

Influencing the future: Business Links in the UK

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Brief Biographies of Authors

M. E. Burke is a Senior Lecturer at the Department of Library and Information Studies, Manchester Metropolitan University, UK, where she holds the role of Deputy Course Director for the undergraduate course. In addition her main responsibilities are for Management and Business Information, areas in which she had published a variety of articles and presented papers at several international conferences. In addition to her first degree in Library and Information Studies, she holds a postgraduate Diploma in Management Studies and was awarded the MBA by the Open Business School. She is also a member of the Institute of Management, Honorary Secretary of the Library Association's National, Personnel, Training and Education committee and an Associate of the Library Association.

Joanne Rigby has recently completed the postgraduate Diploma in Library and Information Studies at Manchester Metropolitan University. She was awarded her first degree at the University of Liverpool in English and Communication Studies. After two years experience working in public libraries she moved to Business Link Oldham as an Information Officer. Currently she is working at the recently opened Business Link Bolton & Bury where she is setting up the Business Information Service.

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Abstract

Research was recently undertaken which was concerned with the introduction of charges in a particular Business Links Information Service based in the Northern region of the UK. This paper aims to discuss the issues surrounding a number of topics such as the ethics of charging for information; the type of service given to new business enterprises; the staff training which was necessary to develop a more commercial attitude to the service; the pilot scheme set up to introduce the charging system and assessment of the system using client management software. Finally the paper concludes with a brief discussion on the role of information in business organisations.

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Introduction

One way of influencing the future is by long term planning to try to increase the competitiveness of industry as a whole and so perhaps have some effect on improving and influencing the economy of the country. One such strategy could be seen to be that of the UK system of Business Links.

Business links were first formed in 1992 by a UK government department - the Department of Trade and Industry.(DTI) They were initially known as “One Stop Shops” a place where businesses could literally “shop” for all their requirements. In the mid 1990’s One Stop Shops were relaunched and renamed as Business Links. Each region of the UK has its own Business Link centre with trained staff on hand to assist with every type of enquiry. Business links provide businesses with a single place of contact for advice, support and guidance.

The functions of business links are to assist all businesses to reach their full potential. One way of looking at the functions of Business Links is by identifying stages of business growth. These stages are identified in some of the Business Link literature as:

Stage One - New Business support

Stage Two - Developing the business

Stage Three - International advice

Stage Four - Specialist advice to established companies.

All of these stages of support have at least one common element - they all require high quality, accurate business information. It is no surprise, therefore, that one of the busiest departments of any Business Link centre is the Business Link Information Service. This service provides information in all its forms as

required by customers. The aim of the Business Link Information Service is to produce a high quality service which will equip local businesses with the knowledge they require to prosper and grow. Although Business Links are funded by the government (through the DTI) for the first three years of their existence, it was considered necessary to ensure that the Business Link Information Service quickly became self-financing. To this end it was considered necessary for a charging system to be introduced. Research was recently undertaken which was concerned with the introduction of charges in a particular Business Links Information Service based in the Northern region of the UK. This paper aims to discuss the issues surrounding a number of topics such as the ethics of charging for information; the type of service given to new business enterprises; the staff training which was necessary to develop a more commercial attitude to the service; the pilot scheme set up to introduce the charging system and assessment of the system using client management software. Finally the paper concludes with a brief discussion on the role of information in business organisations.

The Ethics of Charging for Information

The fact that Business Links have to charge for their information service appears to conflict with the concept of the Centre as a support for Small and Medium-sized Enterprises (SME's). This fact and the relatively recent existence of a free service adds to the confusion. There was, however, much to justify the introduction of charges, and these reasons could be used when marketing the service. First, the client needed to understand that Business Link Information Service (BLIS) could provide them with a first-class service at a rate much

lower than any independent information consultant and secondly, the charge will enable BLIS to offer the very latest in business information with the assurance that all the information is current.

An additional problem was the perception SMEs had of their information needs. Many SMEs only attempt to obtain information which will solve an immediate problem, very few businesses have created an 'information culture' where information was recognised as an asset which could help them avoid long term problems and remain competitive. The irony was that most clients on the New Business Support programme would contact BLIS with in-depth research enquiries to obtain maximum market and company information, yet established companies saw no advantage in seeking out such knowledge.

Information was very much perceived as a hidden asset, making the job of charging for it extremely difficult. Therefore BLIS also had an educational role in teaching SMEs the importance of continuously seeking out and absorbing new information.

New Business Support

Many of the enquiries BLIS receive are from clients on the New Business Support (NBS) programme. A member of the BLIS team delivered a presentation to each new group of NBS clients to promote the service and most of these clients will approach BLIS with their information needs. Many of their requests involve in-depth research which will in the future be subject to charges. It seemed unrealistic to expect NBS clients to pay the same rate as established businesses, and therefore it was recommended that NBS clients were charged at 50% discount for research work.

The advantage of this would be that at full rates NBS clients are unlikely to continue with the enquiry, and BLIS would have failed to provide the advice and information required to help new businesses. At a reduced rate the NBS client was more likely to pay, and BLIS would be fulfilling its service level agreement.

Training

It was important that the switch to a fee-based service was implemented in a professional and uniform manner, as it would be detrimental to allow staff to introduce the charges in a conflicting and contradictory way. To avoid this it was recommended that staff underwent some form of sales training in order to offer a quality information service to clients. Internal staff briefing sessions were also essential in producing a uniform approach to the introduction of charges. Whatever form of training was initiated it was important that staff developed a commercial attitude towards the service. The implications of this culture change were far-reaching but it was hoped to install greater confidence within the client and produce more positive results when fees were mentioned.

The Pricing Policies Pilot Scheme

In order to test the market and produce a feasible pricing policy a decision was made that a number of clients would be targeted to be charged for the information service. The study would be carried out over a 4 week period with the aim for each business information officer to introduce the fee-based service to an average of 2 clients each day. It was difficult to rigorously adhere to this number as the numbers and types of enquiries differed each day. With 2

information officers working 5 days each week it was estimated that 20 clients would be reached each week, with a total of 80 over the 4 week period. In reality the number of clients reached equalled 57 due to staff absence and the nature of the enquiries, i.e. clients telephoning for a Business Link Information Pack or for information which could be provided immediately.

The results of each client reaction was fed back at the end of each week with the method of approach being reassessed accordingly. The results appear in Figure 3. The results of this study were not disappointing as more clients chose to continue with their enquiry as opposed to discontinuing when they realised a cost was involved. Particularly promising were the numbers of clients prepared to pay for on-line searches which had previously been administered without charge.

It was difficult to produce a positive response to the market research report, one reason may be the cost of the report and the perception that SME's have a prime interest in local rather than national and international market research.

The company reports have traditionally been easy to sell to clients as the information is perceived as of high value to the company, as it is one of the only methods for checking the reputation of future suppliers and purchasers.

The research into charging for in-depth desk research did not produce very promising results. One reason for this is that many of the clients targeted were regular clients who had previously received the information free of charge. The successful cases were clients from larger companies who could be reimbursed for the expense. It may take some time before established clients are prepared to pay and some effective marketing will encourage this process. The study

demonstrated that introducing the fee-based service to new enquirers produces more positive results.

Assessment

During the initial stages of the introduction of charges it was crucial that all reactions to the cost of information were recorded for future assessment. It was recommended that a brief staff questionnaire was created for use after each enquiry. Some examples of questions are listed below:

- Type of enquirer.
- Estimate given to enquirer.
- Was this received positively/negatively?
- Note any comments made about cost.
- Did the client wish to continue with the request?

Although this created even more administrative work for the BLIS team it was a short term procedure which would produce all the information necessary to reassess the pricing policy.

In order to make this job easier it was decided to utilise a client management database. The client management system chosen by one Business Link was an in-house database called “LinkTrack”. This database managed company records, company contacts and links. It was also a highly effective system for producing management reports and mailshots. The BLIS team recorded all incoming enquiries on the “LinkTrack” database. It was important that all records of fee-based work were also recorded in the Links window, this included brief details of the work undertaken and the charge made to the client. These records and the information gathered in the staff questionnaire were invaluable

in assessing the success of the fee-based service and in making the necessary changes to pricing or approach.

Competition

BLIS exists to help local businesses, however the ambivalent nature of the boundaries means that enquiries are often received from clients outside the local area. This is acceptable and demonstrates the quality of the information service. Other competition exists in the form of independent consultants who will often approach BLIS for free research which will be passed on with a charge to their clients. The introduction of fees will eliminate this practice and it is important that staff are aware they are undertaking research on behalf of consultants.

Discussion

The setting up of the Business Links in the UK has so far proved reasonably successful in playing a small part in assisting the economy of the UK. In particular the role of information is pivotal to the success of all businesses, whether small or large. Information is needed for all aspects of a business - marketing - market research; competitor analysis - to find out what products competitor in the industry may be launching; general company information, information about suppliers, raw materials; information concerning the best quality of materials available at the right price; information about exporting products to other countries; information about the latest technology available; and finally information such as statistics about customers and customer requirements. All of these aspects of information and no doubt many others form the basis for good solid business planning and business strategy. It is successful

planning and strategy which then forms thriving and prosperous businesses - and the success of these organisations may then assist towards the economic development of the country.

Conclusion

In conclusion then, the paper has briefly outlined the work of Business Links, the importance of the Business Links Information Service and the need for the Information Service to become self-financing. In addition the authors have also explored ideas on how to introduce a reasonable and just pricing policy and discussed some of the problems of introducing such a policy to clients who were used to a previously “free of charge” service. Although in the past some companies may have chosen to rely on industry contacts for information there is of course no way of checking on accuracy or personal bias from sources of this nature. Information from an independent, objective organisation can at least assure users that the information from the Business Links Information Service is of a high quality, accurate, timely and in an appropriate format. The money made from this venture can then be recycled into the Information Service in order that the service becomes independently financed. This form of funding then enables the Business Links to continue to provide business with the necessary support and guidance to become successful. This success, in the longer term, may be one small way of favourably influencing the future of our countries.

Research Results (Figure 3)

	Scale of charges	Positive Outcome	Negative Outcome
Client asked to pay for company report	£12.50 - £25.00	12	4
Client asked to pay for Aims and Stars search	£15.00 - £20.00	15	6
Client asked to pay for desktop research	£25.00 - £30.00 per hour	2	10
Client asked to pay for photocopying	10p per copy	4	0
Client asked to purchase Key Note report	£80.00 - £350.00	0	4
Total		33	24

