University Impact in Action – A Practice View of SME Transformation & Growth

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Agenda

▶ **Setting the Scene**
  ▶ Policy agenda in 2013 – the start of the Project

▶ **Why Transformation for Growth?**
  ▶ USP & management

▶ **Objectives & Outcomes**
  ▶ Caveat – our performance as it appears now, but a developing context

▶ **Implications for Humanities – Focus of the Panel**
  ▶ Knowledge exchange & future collaborations, an invitation

Why is the Project Important?

▶ **Explicit national government agenda**

▶ **Plan for Growth (2011) – programme of reforms**

▶ **The government had 4 aims to help the economy to grow:**

  ▶ to create the most competitive tax system in the G20
  ▶ *to make the UK the best place in Europe to start, finance and grow a business – Project focus*
  ▶ to encourage investment and exports as a route to a more balanced economy
  ▶ to create a more educated workforce that is the most flexible in Europe

Role of SMEs & Current Growth Drivers

▶ **Black County Chamber of Commerce (3.10.13.):**

   ▶ SMEs account for 99.9% of the UK's 4.5 million businesses – a crucial engine for growth

▶ **Birmingham Chamber of Commerce Group (BCCG):**

   ▶ Exports rise by 15% Q2 2013, compared with the same quarter in 2012
   ▶ Region's leadership in engineering & manufacturing (JLR)
   ▶ Fastest growing market for the region is Asia and Oceania, exports increasing by £429 million in the past year

Transformation for Growth

▶ **Reality**: some SMEs need bespoke support

▶ **Funding**: ERDF via DCLG

▶ **Partnership**: Aston & Birmingham City Council

▶ **Duration**: October 2013 → July 2015

▶ **Core People**:
  ▶ me (ABS)
  ▶ 2 x CHAMPS2 Team Members (BCC)
  ▶ Project Manager/Marketing
  ▶ Business Engagement Manager & Business Engagement Facilitator +
    many PT subject specialists

▶ **Resources**: access to Aston experts & networks

Objectives 1 & 2

Evidence-Based Unique Toolsets & Process

▶ **To complement the ERDF-funded GBS LEP Business Development Programme with a specific new offer targeting growth sector SMEs.**

▶ **To achieve growth by implementing business transformation management via the 'CHAMPS2' business change method (developed by Birmingham City Council) and 'The TRANSFORMATION Project Toolsets' (developed by The TRANSFORMATION Project, Aston Business School).**

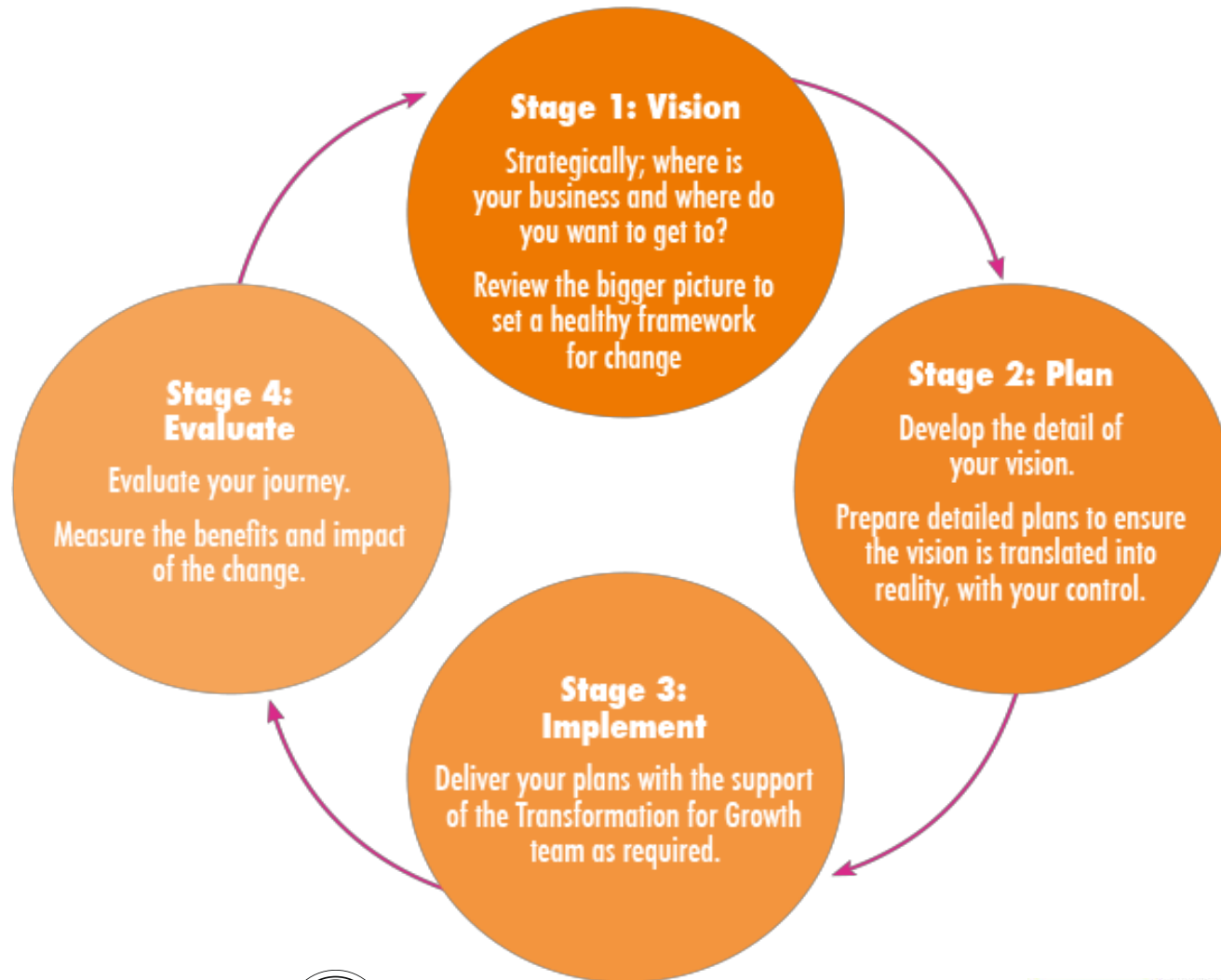# Transformation for Growth Approach – All SMEs

1
- Receptivity for Change Toolset – Time 1
- Baseline data on SME culture & need for change

2
- CHAMPS2 – modified as light touch project process
- Business Engagement Team guided by SME need

3
- Receptivity for Change Toolset – Time 2
- SME culture change & measurable growth

Aston Business School

Stage 1: Vision

Strategically; where is your business and where do you want to get to?

Review the bigger picture to set a healthy framework for change

Stage 2: Plan

Develop the detail of your vision.

Prepare detailed plans to ensure the vision is translated into reality, with your control.

Stage 3: Implement

Deliver your plans with the support of the Transformation for Growth team as required.

Stage 4: Evaluate

Evaluate your journey.

Measure the benefits and impact of the change.

Objective 3

▶ **To increase the productivity of all SMEs but demonstrate significant impact on the majority of the 35 SMEs we engage with, for example, 25. Organisations which will be measured by hard performance targets such as sales and soft HRM targets such as attendance.**

Who We Helped

▶ **Business Assists**
  ▶ 38 SMEs over an 18 month elapse period

▶ **Headcount – More Micro, Some Spread**
  ▶ <3   14 SMEs
  ▶ 3 – 10   13 SMEs
  ▶ 11 – 25   6 SMEs
  ▶ Over 25   5 SMEs

▶ **Sectors – Top 3, Including Humanities-Linked SMEs**
  ▶ Manufacturing and engineering: 9
  ▶ Graphic design and internet managed services: 6
  ▶ Digital solutions and outsourcing: 5

How We Helped

▶ **P e r f o r m a n c e   –   G V A**

  ▶ A total increase in annualised turnover of £3,831,231 for 23 respondents
  ▶ If we take 30% of this, this gives us £1,149,369 for the 23 respondents
  ▶ Extrapolated across the entire data set (including all 38 SMEs) we can estimate that the project increased turnover across the length of the time each SME participated in the Project by £1,898,598

▶ **Jobs Created**

  ▶ 36 jobs were created by 23 respondents over the course of their time on the Project
  ▶ Extrapolated across all 38 SMEs we can estimate that 59 jobs were created over the course of each SME's time in the Project

Objectives 4 & 7

▶ **Through organisation development processes associated with business transformation management, create lasting capability so that there is a cycle of continuous improvement defined in case studies for individual SMEs.**

▶ **To disseminate good practice case studies across the West Midlands region and more widely across the UK via existing business organisations e.g. British Chambers of Commerce, Chartered Institute of Management Accounting, Chartered Management Institute, Institute of Directors and Manufacturing Advisory Service.**

Process Interventions

- **Lasting Capability Measured by The Receptivity for Change Toolset**
  - Results for 9 time series audits being analysed by one of my recent PhDs

- **4 Stage Model:**
  - 1-1 Coaching + Small Peer Workshops + Reinforcement of Process
  - Mentoring as knowledge is exchanged

- **Large Public Events + Media Reporting**
  - 4 major events eg Positive Psychology in SMEs: 200 registers, 135 attended

- **Future**
  - Publicise final outcomes

Objective 5

▶ **To capture the learning from the business engagement by writing project partner case studies measured by the number of SMEs for which case studies are produced.**

Current Actions

▶ **To Capture the Learning**
  - ▶ 26 written case studies

▶ **Going Beyond**
  - ▶ Good Practice Guide
  - ▶ Drawn from analysing across the individual cases

▶ **Think Piece**
  - ▶ Academic paper, supplemented by …
  - ▶ Aston MSc Student using the Project for her dissertation + linked to receptivity analysis

Objective 6

▶ **To benchmark and build on best practise to use multi-channel digital technology to create knowledge bites during business transformation management e.g. a series of accessible talking head videos which act as a 'how to' guide of transformation in different work contexts.**

Video Case Studies

- **5 Long Video Case Studies – Hosted on Web Site**
  - Eg: Indi Deol, Aidem Digital
  - Temporary Vimeo location: https://vimeo.com/130091325
  - Humanities Association: PT MSt. History of Design, University of Oxford – creating a visual + material link between Birmingham's 2nd/3rd Industrial Revolutions in the videos

- **10 Short Video Case Studies – Hosted on Web Site**
  - Eg: Kimberley-Jane Leary, Kimberley-Jane Design
  - Temporary Vimeo location: https://vimeo.com/129569283/

- **Future**
  - 'Book' consolidating our outputs & outcomes

Objective 8

▶ **To improve the products, processes and practices of The TRANSFORMATION Project and Birmingham City Council 'CHAMPS2' model measured by evaluations undertaken with SMEs.**

Ongoing

▶ **Immediate as Project Began**
- ▶ CHAMPS 2
- ▶ 4 Stage Process
- ▶ On-going eg addition of stage gates through External Evaluation

▶ **Now as Time 2 Results Have Come Through**
- ▶ The Receptivity for Change Toolset
- ▶ Collating feedback
- ▶ Lead to a digital version

▶ **Future**
- ▶ Application to international contexts
- ▶ Extending number of potential collaborators: academic + practitioner

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Birmingham City Council

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European Regional
Development Fund 2007-13

Implications for Humanities

▶ **Our Work has Been Applied to Creative Sector**
  ▶ Graphic design and internet managed services + Digital solutions and outsourcing = 11
▶ **Expansion**
  ▶ Museums I am working with via my Design History research
  ▶ My work already used in a funding bid
▶ **Practice**
  ▶ Might need a more specialist Business Engagement Manager? Not dealing with customers, but transformation & growth relevant issues during austerity
▶ **Academic – Guidance Welcome**
  ▶ Not easy to theorise, though doing this with data from previous project

Thank You For Listening

See where our good practice will be uploaded
Which builds on past project success:

www.thetransformationproject.co.uk

▶ Questions & Feedback

Brief Profile
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Dr. Michael Butler is Reader in Transformational Change; Co-Director, Aston Centre for People and Organisations (ACPO); & Founder/Director of The Transformation Project at Aston Business School, UK. His business engagement research has won awards from the CMI and the ESRC, and has been used by the OECD to plan and evaluate international policy implementation. He is currently working on 'Transformation for Growth' funded by the ERDF, a large project to facilitate growth in SMEs by using his evidence-based management toolsets. He is passionate about understanding change from a multi-disciplinary perspective, including the institutional, the biological, and the historical.

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