



Sutherland, V., McGregor, A. and Landsburgh, H. (2008) *Evaluation of Aspire to Enterprise Programme*. Project Report. University of Glasgow, Glasgow, UK.

<http://eprints.gla.ac.uk/45910>

Deposited on: 14 February 2011

EVALUATION OF ASPIRE TO ENTERPRISE PROGRAMME

(Final Report, November 2008)

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EXECUTIVE SUMMARY

Evaluation Aims and Research Methods

1. The Aspire to Enterprise programme provides customised business development support services to emerging and aspirant social enterprises in Lowland Scotland.
2. The Scottish Government commissioned the Training and Employment Research Unit (TERU) at the University of Glasgow to evaluate the programme's initial 12 month pilot phase. The evaluation aims to answer three questions
 - Is the programme running effectively?
 - Is the programme on track to make a difference?
 - Are the assumptions underpinning the programme valid?
3. In order to answer these questions, TERU have:
 - Analysed the Aspire to Enterprise data and documentation.
 - Interviewed Aspire to Enterprise contractors, sub-contractors, Advisory Group members and stakeholders.
 - Undertaken an online survey of assisted clients.
 - Interviewed 7 assisted clients in-depth in order to develop case studies of how the programme is operating.

Is the Programme Running Effectively?

4. **Yes** - the programme appears to be running effectively.
5. The programme on track to reach its targets for the numbers of assisted clients.
6. Clients are broadly satisfied with programme offer and the processes and procedures in place
7. The nature of pilot programmes is that not everything works perfectly or consistently in the initial period. In the case of Aspire to Enterprise, there were a small number of areas where improvements were necessary:
 - Ensuring Health Check accurately captures and responds to clients needs.
 - Ensuring time between Health Check and support starting is minimised.
 - Ensuring good communications with clients.
 - Support must provide added value to clients and not just '*tell them what they already know*'

Is the Programme On Track to Make a Difference?

8. **Yes** – the programme appears to be on track to make a difference.

9. At the time of the evaluation, only 7 organisations had completed their support – so we would not expect to see impact on trading income, number of contracts, etc. yet.

10. However, significant changes have already happened – or are anticipated – in terms of:
 - Attitudes and behaviours of staff (e.g. better understanding of steps needed to grow as social enterprise).
 - Attitudes and behaviours of board/management committee.
 - The way the organisation operates (e.g. financial targets reviewed more regularly, etc.).

11. 26% of interviewees had already developed a new product or service or rolled out an existing product or service – and 57% plan to.
 - These changes are expected to lead to average increase in customers of c.450 over the longer term.

12. Changes anticipated over the 12 months following support include:
 - 39% thought their income would increase in 12 months following support with an average increase of £30,000.
 - 44% thought their trading income would increase with an average increase of £25,000.
 - 30% thought the number of contracts/SLAs they held would increase with an average increase of 4 contracts worth £24,000.
 - 17% thought jobs would be created and 26% thought jobs would be sustained.

13. 70% thought their long term sustainability had improved as result of programme.

14. To date, there has been limited uptake of loan finance. This partly reflects the fact that only 7 organisations have completed but there also appears to be a continuing reluctance to consider loan finance with '*willingness to consider loan finance*' one of intermediate indicators with least progress.

Are the Assumptions Underpinning the Programme Valid?

15. **Yes** – most consultees felt the programme was focused on targeting the right organisations and the services that these organisations required.

16. However it was suggested by a number of clients and stakeholders that the programme needed to provide more assistance with implementing the recommendations that Aspire makes.

17. Most consultees that there was added value in using social enterprise specialists to deliver this programme but that the chosen consortium and the sub-contractors' business development expertise and local experience was also important.

18. There had been few referrals to mainstream support services to date but the experience of the case studies demonstrates that assisted organisations are more likely to seek out mainstream support than before participating in the Aspire programme. Aspire must build on this by developing more formalised referral processes and ensuring that it provides clients with 'next steps'.

Recommendations

19. Given the findings of the evaluation, ***we recommend that the pilot phase is extended*** for a further 2 years. At the end of this period a further evaluation should be undertaken to measure the impact of the programme on assisted clients and the sector as a whole.

20. The Aspire to Enterprise programme could be enhanced by:

- Allowing Aspire to Enterprise to provide more ongoing support to clients (i.e. help implementing the plan/recommendations made, identifying areas where they are having problems and offering solutions, etc.).
- Building in mechanisms to encourage and support clients to access the mainstream supports that are available.

21. In addition, the Scottish Government must decide whether or not organisations will be allowed to access the programme more than once or not.

22. A range of operational issues were raised by one or two clients or consultees – Aspire to Enterprise must review their processes and procedures against these and improve them where necessary.

1. INTRODUCTION

Background

Over a period of 25 years in Scotland there has been a growing interest in social enterprises, starting with support for the development of community businesses back in the 1980s. With the passage of time, Scotland's major players in terms of funding and supporting these organisations have become increasingly focused on the need for them to become more businesslike, thus delivering better quality services within a sustainable context.

The Scottish Government's Enterprising Third Sector Action Plan 2008-2011 identifies "*providing support for business growth*" as one of its key objectives for the social economy sector. The Aspire to Enterprise programme is one of 7 actions that will help achieve this objective. The Aspire to Enterprise programme provides customised business development support services to emerging and aspirant social enterprises in Lowland Scotland.

The Scottish Government has commissioned TERU to carry out an evaluation of the Aspire to Enterprise programme. As the Aspire to Enterprise programme has been operating for less than a year, the focus of the evaluation has been on reviewing the progress made to date and making recommendations on how it should develop over the next two years. In particular, this evaluation has focused on assessing

- the processes and procedures that have been established;
- the impact the programme has had on its participants to date; and
- whether the programme is focused on the most appropriate issues, clients and services.

Research Methods

The first task was to review Aspire to Enterprise documentation and databases. These helped provide a baseline of information about the programme and the systems, procedures and reporting structures that have been established to deliver it. The data was also used to build up a profile of the assisted clients, assessing who the programme is assisting and whether these are the 'right' social enterprises.

Face-to-face interviews were carried out with the Aspire to Enterprise main contractors (CEiS) and the other major delivery organisation (Forth Sector). Telephone interviews were undertaken with the sub-contractors involved in delivering Aspire to Enterprise across Lowland Scotland and the Advisory Group. These

interviews helped build a profile of the programme, the effectiveness of the processes and procedures in place and the validity of the programmes' assumptions. A small number of key stakeholders (including members of the Advisory Group and representatives of Scottish Enterprise and Business Gateway) who were able to provide a perspective on how well the programme is performing and assess its fit and focus to current priorities were also interviewed.

An online survey of Aspire to Enterprise clients was undertaken, primarily to assess whether the programme is on track to make a difference. The focus of the survey was on identifying any changes in the assisted organisations' focus, activities or attitudes which will, over time, lead to the growth and sustainability that the programme aims to achieve. In total, 24 (60%) of the 40 organisations assisted to date completed the online survey.

The online survey provided good quality information on the organisations supported, the services they received, their perceptions of the quality and appropriateness of these services and the initial impacts of the service. However, as the programme is still at an early stage, it was also important to establish not only **what** the impacts have been but **how** the programme has impacted on the assisted organisations. In order to gather this valuable qualitative information, 7 more in-depth interviews with assisted organisations were undertaken. The 'case studies' were selected in consultation with the Scottish Government and the Aspire to Enterprise co-ordinator. The full case studies are given in Appendix 1.

Structure of this Report

The structure of this report is as follows:

- Chapter 2 assesses the **effectiveness** of the Aspire to Enterprise programme - including the effectiveness of the processes, procedures, etc. that have been put in place;
- Chapter 3 explores the **impact** of Aspire to Enterprise on clients to date and discusses whether the programme is on target to make a difference;
- Chapter 4 discusses the **assumptions underpinning the programme**; and
- Chapter 5 provides a number of **conclusions and recommendations** for taking the Aspire to Enterprise programme forward over the next two years.

2. IS THE PROGRAMME RUNNING EFFECTIVELY?

Introduction

The Aspire to Enterprise programme provides business support services to new and emerging social enterprises in lowland Scotland. The programme has been funded for one year in the first instance, with the contract commencing in January 2008. The contract was awarded to a consortium of CEiS, Forth Sector, DTA Scotland, Social Firms Scotland, SENSCOT, First Port and CRNS. CEiS are the main contractors, assess the support needs (using a business Health Check) of potential clients that are based in the West of Scotland and deliver roughly 35% of the support services. Forth Sector deliver the Health Checks in the East of Scotland and deliver roughly 35% of the support services. The other consortium partners form an advisory group. The consortium sub-contracts the delivery of roughly 30% of the support services to BRAG Enterprises, Community Enterprise Limited and Lanarkshire Enterprise Services.

In this section we will consider whether or not the programme is running effectively, by exploring:

- What is being delivered;
- The processes and procedures in place; and
- The overall effectiveness of the programme.

This section will draw on Aspire to Enterprise datasets and documentation, the survey of assisted clients and interviews with Aspire to Enterprise contractors, sub-contractors, advisory group members and stakeholders.

What is Being Delivered?

The Aspire to Enterprise contract commenced in January 2008. At the time of the evaluation (October 2008):

- 51 Health Checks have been undertaken – the majority of these have been undertaken face-to-face with just one online;
- Aspire to Enterprise has provided support to 40 social enterprises; and
- Support has been completed in 7 cases, with the rest either ongoing or yet to start.

The Aspire to Enterprise programme has a target to assist 60 social enterprises in 2008. With two months to run, the Aspire to Enterprise programme appears to be on track to deliver against this target. In the next section, the services provided and the

quality, appropriateness and effectiveness of the processes and procedures in place to deliver these will be explored.

In addition, 4 seminars have been delivered and 6 are planned for November/December. To date, the seminars have engaged with 41 organisations with a further 102 currently registered for the 6 seminars still to run.

Processes and Procedures

To make a difference to the social enterprise sector and to achieve its objectives and targets, the Aspire to Enterprise programme must:

- Effectively identify and engage with potential clients;
- Assess their support needs and, if they decide to support them, develop an individualised programme of support to address these needs; and then
- Deliver the package of support.

In addition, the Aspire to Enterprise programme is intended to help move organisations forward to be able to access mainstream support services (especially Business Gateway and Scottish Enterprise). As such, this section will also explore the 'next steps' of clients who have completed the programme and the referral processes that are in place.

Identifying and Engaging Clients

The first step is to identify and engage with potential clients. The major challenge faced by the Aspire to Enterprise programme in regards to this element was that the programme was completely new and therefore there was no awareness of the programme or what it could offer. A number of steps were taken to address this:

- A stand-alone website (<http://www.aspiretoenterprise.org.uk/>) was established. This provides information on the programme, eligibility criteria and details on the seminars. In addition, organisations are encouraged to apply via the website.
- Leaflets and promotional materials were also developed.
- Aspire to Enterprise consortium members and sub-contractors highlighted the programme to their clients. In the main this involved highlighting the Aspire programme in their newsletters and at events but in some cases organisations referred clients they were working with to the Aspire programme.
- The Scottish Government also promoted the programme, for example, by highlighting it on its website.

- In areas where uptake was low, local intermediaries (for example, the Local Social Economy Partnership, CVS, etc.) were approached to promote the programme.
- CEiS, as the main contractor, spoke at a range of events and to a number of groups to promote the programme.
- Similarly, the seminars, whilst having a value in their own right, were also used as a tool to promote the programme. In particular, it is hoped that the seminars will help create a pipeline of clients for future years with many attendees thought to be 'aspiring' social enterprises in the early stages of bidding for contracts, exploring revenue streams, etc.

This varied approach can be seen in the sources that the interviewed clients identified as where they first found out about the Aspire to Enterprise programme. 13 different sources were identified – with no source being identified by more than 5 interviewees. The most common source of information was SENSCOT – reflecting both its role as a major source of information for the social enterprise sector and the fact that it undertook to promote the programme on a regular basis through its weekly e-bulletins. Interestingly – although perhaps unsurprisingly – the website was not mentioned, suggesting that interviewees first found out about the programme through their existing networks or from promotional materials, with the website being a secondary source of information.

Figure 1: How First Found Out about Aspire to Enterprise

	No.	%
SENSCOT	5	21
Aspire to Enterprise Presentation	3	13
Article in the Third Sector News	2	8
Business Gateway	2	8
CEiS	2	8
Community Enterprise Ltd	2	8
Article in another publication	1	4
Local authority	1	4
Local CVS	1	4
CEMVO	1	4
Either Opp2mise or Scottish Government	1	4
Social Enterprise Edinburgh e-bulletin	1	4
Social Investment Scotland	1	4
Don't know/Cannot remember	1	4

Interviews with Aspire to Enterprise staff and stakeholders suggested that most felt that this piecemeal approach to building awareness of and interest in the programme was the most appropriate for the initial year. However, a small number felt that in future years a more proactive approach may be needed – with some feeling that Aspire to Enterprise should be actively identifying and approaching organisations that may be eligible.

Figure 2 below provides the assessment of interviewed clients of the application process. The key points to note are:

- The vast majority of interviewees felt the application process was easy to complete (92%) and that the Aspire to Enterprise programme had responded quickly to their application (96%).
- 71% felt that the eligibility criteria were clear. Whilst this is a good result, it will be important to improve on this in future years. In addition, it is possible that as this question was reversed (i.e. it is a negative statement) there may be some individuals who answered incorrectly. However, this effect is likely to be limited and should not distract from the importance of ensuring the Aspire programme communicates clearly with clients and potential clients at all times.

Figure 2: Assessment of Application Process

	Strongly agree (%)	Agree (%)	Neither (%)	Disagree (%)	Strongly disagree (%)	Don't know (%)
Application process was easy to complete	25	67	0	8	0	0
Eligibility criteria were unclear	0	17	8	42	29	4
Aspire team responded quickly to my application	58	38	4	0	0	0

This generally positive assessment was supported by the case study organisations.

Identifying Client Support Needs

The Aspire to Enterprise programme use the applications to assess whether or not the organisation is eligible for the programme. If they are eligible, the clients receive an organisational Health Check. Of the 24 organisations who were interviewed as part of the evaluation, all except one had received a face-to-face Health Check.

The Health Check was developed specifically for the Aspire to Enterprise programme by Sirius Concepts. Questions are used to explore 8 themes:

- Are they ambitious and committed to social enterprise?
- Do they have a clear strategic direction?
- Do they have strong leadership?
- Do they committed to innovation and change?
- Are they customer focused and identify and enter new markets?
- Do they have a strong financial base?
- Do they continuously develop their people and their skills?
- Do they have a strong operational base?

The Health Check is used to identify the organisations main support needs and to identify what support could be offered by the Aspire to Enterprise programme. CEiS and Forth Sector meet regularly to discuss the Health Checks that have been undertaken, deciding who to support, what support to provide and who should deliver this package of support.

80% of the interviewed clients felt that the Health Check was valuable to their organisation with 38% saying it had been very valuable.

Figure 3: Value of the Health Check to your organisation

	No.	%
Very valuable	9	38
Fairly valuable	10	42
Of limited value	5	21
Not at all valuable	-	-

Some of the positive reasons for this rating included:

- The Health Check highlighted and/or confirmed key issues for assistance, or what the organisation is already doing well (mentioned by 3 organisations).
- One individuals was new to their organisation and the Health Check helped them understand the business's needs.
- The Health Check helped start a discussion that allowed them to negotiate the support they wanted from the programme (mentioned by 1 organisation).
- The Health Check was undertaken face to face which allowed discussion and clarification to take place (mentioned by 1 organisation).

- The Health Check provided organisation with focused time to consider the fundamental elements of their business (mentioned by 1 organisation).

Some of the reasons for less positive ratings included:

- Organisation was already aware of their needs and strengths/weaknesses and therefore the Health Check didn't add anything (mentioned by 3 organisations).
- One organisation felt that the Health Check was poor quality.

Interviewees were also asked to assess various aspects of the Health Check. The key points to note are:

- All organisations agreed that it had been arranged at a time and location that suited their organisation.
- 75% felt it had helped them identify the most important issues to be addressed.
- 67% felt that had helped them understand their own organisation better.
- 42% felt it would have had a value to them even if there had been no subsequent support.

These are encouraging findings, suggesting that clients find the Health Check a useful tool in helping them move forward.

Figure 4: Assessment of Health Check

	Strongly agree (%)	Agree (%)	Neither agree nor disagree (%)	Disagree (%)	Strongly disagree (%)	Don't know (%)
HC helped us understand our organisation better	21	46	21	13	0	0
HC helped us identify most important issues our organisation must address	17	58	17	8	0	0
HC organised at time and location suitable for our organisation	54	46	0	0	0	0
HC would have been valuable exercise for our organisation even if we had not received any further support	25	17	29	29	0	0

One of the case study organisations felt that the Health Check was the most valuable part of their experience with Aspire to Enterprise. The Clanranald Trust felt that the advice they received from the consultant carrying out the Health Check served as a turning point for their organisation as it made them aware of the fact that they were operating as a social enterprise and that they could source additional support by marketing themselves as such. Previously, the Clanranald Trust had never considered this. The Trust feels that the fact that the Health Check was delivered by a social enterprise specialist had a significant impact on their organisation.

In general, Aspire to Enterprise staff and stakeholders felt that the programme had been effective in identifying the support needs of clients and developing packages of support to meet these. However, two of the sub-contractors identified cases where they had had to renegotiate the support to be provided – either because the initial support was deemed to not address the most important issues or because a time delay between the Health Check and the support starting had resulted in the organisation's situation (and therefore its support needs) changing. This suggests that some small refinements to the Health Check process may be needed.

The consultees perceived the strengths of the Health Check to be:

- It helps ensure the assessment of needs is undertaken in a standardised way across lowland Scotland.
- It helps get organisations thinking about the main issues they need to address.
- Linked to this, it helps Aspire to Enterprise identify the assistance required and to get the client's buy-in to this package of support.
- It helps Aspire to Enterprise to start to build a relationship with the client – at least in cases where CEiS or Forth Sector goes onto deliver the support services.

A small number of concerns about the Health Check were also highlighted by consultees – namely that it may be too formulaic and that it relies on the skills of the individual delivering it (although arguably this is true of all tools and processes).

Delivering Support Services

Once the package of support has been agreed, CEiS, Forth Sector or one of the sub-contractors (BRAG Enterprises, Lanarkshire Enterprise Services and Community Enterprise Limited) are tasked with delivering it. On average, between 6 and 10 days of support are offered and this normally takes the form of a consultancy service delivering a specific piece of work (for example, developing a marketing plan).

Of the 24 clients interviewed as part of this evaluation, 7 (or 29%) had not yet started to receive support. The support services received by the 17 social enterprises who had received support are given below. Business planning has been the most common support – received by 12 social enterprises, followed by assistance with marketing and financial planning and management. These services reflect the focus on providing services with a clear impact on increasing the trading income and sustainability of social enterprises. The ‘other’ services mentioned were:

- identifying efficiencies;
- help with fundraising; and
- reviewing pricing policies.

Figure 5: Services Received from Aspire to Enterprise

	No.	%
Business planning	12	71
Market research/marketing	8	47
Financial planning and management	6	35
Board development/governance	2	12
Staff development and HR	1	6
Help raising finance	1	6
Legal support	1	6
Other	3	18

Encouragingly, all 17 felt that the support services had been of value to their organisation, with 47% of the organisations feeling it had been very valuable and a further 35% feeling it had been fairly valuable to their organisation.

Figure 6: Value of the Support Services

	No.	%
Very valuable	8	47
Fairly valuable	6	35
Of limited value	3	18
Not at all valuable	-	-

Reasons given for why they felt it was valuable (although most did not give a reason) included:

- Support was tailored to organisation's needs (mentioned by 1 organisation).
- Support delivered a business plan that will be used in future applications (mentioned by 1 organisation).
- An organisation with a small management team said that it provided additional capacity/resource for them.
- One organisation said that whilst their support was not yet complete, it had already helped them make difficult decisions.

One organisation who felt that the support services to date have been of limited value said this was because it offered no real solutions and told them what they already knew. The other two organisations that said it was of limited value to them said this was because it was too early to judge the value of the support.

Interviewees were asked to assess various aspects of the support they received.

The key points to note are:

- 94% felt the staff delivering the support had a good understanding of the social enterprise sector.
- 94% felt the staff delivering the support had a good understanding of the area of work they were delivering.
- 94% felt they were kept up-to-date with progress.
- 88% felt that the support was high quality.
- 88% felt that the support was appropriate to their needs.

Again, these are positive findings and Aspire to Enterprise must ensure it continues to deliver against these important criteria.

Figure 7: Assessment of Support Received

	Strongly agree (%)	Agree (%)	Neither agree nor disagree (%)	Disagree (%)	Strongly disagree (%)	Don't know (%)
Support received was high quality	35	53	12	0	0	0
Support was not appropriate for our organisation's needs	0	6	6	41	47	0
Staff had good knowledge and understanding of social enterprise sector	53	41	6	0	0	0
Staff had good knowledge and understanding of area of work they were assisting us with (e.g. marketing, financial planning)	47	47	6	0	0	0
I was not kept up to date with progress	0	0	6	18	76	0

Of the organisations interviewed:

- 24% (4 organisations) felt that their development needs have been fully addressed;
- 47% (8 organisations) said that their development needs have been partially addressed;
- No organisation felt that their development needs have not been addressed; and
- 29% (5 organisations) said it was too early to say.

Whilst these results are disappointing, they perhaps reflect the limited scope of Aspire to Enterprise support – with only 6-10 days of support available, Aspire to Enterprise must focus on addressing the *main* development issues.

The case study organisations had mixed opinions on the quality and appropriateness of the support received from Aspire to Enterprise. Whilst all of the organisations found the staff to be personable, two of the organisations felt that the support they provided was not very informative. Both the Clanranald Trust and the Caring Christmas Trees project felt that the support that followed the Health Check did not really tell them anything that they didn't already know about their organisation. As a

result, both of these organisations did not rate the effectiveness of the support very highly. Caring Christmas Trees felt that the support had been too focussed on delivering a hard outcome (e.g. a marketing plan) that it had neglected some of the softer outcome they were hoping for (e.g. developing the skills of the project manager).

On the other hand, the Clean Close Company, Pit Stop Diner, RECAP, Braid House and Gorbals Youth and Community Theatre (GYCT) each felt that the support received was of a high quality and appropriate to their needs and met their aspirations.

- The Clean Close Company felt that the consultant was knowledgeable, approachable and very helpful and that the support received had helped them consolidate their business and develop more cautiously.
- Pit Stop Diner felt that the consultant was sensible, practical and understanding of their organisation and that the support provided has made them more focused on generating more income and encouraged them to look a variety of factors and scenarios that could have an impact on their sustainability.
- RECAP said that the consultant was approachable and hard-working – although they also felt that he was essentially '*learning on the job*' because they were the first organisation to receive support from Aspire to Enterprise. RECAP felt that the impact of the support received from Aspire to Enterprise would be long term and would improve their sustainability through better succession planning.
- Braid House said that the consultant was flexible in his delivery, productive and experienced in all the areas they required assistance with (e.g. knowledge of different social enterprise models). As a result of the support from Aspire to Enterprise, Braid House felt that they are more positive about the future and more committed to the new 'one provider model' of day care services that they were being asked to respond to by their local authority.
- GYCT felt that the consultant was consistent, organised, knowledgeable about the business and their aspirations and spoke in a language that they understood. GYCT also felt that the objective opinion of a skilled social enterprise expert had made them more focused and more confident about the future direction of the organisation.

Only 4 of the organisations interviewed as part of this evaluation have completed their support. Of these:

- All 4 said that the programme of work was delivered on time and to the agreed timescale; and
- 3 said that the programme of work covered all the agreed elements, whilst 1 said did not. Aspire to Enterprise must ensure that it is delivering what is agreed if it is to meet client expectations.

Next Steps

3 of the 4 interviewed clients who had completed their support have since accessed other support services including:

- Volunteer development (mentioned by 1 organisation);
- Assistance with HR issues (mentioned by 1 organisation); and
- Assistance with developing a funding strategy (mentioned by 1 organisation).

This support has been sourced from a range of sources including Business Gateway, Scottish Enterprise, local CVS, local Volunteer Centre and a Housing Association.

Aspire had played a role in helping two of these organisations access the additional services:

- In one case, organising for the social enterprise to meet the support service; and
- In the other case, suggesting that the social enterprise approach the support service.

However, despite this apparently high level of referrals, there are no standard processes or procedures in place to ensure 'next steps' are discussed with clients or that additional sources of support are identified, with each delivery organisation approaching this differently. This partly reflects the fact that only 7 organisations have completed to date. However, two other issues were identified by staff and stakeholders as inhibiting referrals.

- The limited amount of time available to support each client (currently a maximum of 8 days) can make it difficult to find time to do anything other than deliver the 'product' (e.g. business plan). Some consultees suggested that it would be useful to have resources available to provide aftercare that could ensure clients are able to implement the advice given, tackle any problems they face in doing this, to discuss their next steps and make referrals.
- Clients are not necessarily ready to access mainstream support services in the initial period following their support. The criteria for Business Gateway one-to-one support is increasing income by £400,000 in the next 3 years and

for Scottish Enterprise it is an increase of 3 years of £1 million. This is unrealistic for many Aspire to Enterprise clients. The potential for referrals to other non-Business Gateway/Scottish Enterprise supports depends on what other services are available locally.

Overall Effectiveness

Almost three-quarters of interviewees said that they were satisfied or very satisfied with the support they had received from the Aspire to Enterprise programme. 4 organisations said they were neither satisfied nor dissatisfied (and 2 of these said this was because it was too early to say) and 2 organisations were dissatisfied.

Figure 8: Overall Satisfaction with Aspire to Enterprise

	No.	%
Very satisfied	10	41
Satisfied	8	33
Neither satisfied nor dissatisfied	4	17
Dissatisfied	2	8
Very dissatisfied	0	0

The reasons for being satisfied were very varied – with only a few issues mentioned by more than one organisation. These were staff were very professional and knowledgeable (mentioned by 3 organisations); and staff were flexible to organisation’s needs (mentioned by 2 organisations). Amongst the other reasons, each mentioned by 1 organisation, included:

- Good communication with the staff;
- Looked at organisation objectively and helped staff ‘step back’;
- The process was simple and easy to use;
- The Health Check helped identify new opportunities;
- Helped with forward planning; and
- Quality of finished product was very high.

Whilst the number of negative aspects mentioned was limited, it is worth mentioning these as they help identify areas where improvements could be made:

- The delay between accepting and receiving the support was too long (mentioned by 2 organisations);
- 1 organisation said that they were disappointed with the quality of the Health Check; and

- 1 organisation said that the support only provided information that they already knew.

The interviewees were asked what the best things about the support they have received were. 29% highlighted the knowledge, skills and experience of the consultant. 3 organisations mentioned the Health Check and 3 mentioned the quality of the business advice and guidance provided. A number of other issues were mentioned by one or two interviewees including:

- Staff were helpful;
- External input helped them reflect on organisation's performance;
- Helped them develop an understanding of what being a social enterprise is about;
- Consultant developed a good understanding of the organisation's needs;
- There was good communication from the programme – keeping clients up to date with progress;
- Opportunity to learn new ideas and approaches from the programme;
- It allowed the client examine their trading position;
- It enabled them to update their business plan;
- The consultant(s) had a good knowledge of social enterprise sector;
- Support was tailored to their organisation.

When asked about the worst things about the support received from Aspire to Enterprise, 3 organisations said that it was too early to say and 7 organisations said that there were no 'worst things'. However, the following issues were identified:

- 3 organisations said that 8 days support available was not enough to address their needs. In addition, 1 organisation said the lack of aftercare was an issue. This is an issue that the Scottish Government must consider when deciding the terms of any extension to the pilot.
- 2 organisations highlighted the delay between accepting support and receiving it and another 2 mentioned a lack of communication from the programme. These have big impacts but could be easily addressed by improving processes.
- A number of organisations mentioned issues that relate to the quality of the service - one felt that the support was too formulaic, one felt that it didn't tell them anything new and one felt that the quality of the report was poor. These are critical issues for the programme to address.
- One interviewee was displeased at being repeatedly asking for the same information. The programme should explore how this could be addressed.

- One organisation felt that the support had taken too long to complete and one had felt that they had had to dedicate a significant amount of time to the process. As well as ensuring that the support is delivered in a timely fashion, Aspire to Enterprise must ensure that the amount of time it will take to deliver the support and the time the organisation will need to dedicate to the process are made clear at the outset.

Key Messages

1. Overall, the Aspire to Enterprise programme appears to be running effectively.
2. The programme has established a robust set of processes and procedures that are successfully:
 - Identifying and engaging with potential clients.
 - Assessing client support needs and developing a package of support that meets the most important of these requirements.
 - Delivering the support services.
3. In particular, clients felt:
 - That staff delivering the support had a good understanding of the social enterprise sector (with 94% clients agreeing with this statement).
 - That staff delivering the support had a good understanding of the area of work they were delivering (94%).
 - That they were kept up-to-date with progress (94%).
 - That the support was high quality (88%).
 - That the support was appropriate to their needs (88%).
4. There are, however, a small number of areas where improvements could be made including:
 - Ensuring the Health Check accurately captures and responds to the organisation's development needs.
 - Minimising the time between the Health Check being undertaken and the support commencing.
 - Ensuring that the support provides 'added value' to the client and does not just formalise information they are already aware of.
 - Develop referral processes and procedures further.
5. In addition, the Scottish Government must consider:

- Whether 6-10 days support is sufficient or if repeat supports or more of an ongoing engagement may be more suitable.
- What the referral route should be for assisted social enterprises that are not yet ready for mainstream support services.

3. IS THE PROGRAMME MAKING A DIFFERENCE?

Introduction

The programme specification document sets out a number of objectives that the Scottish Government expects the programme to achieve. These are:

- Increased income from trading;
- Jobs created or sustained;
- Increase in the number of beneficiaries;
- Increase in the number of customers;
- Increase in the quality of service provided;
- Uptake of loan or other form of investment finance;
- Becoming eligible for mainstream business development support (including support from Business Gateway and account/client managed services from Scottish Enterprise).

However, as the programme only commenced in January 2008 and the first few months were dedicated to setting up systems and processes and promoting the programme, the first support services were not delivered until April 2008 and to date only 7 organisations have completed their support. As such, it is too early to expect to see any substantial progress against these indicators. The evaluation has focused on:

- Identifying progress against the changes to attitudes, behaviours, ways of working and the services or products on offer that could be considered to 'sit behind' these indicators; and
- Getting assisted social enterprises to consider what impacts they expect to see over the next 12 months.

23 organisations answered the questions relating to the impact of the support received by Aspire to Enterprise. One organisation felt that they could not answer these questions because they had not yet agreed whether or not to pursue the support being offered by the programme.

Progress Against Intermediate Indicators

The first area where the programme may have had an impact is on the attitudes, behaviours or skills of the supported organisation's staff. As Figure 9 shows, a significant number of organisations felt that the programme had already had an impact on their staff – with other impacts anticipated. What is particularly notable here is that many impacts had already been observed, even though most

interviewees were still receiving support (and some had only received a Health Check to date).

Figure 9: Impact of Support on Staff (% Saying)

	Yes – already happened	No – but anticipated	No impact	No support received on this issue
Better understanding amongst staff of the actions needed to develop and grow the organisation as a social enterprise	57	26	9	9
More confidence amongst staff that we are taking the right direction/approach	52	35	4	9
Better understanding amongst staff of our own strengths and weaknesses	52	35	9	4
Better understanding amongst staff of what social enterprise is trying to achieve	48	39	4	9
Staff more likely to think of organisation as a business	44	30	13	13
Staff more committed to concept of enterprise	44	26	17	13
Better understanding amongst staff of our operating environment	43	48	4	4
More clarity amongst staff about their individual roles and responsibilities in relation to developing the organisation	39	39	9	13
More management time dedicated to development activity	39	44	9	9
More positive attitudes amongst staff to securing new income streams	35	35	22	9
Better understanding amongst staff of our existing and potential clients	35	43	13	9
Staff more willing to accept change	30	30	22	17
Better understanding amongst staff of risk factors	30	35	17	17
Staff better at assessing and managing risks	26	30	22	22
More positive attitudes amongst staff to securing loan or investment finance	9	22	39	30

Assisted social enterprises were then asked about the impacts of the support on the attitudes, behaviours or skills of their board and/or management committee. The numbers mentioning each impact were less than for the staff (reflecting the more limited involvement of boards/management committees in the programme) but can still be considered significant.

Figure 10: Impact of Support on Board/Management Committee (% Saying)

	Yes – already happened	No – but anticipated	No impact	No support received on this issue
Better understanding amongst board/management committee of what the social enterprise is trying to achieve	44	35	4	17
More confidence amongst board/management committee that we are taking the right direction/approach	44	44	4	9
Better understanding amongst board/management committee of the actions needed to develop and grow the organisation as a social enterprise	39	48	-	13
Board/management committee more likely to think of organisation as a business	35	39	4	22
More positive attitudes amongst board/management committee to securing new income streams	35	44	4	17
Better understanding amongst board/management committee of our own strengths and weaknesses	35	39	13	13
Board/management committee more committed to concept of enterprise	30	43	9	17
Better understanding amongst board/management committee of risk factors	30	35	9	26
Better understanding amongst board/management committee of our existing and potential clients	30	35	17	17
Board/management committee more willing to accept change	26	35	17	22
Better understanding amongst board/management committee of our operating environment	26	44	13	17
More board/management committee time dedicated to development activity	22	52	13	13
More positive attitudes amongst board/management committee to securing loan or investment finance	22	26	26	26
More clarity amongst board/management committee about their individual roles and responsibilities in relation to developing the organisation	17	52	13	17
Board/management committee better at assessing and managing risks	17	44	13	26

The interviewees were then asked whether or not the support provided by Aspire to Enterprise had had an impact – or was anticipated to have an impact on the way in which the organisation operates. Given the timing of the evaluation, it is perhaps unsurprising that the proportion of organisations saying they had already made changes to the way they operate were lower than the proportion identifying behavioural or attitudinal changes (as they take longer to implement). The most common change to have occurred to date was the development of an entrepreneurial

vision – mentioned by 30% of organisations. Significant impacts are expected across the full range of indicators.

Figure 11: Impact on Way Organisation Operates (% Saying)

	Yes – already happened	No – but anticipated	No impact	No support received on this issue
Helped organisation develop entrepreneurial vision	30	44	-	26
Helped organisation put marketing plan in place	26	44	9	22
Staff identified to take responsibility for developing new products and services	26	39	9	26
Progress against financial targets is reviewed more regularly	26	30	9	35
More time dedicated to networking	26	44	13	17
Helped organisation put action plan (setting out how it will achieve its strategy) in place	22	61	9	9
Introduced new financial management procedures	22	22	13	44
Introduced new marketing procedures	22	44	9	26
Improved existing systems to identify/assess procurement opportunities	22	39	17	22
Helped organisation put business strategy in place	17	65	-	17
Individuals roles and responsibilities more clearly articulated	17	48	4	30
Improved existing financial management procedures	17	26	13	44
Introduced new systems to collect client feedback	17	39	13	30
Introduced new systems to identify/assess procurement opportunities	17	39	13	30
Introduced systems to monitor progress against targets/milestones in plans	13	48	9	30
Improved existing systems to monitor progress against targets/milestones in plans	13	48	9	30
Improved existing systems to collect client feedback	13	57	9	22
Improved existing marketing procedures	13	48	9	30
Helped organisation put financial plan in place	9	52	13	26

Finally, clients were asked about whether the support had led to (or was anticipated to lead to) the development of new products or services. Again, the impacts to date were limited, but significant changes were expected over the longer term with:

- 39% of organisations having established or planning to establish a new social enterprise or subsidiary.
- 61% developing or planning to develop new products or services for their existing clients.

- 65% developing or planning to develop new products or services for new client groups.
- 79% rolling out or planning to roll out existing services to new clients.

Overall, 83% expect to increase the number of clients they are able to assist and 61% expect to increase the quality of products or services on offer.

Figure 12: Impact on Products and Services Provided (% Saying)

	Yes – already happened	No – but anticipated	No impact	No support received on this issue
Quality of products/services on offer improved	26	35	13	26
New product/service developed for existing clients	22	39	4	35
Existing product/service rolled-out to new areas or client groups	22	57	4	17
New product/service developed for client group haven't previously worked with	17	44	13	26
New product/service developed for new market	13	52	13	22
Increase number of clients able to assist	9	74	4	13
New social enterprise/subsidiary established	4	35	17	44

In total, 26% of interviewed clients said that that they had already developed a new product or service or rolled out an existing product or service. 57% of clients said that they anticipated developing a new product or service or rolling out a product or service. The organisations predicted that on average, these changes would:

- Increase client numbers by 156 over the next 12 months and 444 annually once the product/service is up and running.
- Increase income by £12,846 over the next 12 months and £37,885 annually once the product/service is up and running.

Progress Against Programme Indicators

Interviewees were then asked what they thought the impact of the support they received from Aspire to Enterprise would be on their financial and human resources over the 12 months following the support.

- 39% of clients thought they would increase their income as a result of the support they received. Amongst those able to estimate the value of this increased income, the average increase was £30,250 (using mean) or £15,000 (using median).

- 44% thought they would increase their trading income as a result of the support they received. Amongst those able to estimate the value of this increased trading income, the average increase was £24,700/£10,000.
- Only 9% felt that they would generate less income from grants.
- 30% thought that they would increase the number of contracts or SLAs they had – with an average increase of 4 contracts, with a value of £23,500/£22,500.
- 35% felt that their profits or surplus would increase in the 12 months following the support, with an average increase of £9,625/£7,500.
- 13% felt that it would help them increase reserves, with an average increase of £7,333/£5,000.
- 17% thought that they would be able to increase the number of staff employed, with the average increase 2.3/1.5 staff.
- 26% thought that the support would help them sustain jobs over the next 12 months with the average of 3 jobs sustained in each organisation.

Figure 13: Impact of Aspire to Enterprise Programme on Financial and Human Resources

	Yes (%)	No (%)	Don't know (%)	No of cases	Average (£)		Total Increase (£)
					Mean	Median	
Increase income	39	4	57	8	30250	15000	242000
Increase trading income	44	-	57	10	24700	10000	247000
Less income from grants	9	30	61	1	20000	20000	20000
Increase number of contracts	30	9	61	6	4.2	4	25
Increase value of contracts				6	23500	22500	141000
Increase profits/surplus	35	9	57	8	9625	7500	77000
Increase reserves	13	26	61	3	7333	5000	22000
Increase staff	17	26	57	4	2.3	1.5	9
Sustain jobs	26	22	52	6	3	3	18

If we assume that Aspire to Enterprise reaches its target of assisting 60 organisations in 2008 and that the impacts identified in the client survey are representative, the Aspire to Enterprise programme will:

- Increase income in 23 organisations, with a total increase in income of £708,000.
- Increase trading income in 26 organisations, with a total increase in trading income of £652,000.

- Decrease income from grants in 5 organisations, with a total decrease in grants of £108,000.
- Increase the number of contracts/SLAs in 18 organisations, with 76 extra contracts won worth a total of £423,000.
- Increase profits/surplus in 21 organisations, with a total increase in profits/surplus of £202,000.
- Increase reserves in 8 organisations, with a total increase in reserves of £57,000.
- Increase the number of staff in 10 organisations, with a total increase in staff employed in the sector by 23.
- Sustain jobs in 16 organisations, with a total of 47 jobs sustained.

Long Term Sustainability

70% of the organisations interviewed said that they think the support received from Aspire to Enterprise will make them more sustainable over the longer term, whilst 30% did not know. 2 organisations felt that the support will increase their sustainability because it has enabled the development of a new income generating service/product. 2 organisations said that they are more focused on finding new income generating opportunities. Other reasons for improved sustainability, each mentioned by 1 organisation, include:

- Better understanding of what becoming a social enterprise means;
- Help organisation see themselves as a social enterprise;
- Help increase number of clients can serve;
- Better business planning will help to focus resources;
- Help improve quality of tenders;
- Help organisation move from 'coping' to 'consolidating';
- Help diversify client base – specifically get more contracts or SLAs with more organisations;
- Help change business environment and culture within the organisation;
- Help change direction;
- Help change type of work undertaken;
- Help organisation make more informed choices; and
- Improved pricing policies.

Access to Finance

One final impact that should be considered is whether or not the programme is increasing uptake of loan finance. Since becoming involved in the Aspire to Enterprise programme, only 1 of the organisations interviewed as part of the

evaluation have accessed loan or investment finance. This organisation accessed finance from Social Investment Scotland and Aspire to Enterprise had no role to play in helping the organisation access this. Whilst there has been little progress on this indicator, this is most likely to reflect the fact that few organisations have completed their support.

Impacts on Case Study Organisations

One of the case study organisations (Bethany Christian Trust) felt that the support they received did not have an impact on their organisation. They felt that the support was too focussed on delivering a hard outcome (i.e. a marketing plan) and as a result it failed to deliver against the manager's aspirations around softer outcomes (i.e. developing her skills).

The other six case study organisations were more positive about the impact of the support from Aspire to Enterprise.

- Clanranald Trust felt that the Health Check had been a turning point in how the organisation viewed itself and therefore was of significant value to them. However, they were disappointed with the consultancy support they received – feeling that it did not tell them anything they didn't already know about their organisation.
- The Clean Close Company felt that the support received has helped them focus on increasing of their trading income at a cautious pace and consolidating their existing customer base given the current economic climate.
- Pit Stop Diner felt that that the support provided has made them more focused on developing new ideas to increase their trading income. They also felt that the support has taught the organisation that achieving long term sustainability is dependent upon many factors and they must look at different scenarios when thinking about the future.
- GYCT felt that the support received from Aspire to Enterprise – particularly the objective opinion of a skilled social enterprise expert - has made them more focused on taking action to increase their trading income and make full-cost recovery. They also felt that the support has made them more confident about the future direction of the organisation.
- Whilst RECAP have not yet had the chance to implement any of the advice from Aspire to Enterprise, they felt that the support received from programme would be long term and would improve their sustainability through better succession planning.

- Braid House felt that the support received from Aspire to Enterprise has made them more positive about the future and more committed to the new 'one provider model' of day care services that they have developed with four other day care centres in their local authority area.

Key Messages

1. As very few organisations have completed their support, it is too early to see changes to the trading income and other areas the programme hopes to have an impact on.
2. However, the programme appears to have had a significant impact already – and is anticipated to have an impact in the future – on the behaviour and attitudes of the staff and boards/management committees of the assisted organisations and on the way in which these organisations operate. These changes are critical steps towards increasing trading income and achieving long-term sustainability.
3. 26% of interviewed clients said that that they had already developed a new product or service or rolled a product or service out as a result of the support they received from Aspire to Enterprise. 57% of clients said that they anticipated developing a product or service or rolling a product or service out.
4. Looking forward:
 - 44% of organisations thought that they would increase their trading income over the 12 months following the support.
 - 30% thought they would increase the number of contracts and SLAs.
 - 17% thought they would be able to increase the number of staff employed and 26% thought the support would help sustain employment.
5. As the evaluation has occurred at a very early stage, it is important the Aspire to Enterprise programme/Scottish Government continues to track the supported organisations over the next 12-18 months and measures the impact the programme has on trading income, long-term sustainability, etc.

4. ARE THE ASSUMPTIONS UNDERPINNING THE PROGRAMME VALID?

Introduction

The final issue that this evaluation has considered is the strategic fit and focus of the Aspire to Enterprise programme – i.e. is it the most appropriate mechanism for supporting aspiring and emerging social enterprises in Lowland Scotland. A number of issues are important here:

- Is the programme reaching the right social enterprises?
- Are the business development needs that have been identified the right ones to be addressing?
- Does the social enterprise specialist focus add value – and is it the right model for delivering business development support to social enterprises?
- How should the programme link, refer and support to mainstream support services?
- How should the programme develop over the next two years?

These issues are explored in this chapter, drawing mainly on the interviews with Aspire to Enterprise contractors, sub-contractors, advisory group and stakeholders but also Aspire's databases and the survey of assisted social enterprises.

Targeting 'Right' Social Enterprises?

Essentially there are two issues here:

- Are social enterprises that are already training, have a turnover of between £60,000 and £600,000 per annum and can benefit from tailored support the right social enterprises to target?
- Has Aspire to Enterprise been effective in targeting these organisations?

Right Focus?

The vast majority of Aspire to Enterprise staff and stakeholders felt that the programme was targeted at the right organisations. Consultees felt that targeting this group helped fill a gap in support services. However, different consultees identified different gaps:

- Some believed there was a gap between start-up supports and mainstream business support services (i.e. Business Gateway and Scottish Enterprise).
- Some believed the gap was between generic third-sector supports (e.g. developing fundraising strategies, board development) and mainstream business support services.
- One consultee highlighted that their organisation had a social economy team that was able to offer ongoing 'account management' but was unable to

deliver specific 'consultancy projects' (e.g. developing a marketing plan). The introduction of the Aspire to Enterprise programme helped fill this gap by providing a service they could refer clients to.

A number of consultees also pointed out that whilst there have also been a number of other gaps, these are being filled by other initiatives and programmes set out in the *Enterprising Third Sector Action Plan 2008-2011*.

In terms of the eligibility criteria, these were broadly thought to ensure the right organisations were assisted. As one consultee commented attracting organisations "*big enough to benefit, but not too big to be able to help themselves.*" A number of possible amendments were suggested to the target group:

- One consultee suggested increasing the upper turnover limit to £800,000 (from current level of £600,000) as there are a number of organisations with substantial turnovers that are not eligible for mainstream support services who would benefit from the support offered by Aspire. In particular, large grant dependent organisations need assistance to increase the proportion of their income that comes from trading.
- One consultee felt that assets as well as income should be included in the eligibility criteria. This would allow groups with significant assets (e.g. property, machinery, etc.) but limited income to access support. This would allow them to generate greater revenues from these underutilised assets and become more sustainable.

Attracting Right Clients?

Given that most consultees felt that the Aspire to Enterprise programme was focusing on the right clients, it is worth assessing how successful the programme has been in attracting these clients. In total there have been 74 applications. Of these:

- 2 applications were from organisations with turnovers of less than £60,000 and 9 were from organisations with turnovers of more than £600,000. 18 organisations did not supply details of their turnover.
- Only 52 of the applicants supplied information on trading income. 3 organisations derive all of their income from trading, 21 organisations earn between 51% and 99% of total income from trading, 10 earn between 31% and 50%, 2 earn between 11% and 20%, 4 earn between 1% and 10% and 3 earn no income from trading.
- 63 specified a social purpose. This question was empty in the other 11 applications.
- 70 were based in lowland Scotland. 4 do not specify their location.

This suggests that Aspire to Enterprise has been successful in attracting clients that meet their requirements – with a good fit between applicants and the Aspire eligibility criteria.

Linked to this, it is important that organisations that receive support are committed to growing their trading income and becoming more sustainable over the long term – rather than just being interested in receiving support. The clients that were interviewed as part of this evaluation were asked what their reasons for approaching the Aspire to Enterprise programme were. Interviewees were able to select more than one option. Encouraging, 79% of interviewees wanted help to become more sustainable and 58% wanted help to increase their trading income. Whilst a smaller proportion said they wanted to become more entrepreneurial, this may reflect the negative connotations that the term ‘entrepreneurial’ has for some in the sector.

Figure 14: Reasons for Approaching Aspire to Enterprise

Reason for approaching	No.	%
Wanted assistance to become more sustainable	19	79
Wanted assistance to increase trading income	14	58
Wanted assistance with a specific issue	10	42
Wanted assistance to become more entrepreneurial	8	33

Providing ‘Right’ Support Services?

Of the 17 organisations whose support has commenced, only 2 organisations said that there were business support services they would liked to have received that Aspire to Enterprise were unable to offer. This suggests there are not major gaps in the services on offer. The additional services that were required were:

- Follow-up sessions to evaluate the impact of Aspire to Enterprise (mentioned by 1 organisation);
- Mentoring for senior managers (mentioned by 1 organisation); and
- More specialist support for HR (mentioned by 1 organisation).

Whilst the last of these is outside of the scope of the programme (and as one consultee said ‘*there are lots of programmes providing general organisational development*’), the first two points are worth considering – not least because similar issues were also raised by consultees, namely:

- That there should be some form of aftercare or help with implementing the recommendations, plan, etc. that Aspire has provided.

- That the support services should be delivered ‘with’ the client rather than ‘to’ the client. Some consultees felt that social enterprises receive a completed product (e.g. a marketing plan) but do not develop the skills and expertise to undertake this task themselves in the future.

Another issue that was raised was whether 6-10 days support was sufficient to meet the development needs of the eligible organisations. However, other consultees felt that the limited number of days available was positive as it helped the programme focus on identifying and addressing the most important issues. In general, the assessment of the consultees was that the programme is providing the right services.

Added Value of Using Social Enterprise Specialists?

The consortium that was chosen to run the Aspire to Enterprise programme was composed of social enterprise specialists (CEiS, Forth Sector, DTA Scotland, Social Firms Scotland, SENSCOT, CRNS and sub-contractors Lanarkshire Enterprise Services, BRAG Enterprises and Community Enterprise Limited). All consultees felt there was value added in using social enterprise specialists. The main element of this was that as specialists they had a good understanding of the organisations they are assisting in terms of:

- The challenges and opportunities they face;
- Their aims and objectives (i.e. social aims and objectives);
- How to manage social enterprise boards/management committees.

However, many consultees also highlighted the importance of the contractors and sub-contractors **business development** expertise and **local** experience. One consultee felt that whilst there was value in using social enterprise specialists, an opportunity to pilot and compare two different approaches – social enterprise specialists delivering support vs. sector specialists (e.g. childcare, recycling, social firms, etc.) delivering support – had been missed.

Interestingly, whilst 94% of interviewed clients said they felt the staff had a good understanding of the social enterprise sector, no organisation mentioned Aspire to Enterprise’s social enterprise expertise when asked why the support was valuable to them and only one mentioned it when asked what the best aspects of the programme were.

Improving Linkages to Mainstream Support Services

As we noted in the previous chapter, very few referrals to mainstream support services have occurred to date. Consultees suggested a number of ways in which linkages to mainstream support services could be improved:

- Establishing a regular meeting between Aspire to Enterprise and Business Gateway/Scottish Enterprise staff to discuss developments.
- Regular briefings for frontline Business Gateway/Scottish Enterprise staff on the Aspire to Enterprise programme and vice-versa.
- Formalising referral processes – for example, Aspire to Enterprise could contact Scottish Enterprise prospect managers if they feel an organisation may be ready for mainstream support services.
- Possibility of developing a joint approach – where Business Gateway/Scottish Enterprise and Aspire to Enterprise work together in some cases to assist a social enterprise client.

However, it is worth noting that realistically many Aspire to Enterprise clients will be unable to access one-to-one support from Business Gateway or Scottish Enterprise because they do not meet the eligibility criteria.

- Access to Business Gateway one-to-one supports is targeted at organisations expected to increase income by £400,000 or more over the next 3 years.
- Scottish Enterprise provides support services to organisations expected to increase income by £1 million or more over the next 3 years; that are in one of six priority industries (Energy, Life Sciences, Tourism, Financial Services, Food and Drink and Digital Markets and Enabling Technologies) or have a significant impact on their local economy.

The average turnover of the interviewed clients was £193,522 (with only 2 having a current income of more than £400,000). 39% of organisations thought that their income would increase as a result of support by an average of just over £30,000, with just one organisation thinking that their income would rise by more than £100,000. This suggests that most would not be eligible for mainstream support in the near future although some could potentially reach it within a few years if they managed to gain some momentum. Similarly very few assisted clients could be considered to be in a priority industry.

As well as one-to-one supports, Business Gateway also offers a range of one-to-many supports, which social enterprises are entitled to use – although in most cases do not. Hopefully the Aspire programme should encourage a greater take up of

these services. The case study organisations all said that they would approach Business Gateway or Scottish Enterprise in the future, although the impact of Aspire to Enterprise on this decision varied.

- GYCT said that their involvement in Aspire to Enterprise has changed their opinion that Scottish Enterprise and Business Gateway support is for '*the big boys*' and is not directed at social enterprises. They feel that Aspire to Enterprise has given them a better understanding of the support on offer from these mainstream organisations and, for this reason, they would be more likely to approach these organisations in the future.
- Pit Stop Diner said that even though they already have had a good relationship with Business Gateway/Scottish Enterprise, their involvement in Aspire to Enterprise has made them more likely to go back to Scottish Enterprise and Business Gateway for support.
- Braid House has received support from Business Gateway in the past. However, they felt participating in the Aspire programme had made them more aware of how Business Gateway and Scottish Enterprise can assist social enterprises. They felt this has made it more likely they will approach these organisations in the future.
- Caring Christmas Trees, the Clean Close Company and the Clanranald Trust said that they are more likely to approach Business Gateway in the future because that this was not due to the Aspire to Enterprise programme.
- RECAP already has an existing relationship with Business Gateway, having received start-up advice and general business advice from them at various times. This existing relationship would be their main reason for approaching them again in the future. RECAP felt that Scottish Enterprise support was for much larger organisations than themselves.

Areas for Development Over Next 2 Years

In the main, Aspire to Enterprise staff and stakeholders felt that whilst it had taken some time to get up and running, the focus, activities, processes and procedures Aspire to Enterprise had developed were the right ones. Areas for development that were suggested included:

- Amend income threshold and/or consider including assets in assessment;
- Be more proactive in marketing programme to clients;
- Involve a wider range of staff and board members in Health Check;
- Provide aftercare to help clients implement plans and recommendations;
- Offer ongoing support to clients (in form of account management);

- Track clients over medium term in order to assess whether they access mainstream support or loan or other investment finance.

In addition to these improvements, a small number of issues that must be resolved were also identified:

- Will 2008 clients be able to access support in subsequent years?
- What are the referral options for clients that are not eligible for mainstream support services?

The interviewed clients were also asked how they would improve the programme. The most popular suggestion was to refer clients onto other services (mentioned by 3 organisations. Other suggestions (each mentioned by just 1 or 2 organisations) were:

- Increase number of days support available;
- Advisor could be involved in implementation – not just prepare the report;
- Improve communication;
- More flexible in availability (e.g. evenings);
- Simplify application process;
- Tailor support to organisation;
- More days would allow involvement of trustees/management/staff/committee members;
- Provide more information about consultants (e.g. credentials);
- Hold joint sessions with other organisations with similar issues;
- Improve standard of the Health Check report to make it a more useful tool;
- Avoid asking for duplicate information;
- Wider range of geography for workshops;
- Reduce time between Health Check and support;
- Align programme more closely to organisational business planning goals;
and
- Improve website.

Whilst these are all areas that Aspire to Enterprise should consider, it is worth remembering that they were each mentioned by only 1 or 2 individuals.

Key Messages

1. There was general agreement that the Aspire to Enterprise programme is targeting the right clients – although some minor changes to the eligibility criteria may be necessary to ensure all suitable organisations are being captured.

2. The services on offer are broadly considered to be the right services – although many consultees felt that a longer-term engagement was most probably needed (e.g. help implementing the plan/recommendations provided, repeated periods of support, etc.).

3. Most consultees felt that there was added value in having social enterprise specialists delivering the programme. However, whilst 94% of interviewed clients said the staff had a good understanding of the social enterprise sector, no organisation mentioned Aspire to Enterprise’s social enterprise expertise when asked why the support was valuable to them and only one mentioned it when asked what the best aspects of the programme were.

4. Various suggestions were made as to how better links to mainstream support services could be made. However, the fundamental issue is that most clients are not – and will not be – eligible for mainstream one-to-one support. As such, the Scottish Government and the Aspire contractors must consider

- (a) Whether or not the Aspire to Enterprise programme should be allowed to offer more ongoing support to clients (for example, help implementing the plan/recommendations made) or repeated supports in order to accelerate the progress of some organisations.
- (b) How Aspire to Enterprise can encourage and support its clients to access the one-to-many supports that are available – for example, by providing a ‘next steps’ document to each client on completion.

5. A wide range of improvements were suggested by Aspire to Enterprise contractors, sub-contractors, advisory group members, stakeholders and clients. However, there was no clear consensus on what was required. Aspire to Enterprise should review their processes and procedures in light of these suggestions and consider which they should take forward.

5. CONCLUSIONS AND RECOMMENDATIONS

Conclusions

1. Overall, the Aspire to Enterprise programme appears to be running effectively.
2. The programme has established a robust set of processes and procedures that are successfully:
 - Identifying and engaging with potential clients.
 - Assessing client support needs and developing a package of support that meets the most important of these requirements.
 - Delivering the support services.
3. In particular, clients felt:
 - That staff delivering the support had a good understanding of the social enterprise sector (with 94% clients agreeing with this statement).
 - That staff delivering the support had a good understanding of the area of work they were delivering (94%).
 - That they were kept up-to-date with progress (94%).
 - That the support was high quality (88%).
 - That the support was appropriate to their needs (88%).
4. As very few organisations have completed their support, it is too early to see changes to the trading income and other areas the programme hopes to have an impact on.
5. However, the programme appears to have had a significant impact already – and is anticipated to have an impact in the future – on the behaviour and attitudes of the staff and boards/management committees of the assisted organisations and on the way in which these organisations operate. These changes are critical steps towards increasing trading income and achieving long-term sustainability.
6. 26% of interviewed clients said that that they had already developed a new product or service or rolled a product or service out as a result of the support they received from Aspire to Enterprise. 57% of clients said that they anticipated developing a product or service or rolling a product or service out.
7. Looking forward:

- 44% of organisations thought that they would increase their trading income over the 12 months following the support.
- 30% thought they would increase the number of contracts and SLAs.
- 17% thought they would be able to increase the number of staff employed and 26% thought the support would help sustain employment.

8. There was general agreement that the Aspire to Enterprise programme is targeting the right clients – although some minor changes to the eligibility criteria may be necessary to ensure all suitable organisations are being captured.

9. The services on offer are broadly considered to be the right services – although many consultees felt that a longer-term engagement was most probably needed (e.g. help implementing the plan/recommendations provided, repeated periods of support, etc.).

10. Most consultees felt that there was added value in having social enterprise specialists delivering the programme. However, whilst 94% of interviewed clients said the staff had a good understanding of the social enterprise sector, no organisation mentioned Aspire to Enterprise’s social enterprise expertise when asked why the support was valuable to them and only one mentioned it when asked what the best aspects of the programme were.

Recommendations

11. Given that the Aspire to Enterprise programme:

- Has begun to change the attitudes and behaviours in assisted social enterprises to be more enterprising and focused on long term sustainability; is beginning to lead to changes in the way assisted organisations are operating and the products and services they offer; and that these changes are expected to lead to increases in trading income, numbers of clients assisted, etc.;
- Is considered by key stakeholders to be focused on the right clients and services;
- Appears to be operating effectively in terms of its processes and procedures;

we recommend that the pilot phase is extended for a further 2 years.

12. It has not been possible to capture the longer term impacts of the programme on the assisted clients in this evaluation (as the Aspire programme has only been operating for 10 months). As such, it will be important for the Aspire to Enterprise

programme/Scottish Government continues to track the supported organisations and undertakes a further evaluation at the end of the 3-year pilot phase.

13. The Aspire to Enterprise programme could be enhanced by:

- Allowing Aspire to Enterprise to provide more ongoing support to clients (for example, help implementing the plan/recommendations made, identifying areas where they are having problems and offering solutions, etc.).
- Building in mechanisms to encourage and support clients to access the mainstream supports that are available – for example, by providing a ‘next steps’ document to each client on completion.

14. In addition, the Scottish Government must decide whether or not organisations will be allowed to access the programme more than once or not.

15. Areas where small improvements could make a major difference to the success of the programme include:

- Ensuring the Health Check accurately captures and responds to the organisation’s development needs.
- Minimising the time between the Health Check being undertaken and the support commencing.
- Ensuring that the support provides ‘added value’ to the client and does not just formalise information they are already aware of.

16. In addition, a wide range of other improvements were suggested by Aspire to Enterprise contractors, sub-contractors, advisory group members, stakeholders and clients. However, there was no clear consensus on what was required. Aspire to Enterprise should review their processes and procedures in light of these suggestions and consider which they should take forward.

APPENDIX 1: CASE STUDIES OF SUPPORTED ORGANISATIONS

7 assisted social enterprises were interviewed as part of the evaluation. These interviews focused on the support that the social enterprises received, the appropriateness and effectiveness of the support, suggestions for improving the support and the next steps for each social enterprise. The purpose of the case study interviews was to establish not only *what* the impacts of Aspire to Enterprise have been but also *how* the programme has impacted on the assisted organisations. The interviewed social enterprises are:

- Bethany Christian Trust
- Braid House
- The Clanranald Trust for Scotland
- The Clean Close Company
- Gorbals Youth and Community Theatre
- Pit Stop Trading Company Limited
- RECAP.

BETHANY CHRISTIAN TRUST (CARING CHRISTMAS TREES PROJECT)

The Organisation

Bethany Christian Trust is based in Edinburgh and has been in existence for 25 years. It aims to relieve the suffering and meet the long-term needs of homeless and vulnerable people in Edinburgh, and across Scotland, through the provision of care, accommodation (e.g. hostels, supported housing, etc.), community education, addiction support, reintegration support and employment and training opportunities. Caring Christmas Trees is an established social enterprise project operating within the Bethany Christian Trust organisation. Bethany Christian Trust has approximately 200 staff operating throughout Scotland, whilst the Caring Christmas Tree project has one full-time member of staff, 3 seasonal posts and approximately 400 seasonal volunteers.

On a local scale, the project involves selling Christmas trees and reinvesting the income into Bethany Christian Trust's homeless projects in Edinburgh. On a national scale, the project has replicated this service as a franchise in other geographical areas. The franchise is bought by people-centred charities and Bethany Christian Trust receives a percentage of the turnover once each project is up and running. Approximately 80-90% of the income from the Caring Christmas Trees Project is from trading and the remainder is from charitable donations. The markets in which they operate include people who buy Christmas trees in Edinburgh and people-centred charities throughout Scotland.

Bethany Christian Trust is a needs-led organisation faced with a severe shortage of funding to pay for the services that they want to provide. As such, they are focused on increasing their trading income through projects such as Caring Christmas Trees. Before receiving support from Aspire to Enterprise, the Caring Christmas Trees project manager had taken steps to increase their trading income through studying other social enterprises and their business plans and looking for best practice on setting up a franchise. The main challenges that the project faced centred around sourcing funding and the difficulty of setting up a franchise arm without any expert advice.

The Support

Caring Christmas Trees found out about Aspire to Enterprise through marketing from Senscot and the Edinburgh Social Enterprise Network. The project manager was aware of many of the partners of Aspire to Enterprise, but had never received any

support from them. The project manager approached Aspire to Enterprise because she was curious to see what support was on offer and if the support could deliver something that she didn't already know. Through the programme, the project manager hoped to develop her own skills to implement something new, to provide inspiration around the development of the franchise and generate new marketing ideas. Caring Christmas Trees approached Aspire to Enterprise for support because it was prominent in the sector and fairly easy to apply to. It is unlikely that they would have tried to get support for these issues otherwise.

The Caring Christmas Trees project felt that some of the support from Aspire to Enterprise was useful, whilst other aspects could have been better. They found the Health Check a useful process to identify the organisation's needs, but felt that the support that followed was not as valuable as they had hoped. Forth Sector delivered a marketing plan that has given Caring Christmas Trees ideas for who to target next year, and should therefore help the project grow over the next 12 months. The marketing plan has also allowed Caring Christmas Trees to document how they do things. However, the project manager feels that Aspire to Enterprise has been too focused on delivering a hard outcome (i.e. the marketing plan), that it has neglected some of the softer outcomes she was hoping for (i.e. developing the marketing skills of the project manager).

Effectiveness

Caring Christmas Trees state that the support received from Aspire to Enterprise has reinforced that the project is going in the right direction. However, they do not believe that the programme has led to any major changes in the project's strategy, focus, culture or long-term sustainability. Caring Christmas Trees believe that there is a need within social enterprises to continuously improve the skills of the people driving the business, but that Aspire to Enterprise has not managed to deliver against this aspiration in their case. The fact that support was delivered by social enterprise specialists did not make a difference to Caring Christmas Trees. Rather, they felt that a private business consultant may have been able to deliver more appropriate support around the skills needed to develop the franchise arm of a business.

As the Caring Christmas Trees project takes off, it has the potential to benefit disadvantaged people throughout the UK with a variety of different support needs. The project financially benefits the Bethany Christian Trust in two ways – by directly contributing income from the sale of Christmas trees and by generating income through the sale of franchises. The marketing plan delivered by Aspire to Enterprise

will contribute to this multiplier effect by helping the project grow, but its contribution will not be as great as if it had helped develop the skills of the project manager.

Improvements

Caring Christmas Trees believe that the supports offered by Aspire to Enterprise should be focused on a mixture of hard and soft outcomes, such as delivering a written report and improving the skills or knowledge of staff within an organisation. However, they do not feel that any improvements need to be made to the focus of Aspire to Enterprise (i.e. on increasing trading income and improving sustainability), the application process, the initial Health Check procedure or the fact that support is delivered by a local agency.

Next Steps

The support received from Aspire to Enterprise did not flag up any additional support issues for the Caring Christmas Trees project. Over the next few years, the project will continue develop an enterprising culture within the Bethany Christian Trust and encourage the organisation to overcome any risk aversion. The project will also continue to look for new sources of funding and investment. The organisations that they would approach for support on these issues are likely to include Forth Sector, CEiS, Chamber of Commerce, the Social Enterprise Academy and other similar organisations. Caring Christmas Trees have approached Business Gateway in the past but have never been able to get through to an appropriate business advisor. However, they feel they are more likely to contact Business Gateway in the future for support because it is now part of the Edinburgh Chamber of Commerce.

BRAID HOUSE

The Organisation

Braid House day care centre is based in Livingston and has been providing day care services for adults over 50 for almost 30 years. Braid House initially started as a lunch club for local residents over 50 who faced barriers to social inclusion. Since then, Braid House has extended to provide a range of health care services and recreational activities to over 50's in Livingston, Broxburn and surrounding areas. The main aim of Braid House is to relieve the social isolation experienced by older people with mental or physical health issues and to promote a better quality of life for these individuals.

Braid House currently employs 16 staff, some of whom have previously been unemployed or participating in employability programmes. The services on offer at Braid House are designed to meet the needs of each individual and include activities such as yoga, quizzes, bowling, bingo, reflexology, shower services and advice on issues such as benefits entitlement. The majority of Braid House's income comes from a Service Level Agreement with West Lothian Council. Beyond the SLA, Braid House have doubled their additional trading income in the last few years as a result of increased marketing and promotion (through newspapers, websites and word of mouth). Braid House have also refurbished the day centre, purchased a new mini-bus and developed a new garden area for service users.

Braid House is the largest of 5 day care centres funded by West Lothian Council who have recently come together to explore a voluntary sector 'one provider model' as requested in West Lothian Council's Day Care Review. From the outset, the new 'Federation' have been keen to explore cost efficiencies and budget savings to ensure that they are in a good position to secure a new Service Level Agreement with West Lothian Council. Whilst Aspire to Enterprise has essentially delivered a programme of support to the federation, Braid House was the main contact and this case study is therefore focused on their experience. Before their involvement with Aspire to Enterprise, Braid House faced key challenges in relation to changes to the delivery of day care services in the area, an increase in service users with higher dependency needs and staffing issues around ensuring that there are enough staff available at any given time to cope with demand.

The Support

Braid House first found out about Aspire to Enterprise at a meeting between the West Lothian day care centres. One of the organisations informed them about the potential support from Aspire to Enterprise and they all agreed that they wanted a professional with business expertise to help them come up with a business plan that they could take to the council. Braid House believe that they would have gone to the Business Centre in Livingston to source this support if Aspire to Enterprise did not exist.

Aspire to Enterprise conducted an appraisal and business case analysis and developed a business plan and financial projections for a one provider model for day care services in West Lothian. Braid House felt that the quality of the support was excellent. In particular, they stated that the consultant was flexible in his delivery, productive and put a lot of time and effort into his meetings with each day care organisation. Braid House also felt that the support was very appropriate to their needs because the consultant was experienced in all of the areas they required assistance with (e.g. knowledge of different social enterprise models and sourcing funding for recruiting for a new position).

Effectiveness

The main impact of the support received from Aspire to Enterprise is that Braid House and the other day care centres in the federation are now more positive about the future and more committed to the 'one provider model' that they have come up with. Braid House believe that it is still too early to predict any changes that will occur in terms of the organisations' focus on generating income or the services they offer. Many of the challenges faced by Braid House are outwith the scope of the Aspire to Enterprise programme. However, Braid House and the other day care centres feel that the programme has delivered against all of their aspirations by showing them the different options that are available and recommending which model they should adopt.

Braid House also believe that the long term sustainability and the ability to cater for more over 50's in the area will be improved because the support received from Aspire to Enterprise will hopefully allow the federation to successfully bid for any future contracts to deliver cost effective day care services if they are put out to tender by the local authority.

Improvements

Braid House felt that no improvements need to be made to the focus of Aspire to Enterprise or to the supports on offer. They were also very satisfied with the staff and

the processes and procedures entailed in the Aspire to Enterprise programme. Overall, Braid House and the other day care centres felt very happy with the whole experience.

Next Steps

The support received from Aspire to Enterprise has not flagged up any major additional support needs other than highlighting the necessity for all of the day care centres to work together in the future. Braid House are now more aware of the need to share services – such as transport provision – and they recognise that, as the largest of the 5 organisations, they will have to play an important role in promoting collaborative working.

Over the next few years, the main issues that Braid House and the other day care centres will need assistance with will be in relation to an increasing number of higher dependency referrals. Braid House state that they will need to upskill their existing staff and employ more trained staff. They will also require new equipment to cope with the additional needs of new service users. In addition to seeking advice and financial support from West Lothian on these matters, Braid House believe that they are also likely to approach Business Gateway and Scottish Enterprise in the future. Braid House received support from Business Gateway many years ago to help with recruiting staff. However, since participating in Aspire to Enterprise, Braid House feel that they have become more aware of how the Business Gateway and Scottish Enterprise can help social enterprises.

THE CLANRANALD TRUST FOR SCOTLAND

The Organisation

The Clanranald Trust for Scotland is an organisation dedicated to promoting the awareness of Scottish culture and heritage through interactive education and entertainment. Established in Fife in 1995, the organisation currently has a Chief Executive, two unpaid staff members and approximately 100 volunteers. The ultimate goal of the Trust is to replicate a medieval Motte and Bailey Fort (the DunCarron Fort in North Lanarkshire) as an interactive educational visitor attraction and a place from which to base their work with the local community, educational institutions, film and TV industries and corporate companies. The Trust also want the fort to be a place where disadvantaged and socially excluded people can improve their life chances through work or volunteering.

Volunteers come from a wide range of groups including people with learning disabilities, people with mental health issues, young people, offenders and ex-offenders, people with addictions, unemployed people and other members of the local community. The Trust's income, which is invested in building the fort, is derived from volunteers delivering activities that centre around education and other related activities such as:

- Medieval martial arts classes;
- Genealogy and Scottish history research services;
- A pipe and drum band;
- Providing extras, fight training, props, battle choreography and other services to film and television production; and
- Services for corporate and other events (including costume making, set and room dressing, ambushing a party, etc).

These activities have been the mainstay of the Trust's trading income for the past few years and the Trust is always looking to increase its trading income to invest in the fort project. Steps taken to increase trading income have involved wider promotion of the services it offers and running a shop in Edinburgh City Centre – however, this has now closed due to a substantial increase in rental costs following the construction of the Scottish Parliament.

The Trust's main achievements in the last few years have been to take on more volunteers, restore their self-confidence and self-respect and provide them with opportunities that they otherwise would not get. Another achievement has been the

progress made on building the DunCarron fort project. In addition to building the fort, volunteers also contribute to the operating, financial and marketing plans of the organisation. However, the organisation is consistently facing a challenge in relation to sourcing funding to employ paid staff who will allow the Trust to increase the volume of its services. This challenge was summarised as *'too few people doing too much, and for no money'*.

The Support

The Clanranald Trust first found out about Aspire to Enterprise through a friend working at SCVO. Following the suggestion that the Trust was entitled to support, they contacted Fife Council to receive information about Aspire to Enterprise. Prior to this, the Trust had received support from Business Gateway and a number of departments within North Lanarkshire Council. The Trust contacted Aspire to Enterprise for advice on how to get funding for more staff and marketing advice to help keep the project going. Through their involvement with the programme, the Trust hoped to source funding to take on paid members of staff who would, in turn, help to increase their trading income. The Trust would have looked elsewhere to source this support, however they are not sure where at this moment.

The Trust received financial planning and management support from Aspire to Enterprise. It was agreed that the support would involve a Health Check and a report on whether the Trust needs support. The Trust found the Health Check very useful, particularly because it was delivered by a social enterprise specialist. The consultant was knowledgeable and approachable. She made them aware of the fact that they were operating as a social enterprise and that they could source additional support by marketing themselves as such. The Trust considers this to be a turning point in their development, and they have been able to source an additional 50-60 volunteers from Volunteer Centres due to their social enterprise status.

However, the financial planning and management support provided by Aspire to Enterprise was not as useful. The Trust felt that the consultant was personable but not very informative. Whilst the Health Check opened new doors for the organisation, the support that followed didn't tell them anything they didn't already know. Instead of a report on what the organisation needs to do and how to do it, the Trust felt that they received a narrative about the organisation and what their problems are.

Effectiveness

As a result of the support received by Aspire to Enterprise, the Clanranald Trust now have more volunteers but the same number of unpaid staff managing the volunteers. Recognition that they are a social enterprise may help with funding applications in the future. However, they continue to face the same challenges as before. With regards to generating more income, the Trust does not feel that the strategic direction, focus, service delivery or long term sustainability of the organisation has changed as a result of the support received. The only long-term impact of the support received from Aspire to Enterprise will be as a result of the Health Check and the fact that the Trust now promotes itself as a social enterprise helping people and the community.

Improvements

The Clanranald Trust does not feel that any improvements need to be made to the focus of Aspire to Enterprise, the application process or the initial Health Check procedure. However, the Trust states that, whilst the supports on offer are good in theory, from their experience they are ineffective in practice. They believe that the supports need to deliver more specific outcomes, such as hands on support with fundraising and detailed advice on where to apply for funding. According to the Trust, *'the support from Aspire to Enterprise needs to offer real solutions, not tell organisations what they already know'*.

Next Steps

The support received from Aspire to Enterprise did not flag up any additional support issues for the Clanranald Trust, but it did confirm the challenges that the Trust faces. Over the next few years, the Trust will continue to look for assistance with the funding of posts to help manage the growth of the organisation and allow them to increase their trading income. The Trust will continue to approach local authorities, councillors and MSPs. They are also willing to approach Business Gateway again, having had a good experience with them in the past. Business Gateway has helped the Trust source funding for very specific grants for the fort project, finding the funders they could apply to and giving them hands on support to complete the funding applications.

THE CLEAN CLOSE COMPANY

The Organisation

The Clean Close Company was set up as part of a Dundee City Council regeneration programme in the Stobswell area of Dundee. The company initially formed to clean closes in the Stobswell area, but quickly expanded its services across Dundee, Perth and Angus. The Clean Close Company's activities have also developed to include:

- cleaning services for private accommodation, private landlords, housing associations, corporate offices and factors;
- janitorial services;
- ground maintenance and communal area cleaning; and
- graffiti removal.

As a social enterprise, the company also provides employment and training opportunities for local people. The company has 25 members of staff (90% of whom were previously unemployed) and a relatively flat organisational structure. The Clean Close Company currently holds the 'number 2' market position in their area after the local authority contractor Tayside Contracts.

When it was set up the company received a grant from Communities Scotland, providing it £140,000 to be spread over its first three years. The grant was used to purchase start up material (such as uniforms and vehicles) and to cover overheads. However, the company was always focused on a positive route to becoming self-sufficient within 3 years. To increase its trading income, the Clean Close Company focused on getting more contracts, increasing the commercial side of the business and 'running a tighter ship'. The manager believes that their biggest achievement in the past few years has simply been surviving. The key challenges facing the organisation prior to their engagement with Aspire to Enterprise were a transient workforce, the increased price of raw materials and too much pressure being placed on the manager. For these reasons, the company was not getting a chance to take a step back and plan for the longer term.

The Support

The Clean Close Company first found out about Aspire to Enterprise through an email from Senscot. They have never had any support from Aspire to Enterprise partners in the past. The Clean Close Company decided to apply to Aspire to Enterprise because they were aware that the service was free, they fitted the criteria and they wanted to see what the programme had to offer. The Clean Close Company

hoped that the programme would look at the company objectively, using 'a fresh pair of eyes' to tell them what they should be doing to improve their sustainability. More specifically, the company hoped that the programme would provide them with a new business plan, market research assistance and suggestions for the future direction of the company. The company was not aware of any other sources that provided this support.

The Clean Close Company received all of the assistance they had hoped for and they rated the quality and appropriateness of the support very highly. They stated that the support helped the company significantly, providing them with the opportunity to take time out from the day-to-day running of the business and discuss the company with someone outwith the organisation. They felt that the consultant was knowledgeable, approachable and very helpful (e.g. signposting the company to other useful information). The manager also felt that the delivery by social enterprise specialists was important because it meant that they understood the ethos of the Clean Close Company.

Effectiveness

As a result of the support from Aspire to Enterprise, the manager of the Clean Close Company has been able to take a step back and look at the direction of the company. They are now more focused on cautious increase of their trading income and consolidating their customer base in the current economic climate. Aspire to Enterprise highlighted the fact that whilst it is often easy to get business, it can be hard to keep it. The programme has taught the company that achieving long term sustainability is a marathon, not a sprint, and they need to run a tighter ship and develop cautiously to achieve this sustainability.

Many of the challenges facing the Clean Close Company are outwith the control of Aspire to Enterprise and therefore remain the same. However, the company feels that the support from Aspire to Enterprise was suitably focused and delivered against all of their aspirations mentioned above. They also feel that the fact that the company has changed tack and is now running a tighter ship will have a longer term impact on their customers by hopefully bringing prices down.

Improvements

The Clean Close Company feel that the focus of the Aspire to Enterprise programme was appropriate for them as it was geared at improving their sustainability and increasing job opportunities. They also liked the way that the support was delivered,

stating that it was paced correctly and well organised. The one suggestion that the Clean Close Company had for improving the programme was that the support should be followed by a later follow-up session to revisit what was delivered and see how the company is doing.

Next Steps

The support from Aspire to Enterprise has not flagged up any major additional support needs for the Clean Close Company, other than that they need to be careful not to overextend themselves. Over the next few years, the company will need assistance with legal issues (such as employment law), although they are not sure at this stage as to whom they would source this support from. Prior to approaching Aspire to Enterprise, the Clean Close Company had previously approached Business Gateway, however their contact was limited. The Clean Close Company had exploratory meetings with Business Gateway and made an application to receive marketing support, but the company never heard back from them. Aspire to Enterprise has not necessarily made the company more or less likely to approach mainstream services. Rather, the Clean Close Company states that it would always welcome an offer of assistance.

GORBALS YOUTH AND COMMUNITY THEATRE

The Organisation

Gorbals Youth and Community Theatre (GYCT) was formed in 1999 to provide opportunities for people in the Gorbals to access drama based activities that could provide them with recreational, social and experiential learning opportunities. Since then, the organisation has grown significantly and now provides opportunities to more than 200 children and young adults in Glasgow, using the performing arts to deliver training, build confidence and self-worth and improve lifeskills.

Aside from children and young adults, GYCT customers/clients also include Glasgow City Council, Glasgow Building Preservation Trust, Youth Services, the Roystonhill Project and other similar organisations. In addition to these commissions and providing training, GYCT also performs 4 productions every year. Whilst they are a fairly small organisation, the GYCT still feel that they have a lot of work coming their way. They also recognise that 65 regular members attending every week is high number in comparison to other youth organisations.

GYCT currently has charitable status with a board of management, although they are in the process of becoming a limited company by guarantee. Their trading income currently accounts for 50% of their total income. The majority of their trading income comes from commissions and membership fees, with the rest coming from ticket sales and DVD sales. GYCT are looking to increase their trading income largely because of recent cuts in funding. Prior to approaching Aspire to Enterprise, they had scoped out ideas of how to increase their trading income but had not put these ideas into action. Whilst the GYCT recognised that they have had some key achievements in recent years, including increasing their membership and the attendance at their performances, they also felt that they needed marketing advice to let a wider market know that they are there with a good product to offer.

The Support

GYCT found out about Aspire to Enterprise through the Third Sector News and decided to apply for support because they felt that they fit the Aspire to Enterprise criteria – i.e. they were an experienced and established organisation, with a good product, and were ready to increase their trading income. GYCT hoped that the support from Aspire to Enterprise would give them an objective opinion and would take the organisation forward in marketing and management terms. They wanted to develop further and make sure that they were on the right road, and they also wanted

someone to review their pricing policies and advise them on full-cost recovery. The GYCT are unsure if they could have sourced this support elsewhere, other than through a private consultant.

The support that GYCT received included improving and suggesting how to plug the gaps in their business plan, marketing plan and financial plan. Aspire to Enterprise also carried out some market research, provided help with raising finance and provided legal support. GYCT felt that the support was excellent, stating that the consultant was consistent, organised, pleasant, knowledgeable about the business and their aspirations and spoke in a language that they understood. They also felt that the support was very appropriate and tailored to their organisation. GYCT also felt that because the consultant was a social enterprise specialist, he knew where the organisation was coming from and understood the sector.

Effectiveness

As a result of the support received from Aspire to Enterprise, GYCT now feel that they are much more focused on taking action to increase their trading income and make full-cost recovery. They also feel that they are more aware of the market and the importance of good quality marketing materials. The organisation is also making more of an effort to review their business and strategic planning regularly, measuring their performance against previous years. GYCT feel that the objective opinion provided by a skilled professional has made them more focused and more confident about the future direction of the organisation. They hope that the support from the programme will improve their long term sustainability, although they feel that it is too early to say if this will happen.

GYCT feel that the support received from the Aspire to Enterprise programme has helped them address a number of the key challenges facing the organisation. They are now aware of how they differ from other theatres and how best to promote themselves. They also feel that the programme has delivered against all of the aspirations mentioned above. Over the longer term, GYCT certainly hope to grow as an organisation and expand to work with a wider community. GYCT also feel that there is some status attached to their involvement in the Aspire to Enterprise programme and that this will provide wider benefits when applying for future funding.

Improvements

GYCT do not feel that any improvements need to be made to the focus of Aspire to Enterprise, the application process or the initial Health Check procedure. They did

suggest that the flexibility of the support being delivered could be improved to incorporate some evening consultations. This would allow organisations like GYCT to involve their management committee in the process.

Next Steps

The support provided by Aspire to Enterprise has flagged up an additional support issue for the GYCT. They are now aware of the fact that they need to take on a new member of staff to develop their programme of work, promote the training arm of the organisation and build a wider customer base. GYCT recognise that they will need to source support to address this issue from organisations such as Awards for All and the Scottish Arts Council. GYCT also feel that they will need assistance with funding applications and IT in the future. They are likely to try to source assistance from the Big Lottery, Robertson Trust, Lloyds TSB, Awards for All and the Scottish Arts Council.

Prior to approaching Aspire to Enterprise, GYCT had never gone to Scottish Enterprise or Business Gateway for support. They believed that these organisations were '*for the big boys*' and wouldn't entertain a smaller social enterprise such as GYCT. They also felt that organisations such as Scottish Enterprise don't understand the Arts. However, GYCT feel that their involvement in the Aspire to Enterprise programme has opened doors for them and given them the status to seek support from mainstream services. They also feel Aspire to Enterprise has given them a better understanding of the support on offer from many of the mainstream organisations, such as Business Gateway. For this reason, they would be more likely to approach these organisations in the future.

PIT STOP TRADING COMPANY LTD

The Organisation

Pit Stop Diner is a community café based in Arrochar. It was bought by the community in 2004 to generate income for the Arrochar and Tarbet Community Development Trust. The Trust is a company limited by guarantee and Pit Stop is a trading arm of the company. The main aim of the Trust is to provide a social/recreational space for the community and provide financial support for community projects. The aim of Pit Stop Diner is to provide money to be invested into the building and running of a new village hall.

The diner's main customers are visitors and tourists, divers, walkers, commuters and lorry drivers. 100% of Pit Stop Diner's income has always come from trading. The main services that they offer include providing food and drink to café customers and also to team events in the area, including hill races, motor races, corporate away days, etc. The majority of their trading income comes from the food and drink they provide in-house. They have the biggest share of the catering market in the village, largely because they have parking facilities at the diner.

Before approaching Aspire to Enterprise, Pit Stop Diner were already looking to increase their trading income in order to generate the maximum amount of money possible for the forthcoming village hall. They had taken steps to promote the diner around local Bed and Breakfasts and introduced Sunday lunches, however they were not very successful. The diner experienced difficulties in falling trade due to the closure of the public toilets in the area. They were also severely affected by the closure of the only road through the village as a result of a landslide earlier in 2008. The key challenges facing the diner are centred around trying to make more money at a time when trade is falling and trying to maximise their trade during a particularly poor summer.

The Support

Pit Stop Diner found out about Aspire to Enterprise from a member of staff at Social Investment Scotland. Their main reasons for applying to the programme were because SIS had suggested it and because they were willing to go for any support that could help their business. The diner hoped that Aspire to Enterprise could either come up with new suggestions for increasing their trading income or at least confirm that the organisation was already heading in the right direction. Given that they were

simply looking for general ideas and nothing concrete, the diner does not think that they would have tried to get support elsewhere.

Aspire to Enterprise provided Pit Stop Diner with business and strategic planning support, producing a summarised Business Plan for the diner. The support also included marketing assistance, scenario planning and a business audit that looked at cost projections, pricing, staffing levels, etc. Pit Stop Diner felt that the quality and appropriateness of the support received was very good. They thought that the consultant was sensible, practical and understanding of their organisation. They also felt that the support was very practical and met their needs. The diner manager felt that the fact that the support was delivered by a social enterprise specialist meant that they had a better understanding of what the Pit Stop Diner is about.

Effectiveness

As a result of the support from Aspire to Enterprise, the Pit Stop Diner is now more focused on generating income – they are currently running theme nights in the diner and they have begun to contact tour bus companies that pass through the village. Whilst Aspire to Enterprise has not changed the direction of the organisation, it has made them more aware of the pros and cons of building the village hall (e.g. reduced parking facilities during the building process) and encouraged them to take maximum advantage of other developments in the area (e.g. the construction of a new pier across from the diner). The programme has taught the organisation that achieving long term sustainability is dependent upon many factors and they must look at different scenarios when thinking about the future.

Many of the challenges facing Pit Stop Diner (e.g. seasonal trade, weather, road closures, etc) are outwith the control of Aspire to Enterprise and therefore remain the same. However, the company feels that the support from Aspire to Enterprise was suitably focused and delivered against all of their aspirations mentioned above. In addition to receiving some new suggestions for increasing their trading income, Pit Stop Diner also feel that Aspire to Enterprise has given them confirmation that they are on the right track. The diner feel that it is difficult to say what the long term impact of the support will be on their organisation. However, they feel that if they generate more income as a result of the support, they will have more money to invest in the village hall project and the community will not be charged as much once the hall is up and running.

Improvements

Pit Stop Diner feel that the focus of the Aspire to Enterprise programme was appropriate for them as it was geared at increasing their trading income, improving their sustainability and providing them with some reassurance. They also felt that there were no improvements needed to be made to the processes and procedures or to the focus of the programme (which they felt was crucial).

Next Steps

The support from Aspire to Enterprise has not flagged up any major additional support needs for Pit Stop Diner. They are unsure that kind of assistance they will need over the next few years, as this will largely depend on the development of the village hall. Once this community space is up and running, it is likely that the organisation will need assistance with people management, employment law, staff training, health and safety advice and other similar issues. Pit Stop Diner and the Trust would probably go to the Development Trust Association Scotland in the first instance.

Pit Stop Diner received support from Scottish Enterprise and Business Gateway when they were originally setting up the business. Scottish Enterprise provided funding and advice on becoming a social enterprise. Business Gateway provided them with start-up advice (i.e. general information on the procedures involved in setting up a business) and support with staff training. The support met their needs at that time. Pit Stop Diner feel that their involvement in Aspire to Enterprise has made them more likely to go back to these organisations because of the good experience they have had.

RECAP

The Organisation

Homereach was a consortium of three recycling projects including RECAP, Beulah and St. Patrick's Furniture Project, brought together to deliver emergency furniture services to homeless people on behalf of North Lanarkshire Council. Homereach and North Lanarkshire Council worked together to design and develop the service as a pilot Public Social Partnership. At the end of the pilot project, Homereach was unsuccessful in its bid for the local authority contract to deliver the furniture service and Beulah subsequently pulled out.

Whilst it was originally Homereach who applied to Aspire to Enterprise for support, RECAP is essentially the core organisation who received the support and who the support is likely to have an impact on. For this reason, this case study is focused on RECAP. Since 2003, RECAP has been operating as community based furniture recycling project in North Lanarkshire. The organisation currently employs 11 people, around half of whom were previously unemployed. RECAP's main objective is the relief of poverty amongst North Lanarkshire residents by collecting donated furniture and white goods and redistributing them to those in need. The organisation's aims are social, economic and environmental.

RECAP see themselves as operating in a number of markets including furniture retail, environmental recycling and the social economy. However, they acknowledge that they are the only recycling organisation of their kind in North Lanarkshire. RECAP's clients include people from low income households, single parents, immigrants, ethnic minority students, private landlords and a whole range of customers looking to buy furniture.

The majority of RECAP's income comes from trading, although they have recently received a substantial Big Lottery grant to buy a warehouse. Expanding the geographical area in which they operate and participating in the PSP pilot represent just some of the steps RECAP have taken to improve their trading income and to continue to provide as good a service as possible. RECAP have faced difficulties relating to increasing fuel costs and finding a source for white goods. They have also faced difficulties relating to full cost recovery on services provided to some public sector organisations. The main challenges facing RECAP prior to their engagement with Aspire to Enterprise included sourcing training to enable them to successfully bid

for contracts, improving their cash flow, succession planning and essentially finding ways to survive.

The Support

RECAP first found out about Aspire to Enterprise from a Business Gateway adviser. They decided to apply for support because they felt that the organisation needed to be impartially analysed and advised on how to prioritise for the future. RECAP wanted to receive advice on marketing, financial planning and succession planning to enable them to be treated as a business rather than simply a charity. RECAP were the first organisation to receive support from the Aspire to Enterprise programme and, as such, they felt that their aspirations were not that extensive because they didn't really know what to expect.

RECAP felt that the support from Aspire to Enterprise was as good as could be expected for their first client. Whilst they thought that the consultant was approachable and hard-working, they also felt that he was essentially learning on the job. RECAP were also unaware of the consultant's social economy expertise. The support from Aspire to Enterprise resulted in a written report for RECAP which has provided the business with recommendations on how to move forward. RECAP recognise that they need to recruit a new manager and they believe that the Aspire to Enterprise report will provide the new recruit with a plan for the business.

Effectiveness

RECAP believe that the impact of the support received by Aspire to Enterprise will be long term. The main impact they are expecting will be organisational changes to create more of a structure and ensure that the company is not dependent on the Chairperson. RECAP believe that better succession planning will improve their long term sustainability, although they are unsure as to whether the support will impact on the organisation's strategy, the services they offer or their focus on generating income.

RECAP feel that the support received from Aspire to Enterprise helped them to identify what their future priorities should be. However, they are struggling to implement it because many of the challenges mentioned above still exist. Therefore, whilst they feel that Aspire to Enterprise delivered against the few aspirations that they had, they are unsure as to what the long term impact will be on the organisation or the communities they serve. The impact will depend upon the financial climate, whether they are able to recruit a new manager and whether they can find the

business to replace the work generated by the North Lanarkshire Council pilot project.

Improvements

RECAP feel that there were no improvements needed to be made to the supports available through Aspire to Enterprise. However, they did feel that the programme and the client would benefit from some aftercare support to revisit what was delivered, assess the implementation process or encourage companies to begin implementation if they have not already done so. In addition, RECAP feel that Aspire to Enterprise need to have access to specialists in specific sectors (such as recycling) if they want to increase the trading income of their clients.

Next Steps

The support from Aspire to Enterprise has not flagged up any major support needs that RECAP was not already aware of. Over the next few years, RECAP will need assistance with sourcing/training staff to take over the company and they are likely to go to Senscot events for initial advice on this matter. RECAP also feel that an alliance is needed between the public sector and the social economy sector to ensure that local authorities are liaising with social enterprises in their area. However, they are unsure as to which organisation is best placed to lobby for this at government level. RECAP have a relationship with Business Gateway, having received start up advice and general business advice from them at various times. Whilst they are not averse to receiving support from any source, they still believe that Scottish Enterprise is for much larger organisations and initiatives. Aspire to Enterprise has not made them more likely to go to Scottish Enterprise for support.