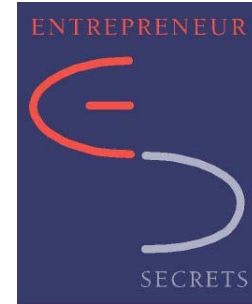


PRESS RELEASE



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BUSINESS INFORMATION BODY CALLS FOR RETHINK OVER ENTREPRENEURSHIP SUPPORT 'BLAME GAME'

Public sector support schemes for entrepreneurs should stop blaming business owners for their low take-up.

Public bodies providing business support need to recognise and accept that scheme failure is the fault of that body, not of their customers, according to enterprise information company *Entrepreneur Secrets*.

They said that all too often public bodies spend large sums of tax payers' money on schemes which are irrelevant, inaccessible or unsuitable for the entrepreneurs they are supposed to help.

Entrepreneur Secrets Director, Dr Alan Dowler, said: "Entrepreneurship support policies stem from the need to ensure a healthy and growing economy. Such interventions have a long history, going back to the original 'Enterprise Allowance' programme.

"Business support covers several areas of activity, correcting market failure, and improving access to services as well as business advice.

"A basic lesson of business is to know the market the business is in. Without that knowledge the business will fail. Yet all too often public bodies spend large sums of tax payers' money on schemes which are irrelevant, inaccessible or unsuitable for the small businesses they are supposed to help.

"It will come as no surprise that these schemes have a low take up level. However, what is depressing is that the public funding body then goes on to blame the entrepreneur for not getting involved in the scheme or programme.

"When a firm fails because nobody buys their product, we rightly blame the business. As a first principle, public bodies providing business support need to recognise and accept that scheme failure is the fault of that body, not of their customers," he said.

Entrepreneur Secrets asserts that good schemes, well planned, researched, costed and priced can and are successful.

Dr Dowler continued: "Tax payers' money must be used efficiently and an element of targeting is required. However, it is often the case that the form of targeting is in effect a form of exclusion and in the long-term works against the underlying objective of the whole programme.

“An excellent example is Business Links when they were first established. Their target market was businesses with 10 or more staff. This was not clear, as the service was marketed generally.

“When a small business sought help, they were turned away. And like any other consumer who has had a bad experience, small businesses have long memories and they talk! Only recently has Business Links been able to finally leave its ‘anti-small business’ image behind.

“Yet we seem about to make the same mistake again. Nationally there is a call for business support resources to be put behind ‘high growth’ businesses.

“There are strong feelings amongst smaller businesses that the public sector deliberately seeks to engage with strong growth businesses in order to be seen to be “associated with success”.

“Strong growth businesses have already proven they know what they want and how to get there. Entrepreneurship support should surely be aimed at raising other businesses to the same level.

“So why is there this idea that ‘high growth’ is inherently good? Possibly this is a reflection of the length of the life of a Government and the need to show results before the next election. It could also be a reflection of the focus of the London Stock Exchange on short pay-back times for any investment.

“There is a strong argument that we need to focus on “low growth businesses with potential to become high growth businesses”. This may lead to a far better understanding of how growth is achieved and solutions found to encourage those entrepreneurs who decide not to grow because of perceived barriers such as employment law or other forms of legislation, or the need for very specialised advice.

“Thus we should be focusing on developing sustainable businesses: businesses that are well run, are efficient in their use of energy and materials, where people want to work and share the achievement and satisfaction of a good job well and profitably done,” he said.

Entrepreneur Secrets is a business information service for success-hungry entrepreneurs wanting to find out which types of businesses will thrive over the coming years.

To find out more about: Entrepreneurship, the Futurology Forum, Patents Database, Opportunities in China, Ideas at Work, Secrets for the Successful Entrepreneur, and much more, access: www.entrepreneursecrets.co.uk / Telephone: 0845 0037996

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Notes for editors: *Entrepreneur Secrets* is part of *People Solutions International Wales (PSI) Ltd*, which has over 15 years’ experience in entrepreneurship training.

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