

Institution: Nottingham Trent University (NTU)		
Unit of Assessment: C17 - Business and Management Studies		
Title of case study: Building an ecosystem of support for SME competitiveness, growth and innovation		
Period when the underpinning research was undertaken: 2001-2019		
Details of staff conducting the underpinning research from the submitting unit:		
Names:	Roles:	Periods employed by submitting HEI:
Dr Lynn Oxborrow	Associate Professor	2015 - present
Dr Daniel King	Principal Lecturer	1994 - 2015
Dr Alistair Mutch	Professor	2015 - present
Dr Amanda Hay	Senior Lecturer	2007- 2015
Dr Tony Watson	Professor	1990 - 2020
Dr Claire Brindley	Senior Lecturer	2001 - present
	Professor	1992 - 2004
	Professor	2007 - 2016
Period when the claimed impact occurred: 2009-2020		
Is this case study continued from a case study submitted in 2014? No		
1. Summary of the impact <p>NTU research has influenced and shaped business support policy in the East Midlands <i>inter alia</i>. by identifying previously overlooked high-growth potential in creative and digital industries. Derbyshire and Nottinghamshire Local Economic Partnership (D2N2) revised its strategic priorities, unlocked £9.7 million funding targeted at SME development and engaged with 1,970 SMEs.</p> <p>NTU's research had a direct impact on the growth, job creation and competitiveness of small businesses in D2N2, by developing its SME managerial capacity. The research subsequently influenced the design of SME interventions in the UK and Europe, through the Small Business Leadership and Interreg Scale-Up Programs.</p>		
2. Underpinning research <p>NTU research has identified three important components of learning for management education and business support:</p> <ol style="list-style-type: none"> 1. Learning is <i>situated</i> - it is produced together within a temporally, geographically, or relationally situated practice (R2) 2. Learning is <i>social</i> - it is not individualised but is co-created between people (R3, R4). 3. Learning is <i>emergent</i> - it is always in a state of becoming and as such is provisional (R1, R3) (R5). <p>These components combine to inform the development of NTU's ecosystem methodology of SME business support, using a reflexive, iterative cycle of engaged theory and practice (R4). NTU's flagship business support intervention 'Future Factory' (2009-2015) provided an early testbed for this emerging methodology (R5) connecting theory to practice.</p> <p>The first principle is the understanding that knowledge is situated (R2) and contextual (R1). The approach requires respectful listening and careful noticing to reveal taken-for-granted aspects of</p>		

practice. It responds to the situated nature of learning, which demands a detailed and nuanced understanding of local contexts. For example, the research has identified particular issues related to notions of embodied confidence for local actors (**R2**, **R5**, **R6**), and contextually co-designed bespoke support to meet the specific needs of priority client groups, such as creative and digital and high-growth SMEs (**R6**).

The second principle is an understanding that learning is social. It foregrounds a collaborative inquiry approach (**R1**, **R2**) which brings together academic and practitioner perspectives. Each party is equally valued to promote learning from, with, and for each other. In particular, this approach recognises the identity struggles that are at the heart of management learning (**R1**, **R3**) and works by foregrounding this approach through reflexive learning (**R1**) and critical reflection (**R4**).

The third principle is an understanding that learning is emergent (**R1**). This informs a purposeful cyclical approach (**R4**) through which we learn from the experiences of SME managers to inform the continuous development of our SME ecosystem. The underpinning research emphasises the importance of reflexivity and a responsive approach to delivery and co-design in the SME ecosystem. For example, the team show how they mobilised findings from a forum where participants reflected on their experiences in a way that shaped future interventions (**R5**).

In the context of SME support, the reflexive, iterative cycle of theory and practice (**R4**), as developed through the 'Future Factory' (**R6**) and subsequent projects, has led to three specific components of practice:

1. understanding how to create an environment in which SME managers can reflect upon their perceived needs in order to arrive at their underlying requirements. For example, to become more sustainable, Future Factory clients needed to develop cumulative capabilities in marketing and commercial leadership, addressing their anticipated and additional objectives (**R5**).
2. being responsive to the underlying requirements of SME participants and using these to develop the SME ecosystem. The need to support high-growth Creative and Digital Industries (CDI) businesses as well as the micro-businesses in the creative and cultural ecosystem is an example (**R6**).
3. creating a dynamic environment through which the ecosystem can be piloted and constantly developed, such as by facilitating networking between SMEs and education providers to update awareness of sector skills needs (**R6**).

3. References to the research

The quality of the underpinning research has been evidenced by rigorous externally peer reviewed outputs and by multiple commissions and re-commissions by national and local key stakeholders across the sector.

R1. Watson, T. (2001). The emergent manager and processes of management pre-learning, *Management Learning*, 32(2): 221-235.

The research underpins the link between policy and practice, and the value of successive rounds of delivery, reflexivity and informing future policy that underpins section 4. It also reinforces the benefit of individualising learning through the diagnostic process.

R2. Mutch, A. (2002). Applying the ideas of Bernstein to in-company education, *Management Learning*, 33 (2): 181-196.

The findings reinforce the value of an approach targeted towards specific groups or sectors, such as CDIs or Scale-ups, and the associated added value of being able to adapt the learner experience to their needs.

R3. Hay, A. (2014). 'I don't know what I am doing!': Surfacing struggles of managerial identity work. *Management Learning*, 45(5): 509-524.

This research highlights the value of peer learning to our SME beneficiaries, and the need to speak their language. (See also S7).

R4. King, D., & Learmonth, M. (2015). Can critical management studies ever be 'practical'? A case study in engaged scholarship. *Human Relations*, 68(3): 353-375.

Places the support in the context of a specific CDI SME, reinforcing the practical value of the approaches above.

R5. Oxborrow, L. and Brindley, C. (2013) Adoption of "eco-advantage" by SMEs: emerging opportunities and constraints. *European Journal of Innovation Management*, 16 (3): 355 – 375. Demonstrate how the SMEs benefit from peer learning and in broader ways than the required project outputs. This is enhanced in subsequent projects leading to the business impacts demonstrated in S7 & S8.

R6. Oxborrow, L. Elijah, A. & Lawton, C. (2015). Creative and Digital D2N2: Strategic Action Plan for the Creative and Digital Industries in D2N2, Report.

The report analyses findings from research in the CDI sector. Highlights the significance of the creative industries in D2N2, the potential for job growth in higher value digital industries, the existing lack of business support and the sector's specific needs, leading directly to the CDI policy impact and project co-design (S1, S2).

4. Details of the impact

Impacting policy

NTU research has directly impacted on D2N2's strategic policies, by making the Creative and Digital Industries a strategic priority sector (**S1**) and unlocking funding of £8.855 million through the European Structural Investment Fund Strategy, 2015-16 (**S2**). The NTU report, "Creative and Digital D2N2: Strategic Action Plan for the Creative and Digital Industries in D2N2" (SDAP) (**R6**), led directly to the D2N2 Strategic Economic Plan (SEP) extending its reach into previously overlooked Creative and Digital Industries as an additional Priority Sector.

"NTU has been exemplary in their support for the Creative and Digital Sector. Since the inception of the Big House project, NTU have played an active and leading role in the project, and in supporting the CDI sector. They have provided the fundamental research that has helped develop and guide the project ... (NTU) have contributed to the development of a team approach on the project and have been central to the delivery of the project (S1).

NTU directly impacted on D2N2's policy implementation for the support of high growth businesses, (**S2**) facilitating the release of £850,000 targeted funding channelling the three key components of learning (R1,2,3). **S3** describes:

"Co-designing ... how a scale-up Ecosystem could be created and implemented in the specific D2N2 context ... As a result, in 2017, D2N2 adopted a strategy of supporting more SMEs to become scale-ups" and continues "these programmes ... incorporated the recommendations from the NBS team to include a detailed business diagnostic, specifically targeted workshops and peer-to-peer support (S3)".

Impact on SME Performance

Reflecting on this policy influence, The Small Business Charter feedback states:

"The research from NBS informs policy which in turn leads to funding opportunities which the institution is able to capitalise on through their collaboration with the relevant stakeholders in the growth agenda" while "reports in the base room and conversations with businesses during the (assessment visit) left no doubt of impact" (S4).

SME interventions reached 1,970 SMEs (17% of CDI SME's) and supported 40% of D2N2's High Growth SMEs. Its significance evidenced by:

- a) Directly *improved* SMEs competitiveness. Over 50% of Big House (**S9**) and Future Factory (**S5**) beneficiaries have or already plan to introduce new products or processes because of interventions. Support led 35% of Big House participants to report increased competitiveness (**S9**) and 33% Future Factory beneficiaries to identify commercial benefits such as new orders or cost savings (**S5**). Of 14 SMEs supported by the intense Big House Accelerator, 8 and 11, respectively, created new-to-market and new-to-firm products, 3 created new jobs and 3 accessed finance for growth (**S9**). One co-founder explained how the SME won a 3-year contract to double their revenue (**S6**).
- b) SMEs consistently reported increased management confidence and competence, team performance, *"improved decision-making"*, ability to *"manage change effectively"* (**S8**), and resilience in the face of Covid-19 (**S7**). One UpScaler participant Managing Director explained that as a result of their participation: *"Having taken the right decisions for the right reasons we found ourselves prepared when the current crisis arrived, and we have worked on and through pretty much unaffected"*. Another said: *"Being part of UpScaler has encouraged us to raise the bar and adopt new techniques... we're far more strategic in what we do."* A third added: *"[UpScaler] is very much run for the benefit of the participants, not to big up the organisation"* (**S7**).
- c) Further evidence of direct impact on SME turnover and jobs, in spite of economic challenges comes from UpScaler participants reporting turnover growth of 38-60% p.a. and jobs growth of 2-25% during the project, while a Big House Accelerator participant reported: *"we've been really busy so have recruited two more team members, taking our team to 8 from 4 when we started the programme"* (**S7**).

Reach of the Impact:

Our unique approach to bespoke management development; and the evolving Ecosystem for SME support (**S5**, **S8**, **S9**), was called '*outstanding*' by The Small Business Charter (**S4**), leading to a contribution to the design of a national Small Business Leadership Programme (**S11**). The Interreg Europe Scale Up Project (**S10**) identified the UpScaler programme and Big House Accelerator as Good Practices, with partners from 6 countries learning from the programmes. **S4** states:

"[UpScaler] has raised the profile of D2N2 with the national ScaleUp Institute and has been acknowledged as a best practice by the Interreg Scale Up programme. This has influenced the East Midlands Chamber to embed support for Scaling SMEs ... across its full geographical area of Nottinghamshire, Derbyshire and Leicestershire."

5. Sources to corroborate the impact

S1. Testimony from Nottingham City Council Head of Business Growth.

S2. Nottingham City Council's Bid for the Big House project funding. This makes 40 references to Creative and Digital D2N2; quotes the Sector Development Action Plan (SDAP, 2015), and demonstrates the significance of the impact. Project is now funded from 2016 to 2022. *The sector group took this report and have used it as the basis for this project."*

S3. East Midlands Chamber, Derbyshire, Nottinghamshire & Leicestershire, Testimonial from the Deputy Chief Executive who also sits on several Board and Strategic groups of the D2N2 LEP. The draft letter reflects the input of NTU research on policy development and implementation, and the impact that this has had on SME support. (To be finalised)

S4. Small Business Charter reassessment report and feedback (2019). Independent assessors awarded NBS all 31 possible dimensions of NTU's engagement with SMEs and policy makers and commends the impact of NTU's Ecosystem of support for SMEs. Of SME impact see page 9.

S5. Future Factory and Working With You Evaluation report (2015). Summarises project impact and value for money, SME outcomes and experiences, and lessons for future projects. Confirms that Future Factory supported 374 SMEs (for 12+ hours). It illustrates the significance of the impact:

“All of those interviewed ...reported that there would be positive impacts on their businesses in the future as a direct result of the intervention. Some were already experiencing the impact, for example one company reported a 70% increase in turnover and two new jobs as a direct result” (pg. 15).

It also confirms half of Future Factory respondents had introduced new products/processes or planned to do so; one third to one half had a greater commitment or capacity to adopt sustainability improvements; and over one third reported commercial benefits such as new orders or cost savings (pg. 16).

S6. Big House Accelerator Booklet 2019. A summary of project activities and case studies from the participants of Cohorts 1 and 2. Extract: The co-founder of Railston & Co (Nottingham, 2019) explained that the SME won a 3-year contract to double their revenue and achieve their growth target for 2019. Attributes success in part to support received from the Big House Accelerator.

S7. UpScaler project booklet. “Support for Scaling Businesses in Derbyshire and Nottinghamshire. Case Study Collection SME Feedback and case studies” - video and written case studies featuring small business beneficiaries including P. Ducker Systems Ltd. (Derby), Paintman Paints, (Retford) TTK Ltd (Nottingham) PNE Controls, (Mansfield)

S8. D2N2 Growth Hub Scaleup evaluation report (2018) – first phase longitudinal report of participant feedback. Links SME impacts to the quality of delivery in previous evaluations *“diagnostics were ‘extremely useful’”, interventions led to “change or solidification of the business’ strategy, vision and values... adoption of new tools or techniques.”*

S9. Big House Assessment Report: (2019) summarises evidence of outputs achieved across the whole Big House partnership, with narrative relating to outcomes and approaches. 55% of respondents had adopted new processes due to the Big House support another 35% agreed that, their business was more competitive due to the support from Big House,

S10. Newsletter of the Interreg Europe Scale Up Programme following the virtual study visit to Nottingham in November 2020.

S11. CEO of the Chartered Association of Business Schools Testimonial. CABS is responsible for the Small Business Charter and is the Accountable Body for the Small Business Leadership Programme (awaited - to be added).