

Impact case study (REF3)

Institution: Leeds Beckett University		
Unit of Assessment: Unit 17 - Business and Management		
Title of case study: Increasing small business innovation and productivity through action-orientated methods		
Period when the underpinning research was undertaken: 2002-2016		
Details of staff conducting the underpinning research from the submitting unit:		
Name(s):	Role(s) (e.g. job title):	Period(s) employed by submitting HEI:
David Devins	Professor	1991-present
Jeff Gold	Professor	1989-present
Oliver Jones	Senior Lecturer	2004-present
Period when the claimed impact occurred: 2002-present		
Is this case study continued from a case study submitted in 2014? Yes		
1. Summary of the impact (indicative maximum 100 words)		
<p>Our research on the principles of good practice for SME development is supporting Yorkshire's regional economy by helping small businesses to survive, grow and thrive. The research informed the development and implementation of regional business support programmes including the Calderdale Business Strategy Programme (2013-2015) and the Ad:Venture programme (2016-2019) which have supported more than 200 SMEs and 1,770 entrepreneurs up to February 2021. Through these networks and 1-to-1 mentoring, 49 jobs were created, and gross value-added across the businesses that engaged during the Calderdale programme (2013-15) increased by £1,242,415. Our research is applied through the establishment of SME knowledge exchange programmes and peer support networks.</p>		
2. Underpinning research (indicative maximum 500 words)		
<p>For 20 years Professors Devins and Gold, and more recently Dr Jones, have been conducting innovative applied and academic research to support the development and sustainability of smaller businesses. This research is underpinned by an intention to design and develop interventions that recognise the complexity of managing SMEs, raise aspirations, and support their resilience and growth through change.</p> <p>Realising the ongoing challenge of under-performing SMEs, Gold and Devins (2002) moved attention away from generalised one-size-fits all toolkits towards means of supporting SME managers and their organisations based in a social constructionist framework. Drawing on the literature and interactions with more than 100 SMEs, the analysis highlights the importance of understanding the uniqueness of the business and the crucial role that talk and conversation play in engaging with the interests of SME leaders (R1). Expanding on this in 2004, Gold and Devins showed how coaching provides a means of working with the values and interests of SMEs to create a conversational space to frame problems and desires as a source of development learning to underpin SME advancement and growth (R2).</p> <p>These ideas were further developed in a study commissioned by the Small Business Service (2005) highlighting the unique nature of micro-businesses, which account for 96% of the UK business population (5.7 million). The study drew on an extensive analysis of the literature and qualitative research which spotlighted the need to initiate and sustain relationships between micro-business leaders and intervention agencies. This was found to be a critical success factor in the design and delivery (co-production) of relevant business support services. This led to the development of a conceptual model of management learning in micro-businesses which still undergirds the constructs and approach applied by the researchers today, namely that the foundation of successful interventions should be the interests of the managers themselves (R3).</p> <p>Building on this, later research (2006) showed how the informal aspects of learning in SMEs can be stimulated by action learning (AL). AL also allows critical reflection to be embraced and encourages a commitment to act. The importance of finding common ground in order to develop effective networks was also emphasised (R4). Gold investigated engagement with</p>		

Impact case study (REF3)

SMEs, highlighting how argument and persuasion are crucial skills that allow interaction which attunes to the needs and interests of SME leaders. A framework of SME 'worlds' is considered in order to explore how an SME manager, who was antagonistic toward training interventions, was persuaded by an engager to work with a coach to work towards his vision for expansion and growth (R6).

In further refinement and extension of this research theme, Jones, Gold and Devins (R5) collaborated with others including accountants, bankers and small businesses to design an intervention to support productivity improvements in a study funded by Innovate UK in 2019-20. The action learning drew together stakeholders in the regional eco-system to engage thirty manufacturing SMEs in a process of performance improvement. The research provides insights into the experiences of SMEs participating in the project and highlights the challenging and uncertain journey towards improved productivity experienced by many small businesses and the important role that 'close others' play both in engaging SMEs and supporting changes to enhance productivity.

The common thread of this body of research is the focus on the entrepreneurs/leaders, and senior managers as the strategists managing change. It demonstrates through action learning, facilitated via networks, conversations and coaching, that entrepreneurs can implement strategies that enable the sustainable development of SMEs. The learning from the research has been applied to the design and development of national and international leadership programmes, business support networks and knowledge exchange initiatives.

3. References to the research (indicative maximum of six references)

R1 Gold, J. and Devins, D. (2002) Social Constructionism: a theoretical framework to underpin support for the development of managers in SMEs? *Journal of Small Business and Enterprise Development*, Vol.9, No.2, pp.111-119.

<https://doi.org/10.1108/14626000210427366>

R2 Gold, J. and Devins, D. (2004), The Value of HRD in Small Firms: The Role of External Coaching. In J.Stewart and G. Beaver (Eds), *HRD in Small Businesses*, Routledge, London

R3 Devins, D., Gold, J., Johnson, S. Holden, R. (2005) A conceptual model of management learning in micro businesses: Implications for research and policy. *Education and Training*, Vol 47, No 8/9. Pp 540-551. <https://doi.org/10.1108/00400910510633099>

R4 Clarke, J., Thorpe, R., Anderson, L. and Gold, J. (2006), It's all action, it's all learning: action learning in SMEs, *Journal of European Industrial Training*; Volume: 30 Issue: 6; p.441 – 455. <https://doi.org/10.1108/03090590610688825>

R5 Jones, O. and Gold, J and Devins, D (2020) SME productivity stakeholders: Getting in the right orbit. *International Journal of Productivity and Performance Management*. ISSN 0043-8022 DOI: <https://doi.org/10.1108/IJPPM-06-2019-0274>

R6 Gold, J. & Thorpe, R (2008) 'Training, it's a load of crap!': the story of the hairdresser and his 'Suit', *Human Resource Development International*, Vol.11, No:4, pp.385-399, DOI:[10.1080/13678860802261579](https://doi.org/10.1080/13678860802261579)

4. Details of the impact (indicative maximum 750 words).

Our research has supported the design, development and delivery of flagship interventions in the Yorkshire region and nationally to support SME start-up and growth that has contributed to new jobs and sustained growth.

The **Business Growth Calderdale (2013-2015) programme** was a £3 million project, part funded by the European Regional Development Fund. Our understanding of the critical success factors underpinning successful engagement of SMEs directly informed a programme of support introduced in the Calderdale local authority area in West Yorkshire. The model

Impact case study (REF3)

encouraged SMEs to contribute to the knowledge production process through a conversational diagnostic to benchmark activity and performance. This intelligence was used to inform the development and delivery of a tailored intervention which drew on one or more of the following services:

- innovative classroom-based learning blending academic knowledge with practical intelligence to ensure that the learning was relevant and actionable in the SME context
- one-to-one coaching to support knowledge transfer and embedding in the workplace
- peer-to-peer learning cohorts

Over two years the programme supported 207 businesses, created 49 jobs and safeguarded 70 more. Furthermore, gross value added across the participating businesses increased by £1,242,415. An independent evaluation of the programme recognised the value of the research-informed approach and its impact on network capability, successful knowledge transfer and SME engagement (C1):

The success of the Calderdale Growth Strategy programme shaped our business support policy going forward and enabled us to achieve one of our long-held strategic objectives of creating a university presence within the council boundaries. As a council we were very aware that many young people and businesses left our area as we lacked a physical university resource - so it was incredibly important for us to create this presence. The Piece Mill Business Centre, funded through the Ad:Venture programme, has achieved this - it reassures our businesses that there is a long-term commitment and support available and demonstrates how the university can enhance the economic growth within Calderdale. (C1).

As mentioned here, Professors Gold and Devins collaborated on the design of a follow-on programme, **Ad:Venture (2016-2022)**, which drew on the successes of the Calderdale programme in providing support to pre-startup and startup businesses in sectors of strategic importance aligned with both the city-region economic development plan and the government's Industrial Strategy. The initial phase of the programme (2017-19) focussed on the development of the digital sector in Calderdale and engaged 96 businesses, provided 1650 hours of coaching support, 16 bespoke masterclasses and 16 digital networking and knowledge exchange events. As a result, 8 new jobs were created, 5 businesses progressed from pre- to startup stage, 11 businesses introduced new products or services within their business and 8 introduced new products and services to the market (C2).

The programme was ideal for us as it had the right blend of advice and coaching and at the core it was adaptable to who we were, where we were at and where we wanted to go – so that tailored approach was really important for us. It certainly helped us through those first couple of critical years – without it I think we'd still be around but the business would probably be about 30-40% lower in terms of turnover. So I can honestly say that Ad:Venture is one of the best things we've done. (C2).

Testimonials and case studies provide an insight into the impact the programme can have on participating SMEs with some suggesting 60-70% increase in sales turnover attributed to the programme (C3). As the programme has expanded into other districts, more than 200 small business leaders attended events with 98% reporting a high level of satisfaction. The AdVenture programme as a whole has supported the creation of 345 new jobs (to December 2019).

Drawing on the original model, Devins, Gold and Jones contributed to the development of **Leeds Beckett Accelerate**, an incubator introduced in 2019 to support early stage entrepreneurs:

Professor Gold guided the development of the niche Accelerate programme which is unique in offering a more peer support/cohort focussed approach which is different to the

other provider offers and more effective. Accelerate contains more participant contact which is vital for early stage entrepreneurs as it is very lonely process running a start-up and they have benefitted from being able to talk to other entrepreneurs in a similar position. This has been particularly helpful through the pandemic as it has enabled businesses to support each other through the programme (C3).

The COVID-19 pandemic spurred programme innovations, with new content, masterclasses, coaching and networking events moving online. The relationship with SMEs has remained strong and testimonials provide evidence of the impact of the programme on SMEs in terms of resilience and business growth (C4).

... the most valuable aspect of the programme was the one-to-one coaching and mentoring. That made the difference and moved us from thinking, well we'll just have to pause on this business idea for now because of the pandemic, to actually seeing that there's an opportunity here and we can do something different. As a result, we've continued to trade throughout and have actually grown our business and products. (C4).

The underpinning research highlights the value of business support networks as a way of engaging leaders in peer-to-peer learning that focuses on relevant business issues. The **Independent Food and Drink Academy (IFDA)** established by Leeds Beckett in 2016 provides smaller businesses in the food and drink sector with facilitated events to support their growth and sustainability. Fifty small business leaders are at the heart of the network, deciding the content and delivery of the activities with opportunities to collaborate and learn from each other to promote the attractiveness of Leeds as a destination (C5).

I think the IFDA is an invaluable resource to the independent food and drink sector in Leeds. It can definitely help remove the barriers to growth and make the journey a lot less difficult and pain free. I think that the resources for learning, and tools that are available especially for new businesses in their early days when as a business owner you're spending all of your time on the coalface, to be able to step away from it, and share your troubles and learn from others, whether that is peer to peer, or through you know, professional advice, I think is really, really helpful. I wish it had been there when we opened North Bar over 20 years ago, or that something similar had been in place then (C5).

In response to the Covid-19 pandemic, Gold devised a new action learning programme, **Futures and Foresight**, to enable SME managers to consider possibilities for at least 5 years ahead as well as to prepare for difficulties. Delivered at a distance by Zoom, the process focuses on the key questions that a business faces against the impact of Covid-19, allowing the group working with the business manager to develop its strategic focus (C6).

The Futures Thinking work with Professor Jeff Gold has had the following impact on our strategic planning: (1) We now fully understand what the challenges facing us are in both a positive and negative way. (2) This has enabled us to focus on achieving the desired objectives and at the same time avoiding the less desirable outcomes. (C6).

The research also contributed to setting up of another Leeds City Region peer-to-peer network (2018) engaging academics and practitioners with an interest in improving productivity. The network provided a foundation for several interventions including 4 Knowledge Transfer Partnerships with SMEs and an Innovate UK Research (Business Basics) project working with SMEs to support productivity measurement, analysis and improvement. The results of the study are being incorporated into consultations with the regional LEP, who are interested in utilising the power of 'close others', and intermediaries to help SMEs in the region. So far 6 businesses have developed their own productivity improvement plans and research results show that they have all increased their performance management capability – one businesses has also successfully applied for a mKTP with LBS. (C7&8).

Since working with LBS (Dr Ollie Jones) we have gained a much more detailed understanding of efficiency and productivity and how it is an important part of any business. The knowledge has enabled us to increase profits and create an effective, happy and engaged team. The SME Productivity Performance Management Capability Programme is really pushing our skills to the next level with detailed learning activities and the effective use of data to analyse, predict and develop the business and all team members. The results are greater understanding of what productivity means and how this can effectively improve all areas of the business. (C7)

Jones and Gold continue to collaborate with Local Enterprise Partnerships in the North of England Region seeking to engage SMEs and promote improved productivity, resilience and sustainability.

The research has influenced small business support and policy and practice in the UK beyond the Yorkshire region. In 2019-20, Devins collaborated with other leading researchers on the design and delivery of the Chartered Association of Business Schools **Leading to Grow** (50 SMEs, 2019-2020) and **Small Business Leadership Development Programmes** (100 SMEs, 2020-21).

5. Sources to corroborate the impact (indicative maximum of 10 references)

C1 Testimonial evidence from Calderdale Council's Business and Skills Manager [included as PDF]

C2 Testimonial evidence from Ad:Venture participant [included as PDF]

C3 Testimonial evidence from Ad:Venture Programme Manager at Leeds City Council [included as PDF]

C4 Testimonial evidence from Accelerate participant [included as PDF]

C5 Testimonial evidence from IFDA participant [included as PDF]

C6 Testimonial comment from a Partner, Graywoods [included as PDF]

C7 Testimonial Managing Director at cardboard packaging business Greyhound Box [included as PDF]

C8 Business Basics 2: Proof of Concept Report "Investing in SME productivity growth by developing their performance management capability". Complete draft being reviewed by funder; not final for publication. [included as PDF]