

## **EVALUATING HANDS-ON SMALL BUSINESS ASSISTANCE IN THE LATROBE VALLEY**

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**ABSTRACT:** Supporting and growing small business to develop an enterprise culture in the Latrobe Valley, is important given the effects of privatisation and restructuring of the power industry and the resultant high levels of unemployment. The focus for this paper is the context, process and outcome of delivering hands-on assistance to a group of 30 small businesses, funded as part of the Victorian government's A\$105.8 million package to the Latrobe Valley in 2001. The purpose of outlining the recruitment of participants, the development of the individual action plans and the outcomes is to evaluate the program against its objectives. An engagement with the debates (originating mainly from the United Kingdom) about how best to evaluate small business programs occurs in this paper and the conclusion is that without specified targets it is difficult to do more than simply monitor programs.

### **1. INTRODUCTION**

Australian small businesses (those employing less than 20 people) make up the bulk of businesses (97 percent) in the economy and account for 47 percent of private sector employment (ABS, 2002a). Twenty-four per cent of all small businesses are located in the state of Victoria, which is the second highest state-based population of small business (ABS, 2002a). While Melbourne is the economic and social hub of Victoria, over half of these small businesses are located in rural and regional Victoria (ABS, 2002b). In rural and regional areas small business plays an important role in developing the 'social economy' or social capital – business development is a means of promoting social cohesion (Putnam, 1993). In less favoured regions small business development goes some way to redressing social and economic exclusion resulting from disadvantage such as high unemployment.

In this paper the focus is on the process and impact of delivering hands-on assistance to a group of 30 small businesses in the Latrobe Valley in Gippsland. Three elements of the assistance program relating to the development of the individual action plans for the 30 businesses are outlined in terms of:

- The context of the program delivery: the demands and constraints on the program and how this affected choices to translate the program into action;
- The process of delivering the program: in particular the process of a) recruiting businesses and b) developing action plans; and
- The impact of the program: for the participant small businesses, for local and state governments and for the community/region.

While there is an argument about whether or not small business should be assisted at all, for example why should public money be spent on what essentially becomes a private gain? However this is not the focus of this paper and instead the paper starts with the fact of assistance, as no other option was considered by the Taskforce. The purpose of the paper is to learn about and improve on the program; particularly given that the federal government has provided a further A\$50,000 for mentoring of these 30 small businesses. The impact of the program is discussed and in doing so there is an engagement with the (mainly) UK debates about how to evaluate small business assistance programs. The conclusion is that better specification of program objectives would enable proper evaluation to ensure knowing whether the assistance was cost effective or not.

## **2. PROGRAM CONTEXT: THE LATROBE VALLEY**

The Latrobe Valley region is about 150 kilometres east of Melbourne. The Latrobe Valley is the name of the region which equates with Latrobe City. It has a population of about 70,000 people spread across four major urban centres (Churchill, Moe, Morwell and Traralgon) in an area of 1,400 square kilometres. The Latrobe Valley's 'City' title reflects the population level even though it consists of four larger and other smaller, townships. Since the mid 1980s this area has suffered massive organisational change, industrial and workforce restructuring, primarily driven by the privatisation of the power industry (Fletcher, 2002; Gough and Pullin, 1996; Rainnie and Paulet, 2003). Since 1991, the region's population declined by 6.2 percent (DSE, 2003) and the Latrobe Valley has one of the highest unemployment levels for Victoria, with one town recording an 18.6% unemployment rate on Census night, 7<sup>th</sup> August 2001 (ABS, 2003). In Latrobe City there are a total of 2,835 businesses with some 2,632 small businesses (employing less than 20 people) (Snell, D'Urbano and Cunningham, 2002), employing around a third (32.4 percent) of all workers in Latrobe City.

In December 2000 a Ministerial Taskforce was established by the Victorian Premier to "examine the issues confronting the Latrobe Valley and report to [the Premier] on a course to provide a range of assistance, both economic and social" (Victorian Government, 2001: p. 1). In June 2001 the Taskforce recommended a A\$105.8 million funding package to facilitate longer term economic growth, boost business and community confidence and improve economic and social opportunities to those most disadvantaged in the Latrobe Valley. The Taskforce noted that "the absence of a strong commercial culture amongst small businesses

in the Latrobe Valley is an enduring legacy of the SECV's [State Electricity Commission of Victoria] complete dominance of the local economy....the small business sector in the Latrobe Valley is 'doing it tough' and requires assistance to overcome the many barriers it faces" (LV Ministerial Taskforce Report, 2001: p. 69). As a result A\$100,000 was earmarked for small business projects to encourage and support small enterprise growth, while Latrobe City Council contributed another A\$20,000 towards these projects.

In addition the Taskforce recommended the Latrobe Small Business Network (LSBN) be created as part of the process of building a dynamic small business sector in Latrobe City. The purpose of the LSBN was to address the absence, noted by the Taskforce, of any organisation that had a 'whole of Latrobe focus' to act as a voice for small business. The Taskforce made clear that the role of the LSBN was not to pursue capital works programs, major industrial investment or major events. Further the Taskforce pointed out that the role of the LSBN was neither to supplant existing organisations nor act as their peak representative body. As such, the recommendation for the membership of the LSBN focussed on bringing together representatives from the various small business sectors in the City rather than representatives from the town-based organisations. It was envisaged that between five and 10 prominent local small business identities would be members of the LSBN in addition to members representing relevant government agencies. In reality three small business people joined the network and sat alongside representatives from Latrobe City, the Department of Innovation Industry and Regional Development (DIIRD), Victorian Employers Chamber of Commerce and Industry (VECCI), Monash University, Central Gippsland TAFE, GREEN Inc (a technology focussed business incubator in Churchill), Latrobe Business Centre (a federally funded general purpose small business incubator in Newborough), Latrobe Regional Chamber of Commerce, and Gippsland Area Consultative Committee (the body that oversees and coordinates the delivery of Commonwealth funded programs in Gippsland).

Members of the LSBN worked together to develop the six projects that were eventually funded. However the Taskforce required that the projects fitted within the guidelines established by the Living Regions, Living Suburbs program for Small Business Renewal initiatives funded by DIIRD. Specifically these guidelines were:

*to provide innovative, creative and entrepreneurial small businesses in disadvantaged regions with assistance in accessing national and international markets and developing business networks. It will enable the revitalisation and renewal of small businesses in disadvantaged areas by providing initiatives that will promote an enterprise culture. Small businesses in these regions impact significantly on the overall well being of the local communities, not only in terms of employment opportunities, but also their morale. This will ensure that local communities within these disadvantaged areas are made aware and are appreciative of, the significant steps these firms are making in providing employment, investment and exports and also expose communities to new ideas and entrepreneurship.*

As such, the six Latrobe small business assistance projects were to be consistent with the Victorian government's strategy 'to rebuild and revitalise rural and regional Victoria to increase efficiency and productivity of the whole state and strengthen communities' (Government of Victoria, 2002).

### **3. PROGRAM DELIVERY: HANDS ON SMALL BUSINESS ASSISTANCE**

#### **3.1 The Project: Building Business Links 1 and 2**

The two Building Business Links projects were developed to provide one-on-one assistance from a consultant to develop an individual action plan for the participating small businesses. Each plan would be tailored to meet the specific needs of each participant establishing a pathway to business expansion and growth. These projects were to be delivered to 15 businesses from the Morwell-Moe area and another 15 from the Traralgon-Churchill area in the 12 month period to June 2003. Participating businesses would be visited at least four times over the funding period and the issues of common concern were to be addressed in a series of seminars. A project tender was advertised and awarded to Innovative Practical Marketing Pty Ltd (IPM), a Melbourne based firm.

It may seem counterintuitive to award a tender to a small business located outside the region when the aim is to grow and develop small business within the region. However IPM's independence and their location outside the municipality ensured they had no 'political axe to grind'. Moreover, as IPM did not operate from a particular town in the Latrobe Valley there could be no accusations of town 'favouritism'. The consultant could be objective when discussing aims and actions with the 30 participants and this allowed a certain freshness to be injected into the established businesses participating in the program. Further, IPM was not selling another agenda: the appointments were not used as cover for gaining future consultancy business as this can turn small business people off from assistance programs. As a result, throughout the funding period IPM acted with integrity, and trust was generated between the consultant and the participants.

The main demand on the delivery of the program was the time frame for completion. While the funding was for a 12 month project the consultant was appointed in August 2002 and all action plans and final reports had to be completed by 31<sup>st</sup> May 2003. The funding covered a minimum of four visits per business of at least two hours. Adhering to the program budget, including travel costs and time allocated for each business, was a constraint. The objective was to make as many appointments as practicable, while giving priority to each separate business 'on their appointed day'. However other important business priorities and rescheduled visits all contributed to time being a constraint. The total program period of 10 months was tight. Ten months might have been suitable to, and fitted with, recurrent government budgets, it compressed the time available for participants to absorb information and ideas.

### **3.2 Recruiting Participants**

Once IPM was on board LSBN members were asked to suggest small businesses who might be approached about participating in the program. The consultant also spoke to other key stakeholders in the small business community including: business associations in Moe, Morwell and Traralgon; officers with the local, federal and state government agencies dealing with small business in the region; staff at Central Gippsland TAFE working with small business; and other organisations involving small business owners. An invitation to participate was also posted on the Gippsland portal – [www.Gippsland.com](http://www.Gippsland.com).

For small businesses to be eligible to participate in the program they needed to fit the following criteria which DIIRD uses for small business programs.

- The business had been in operation for more than one year;
- The business employed at least two staff;
- The business operated ethically;
- The business was not in direct competition with any other business participating in the program; and
- The business operated in Latrobe City and was in a location that gave a balanced distribution of businesses across the municipality.

The consultant discussed each nomination with Latrobe City's investment manager and those not fitting the criteria for participation were eliminated. Authority to sign off on the participant list rested with the DIIRD/RDV small business officer.

In at least two cases, suitable businesses were identified but they were eliminated as it would have lead to an unbalanced distribution across the municipality. In some other cases nominated businesses were disqualified because they were for sale or closing down. In other cases business owners approached to participate were "happy with the way things were already" and some did not want "someone from outside asking difficult questions" or "finding out about their business" and therefore were not willing to participate. Other reasons for not wanting to participate included, "we don't have time" or "we are working all day".

Once a small business was nominated the owner/manager was visited or phoned by the consultant or Latrobe City's Investment Manager. Initially, some business owners wondered about the motives of government with such a program. There was disbelief from about 10 people that the program was free of charge. Comments from owners included, "well if this correct, then why is the government doing this?" and "what is the government getting out of this?" These reactions may reflect the attitude by small business owners that 'governments never do anything for them' or that government is 'up to its tricks again'.

Alternatively these reactions may be due to the inability of government agencies at all levels to market business assistance programs successfully. This problem is not confined to Australia. For example, the use of Business Links services in the United Kingdom has been examined by a range of authors (for example Bennett, Robson and Bratton, 2001a; 2001b; Mole, 2002; Oztel and Martin, 1998) and shown to exhibit low levels of take up of its services by the

small business community. According to David Storey, in 2002 take up rates for Business Link services varied between 10-35% (personal communication, 19 Aug 2003).

In contrast, other potential participants had the attitude that government must foster business development but wondered why they had been targeted. There were at least seven people who asked “how was I nominated?” or “who nominated me?”. Generally this was overcome with the answer “someone who thought your business was worth supporting”. While particular businesses were not targeted, some people considered the face-to-face aspect of someone from the government finding about his or her business to be an intrusion. For two people confidentiality was an initial concern and they did not want competitors to learn details of their business. Others asked questions such as “who will see my action plan?”, or “who do you tell about my business?” indicating they were concerned about market and business information being revealed. For another business owner, there was some confusion about the outcomes and how it fitted with a course he was undertaking. In some cases, the program had to be ‘sold’ to participants. The IPM consultant and Latrobe City Investment Manager worked had to overcome scepticism about the benefit of participating in the program.

The time to recruit 30 businesses took longer than anticipated because not all of the nominated businesses were willing or able to participate. Some who participated either started early or started late. For example, one participant required the action plan to be developed before she started with a new client in November 2002, while three participants commenced the program in January 2003. In these four cases the relatively short time between visits meant participants did not necessarily gain the benefit of having time to consider solutions or feedback from the consultant. For the three late starters, the time frame was too short for them to feel that they had completed the project.

### **3.3 Delivering the Program and Developing Action Plans**

As part of the program, every participant had four visits of about two hours each. It was during these visits, that the action plan was discussed and developed. In addition, the consultant spent additional time researching or writing the action plans. Visits were scheduled to suit both the consultant and participants, and often this meant specific days and months were more suitable appointments. For example, appointments with retail participants were frequently interrupted as the owner served customers, while December was unsuitable for appointments. On some occasions, participants simply forgot appointments, while in some cases appointments were formally postponed to a mutually agreed date or time. At other times there was confusion about times or dates, despite confirmation of the appointment beforehand. There were also some late starters: a retail jeweller for instance, waited until January 2003 to start, as they wanted to gain full advantage of the peak trading months of November and December. Others commenced towards late 2002. Situations such as this required careful planning in establishing appointments with other businesses that had commenced earlier.

When it came to actually developing the action plan many participants did not have a formal business plan. Indeed some did not have goals or a direction

for their business over the next three years. Therefore, part of the role of the consultant was to work with the participant to clarify the direction for their business, determine what they wanted from the business and work out what were the major issues affecting the business. After these were agreed, the consultant worked with participants on possible actions to progress their business and possible completion times. All actions related to the agreed strategy to achieve both individual and business goals. An example of an individual goal was that one couple wanted to have their first holiday in the seven years they had been running their business. In some cases, action plans included how participants were going to complete the tasks that had been on their 'Things to Do' list for some time.

A number of issues, typical for many small businesses, were encountered by the consultant – retaining a business focus, monitoring cash flows, marketing, maintaining a 'sharp' direction to advance the business and remaining true to their identified market segment. For 20 percent of the businesses, succession planning was important and this reflected the owners' age. Processes to reduce the dependency of the business on the owner(s) were important for many of the participants.

Five participants focussed their action plan on improving the professionalism of their business. This was a recognition that business development needed to be underpinned by written procedures or policies to document operations and standards for operations. Further, there was a recognition that staff training to use and follow these procedures was also required. As part of this activity participants were encouraged to involve staff in documenting and developing improvements in processes and procedures and to keep staff informed about the main issues affecting their business.

Many small business owners did not know where to find information or they did not have the time to follow up and search for information they needed. By having a consultant work with them participants were able to source more information relevant to developing their business. During action plan meetings with the consultant, all participants received information they might not have otherwise known. For example, at the instigation of the consultant, four businesses received information from DIIRD and Austrade to help them develop specific aspects of their business. Three businesses were given information and forms related to effective staff training and management.

All participants were presented with new ideas and approaches to benefit their business. These ideas were discussed and through a process of negotiation and agreement, these ideas were often incorporated into individual action plans. Throughout the process the consultant emphasised that while there was value in the process of producing an action plan, this value would not be fully realised if the action plan was not implemented and the progress to achieve goals not monitored.

A similar message was reinforced at the seminars to which all participants were invited. These seminars focussed on marketing, accounting, safe working, use of technology, succession planning and stress management. The seminars were a source of new ideas and practical approaches to business management.

Presenters encouraged participants to develop actionable plans and use them. At each seminar participants were encouraged to find at least one 'take-home' message for them to implement immediately.

### **3.4 Program Benefits**

When the program began it was assumed businesses would get involved immediately but when this did not occur it was necessary to 'sell' the potential benefits of program to them. Overcoming scepticism about the potential outcomes was important but it meant part of the consultant's role was spent working through where the business was going and where the owner wanted it to go. When participants thought "Hey, maybe I'll learn something" they were won over, albeit that the majority were convinced and realised the benefit of participation from the start.

A number of benefits were realised for participating small businesses. For example, the owners of two businesses felt more confident about themselves and their business as a result of receiving and using information about staff training and management skills. Four participants were considering or had employed more staff as a result of this program. Two participants were able to continue running their business as a result of developing their action plan, while five participants developed succession plans for their business. Others had involved staff in documenting and improving processes and procedures. These participants found this led to improved staff attitudes in their business. Further, these participants noted improvements in their business' operational capabilities, productivity and professionalism. Indeed in one small business the time to complete a specific task was reduced from six to two weeks without a decrease in the quality of the work.

Three businesses were promoted in both the local and Melbourne metropolitan newspapers, and while this was good for the business concerned, it was also a benefit for the region and helped promote the fact that there were innovative businesses in the Latrobe Valley. The local publicity for the seminars and the participants, and the 'good news' stories of achievement by many of the participants has helped to raise the overall confidence local people have in the region's small business sector.

The program also included seminars for the participants to attend. These provided participants an opportunity to network and meet other small business people in the Latrobe Valley. As a result the seminars helped reduce the feelings of isolation many small business owners feel. Moreover after the seminars, some participants indicated that they realised that they were 'doing some things right', which boosted their confidence.

Benefits were also realised for government. In particular the consultant notified participants of up-coming relevant seminars sponsored by government agencies as well as provided information on other government programs. The consultant referred four participants to various local, state and federal government agencies, which enabled additional, specific liaison with these businesses. All small business officers attended the seminars and this which gave them an opportunity to liaise with participants and hand out relevant information.



This helps to overcome the problem that in Australia government agencies are often the final port of call for small businesses seek assistance (Barrett, 2003; Jay and Schaper, 2003).

The program also reinforced the already strong working relationships between Latrobe City, state and federal government officers working with small business in the region. At the same time working with the 30 small businesses lead to an increase in the awareness at each level of Government that there were many 'good news' stories of achievement and inspiration in the region. Participants developed an appreciation of the role of all levels of government, however wider recognition of the work local government officers undertake with respect to small business is still an issue.

Many sources of small business assistance exist in the Latrobe Valley, including seminars, workshops, print and internet-based information and various small business programs. But the lack of a central point from which small businesses can access information is problematic. This makes it difficult for small businesses to find the most appropriate agency to contact and to work out what seminars or training programs are being held and by whom. This issue was addressed by another of the small business projects funded by the Taskforce which recommended widening the LSBN's membership to include all small businesses in the community. This recommendation has been supported by Latrobe City Council while the current LSBN members have developed a vision and mission for the expanded network, although the mechanics of developing a membership-based network have not yet been finalised.

### **3. DISCUSSION: EVALUATING SMALL BUSINESS ASSISTANCE**

Storey (1994; 2000), Curran (2000) and Gibb (2000) have addressed the issue of evaluating small business assistance programs. Evaluating small business assistance is important as knowing whether a program works or not has implications for future policy and assistance. As Curran and Blackburn (2001) write:

*As a result of the reluctance of practitioners (and policy makers) to keep up with research on small business, the 'I don't need to read all the turgid tosh produced by academics' approach, is a tendency to continually reinvent the wheel. Projects are undertaken and policies adopted without finding out whether similar projects have been undertaken or similar policies tried and what research has suggested are the likely results (p. 24).*

Storey (2000) outlines 'six steps' to evaluating small business development program and argues that most evaluation falls well short of the ideal. The six steps he identifies range from least to most sophisticated forms of evaluation and include: 1) the take up of the program; 2) the recipient's opinions of the benefit of the program; 3) recipient's views of the difference made by the assistance; 4) a comparison of the performance of 'assisted' with 'typical' firms; 5) a comparison of performance with match firms (which means to match firms on the basis of age, sector, ownership and geography and compare the performance of the two groups over time); and 6) by taking account of selection bias in firms access to programs (which is an application of a statistical procedure known as

the Hackman two step adjustment procedure) (Storey, 2000: p. 180). Storey argues that most 'evaluation' does not move beyond monitoring (steps 1 – 3), which "merely either documents activity under the program or report participants' perception of the value of the scheme" (Storey, 2000: p. 180). Monitoring differs from evaluation or "demonstrating analytical rigor, to determine the impact of the policy initiatives" (p. 180) in that it demonstrates the outcomes of the program.

However, the fundamental difficulty in conducting evaluation, which Storey acknowledges, is knowing the 'true' political rather than stated policy objectives of the program. Moreover, objectives are often not quantified with set targets and therefore it is difficult to know what level of new job creation or new enterprise development for example, has to be achieved before a program could be considered effective. As Storey (2000: p. 179) argues, "Once the objectives are set, then numerical targets need to be specified. Only then can evaluation take place". Finally, unless evaluation has been budgeted for and planned *prior* to the program beginning, it is most difficult, if not impossible to undertake the types of evaluation recommended by Storey as steps 4 – 6 and as such the 'evaluation' falls back on being little more than simply monitoring programs. This has implications for the research design and methodology to evaluate assistance programs.

When the Building Business Links 1 and 2 programs are evaluated against the objectives of the Living Regions, Living Suburbs program for Small Business Renewal initiatives under which they were funded it is possible to see the program was effective. For example there were essentially three parts to the Living Regions, Living Suburbs program objective. The first part of the program objective was "to provide innovative, creative and entrepreneurial small businesses in disadvantaged regions with assistance in accessing national and international markets and developing business networks". Certainly the participants were given information to assist them in developing their business and thus accessing markets. The seminars provided participants with networking opportunities and these business owners will be invited to be key members of the LSBN when the details of operating the network are finalised.

The second part of the program objective was to "enable the revitalisation and renewal of small businesses in disadvantaged areas by providing initiatives that will promote an enterprise culture". An independent consultant worked with participants to generate ideas and develop these into an action plan for expansion and growth. New business ideas were also provided through the seminars. A number of the action plans focussed on ensuring the longevity of the business as well as reducing the dependence of the business on the owner. As such, this program and associated seminars could be said to be important in developing an enterprise culture in the Latrobe Valley.

The third part of the program's objective was to "ensure that local communities within these disadvantaged areas are made aware and are appreciative of, the significant steps these firms are making in providing employment, investment and exports and also expose communities to new ideas and entrepreneurship". One interpretation of what this part requires is publicity.

In this regard the program was again successful as a number of participating businesses were profiled in local and Melbourne metropolitan newspapers. The *Latrobe Valley Express*, the local newspaper, also reported on seminars usually accompanied by a photo of people attending. Articles and news reports served to increase attention on small business. Indeed the increased volume of (mainly) small business news in the local paper encouraged two of the authors to successfully lobby the Editor for a regular dedicated 'Business News' page.

Marketing the Latrobe Valley, both internally and externally, is an important element in changing perceptions about the depressed state and industrial nature of the region and in stimulating investment and economic growth. This is consistent with the more general approach by state and federal governments to marketing to change perceptions of the image of regional Australia (Regional Business Development Analysis Panel, 2003). Such is the importance of marketing in the Latrobe Valley that the Ministerial Taskforce funding package included A\$1 million for marketing activities and the current campaign includes a focus on small business.

Clearly therefore it is possible to evaluate this program against its objectives and conclude that it is effective. However our attempt above to evaluate this program is also arguably nothing more than monitoring. In this paper the activity and reported participant's views and experiences of the program have been documented. The problem lies in the manner in which the objectives are determined in the first place. In particular there are no measurable targets set against the objectives. As a result while the program was effective from a subjective viewpoint, when measured objectively the same cannot be said with authority. Primarily for this reason Curran's (2000) attempt to determine what small business policy in the UK over the previous 20 year period lead to him to conclude that "the widespread received political wisdom on the benefits of small business support is worth a close questioning" (p. 46).

#### **4. CONCLUSION**

An editorial in *The Age* (27<sup>th</sup> Oct 2001) around the time of the announcement of the Taskforce funding package called the Latrobe Valley 'unhappy valley' and said "the break up and privatisation of the SEC, have left the Latrobe Valley in a permanently depressed state". This is no longer true in regards to the small business sector. The survey of Latrobe small businesses in December 2002 showed strong growth intentions for 2003: 42% were intending to increase market share; 24% indicated they were looking to increase staffing; and 27% were seeking to expand their range of products and services (Barrett, 2003). Given the importance of small business to the Latrobe Valley community generally it is possible to argue that having a strong and confident small business sector impacts on confidence more generally.

Clearly it is difficult to evaluate the exact impact of any small business assistance program and in effect some may argue that this paper 'monitors' rather than evaluates (cf Storey, 2000) the impact of the Building Business Links 1 and 2 programs. However when measured against the objectives for the initiative under which the programs were funded the conclusion can only be that

they were effective. However what cannot be concluded is that the program was responsible for the improvements in these small businesses – the so called counterfactual – because it is not possible to know what would have happened to these small businesses in the absence of the program. As Storey (2000) would argue, because selection biases have not been taken into account it is not possible to know whether the outcomes attributed to the program can actually be attributed to other factors such as individual or firm level characteristics.

What is known is that the program served to promote small business in the Latrobe Valley. This can be seen through the involvement of the three levels of government in the project. More communication, cooperation and coordination between agencies resulted as did closer working relationships between these agencies and small businesses in the region. As a result of the program, Latrobe City is working more closely with the small business community and Invest Latrobe, the unit involved, is able to market itself more effectively.

One of the key lessons learned from the delivery of this program was that assistance needs to be ‘sold’ to potential participants. Through one-on-one contact this was possible however this is a resource intensive approach. There is a need to get the message across to all small businesses that assistance is available and where multiple levels of government are offering this assistance the message needs to be streamlined, which requires all levels of government working together. To encourage a take-up of assistance there must be evidence of the benefits.

Benefits in terms of increased employment, confidence and productivity were reported by participants. Even though it is not possible to be sure ‘objectively’ that these benefits were a result of participating, 20 of the original participants are continuing in the program over 2003-2004. This time the program is funded under the federal government’s Small Business Enterprise Culture Program and the focus is on mentoring and implementing actions from the action plan. As such, there are clear objectives against which the effectiveness of the new program can be measured.

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