highlight. The following comments were made:

- Areas which could be included are community support programmes, management development, employment, innovation, technology, ecommerce, continuity of support and sustainability.
- Maybe some of the statements for policy makers should cover diversity issues and accessibility to all.
- Could the tool be used to look at region and sub regional effects?
- “An integrated system should be offered to potential entrepreneurs and growing businesses. There is limited progression sometimes and good support can be damaged” (Specialist Adviser)
- “No incentives for private sector to provide supported business advice. Paperwork overload!” (Private sector accountant).
- “Lots of good work has been done. It is essential to mainstream and feed down information to ground level” (Specialist Adviser)
- “ Gaps in funding for new materials and packaging” (Entrepreneur, retail)
- “ Some times there is lots of window dressing but no goods behind it” (Entrepreneur, service sector)
- “ Promoting a sport is not recognised as a business but a diving centre would be” (Entrepreneur)
- “Service sector is not valued. Jobs have been created and there are more jobs available but support is not given. It is difficult to recruit staff.” (Entrepreneur)
- “ Maintenance of accounts and finance is the biggest worry on a day to day basis” (Entrepreneur)

5. SUMMARY OF KEY STRENGTHS AND AREAS FOR IMPROVEMENT IDENTIFIED BY STAKEHOLDERS

5.1. INTRODUCTION

The tables in Annex 1 showing the averaged results for each statement for policy makers, specialist advisers and entrepreneurs within each target group have been discussed in section 4. The samples used in the pilot are small and as outlined the aim of this study was to test the tool not to undertake a comprehensive review of the support system within Wales.

Form the interviews performed with key stakeholders in enterprise support some areas have been identified as good practice or as a gap or challenge which needs to be addressed. These are summarised in the next section.

5.2. STRENGTHS AND CHALLENGES OF THE ENTERPRISE SUPPORT SYSTEM

In sections 2.2 and 2.3 employment and entrepreneurship challenges were highlighted. Wales have made significant advances in creating and supporting entrepreneurship particularly for those from under represented groups. Much of the support is being mainstreamed which will continue to support all new businesses. The challenges for the future will be to build on the work in entrepreneurship by addressing some identified areas of need particularly for ethnic minorities and people with disabilities and by supporting the sustainability and growth of new and existing businesses.

Table 5 summarises these challenges with reference to the outcomes from the piloting of the tool as discussed in section 4.

Table 5: Summary of Strengths and Challenges for Wales from Piloting of Tool

	Strengths	Challenges
Strategy	<ul style="list-style-type: none"> • Entrepreneurship Action Plan • Youth Enterprise Strategy 	<ul style="list-style-type: none"> • Sustainability and mainstreaming
Culture and conditions	<ul style="list-style-type: none"> • Entrepreneurship culture • Enterprise education in schools • Role models for young people • Pre-start support is good • Easy to start business 	<ul style="list-style-type: none"> • The need to embed entrepreneurship and enterprise within core teacher training programmes • Pre –start support 50 plus and people with disabilities. • Role models for people with disabilities and 50 plus • More events in regional areas
Start-up Support	<ul style="list-style-type: none"> • Coordinated support for start-up 	<ul style="list-style-type: none"> • “Patchy” provision of incubators • Mentors for people with disabilities and social enterprises • Diversity element needed in training, quality standards and understanding the barriers and needs • Providing accessible incubators for 50 plus, people with disabilities and social enterprises
Growth and Consolidation	<ul style="list-style-type: none"> • Information for business development available • Good mainstream business networks 	<ul style="list-style-type: none"> • Need for more joined up approach for growth for under represented groups. • Sustainability and mainstreaming of support programmes. • Availability and accessibility of premises. • Mainstream business support for social enterprises.

Access to Finance	<ul style="list-style-type: none"> • Affordable loans are available 	<ul style="list-style-type: none"> • Banks need to provide more debt crisis advice • Grants should be faster to access and more flexible • Need for financial management support for grants
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- In Wales the strategic framework for entrepreneurship, through the Entrepreneurship Action Plan for Wales, has historically been very strong and much activity over the past 6 years has been driven forward from this. This has been based on principles of inclusiveness and opportunity for all. The challenge for the future will be to ensure sustainability and mainstreaming.
- Access to European structural funds has led to substantial increases in entrepreneurship and enterprise development but at the same time led to a division of provision across objective one and non objective one areas. Expanding the use of the tool in Wales would help identify the good practices across regions in Wales and where gaps exist in provision. This would help identify areas for targeting of projects under new structural funds.
- Developing an enterprise culture in Wales was a key challenge identified in the EAP in 2000. Changing attitudes and embedding entrepreneurship education were key actions which have produced a wide number of initiatives quoted by stakeholders in this pilot study and as outlined in Annex 2.
- Ensuring a coordinated national programme of support and creating more new businesses were also key actions in the EAP. The Potentia partnership has been a good example of organisations working together to deliver enterprise across a wide range of target groups. Much of this is being mainstreamed at present and it would be valuable to use such a tool across Wales to evaluate and monitor the effects of this mainstreaming.
- Support needed for the sustainability and growth of businesses will be a focus for Wales in the next few years. The tool could be used to identify the specific needs and gaps in provision for existing businesses started by under represented groups.
- Finance or more appropriately access to finance and support to manage finance has been identified through the study as an ongoing need to be addressed. This is particularly relevant in the new era of growth businesses which new European Structural funds will be directed towards. The tool could be used to target growth sectors to investigate the needs and gaps particularly for under represented target groups.

6. POSSIBLE SOLUTIONS FROM OTHER REGIONS

The tool has been piloted in Wales, Belgium, Spain, Germany and Portugal. Each country will report on their experiences in working with the tool and have identified good practice. The next stage will be to share these experiences and the good practices from other countries which could provide potential solutions for the further development of inclusive entrepreneurship in our own countries.

The Community of Practice on Inclusive Entrepreneurship builds on the work carried out over the last five years by nearly 300 EQUAL development partnerships that have tested methods for opening up the process of business creation to all members of society. Many of the 12 countries involved in this work created National Thematic Networks to exchange and mainstream their findings. The Community of Practice has also drawn heavily on the work carried on within EQUAL in the Social Economy and from other EU, national and international programmes on entrepreneurship

One of the most remarkable results of all the work within EQUAL was that, although the definitions vary slightly in each Member State, the main themes dealt with in business creation were very similar across the countries. They have been described as the four parts of “an entrepreneurial ladder out of social exclusion”:- creating the culture and conditions for entrepreneurship; integrated start-up support and training, support for consolidation growth and access to appropriate finance.

The fact that so many projects were concerned with similar issues was one of the reasons for designing the tool for inclusive entrepreneurship around the same four themes. This allows the Community of Practice to create a bridge between the strengths and weaknesses in the business support system detected by the tool and the good practice that has been developed by EQUAL and other pilot (and mainstream) initiatives in other countries.

So far seven countries or regions have provided over 100 examples of good practice. These are Germany, Spain, the UK, Portugal, Flanders, France and Wallonia. But the aim is to extend and improve the data base as more countries and regions become members of the Community of Practice

The search facility and data base on the COPIE website allows people to search for new ideas which are directly linked to their areas of weakness. For example, if the tool for inclusive entrepreneurship indicates that there is a particular weakness in providing microfinance to ethnic minorities, it is simply necessary to go to the data base and click on the button for appropriate finance – this then shows all the cases that have been found on this subject. The searcher can then either home in on a more precise category of project like microfinance or they can look at all the projects that have focussed on a particular target group like ethnic minorities.

THEMES AND SUB THEMES	NO SPECIFIC TARGET GROUP	FORMERLY UNEMPLOYED	WOMEN	MIGRANTS AND ETHNIC MINORITIES	50 PLUS	YOUNG PEOPLE UNDER 30	PEOPLE WITH DISABILITIES	SOCIAL ENTERPRISES
PROGRAMMING RESEARCH, STRATEGY, MONITORING, EVALUATION	Click	Click	Click	Click	Click	Click	Click	Click
CREATING THE CULTURE FOR ENTREPRENEURSHIP	Click	Click	Click	Click	Click	Click	Click	Click
START UP	Click	Click	Click	Click	Click	Click	Click	Click
CONSOLIDATION AND GROWTH	Click	Click	Click	Click	Click	Click	Click	Click
ACCESS TO APPROPRIATE FINANCE	Click							

For example, *in both Berlin Mitte and Flanders* the tests carried out with the tool for inclusive entrepreneurship suggested that entrepreneurship education should be improved in schools through the provision of materials and the better training of teachers. A search of the data base of good practice in the COPIE website shows up a range of helpful examples including the experience of Valnalón in Asturias.

In order to foster the early development of entrepreneurship skills in Young people Valnalón has designed programmes for each educational stage with specific training materials for teachers, students and parents. More than 16,000 students are now using them in the region and the methods have been applied in several other regions and countries

In Wales, the tests using the tool for inclusive entrepreneurship pointed out that prestart support and role models for people with disabilities and the patchy provision of incubators were challenges. The data base of good practice in the COPIE website points to some good German examples of incubators and a very promising project for people with disabilities in France

Led by a French project (CAPH), three EQUAL partnerships concerned with support to business creation by handicapped people have produced a guide for business advisors called "Beyond the barriers (Au delà des Barrières). The guide introduces business advisors to the barriers faced by entrepreneurs with disabilities and provides them with a series of suggestions for overcoming them in the different stages of creating a business.

In Asturias, the lack of mentors and coaches with business experience, recruited from the community and the absence of quality standards and accredited training for advisors were seen as

challenges for business support to disadvantaged groups. Once again the data base throughs up a series of promising projects in both the UK and Germany

For example, in the UK, the partnership Business Mentoring: An Equal Partnership led by the Princes Trust has developed National Occupational Standards for Business Mentors

In Germany a number of EQUAL project came together to create the National Association of Start-up Initiatives (VDG) which now has 47 members. VDG has created a minimum quality standard for business advisors based on good practice in the first round of EQUAL

The combination of the tool and data base of good practice also allows regions and countries to identify areas in which they want to work together in the future. They can decide to test out further innovative solutions in common priority areas, share the lessons and monitor the results on the enterprise support system via the tool. This allows them to constantly improve their plans and strategies for entrepreneurship – and unleash the creativity of more and more people.

ANNEX 1 THE TOOL FOR WALES

POLICY FRAMEWORK

THEME	STATEMENT	SCORE 1-4
STRATEGY	There is an overall strategy for encouraging entrepreneurship in the area	3.33
	There is a strategy which takes account of the needs of disadvantaged areas and groups	3.00
	The main organisations work together	2.56
	Average score strategy	2.96
CULTURE AND CONDITIONS	Schools and colleges have introduced entrepreneurship into the curriculum	3.33
	Teachers have been trained to work on enterprise issues	2.71
	Specially adapted teaching materials have been developed	3.50
	Children/ students are able to form real or simulated companies to learn about trading	3.38
	Businesses are regularly involved in school activities.	2.78
	the subject of setting up a business is presented comprehensively and regularly by both regional and national media	2.40
	events and trade fairs targeted at start ups take place regularly	2.67
	There is prestart support for building entrepreneurial capacity and business ideas	3.50
	Average score enterprise culture	3.03
	START-UP SUPPORT AND TRAINING	Business start ups can access comprehensive and readily available business information and advice
There are affordable business premises with easy to enter and exit conditions		2.39
Average score start-up and training		3.04
SUPPORT FOR CONSOLIDATION AND GROWTH	Post-start up support is easily available	3.22
	it is easy to find information for business development (products, markets, export, technology..)	3.00
	Premises are available for post start ups	2.63
	Average score consolidation and growth	2.95
ACCESS TO FINANCE	subsidies are provided to business start ups	2.50
	Loans are affordable and easily available	2.13
	Financial management support is available	2.44
	Average score access to finance	2.36
	Average overall	2.87

SPECIALIST ADVISERS

THEMES	Statement	no specific target group	Unemployed	women	migrants and ethnic minorities	50 plus	Young people under 30	People with disabilities	Social Enterprises	AVERAGE SCORE
CREATING THE CULTURE FOR ENTRE- PRENEURSHIP	There are (prestart) capacity and confidence raising activities among target groups and communities.	2.40	3.50	2.00	3.00	2.50	2.50	1.50	3.50	2.61
	Teaching materials relate to specific groups	3.67	2.00	2.00	2.00	2.00	4.00	1.00	2.50	2.40
	role models relate to specific groups	3.25	2.50	3.00	2.50	2.00	4.00	1.00	3.00	2.66
	Score for enterprise culture	3.11	2.67	2.33	2.50	2.17	3.50	1.17	3.00	2.55
START UP	business start ups can access free, high quality and readily available business information from professional	3.60	3.00	4.00	3.50	3.50	4.00	3.00	3.00	3.45
	Business support organisations have established mechanisms for finding out about the real barriers to business creation among target groups (research, monitoring, proofing, regular contact..)	2.40	3.00	4.00	3.50	2.00	3.50	1.50	3.50	2.93

	outreach services go into communities to reach target groups	2.80	2.00	4.00	4.00	2.00	3.00	1.00	3.00	2.73
	Mentors/coaches with business experience are recruited from the community to work with new entrepreneurs	2.60	3.50	2.00	2.00	2.50	2.50	1.50	3.50	2.51
	Business advice and planning methods take account of the needs of each target group	3.20	3.00	3.00	3.50	2.50	2.50	1.50	3.50	2.84
	There are quality standards for business advice which reflect the needs of target groups	2.60	2.50	4.00	3.00	2.00	2.50	1.00	3.00	2.58
	Business advisors receive accredited training and are sensitive to the needs of target groups	2.60	3.50	3.00	3.50	2.50	3.50	2.50	2.00	2.89
	Incubators or start-up centres have been established and are accessible to target groups	2.80	2.00	3.00	2.50	2.00	2.50	1.50	2.00	2.29
	score for start up	2.83	2.81	3.38	3.19	2.38	3.00	1.69	2.94	2.78
CONSOLIDATION AND GROWTH	More advanced business information and advice on technology, markets, export is accessible to all entrepreneurs	3.40	3.00	3.00	3.50	3.00	3.00	2.50	1.50	2.86
	Specific support is available to entrepreneurs for breaking into potential growth markets and sectors	3.20	3.00	3.00	3.00	3.00	3.00	3.50	1.50	2.90
	Premises are available for post start ups	3.00	2.00	2.00	3.00	2.50	2.00	1.50	2.50	2.31

	Mechanisms are in place to support the transmission, replication and expansion of existing businesses (franchising, cooperatives...)	2.40	3.00	3.00	2.50	2.00	2.50	2.00	3.00	2.55
	There are healthy business to business networks around clusters/sectors which are open to all entrepreneurs	3.20	2.00	3.00	2.50	2.50	4.00	3.00	3.00	2.90
	There are effective measures to promote the quality and image of local products and services	2.00	2.00	3.00	2.00	3.00	2.50	3.50	2.50	2.56
	Public procurement procedures have been made accessible to local private and social enterprises	2.40	2.50	3.00	3.00	2.00	3.50	1.50	1.50	2.43
	score for consolidation and growth	2.80	2.50	2.86	2.79	2.57	2.93	2.50	2.21	2.64
ACCESS TO APPROPRIATE FINANCE	Mechanisms are in place for finding out the real financial needs of different kinds of entrepreneurs	2.80	2.00	4.00	2.50	2.00	2.50	1.00	2.50	2.41
	Specialist micro finance providers work together with business support organisations and financial institutions	2.40	2.50	3.00	2.50	3.00	3.00	2.50	2.50	2.68
	Banks provide debt crisis advise	1.00	1.50	2.00	2.00	1.50	3.00	2.50	2.00	1.94
	policy incentives exist to encourage for financial service providers to provide services to the socially excluded e.g. community reinvestment act	2.00	1.00	2.00	2.00	1.50	3.50	2.00	3.00	2.13

	grants are fast and flexible and help cover the most important start-up costs (running costs, advice, test trading...)	1.60	1.50	1.00	1.50	1.50	2.00	1.50	2.50	1.64
	financial management support is available with grants and loans	2.00	2.00	2.00	2.00	1.50	2.50	2.00	3.50	2.19
	score for access to appropriate finance	1.97	1.75	2.33	2.08	1.83	2.75	1.92	2.67	2.16

Overall Average	2.67	2.43	2.72	2.64	2.24	3.04	1.82	2.70	2.53
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ENTREPRENEURS										
THEMES		no specific target group	unemployed	women	migrants and ethnic minorities	50 plus	Young people under 30	People with disabilities	Social Enterprises	Average score
CREATING THE CULTURE FOR ENTREPRENEURSHIP	I found the administrative processes for setting up a business straightforward and quick	4.00	3.80	3.13	3.50	3.00	3.56	4.00	3.00	3.50
	I was exposed to enterprise ideas while at school	4.00	2.00	1.38	1.50	1.00	1.75	1.00	3.00	1.95
	Entrepreneurs like me are well presented in the media	3.00	2.40	2.63	2.00	2.75	2.33	2.00	3.00	2.51
	I have attended events and trade fairs targeted at start ups	4.00	1.40	2.25	2.50	3.00	2.11	3.00	4.00	2.78
	There are role models to encourage people like me to go into enterprise	3.00	3.00	2.75	3.50	2.50	3.22	2.00	3.00	2.87
AVERAGE SCORE		3.60	2.52	2.43	2.60	2.45	2.59	2.40	3.20	2.72
START UP SUPPORT	The advice system is easy to access and to get around	2.00	4.00	2.88	2.00	2.25	3.78	4.00	2.00	2.86
	The business support available is friendly and answers my needs	1.00	4.00	3.38	2.50	3.25	4.00	2.00	2.00	2.77

	I have had access to a mentor	1.00	3.60	3.00	2.50	2.50	3.44	1.00	1.00	2.26
	Specialised training and materials are available which meets my needs	1.00	3.00	2.88	3.00	3.00	3.00	3.00	3.00	2.73
	It is possible for me to obtain recognition and accreditation for training and experience which reflects my real skills	2.00	3.00	2.25	1.00	2.00	3.00	2.00	2.00	2.16
	there are networking opportunities for start ups like ourselves	2.00	2.80	3.25	2.00	2.50	2.89	2.00	4.00	2.68
	There are affordable business premises with easy to enter conditions (short leases, etc)	1.00	3.40	2.13	2.50	1.50	3.11	1.00	2.00	2.08
AVERAGE SCORE		1.43	3.40	2.82	2.21	2.43	3.32	2.14	2.29	2.50
CONSOLIDATION AND GROWTH	All entrepreneurs are able to obtain high quality advice for a period after start up	1.00	3.60	3.00	2.50	3.00	3.56	2.00	2.00	2.58
	Entrepreneurs like us can easily access high quality training in the areas required for business expansion (ITC, marketing, financial management...)	2.00	2.80	2.63	2.50	2.25	2.89	1.00	4.00	2.51
	It is easy to join mainstream business networks	3.00	2.40	2.50	2.50	2.00	2.67	2.00	3.00	2.51
	There are sufficient premises of an affordable nature to allow for business	1.00	3.20	1.86	1.00	1.00	3.00	1.00	1.00	1.63

	growth									
	Public sector contracts are accessible to entrepreneurs like ourselves		2.50	1.67	1.00	1.00	2.38	1.00	3.00	1.79
AVERAGE SCORE		1.75	2.90	2.33	1.90	1.85	2.90	1.40	2.60	2.20
ACCESS TO APPROPRIATE FINANCE	Banks provide a wide range of financial products to entrepreneurs like us	2.00	2.20	2.17	2.00	2.33	2.22	3.00	4.00	2.49
	It is easy for all to open a current based bank account	4.00	3.60	3.50	2.50	4.00	3.78	2.00	3.00	3.30
	Public grants help cover some of the most important costs of setting up a business and are easy to access.	1.00	3.80	2.50	1.50	3.00	3.56	2.00	3.00	2.54
	It is easy to get support for managing the financial aspects of the business	2.00	3.40	2.38	1.50	2.67	3.22	1.00	2.00	2.27
AVERAGE SCORE		2.25	3.25	2.64	1.88	3.00	3.19	2.00	3.00	2.65
	Overall average	2.26	3.02	2.55	2.15	2.43	3.00	1.99	2.77	2.52

ANNEX 2: LINKING THE TOOL TO GOOD PRACTICE

Project Name	Products and Tools	Description	Website
Culture and Conditions			
Entrepreneurship Action Plan for Wales.	Entrepreneurship Action Plan for Wales.	A strategic framework is essential to develop and deliver a coordinated approach to entrepreneurship and enterprise.	http://new.wales.gov.uk
Youth Enterprise Strategy	Youth Enterprise Strategy	Highlights the main issues and actions needed to support culture and activity with specific emphasis on young people.	http://new.wales.gov.uk
Cyfenter Development Partnership	Research reports on self-employment and barriers to growth for under-represented groups.	There is a need to understand the barriers to entry and needs of growth businesses created by underrepresented groups.	http://new.wales.gov.uk
Dynamo	DYNAMO Role models	Promotes awareness of a "real life" entrepreneur and demonstrates the skills needed in business.	www.projectdynamo.com
Dynamo	DYNAMO Curriculum materials	Materials to assist teachers and lecturers have been developed for a range of different age groups. These	www.projectdynamo.com

		are promoted to schools and colleges to increase awareness of entrepreneurship and develop skills. This needs to be integrated across the school curriculum and into teacher training courses.	
Enterprise Week	Range of activities to raise awareness of entrepreneurship.	This provides an opportunity to showcase enterprise experiences and stimulate activity across many areas.	www.wda.co.uk/kef
Careers Advisors programmes.	Careers Advisors training programmes.	Training and support for Careers Advisors to discuss <i>'starting a business'</i> as an option and embed tools and resources to enhance their day-to-day work and improve client choice and opportunity.	www.careerswales.com
KEF	Global Enterprise Challenge for students in FE.	This challenge is a high-powered student business competition, involving internet technology and global competitors	www.wda.co.uk/kef
KEF	Entrepreneurship champions	Entrepreneurship Champions in all FE/HE institutions to stimulate and support enterprise activity.	www.wda.co.uk/kef
Careers Wales West	Celtic Enterprises	Celtic Enterprises is an enterprise programme linking schools in West Wales and	www.celticenterprises.org

		South East Ireland..	
Test trade programmes	Wales Co-op Enterprise Rehearsal, Newport and Gwent Enterprise-Taste programme, Ffatri Fenter.	Promotes test trading of a business idea at pre-start.	www.walescoop.com www.centreforbusiness.co.uk www.menterabusnes.com
National Council for Graduate Entrepreneurs	National Council for Graduate Entrepreneurs	A cohesive body which raises the profile of entrepreneurship and the option of starting your own business as a career choice amongst students and graduates.	www.ncge.org.uk
Start-up Support			
Business Eye	Business Eye	Provides signposting to support programmes, organisations and funding for businesses in Wales.	www.businesseye.org.uk
Potentia	Inclusion Product.	Organisations representing and supporting enterprise within specific groups.	http://new.wales.gov.uk
Business Mentoring (Prince's Trust)	Business mentoring for young people and over 50s.	Provides training for volunteer Business Mentoring applicable in different cultural, environmental and economic situations.	www.princes-trust.org.uk

Consolidation and Growth			
Technium	Techniums. Innovation Centres linked to Universities.	Provides access to facilities and resources which are integrated with business support.	www.technium.co.uk
BUY4Wales and Sell2Wales	BUY4Wales and Sell2Wales	Offers support to SMEs and target groups to access public procurement	www.buy4wales.co.uk www.sell2wales.co.uk
Incubation Strategy	Incubation Strategy	Different sector specific incubation facilities.	http://new.wales.gov.uk
GSB: Inclusive product	GSB: Inclusive product	Provides specific support to help businesses grow.	http://new.wales.gov.uk
Access to Finance			
Finance Wales	Finance Wales for micro loans.	Provides loans and finance packages for businesses.	www.financewales.co.uk
KEF	KEF scholarships for HE/FE students.	Provides financial support for graduates.	http://new.wales.gov.uk