

“Entrepreneurs for Entrepreneurs”:
Supporting enterprising businesses hungry to grow

**Outcomes Note arising from a Consultation convened by the
UK Commission for Employment and Skills at St. George’s
House, Windsor Castle from 6.00 PM on November 3rd
until mid afternoon on Nov 4th 2009**

Introduction

This Note summarises the key themes and outcomes of a Consultation convened by the UK Commission for Employment and Skills at St. George’s House, Windsor Castle on November 3-4 2009. The Consultation was organised as an informal conversation and its aim was to develop some fresh ideas for improving the support available to enterprising businesses with meeting their needs for leadership and management development.

We were joined by entrepreneurs from a range of businesses (listed on page 18), a number of whom had already won awards for their business performance and commitment to workforce development. As a group we ‘gelled’ remarkably quickly and this proved to be a very positive and creative event.

During the Consultation we developed the proposal that there should be a nationwide network of entrepreneurs’ groups, targeted on entrepreneurs running businesses with between 10 and 100 employees and **ambitious to grow**. Each group would include around a dozen entrepreneurs and entrepreneurs would lead the whole network.

At the end of the event we were keen that this idea should be worked up further and those organisations involved in this sort of work should be brought together by the UK Commission to discuss whether they would wish to play a part in taking it forward as a UK-wide initiative.

Pete Ashby
10 November 2009

Supporting leaders who are entrepreneurs

At the outset of our discussions we agreed to concentrate on enterprising businesses with more than 10 and up to around 100 employees and keen to grow quickly. As we focused on them (which included most members of our group), we quickly recognised that *“what many large businesses mean by management and leadership is often very different from **what we mean** – and what we **need**”*.

We recognised that all staff in enterprising businesses are required to show some leadership at one stage or another and felt that entrepreneurs need to encourage them to become *“more self-aware”*, especially in thinking about the impact of their behaviours on others in situations where they are exercising a leadership role.

The group’s general experience was that in many small and medium-sized businesses there are Managers who say they are *“comfortable just with being Managers”* and don’t aspire to be *“entrepreneurial leaders”*. This is not in any way to diminish the importance of their contribution to the ongoing success of the business; it is simply to recognise that this is where some say they are and we were all rather wary of making assumptions about what motivates and drives them.

We were also keen to steer clear of the *“nature versus nurture debate”* that can easily take over too much discussion about leadership!

From this starting point, we agreed to concentrate on the challenge of supporting owner Managers and Managing Directors who are **entrepreneurs keen to grow their business**.

We were clear that what really matters are their *“people skills”*.

These are absolutely vital if they are to engage effectively with their staff about their ambitions for their business.

“Engaging our people with our ambitions”

We agreed that one of the most important challenges for an entrepreneur is to commit quality time to talking to their people about their ambitions for the business. As one person put it, “*You really have to **engage** with your people to make your ambitions **their ambitions**”.*

We felt that it is not enough “*just to put information out there*”. This has to be followed up with real engagement so that information becomes knowledge and through that knowledge everyone in the business can “*grow in their wisdom*” about how best to grow the business.

When Business Plans were mentioned, it was quickly agreed that they’re usually no good at communicating the ambitions of those running the business. We felt that it is up to entrepreneurs to share their ambitions for growing the business in more personal terms.

One Managing Director told of how he and his business partner had drawn up a two-page statement of their personal ambitions for their business, including how much money they wanted to make and how much of that they wanted to give away to charities. Before discussing this with others in the business they first discussed it with their families. Then, once they felt their families were fully on board, they “*targeted key influencers*” in the business and sat down with them and talked through the statement before sharing it more widely with others.

The impact had been tremendous. Staff felt that they now understood much better where they wanted to take the business and had a greater sense of shared ownership of their ambitions, on the basis that they were “*evolving*” and there was “*no fixed end game in sight*”.

Also, the two partners had found that “*putting their ambitions out there really focused minds*” and meant that they had driven the business harder and performance had improved significantly.

This discussion underlined for us all *“the importance of **will** as well as **skill**”*.

It also made some feel that *“being asked to share ownership of something that is evolving is more powerful for staff than trying to share ownership of something that is already fixed”*.

Others told their stories of how they had developed their discussion boards and bulletins and intranets to support greater **two-way communication** among staff, with staff being asked to exercise some judgement about the importance of a concern or complaint that they might be raising, by grading the urgency with which they felt it should be treated.

At every level, the emphasis was on engaging with staff that share responsibility and can’t just be taken for granted.

Time and again we found ourselves talking of the importance of internal communication and **engagement** – a word that seemed to come up more often than skills, which just shows how engaged we were with this challenge!

Why were we so hooked on it? Because it’s absolutely essential to *“staff aligning their aspirations with those of their organisation”*.

It also provides the basis for improved **external communication** with suppliers and business partners.

Entrepreneurs learning from other entrepreneurs

As we heard the entrepreneurs in Windsor telling their stories of the key individuals who had influenced them at various stages in their careers, we couldn’t help but be struck by the sheer **power** of peer mentoring and peer-to-peer learning.

Our very experiences as a group showed how much entrepreneurs have to offer each other.

One owner manager told his story of how he is part of a group of owner managers and Managing Directors who commit one day a month to meeting together. In the mornings they usually hear an outside speaker and then in the afternoons they commit time to supporting each other in talking through specific problems and challenges that each of them might bring to the group.

Some expressed surprise at the regularity of these meetings and the time commitment that people had to make to them.

The point was made that this issue of commitment was vital to the success of the group: members paid an annual fee to meet the costs of supporting the group and there was an **expectation** that they would honour this commitment if they wanted to remain a member.

This story underlined for us **how much** entrepreneurs can help each other to realise their own ambitions.

Of course, there is no magical formula about how often groups need to meet and what sort of fee entrepreneurs are willing to pay before some get frightened off by the cost.

What this story and our general discussion pointed to was the tremendous **potential** of this sort of ‘entrepreneurs club’ when there is a shared commitment to the group and to sharing experiences in an open and trusting way, including “*war stories*” and near-disasters as well as instant successes!

When this sort of mutual peer support works well, it is in a league of its own because the general insights that people take away are that much richer and deeper since they’re based on the **real-life experiences** of other members of the group.

Moreover, the sense of **mutual commitment** that this type of discussion can foster is very considerable, as we ourselves found in Windsor.

We quickly came to picture in our minds a nationwide network of small groups run by entrepreneurs for entrepreneurs, with around a dozen entrepreneurs in each group and every individual who wants to join being asked to pay a joining fee upfront as well as an ongoing membership fee.

There would be **no apologies** about membership not being free or subsidised, since the membership fee would be a very modest investment in light of the benefits that membership of the group should bring for entrepreneurs hungry to take their business on to the next stage.

The “deal” would be that every entrepreneur joining a group agrees to be prepared to act as a **mentor to others** in the group in the same way that others volunteer to act as a mentor to them.

From day one it would be very clear that they are expected to **give as well as receive**.

In addition, there would be strict rules about attendance at meetings so that if someone misses, say, three meetings in a row they would automatically be deemed to have left the group.

What we couldn’t immediately see was how we would **reach** those entrepreneurs who have already achieved a good level of turnover for their business and are hungry to grow it further, and could really benefit from this sort of peer support – as well as having so much to offer in return.

This is when we realised how important roadshows would be to setting up this sort of network.

Roadshows to help raise ambition

We heard of the success of roadshows in Northern Ireland in attracting very large numbers of entrepreneurs to events where they heard leading entrepreneurs telling their own stories about the life-changing moments in their careers.

Properly organised, these roadshows could act as the entry point and “shop window” for the groups, with the groups being offered to entrepreneurs who feel energised by what they heard at a roadshow and are now ready for the next step.

☞ ‘You’ve heard other people’s stories, and if you already have 10 staff and are ambitious to grow further, you can now commit yourself to work alongside others in your region who aren’t competitors and, like you, are hungry to expand. Groups have an average of 12 members, with a minimum of 9 and a maximum of 14. Here are the terms of membership and if you are happy to accept them and want to join E4E in LuckyTown, we’ll get back to you when we have 8 other names of entrepreneurs to join a group with you’

This sort of network would build on some of the great things that are **already happening**. After we left Windsor one participant got in touch to say that there’s a major event in the North-West on January 20 2010 for ‘the top 350 entrepreneurs in the region to gather with 15 of the world’s best speakers to listen, learn, collaborate and move the region forward’. Further details about this ‘convention to defy convention’ are on www.RAW2010.com.

We were clear that roadshows are **the way in** and that once people are experiencing all they can learn from other entrepreneurs it will feel so natural to be invited to join a group of around a dozen like-minded entrepreneurs for ongoing peer mentoring and support.

At every level, the business benefits of this small group work would be emphasised, with it being made clear that the special element here is the sharing of personal stories and the exceptionally high levels of trust and self-disclosure that entrepreneurs are willing to offer each other when they are part of a like-minded group.

One of the marvellous things about working with entrepreneurs, as we all found at Windsor, is the sheer hunger to learn and do things better.

The very characteristics that make for a successful entrepreneur are the key elements that should ensure the success of this network, so long as careful thought is given to **how it should be brought into being**. This is the issue we turned to discuss next.

“To succeed, this network must be entrepreneurially-led”

When we turned to discuss “*how to do it*”, there was one proposition that we all readily agreed: namely, that “*the network will **only succeed** if it is entrepreneurially-driven*”.

We were very clear indeed about this. The network needs to be “*owned by entrepreneurs and driven by entrepreneurs*”, and at every level they need to be defining its character and sharpening up the messages to enable them to reach out to and engage with other entrepreneurs.

The network must not feel **in any way** like “*another Government scheme or Government programme*” – and because some might suspect that this is what it is in disguise, it needs to make this unmistakably clear for all who will listen.

☞ ‘This is not a Government wheeze, this is entrepreneurs acting with the support of Government because Government rightly sees what this network could achieve through enabling entrepreneurs better to support other entrepreneurs.’

With that 100% clear in our minds, we moved on to the more pragmatic issue of how to get something up and running sooner rather than later. Our instinct was that this network should be a good business proposition for the entrepreneurs who run it and that over time it should at least be self-financing.

However, to get it started and to organise some roadshows and build up momentum there would almost certainly be a need for some seedcorn finance.

Our two key thoughts about this were that seedcorn finance should be in the form of **fully repayable loans** and that any decisions about who to give this finance to should be taken by a panel of entrepreneurs – an “**Angels’ Den**” in the words of one!

We felt that it would be tremendous if a small number of entrepreneurs themselves could be persuaded to put up the money for these loans. We also felt, pragmatically, that if this isn’t forthcoming in the short term the UK Commission would be well placed to discuss with officials and if need be Ministers how else a chunk of loan finance might be made available to help catalyse the development of E4E (trying this out as a shorthand working title to give it a ‘road test’).

With an image of a panel of entrepreneurs in our minds, we asked ourselves what they would be looking for and what we expected this network to look like on the ground. We saw the roadshows linked to small groups drawn from roadshow participants as one of the main ways of bringing the network into being. These groups would start with sharing of experiences and developing their own agenda for issues to work through together, perhaps with occasional outside speakers and “experts” as a resource.

As groups get into their stride and identify gaps in support and particular skill needs that some members share, one could see **additional support packages** being organised by providers supporting the network.

What we liked about this idea was the principle of groups themselves defining what sorts of support they most need with their own leadership development and then seeking providers who are able to develop “*packages and programmes **bespoke** to their particular needs*”.

As we explored the idea of bespoke packages, we also saw the other way in to setting up these groups. They could be very attractive for entrepreneurs who had been through some sort of programme offered by a Business School or one of the many organisations in the market of leadership development and want to find ways of continuing to work together.

In this way, the network could embrace a wide range of “*alumni groups*” drawn from particular courses or groups of courses.

The key principle here is that E4E groups would be supporting their continuous improvement and development, with the emphasis now on ongoing peer-to-peer mentoring and support.

We felt that this route into E4E could also help providers in attracting entrepreneurs to their courses and packages in the first place.

It would make it easier for them to promote the up-front formal learning as leading in to an ongoing supportive relationship, with that provider maintaining a close link with the group and occasionally asking whether they need any additional tailored support.

“Developing a more simplified offer to employers”

The other point that came out strongly was how much this new network for entrepreneurs could offer Government in advising on how to simplify its **overall offer** to employers.

It was taken as given in so much of our discussions that the support on offer to assist leadership and management development in enterprising businesses is either “*incomprehensible, inappropriate or inaccessible*”. That’s where we thought we were starting from!

The whole system needs to be tidied up and rationalised, and we thought it was now time for some in-depth work **targeted** on the area of leadership and management development and “*developing a more simplified offer to employers*”.

Who better to advise Government on this than entrepreneurs who want to bring together groups of other entrepreneurs and be able to explain to them, in plain English, what sort of support is available to them out there?

It should also be said that at various stages during our discussions we recognised that there’s a need not just to improve support for owner managers and Chief Executives. In high growth businesses, support at the **second tier of leadership** is of course critical as well.

Our hope was that if E4E could get off the ground sooner rather than later, one of the key challenges these entrepreneurs would turn their attention to would be how to find ways of supporting their immediate Deputies and key Sales and Development Directors in the same sorts of ways in which (hopefully!) E4E will be supporting them.

Bringing the key players together

As our discussions continued, we kept on bringing ourselves back to the principle that the network needs to be entrepreneurially-driven in a way that feels “*real*” to entrepreneurs.

We felt that when the network is launched the brand that is agreed upon should be taken as a **loose framework** for a number of different approaches, all of which share a minimum number of key principles.

For example, the maximum number of 14 for any group could be one, as could the principle that groups should be led by their own members.

As the organisation hosting this event, the UK Commission for Employment and Skills seems very well placed to take these discussions on to the next stage and suggest a small number of founding principles for the network.

Once these are clearer (and one can see much merit in the Windsor group being asked to act as an informal sounding board to the Commission in developing these ideas further) there will then be a need to explore with those organisations already delivering this sort of support to entrepreneurs how much **genuine scope** there might be for close collaboration in setting up the network.

A number of bodies were mentioned in Windsor, such as the Academy for Chief Executives, Vistage International (UK), the Northern Leadership Academy, the Business Growth and Development Programme and PlatoGB, and there are a range of others as well that could have much to offer.

The principle of the network being entrepreneurially-driven means that those who take this idea forward need to feel quite genuinely that it has stirred their own entrepreneurial ambitions and hunger. There is no merit in anyone being involved in this as a passenger; there really is only space for people who want to bring their own entrepreneurial leadership skills to this proposition and work it up so that more and better targeted support can be provided for enterprising businesses that are most ambitious to grow.

This should makes it pretty easy to know who needs to be involved in the next stage, since they won't need much persuading if they're the right people.

Ideally, they will want to bring with them a chunk of money to put in the kitty as a repayable loan to help get the network underway!

Needless to say, there are some tricky issues that will need to be explored carefully and where the expertise and advice of those already in this sort of business will be extremely valuable.

For example, the success of each E4E group will depend to a fair degree on the extent of engagement with the group shown by the individual who leads and facilitates group meetings. This raises the question of what’s the best way to support entrepreneurs who want to facilitate their group. Should there be a rotating chair/ facilitator every three or six months, or should groups be encouraged to elect/ select a facilitator from among their number, perhaps at their second meeting?

If one is tempted to go down this road, would this mean that their first meeting should be facilitated by someone “representing” the network - and who might this sort of person be? Would this need to be an entrepreneur, if the principle of entrepreneur-drivenness is not to be compromised?

There are a host of practical questions to be considered and we all know that enthusiasm for the broad principle of this network doesn’t exempt one from the responsibility of accepting that to make something like this succeed will take a huge amount of inspirational leadership **and** hard work **and** careful planning.

It will also need some luck in attracting some terrific entrepreneurs who say “I want to support this as a way of putting something back and I’m willing to get my sleeves rolled up and develop this as I would develop a new business proposition of my own”.

That’s what this needs to be if it is to succeed: a **business proposition**.

What we did in Windsor was get very close to identifying its unique selling proposition. It’s great to have a USP. And entrepreneurs know that once you have this, that’s when the **real work** starts!

Three final thoughts

i) “We’re not alone!”

During the final minutes of this Consultation, everyone in the group was asked to share one particular insight that they were taking away from the discussions. In the midst of some very positive comments about the idea of Entrepreneurs for Entrepreneurs, one Managing Director said that he really liked the idea because it meant “*We’re not alone*”.

In just three words he seemed to say so much.

We all know that entrepreneurship can feel such a lonely and isolated experience for so many entrepreneurs.

Of course, many feel supported by their partners and families and are invariably keenly loyal to those they have been closest to in building their own business. At the same time, they find themselves spending a lot of their time thinking privately about the risks attached to various business options, fretting about not getting financially over-exposed whilst worrying about the dangers of being overly cautious, wanting to trust what their intuition is telling them whilst wanting to take others with them and not act in a way that’s over-hasty.

All of these and many other ambitions, anxieties and fears go through the minds of so many entrepreneurs so many times, and they often find that there’s no one they can really share them with apart from their partner, who can find this difficult to understand – and a tad frustrating - unless they see themselves also as an entrepreneur.

Even though some entrepreneurs spend very little time away from other people’s company, they will talk of their sense of loneliness – and it’s **this** that makes the whole concept of sharing special time with a group of like-minded individuals with the same sorts of concerns and anxieties and ambitions as themselves so very attractive.

To unburden themselves of some of their own “baggage” and help others do the same; to gain understanding and confirmation from others who “*know what it’s like*”; to be able to talk out loud about difficult business decisions that are coming up and do so in a safe place, where others can be trusted to keep their secrets safe because they are also sharing some of their own in return; to feel that everyone’s on a level playing field, with no-one more important than anyone else because they’re all achievers and doers in their own right and all hungry to achieve more and do more ... that’s a **big deal** and it’s part of what **not being alone** is all about.

Entrepreneurs know that ambition feeds on ambition and their own sense of ambition can help to bolster others who might be having a wobble, just as there will be times when they’re wobbling about something and feel they can’t share it with those in their business who believe in them.

In these moments, it means a million dollars to have a small group you can go to and be yourself and say what’s worrying and bugging you – and draw on their own sense of ambition to help you keep moving forward.

Entrepreneurs know that every entrepreneur is different.

A group of 12 really will be a group of 12 individuals, each one driven by their own particular sort of hunger and version of ambition. And every group of 12 will be different from every other one.

That’s what makes this concept so very powerful and it’s why it has such a resonance with all of those who are so aware of their sense of loneliness and have rather assumed that it just goes with being an entrepreneur and there’s nothing they can do about it.

That’s why our discussion about E4E mattered so much to this group and why it’s about **so much more** than just joining another network or “club”.

ii) Drilling for “OIL”

Throughout our discussions, there was something very striking about this group and the three words that seem to capture this best are ‘**generosity of spirit**’.

As one would expect, there was a sense in which members of the group were very grounded and really quite hard-nosed when they were talking about their own business. Yet what was so noticeable, and not quite to be expected in the same sort of way, was how truly generous they were in the way they talked about their “people”.

One MD talked of having been taught “*bastard management*” at Business School and having learnt since then that a successful business needs to be founded on three principles: “*generosity, humility and trust*”.

Another member of the group, who had started by articulating the “*give it a punt*” model of risk-taking (i.e. take the risk anyway and risk failure just in case you would be missing out on a success) founded his very successful business on the acronym of “*OIL: open-mindedness, integrity, loyalty*”. Wow!

iii) A good case for “nudging”, if ever there was one!

In its paper on “Towards Ambition 2020: skills, jobs, growth”, the UK Commission had written of the Government’s role in “**nudging the system to work better**” alongside its principal role in empowering individuals, employers and providers to make the right decisions.

One couldn’t help feeling, at the end of this Consultation, that if ever there was a first rate, irresistible case for nudging, **this is it**.

It doesn’t get much more of a “no-brainer” than this!

We were all absolutely and utterly clear that E4E must not be organised and “programmed” by Government. No way. That would kill it dead, for all of the reasons rehearsed in this note.

However, we also knew that simply saying that an idea is brilliant **isn't** enough to make it happen. It does need a bit of a push and a healthy nudge in the right direction, and this is where the Department for Business, Innovation and Skills, supported by the UK Commission, comes in.

How about the Department saying that it would **match** some start up loan finance forthcoming from entrepreneurs, up to a certain limit? That would help concentrate minds, wouldn't it.

How about Ministers giving a very clear signal to all of those working in this area and in receipt of public funds that they would like to see **them** supporting the development of E4E? That would be another useful nudge.

There are a whole variety of helpful nudges that could be given, not least at a very **practical level**, by way of support for roadshows in every region (what a fabulous exemplar Raw 2010 looks as if it should be next year), drawing up lists of national and regional speakers to join local groups, summarising the great and not so great lessons that have been learnt so far by those working in this area, and so on.

So let us hope that BIS and the UK Commission and others **get nudging**, and entrepreneurs get the chance to do what they'll be great at: creating an entrepreneurially-driven network that creates new opportunities for peer-to-peer learning and support among entrepreneurs hungry to grow their business.

What a lot we learnt from each other in Windsor - and what an incentive to get on and make Entrepreneurs for Entrepreneurs, or whatever it ends up being christened, HAPPEN!

Participants

Adam Campbell	Business Growth Programme (BGP)	Business performance coach and entrepreneur
Brian Ambrose	Belfast City Airport	Chief Executive
Chris Havill	Havmain (building services engineering)	Managing Director
Chris Humphries	UKCES	Chief Executive
Chris Oliver	Red Spider Technology (for the oil & gas industry)	Co-founder and Chief Executive
Geoff Knibb	Integration Technology Ltd (inkjet printing sector)	Operations Director
Howard Pickard	LBBC Technologies Ltd (precision engineering)	Managing Director
Ian Kinder	UKCES	Assistant Director, Strategy & Performance
Jane Hall	Department for Business Innovation and Skills	Assistant Director, Workforce Skills Unit (day 1 only)
John Foster	Fosters Bakery Ltd	Managing Director
Matthew Bird	UKCES	Programme Manager for Leadership & Management
Michael Davis	UKCES	Director, Strategy and Performance
Philip Hart	MEP Ltd (innovative manufacturing solutions)	Managing Director
Sarah Anderson	Founder of Simple Solutions Ltd & Chair of the Mayday Group	Director (& UKCES Commissioner among other public appointments)
Sean Taggart	Albatross Travel Group (wholesale travel for trade only)	Managing Director
Steve Turner	Mark Making (graphic design agency)	Creative Director
Vince O’Toole	Network and Cabling Solutions Ltd	Managing Director
Vivian Dunn	Dormen (Business Mentoring service)	Programme Manager
Wallace Sacks	Wallace Sacks Ltd (Interior products & leather garments)	Founder and Chairman
Pete Ashby	2WayTrust	Consultation facilitator