

business TODAY

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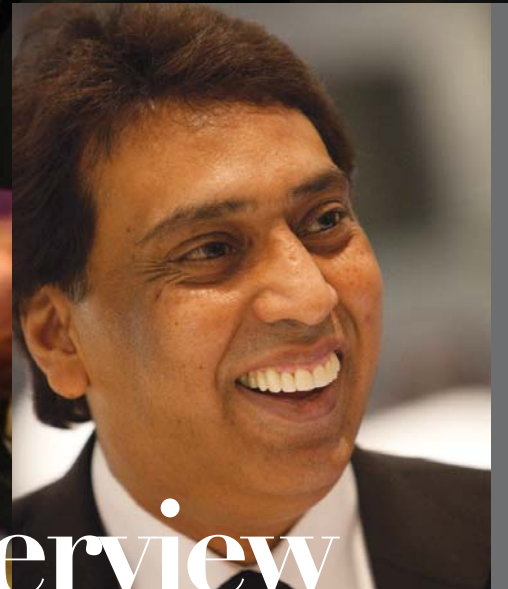
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plus

*Doug Richard
on helping
small businesses*



with AARON TURNER



with MUMTAZ KHAN

Q&A

interview

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Business in motion

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businessTODAY

is Ten Alps' new business title. It is uniquely aimed at delivering key opinion and advice to UK SME owners and managers through a unique editorial board of independent contributors.

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Making sense of health and safety



'Risk assessments are always too long and complex.'

Talking sense

On its own, paperwork never saved anyone. It is a means to an end, not an end in itself – action is what protects people. So risk assessments should be fit for purpose and acted upon, not a bureaucratic exercise in form-filling.

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- Sensible risk principles: www.hse.gov.uk/risk/principles.htm
- Five steps to risk assessment: www.hse.gov.uk/risk/fivesteps.htm



Helping SMALL BUSINESSES

Peter Mandelson, secretary of state for business, Department of Business, Innovation and Skills (BIS) outlines how the Government is helping small businesses to survive during the economic downturn

The UK is a nation of small businesses. They are the pioneers behind many innovative products and services and what's more our whole economy relies on their contribution, more than £381bn in 2007. But many businesses are struggling to free up the cash flow they need to invest in their company and that is something this government is determined to address.

That's why we have spent the past six months recapitalising the banks, securing over £50bn in loan and working capital guarantees to ensure viable small businesses don't fail just because the banks don't have the funds to authorise their loan or overdraft agreement. To date, over 3,000 companies have submitted eligible applications under the Enterprise Finance Guarantee Scheme worth more than £344m.

We've also changed tax rules to allow small companies to defer tax and VAT payments in order to preserve working capital. More than 127,000 small firms have deferred tax payments worth over £2.2 bn. While, in excess of 50,000 companies have taken advantage of a 'free health check' through Business Link in order to assess ways of maximising the effectiveness of their business. I'd

encourage every small firm to visit the Business Link site to understand what help and support is in place to help them.

My own discussions with small businesses have also confirmed that one of the biggest challenges they face is late payment, which can mean the difference between success and failure for any business, regardless of their profitability or order book. And for many business owners

"I'd encourage every small firm to visit the Business Link site to understand what help and support is in place to help them."

failure in cash flow doesn't just mean they lose their business but also their home. That's why I have been so passionate in supporting prompt payment and why in May, my BIS colleague Shriti Vadera (minister for economic competitiveness, small business and enterprise) persuaded a further 11 major international companies to sign up to the prompt payment code.

That brings the total number of companies committed to the scheme to 186, which is a good start but proves that we have a very long way to go if we are to rise to the challenge of these extraordinary times.

Our role is clear, we must get as many large companies with substantive supply

chains to sign up as we can and this is challenge I am very passionate about. We continue to champion the benefits of prompt payment to all companies – establishing a reputation as a good customer, access to better deals and discounts for paying promptly and positioning themselves as a priority customer when supplies and services are in demand.

And we will continue to lead by example. Currently government pays nine out of 10 invoices within 10 days, settling £66 bn worth of bills more quickly. Again, it's a good start but there's still more we can do.

I am extremely pleased the regional development agencies have signed up to the prompt payment agreement, but still only a third of councils responding to a recent Local Government Association (LGA) survey had pledged their support. We as government have a duty to set the example and we must, therefore, get as many departments, including local councils and the NHS on board.

One of the main problems a recession brings is its ability to undermine people's confidence – suppliers fear they won't be paid; consumers are concerned that companies will go bust and investors are worried about losing money. But by ensuring good business practices in the form of prompt payment and by making sure businesses can access the funds they need we can begin to restore confidence in the UK market. ■

More: www.bis.gov.uk

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Real help for businesses now

 **HM Government**

We're ready to help you

Jobcentre Plus is a modern, responsive recruitment service that offers a wide range of support that can help your business find staff and respond to change during the recession

AT JOBCENTRE PLUS our services are designed for businesses like yours that demand flexibility and reliability. This guide explains the support available so that you know which service is right for your needs.

VACANCY ADVERTISING SERVICE

If you need to advertise a vacancy quickly and effectively, this could be the service for you. Register your vacancy either online or over the phone and it will reach thousands of candidates who are looking for an opportunity to work. Jobcentre Plus can give advice on the best wording for your vacancy and can make sure your contact details are displayed so those applicants can reach you directly. This support is fast and free. You will be put in touch with a local contact at Jobcentre Plus.

EMPLOYER DIRECT ONLINE

Employer Direct online is a free service from Jobcentre Plus that means you can manage your recruitment needs at a time that's convenient to you. Once you've become an approved user you can register jobs and check, update or remove vacancies any time. It gives you total control of your jobs. Your vacancy will appear on the UK's premier recruitment website which receives more than two million visitors a week. It will also feature on our national network of touchscreen terminals in Jobcentre Plus branches as well as being accessible via a phone-matching service which receives around 12,000 calls a week. Place a vacancy with Employer Direct online at: www.jobcentreplus.gov.uk/key

EMPLOYER DIRECT

Alternatively, you can place your vacancy over the phone. Just call Employer Direct on 0845 601 2001 (8am – 8pm Monday to Friday, 10am – 4pm Saturday) and speak to an adviser who will work through your



requirements with you and explain how applicants can access your vacancy.

RECRUITMENT ADVISORY SERVICE

To help you reach previously untapped pools of talent in your local area, talk to the Recruitment Advisory Service. For employers who are willing to consider applicants from previously overlooked backgrounds, Jobcentre Plus is able to offer a range of options from pre-employment training to offering applicants on a trial basis.

Jobcentre Plus is also working hard to support your business through the recession. Working with the Government it is offering £1,000 whenever employers recruit someone who has been claiming Jobseekers Allowance for six months or more and access to up to £1,500 worth of free in-work training for employers willing to recruit and train unemployed people. Plus, the touchscreen terminals in each of its 744 branches showcase Europe's biggest database of jobs and a host of initiatives to help you find dedicated new staff. There is also a network of Jobcentre Plus staff ready to work hard to find the people who best meet all your requirements.

LOCAL EMPLOYMENT PARTNERSHIPS

Local Employment Partnerships (LEPs) are a cost-effective way of finding the right people for the right job. The initiative provides exciting opportunities for previously overlooked potential in the labour market, giving employers access to people with ready-to-work skills and attitudes. So far, more than 130,000 people have been helped back into work this way. Jobcentre Plus can arrange additional support such as pre-employment training, or set up a Work Trial to help you invest in the untapped pool of talent within your own community.

LEPS IN ACTION: SCOTBEEF

Glasgow-based family business Scotbeef know all about having tough recruitment needs. A national shortage of skilled butchers meant it was struggling to find new recruits. HR manager, Charlene McGown, turned to Jobcentre Plus for help to find staff willing to be trained. Through the LEP, new recruitment and induction methods have been developed to bring the right people to the business. "With the support of Jobcentre Plus, we have been able to access a wide selection of people and have a three to four week interview process. This has included pre-employment training in areas like food hygiene and knife skills, a tour of our facilities, and a two week Work Trial," explains Charlene. "We now have seven enthusiastic and keen individuals who are ready to be trained, and we aim to take on more trainees later in the year."

Go to: www.jobcentreplus.gov.uk/up

RAPID RESPONSE SERVICE

If the worst happens and you need to consider redundancies, we can help you handle the situation and provide support for you and your employees. The Rapid Response Service (RRS) is on hand so that, where possible, support can be made available before people lose their jobs so reducing the time it takes to find new employment. Since November 2008 the RRS has helped over 1,000 employers facing redundancy. Delivered in partnership between Jobcentre Plus, skills bodies, development agencies and local authorities, RRS funding ensures that Jobcentre Plus can deliver the support individuals need which cannot be sourced elsewhere. This includes skills transfer analyses, job-related training, and support to take up a new job such as initial travel costs or help with childcare costs.

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Rewriting history



Bill Midgley, past president of the British Chambers of Commerce, tells Business Today why recent history cannot be ignored by those in positions of power

During a recent visit to France I was privileged to watch the celebrations of the D-Day landings marking the start of the end of World War II by the American and French forces! A rather interesting interpretation of history, particularly given that during the same time I was able to glean that the French were also the victors in the 100 years war, admittedly a few years before 1944. Agincourt must have been a tactical victory for the French, rather like Waterloo! I shall say no more about the D-Day celebrations other than that the major contributors were the British Forces, an indisputable fact.

The month of June also marks the 60th anniversary of the publication of George Orwell's novel 1984, which whilst having a mixed reception initially has become one of the classics of English Literature. The link between the two events is quite ironic in that it is in Orwell's writings that we learn of the ever increasing control of our lives by the state, particularly with the reference to the rewriting of history and in the provision of inaccurate and deliberately false information by governments and politicians to further their own ends. Whilst I am aware that history is often written by the winners, revisionist history often merely changes the outcome of events for the convenience of short term political gain and stature.

So what has this to do with business in general, and the general tenure of these articles? It is quite simply that what I

witnessed in France and what Orwell wrote about was no more than what we have seen in political and governmental life at the present time. There is a long record of inaccurate information that is being provided by government agencies even from such august bodies as the Office for National Statistics, although I do accept that not everything which is inaccurate is deliberately so. Politicians have a much greater case to answer in that they merely tell us one thing and do another, with an increasing level of arrogance which is beyond comprehension. I shall say nothing about the expenses fiasco, as many others

“Maybe something to do with my age but I am naïve enough to expect a degree of honesty from politicians and those they put in place to administer our lives.”

have written on that and we all have our own views, but deliberately withholding truth, manipulation of facts for short term advantage, and misinformation, seems to be what we now have to live with. In what passes for a democracy for the UK, we are invited to elect governments of any colour on a political manifesto which is sidelined as is convenient. An insult to the public, but recent events have shown us that the political world does treat the electorate with a great contempt.

Unfortunately this attitude of condescension leaks into the world of business where we are constantly told how to run our businesses and how much better we can be, invariably from those

individuals who have never run a business and it is questionable whether they would ever survive in a real organisation when asked to make real decisions. It takes months to decide whether we are entering into a recession whilst the whole business world is aware exactly what the true situation is and now we appear to be moving out of recession! Try telling that to those businesses which are going into administration or receivership, or the increasing number of unemployed across the country and particularly in our own backyard.

Maybe something to do with my age but I am naïve enough to expect a degree of honesty from politicians and those they put in place to administer our lives, and that is perhaps why I and many others feel so severely let down by those who govern us and yet put themselves so way ahead of those they seek to represent. The arrogance of politicians, however, may be somewhat short lived as recent events have created a new mood in the electorate and we are well within 12 months of the next election, which hopefully is a frightening thought for many of our MPs. They may attempt the Orwellian approach of rewriting history but the public has a longer memory than it is often given credit for.

In the coming months it is we who will be acting as Big Brother and we will be watching politicians of all colours. So whilst the novel 1984 finished on a somewhat depressing note in so far as the freedom of the individual was concerned, it just may be that those who now seek to serve the public rather than rule them will gain the greatest support, those who ignore recent history will pay a high price.

In the meantime I shall continue to read the history pages, biased as they may be in their reporting, in the hope that somewhere there still remains a true record of events both past and present.

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Real help for businesses now

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Stop watching the desktop icons

Philip Smith column



The toolbar on my PC desktop includes a little weather icon. It's nothing special – comes as part of the Windows Vista package. But I'm struck by how often the icon tells a different story from the weather I can see from my window

Right now, for example, it says it's raining. Well, it's not. There is blue sky and the sun is out. Okay there may be the odd darkish cloud gathering in a half-hearted menacing way, but it's hardly threatening a downpour.

It seems to be a similar story with the economy. The Bank of England governor is going around telling us the recession will be longer than previously thought. "The economy will eventually heal, but the process may be slow," he said last month (May). Figures show deflation is setting in, and confidence low. Stock market rallies are written off as a 'dead cat bounce' (what a wonderful image that is) and the credit rating company Standard & Poor's threat to downgrade the UK's 'triple A' status is impacting on many previously safe havens for investors.

So, on the face of it, it's not looking good. But I reckon these are just the desktop icons. I'm being told one thing, but I can also see what's happening out there. And there appears to be a difference of opinion. Where there is doom and despondency from the big players there is optimism and opportunity among many small business owners. True, it's tempered, but according to the Institute of Chartered Accountants, confidence among business professionals is rising.

I see it every day. I was talking with a business recently that works in the oil and

gas industry. It's taken a system it devised for treating sea water and made it into a very useful domestic product. Useful because it not only saves those householders with water meters money but, because they actually use less, if the predictions for a long hot summer are true, it will be of great environmental benefit.

"I'm being told one thing, but I can also see what's happening out there."

Because the system needs to be plumbed in it is easiest, says the chairman, a veteran of the oil industry who is looking to take his £50m turnover business into new sectors, to start with the new builds. But that, of course, is an industry in decline. But as he says, now is the ideal time. "If we can cope with the demand now while the market is low, we will be able to grow with it once it recovers." Now, that's being positive.

That Bristol-based business is not alone. Small and medium-sized firms are upbeat and I'm finding that many are simply waiting for the rest of the UK to catch up with their post-recession optimism. While none I have spoken to in the past few weeks are in denial – they agree that we are in tough times – they nearly all appear to be ahead of the game, in their minds at least.

I was talking to the owner of a £1.5m turnover medical research business last week. He's a doctor who could have whiled away his working years in the comfort of the public sector but chose to

embark on a business career instead. "We had four months or so when it was quite. The phones didn't ring and the purchasing managers weren't spending," he says. But now he's looking forward and his firm is looking to expand. It wants to open up across Europe big time and there is something of an urgency about the move: the good doctor fears he could soon see the arrival of competitors in his small, niche sector.

He could grow gradually using retained profits. But to take advantage of his market pioneering position, he needs cash – now. The investment needed is too small for venture capitalists to be interested. And he's reluctant to start doling out huge chunks of equity to entice a business angel. In the old days, of course, it would be a simple case of going to the bank.

Banks need to start lending again. Small and medium-sized firms are out there poised for growth, ready to generate GDP and employment opportunities. But they are being held back by those who pay far too much attention to the indicators. So therein lies the message: stop watching the desktop icons and take a look out the window. That way we can kick-start recovery.

Philip Smith currently writes on small and medium sized businesses for *The Daily Telegraph*. He is also a former contributor to *The Sunday Times*.

Start-up tsar

In the inaugural issue, Business Today ran an article on the age-old debate as to whether entrepreneurs are born or made. Now while this may be well-trodden ground, it's a fascinating debate, not least because it continues to so dramatically divide opinions.

One man who certainly has something to say on the subject is Doug Richard. In typical forthright manner, and with a nice touch of Californian twang for extra effect, he told me, "the idea that entrepreneurialism is something magical or mythical is just bullshit! Like anything else, there is method in being an entrepreneur. It is a methodical process and anybody can learn it."

There was more, much more of this from Richard during a fascinating interview with the (and I bet he hates being described as this) former Dragons' Den star, answering questions honestly and enthusiastically, sometimes, one senses, with tongue firmly wedged in cheek. He certainly isn't frightened of rattling a few cages and, unlike so many of our own home-grown business leaders, doesn't seem to see the need to choose the words to his answers extremely carefully to ensure that they are PR-friendly.

Doug Richard has built his name in the technology sector, growing and selling companies on. He appeared on Dragons' Den in the first two series, winning plaudits for his no-nonsense style and fierce intellect. Atypically for a high profile entrepreneur he is very well educated - he has a BA in psychology and a Juris Doctor from the University of California.

He currently lives in Cambridge. His wife is European and he says that it was purely for family reasons he left the US for Europe. "I just thought, 'let's have an adventure,'" he says. "Sure, the weather sucks here but it has been a lot of fun."

Asked about the differences between the business climate here in the UK and the US, he says: "I think in the US when you start out, everybody is rooting for you - and that includes customers. There is less of that here and I think part of that is that corporations are more conservative and less inclined to take a chance on you."

Richard has been quoted in the press as saying the reason he decided to be an entrepreneur was because nobody else would employ him. He's possibly being a bit harsh on himself here but, then again, it's impossible to see him working for anybody else - he is just too big and forceful a personality.

Take, for instance, how he describes his biggest mistake in business which, he says, was selling his second company -



Mark Lane meets **Doug Richard**, the former Dragons' Den panellist who is teaching the 'tricks of the trade' to would-be entrepreneurs

ITAL Computers – for shares instead of cash. The shares bombed and he felt like he'd got a raw deal. "So I ended up doing a hostile takeover," he says. "I was in the mood for revenge and the only way I was going to get it was to take over their business and fire the sons of bitches who did that to me."

Not a man, I would suggest, to be crossed. That said, there is a danger here of painting a picture of a loud, brash American who bullies his way to success in business. Such a stereotype does Richard no justice. He is a thinker, a man with a razor-sharp brain and a brilliant knack of spotting market opportunities. Indeed, such are his credentials that the Conservative Party saw fit not long back to make him chairman of their Small Business Task Force.

The Task Force took as a starting point an attempt to build up a picture of existing business support provision in the UK. There was a feeling that there are too many organisations delivering too much support and too much confusion. For the record, there are around 2,000 organisations in the UK delivering publicly-funded support services to small business.

Now, I think the whole issue of business support is a fascinating one. On the one hand, we want to back our small firms, our start-ups and give them every chance of success. On the other, there will always be those in the private sector who are extremely dubious about the ability of the public sector to deliver genuinely relevant and empathetic advice.

For my own part, I actually think there is some great support out there – subsidised incubator units are a fantastic idea – and I know of many small business owners who have benefited from government support. On the other hand, the whole system has, undoubtedly mushroomed over the past decade and – as such – been left wide open for the simple criticism that it has become overly bureaucratic.

Richard, as you might have guessed, is less than enthusiastic about the current support set up. His main gripe is that it is trying to do too much and "meddling" in areas where it is not qualified. Moreover, he feels there is a sense of money being poured into the system with no real transparency, no accountability for failure. The system – and its growth in recent years – is, he suggests, driven by political ideology rather than what's best for business. "The only

thing the public sector can really do of value to support small businesses is to reduce the administrative burden on them," he says. "The rest of the support should simply be switched off because it simply isn't working."

So what would work then? What would help small businesses successfully navigate the crucial first 12 to 18 months? Richard, as we have already seen, believes entrepreneurs don't necessarily have to be born – they can be made, so surely there is something out there to help make them?

Well, funnily enough Richard himself has the perfect solution. It's simple really – just enrol on School for Start-Ups, his latest business venture which is, in many ways, putting Richard's beliefs about being able to teach the tricks of the trade into practice.

School for Start-Ups is, according to the blurb, a "provider of business training for entrepreneurs which provides expert tuition on the critical issues entrepreneurs need to understand." The school provides tuition in areas such as how to start a business, investment, product management, managing successful teams and entrepreneurial marketing.



"The only thing the public sector can really do of value to support small businesses is to reduce the administrative burden on them."

To watch a video about Doug Richard's School for Start-Ups go to www.ukbusiness-today.co.uk

To find out more go to: www.schoolforstartups.co.uk



Go to www.ukbusiness-today.co.uk to read a factfile on Doug Richard



So often, people don't have a proper understanding of what kind of business they have started



Asked what the biggest mistake he sees would-be entrepreneurs making, Richard is unequivocal. "Under- valuating their initial proposition," he says.



Now the cynics might say you can get many of these things for free via – you guessed it – the public sector business support system. When I put this to Richard he says: "I wouldn't have started this if I hadn't been chairman of the Conservative Small Business Task Force and found that business support in this country is so disgracefully inadequate."

Richard's argument, then, is that his school is overseen by people who have been there and done it, battle-hardened entrepreneurs who know exactly what it takes to develop a successful business. So far, the venture has achieved considerable success. It has trained around 1100 people and is expecting a big increase in numbers in 2009. "It is a business that is very much suited to the economic downturn," says Richard. "There are a huge amount of people right now who are trying to understand how they can become self-reliant. People are realising that their jobs are not so safe these days. There is more to what we are doing than simply teaching people how to make money."

Asked what the biggest mistake he sees would-be entrepreneurs making, Richard is unequivocal. "Under- valuating their initial proposition," he says. "So often, people don't have a proper understanding of what kind of business they have started. They don't understand the correct value of what they are doing and so cannot price things correctly. This means that, as they go on, they will continue to get things wrong over and over again."

This, I would suggest, is a very significant insight and, dare I say it, a somewhat more original line of thought than the usual clichés we hear about not being persistent enough or setting goals or whatever. Now, if School for Start-ups can actually teach people how to correctly value their proposition – well, I think it might be onto something big.

Richard certainly hopes so. "I'd love to see School for Start-Ups grow," he says. "I would like it to be at the forefront of reinventing how people understand business. I want it to have as much of an impact on entrepreneurs as other organisations have on, say, productivity for instance."

Before finishing my conversation with Richard I can't resist asking him about Dragons' Den. He says he still watches the show and acknowledges that it has had "a tremendous impact on popular culture" despite creating, "a false impression of business." He adds: "You just have to remember it is entertainment at the end of the day."

Is he still in touch with any of the fellow dragons he worked with on the show? "I'm good friends with Theo Paphitis," he says. And the others? On this question, he's non-committal so I leave it at that.

As an aside, before ending our interview, I ask about his most satisfying moment in business. Interestingly, it came at the start of his career. "Selling my first business was a lovely feeling," he says. How much did he make? "A high six-figure sum - it felt like a fortune because I was only 20." Did he not fancy taking some time off to go travelling around the world partying? "I did take some time off," Richard says. "I waited, oh, a week before jumping back in." Richard, I would suggest, is one entrepreneur who was born and not made.

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How I made it

Brett Mathews finds out how **Mumtaz Khan** has built a £20m+ turnover business on the back of fantastic food



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hen I first heard that leading Indian food company, Mumtaz, was opening a new £3m state-of-the-art restaurant in Leeds, I have to admit I was slightly surprised. In fact, I think many were. An upmarket restaurant? Opening during a recession? And at Clarence Dock, which isn't even in Leeds city centre? All the ingredients appeared, on the face of it, to be wrong.

Having visited the restaurant, however, I am more than happy to eat my words. And that's not because it serves fantastic food, Indian food of an ilk which you simply can't get anywhere else in the north of England (and believe me, I've spent many years trying). And it's not because the venue itself really is something else. I'm not qualified to comment on interior design but just take my word for it - this place really does look the business.

No, the reason I am so sure the expansion of Mumtaz is an eminently sensible business move is because I've had the chance to sit down with its owner, Mumtaz Khan. Understated, modest, and laid back, Khan has lived and breathed the business that his mum formed for the best part of his adult life. In person, he comes across

"It's good - certainly better than anything I've had in a long, long time. I'll be back."

almost as a reluctant entrepreneur. Asked why it took him so long to open his second restaurant in Leeds (Mumtaz Bradford opened in 1978) he says: "Actually, I never wanted to open another restaurant!"

Ironically, the reasons for his reluctance to expand also explain the huge popularity of the Mumtaz brand - a brand which, having started in a tiny room on Great Horton Road just over 30 years ago is now delivered to 41 countries. Kahn feared that by expanding he would dilute his brand and quality would suffer. All you celebrity chefs out there: take note.

He tells me: "I have spent 30 years of my life building up a brand that has a reputation for good quality food and good prices. I never wanted to produce in one place and then distribute to other restaurants - that is like opening canteens.

"By focusing on quality, I have built a brand and I am supplying it all over the world [through Mumtaz' manufacturing sites in Bradford and Halifax]."

So why Leeds and why now? "Well, I never envisaged having a chain of restaurants but what I find now is that I have to open in

To watch a video about the Queen's visit to Mumtaz please go to: www.ukbusiness-today.co.uk



Leeds because Leeds is a financial capital so I wanted my brand to have a presence here.

"It has taken me a long time but now we have decided we will do it but do only five in the UK – it will all be fresh, locally bought food with training for chefs etc to make sure they do the recipes right."

Next in the pipeline is Manchester – in around six months - then Birmingham, Edinburgh (or Glasgow) and London. The Mumtaz brand is spreading its wings around the UK.

Mumtaz initially came about when Khan's late mother (Farzand Begum) used to cook at home and sell the food in a small café. "Our original shop was four by three metres," says Khan. "She used to make things at home and I worked in a textile mill at night. I used to finish in the morning, come home, sleep and whatever she had made in the night I would take it and sell it in the shop all day long and from there I would go to work."

The name has been expanding ever since. The original premises, were developed more and more until, eventually, it became one of the largest restaurants in the country at 500-plus seats.

The company began to diversify in the early 1990s, moving into food manufacture. The brand had become synonymous with quality and the restaurant had built a loyal following.

These days the Mumtaz Group has a turnover in excess of £20m and supplies to all the major supermarkets in the UK – Tesco, Asda, Morrison's, Sainsbury's, the Co-operative – and also to hundreds of other smaller retailers and groups, as well as products in Boots and the pharmacy sector.

Three things have been absolutely fundamental to the success of

the brand: the strict adherence to producing genuine, domestic, Indian cooking (the type of which Indians themselves eat rather than the western influenced, fat-laden fodder you find in most Indian restaurants); the strict no-alcohol policy at the restaurant; and, linked to these two, the refusal to compromise on the core beliefs of the business.

Khan tells me: "When my mother first started out, there were so many restaurants in the country and, indeed, Bradford who were just catering for a European market. Nobody was catering for Asian clientele. There was nowhere for them to go out and eat homely, domesticated food. That's where we have always focused."

The strict no-alcohol policy is also something which has differentiated Mumtaz. The company has never compromised here. Before I speak to Khan, his floor manager in Leeds tells me a story about a recent Indian pop star (who shall remain nameless) who was in Leeds. She wanted a setting for a party for the night, along with her entourage and so on. Her management team approached Mumtaz. The restaurant turned them down as it was explicit that alcohol would have been involved. A hefty five figure sum was involved but this was an example of a business doing something which is very rare indeed in this day and age – putting principle above profit.

Asked more generally about the Indian restaurant industry in the UK, Khan is less than enthusiastic. He says: "Indian restaurants have let themselves down. The image they have created for themselves is one where you have Indian food after a few pints, you have a curry and a few chapattis.

"That is kind of insulting to me. Drink is not my business, alcohol doesn't go with Indian food, it has never been part of Indian food. Indian restaurateurs have concentrated on bars more than food – so obviously when you have a few pints of lager the taste buds change so anything you eat tastes fantastic."

I actually think that a few years ago such sentiments would have been swimming against the tide. At a time when the message of pure, freshly prepared food is being pressed home to us all, however, the Mumtaz brand would appear to be perfectly in tune with the national Zeitgeist. Take, for instance, the brand's manufacturing arm. All of its sauces are pure – no starch, no water to bulk things out, no additives or flavourings.

Collecting his thoughts towards the end of our interview, Khan tells me, "We have business ethics. I don't dilute myself. My food is pure and reasonably priced. I really don't want to let my mum down because of the way she has brought us up – to be honest and not to be too greedy.

"And I am not greedy. I have not put my prices up in the past five years and I have no intention of putting the prices up in these hard times. Because I believe that, as a businessman and as a person from the community or living in society, it is about time you paid back to all those customers. I am happy to reduce my profit margins because I am happy to look after my customers because they have looked after me over the years."

Before interviewing Khan, his chef cooks me two Mumtaz signature dishes, masala fish and mattar paneer (cheese and peas), washed down with a mango lassi. And the verdict? It's good – certainly better than anything I've had in a long, long time. I'll be back.

As I sit by the window in the restaurant which overlooks the River Aire in Leeds, the place begins to fill up. There are white people, black people but, most of all, lots of Asians. Apparently, Indians make up around 50 per cent of the clientele in both Mumtaz restaurants. As endorsements go, they don't come much better. As Khan points out: "If our food is good enough for Indian people, it is good enough for anybody."



Absenteeism - a luxury we can't afford

Brett Mathews discusses this major business headache with expert **Dr Sian Williams**

The UK economy has a huge problem with sickness. We are the sick man of Europe. I could trot out all sorts of figures to back this up but will settle on the figure quoted to me by Dr Sian Williams, a consultant in occupational medicine at Royal Free Hampstead NHS Trust. She tells me that workplace absenteeism combined with the money paid out for Incapacity Benefit costs the UK £100bn per year. Set against the backdrop of today's increasingly austere times, such a figure would seem to look like a luxury we simply cannot afford.

The good news, however, is that the Government, industry and other interested stakeholders are fully aware of the extent of this problem and are urgently seeking to do something about it. Which brings us to a very comprehensive review of this whole issue that has recently been undertaken by the National Institute for Health and Clinical Excellence (NICE). The Government asked NICE to look at how we could reduce long-term sickness in the UK. NICE, which has a world-renowned reputation for producing guidance in the healthcare field, has, in turn produced a report entitled Long-term Sickness Absence and Incapacity for Work.

The significance of the report is that it is based on a comprehensive study of all the literature and information on sickness and absenteeism currently available. The aim has been to start with a blank canvas, look at what has been done in the past, find out whether or not it is working, and make some recommendations about how the whole situation can be improved.

Dr Sian Williams was a member of the

development group who wrote the recommendations. She suggests that many of the problems regarding absenteeism and long-term sickness are to do with a lack of clarity, on behalf of both employers and employees. While large businesses might have comprehensive procedures in place for dealing with the issue, many smaller firms end up almost making it up as they go along. They don't have in-house occupational health schemes and often the business owner ends up dealing with things – or not as the case may be.

"When long-term sickness absence is dealt with inappropriately it causes stress – both to managers and employees who are

All the evidence suggests that the longer a person is off sick the less likely they are to return...

off sick," Sian says. "I see the fall out from poorly managed absenteeism all the time."

Are there, then, any simple steps business owners can take to manage absenteeism? The evidence, says Sian, shows that quite often it is very simple things that are the most effective. "One of the most effective things you can do to help people who are off sick is to maintain regular contact," she says. "Just a few simple messages to ask people if they are ok, if there is anything that can be done to help and support them. A quick call, a quick e-mail – often that is all it takes."

It sounds blindingly obvious, however, as Sian points out, "many managers are too

frightened and feel they are harassing their employees – they feel it is not their right or place to be contacting staff when they are off sick."

The next step, for those managers who don't have a date for when a person is returning to work, could be to organise somebody in the office to act as a case manager for the absent member of staff. That manager could do a simple assessment, finding out if the absent person has seen a doctor, if there is any other help they need or if there are adjustments that could be made at work that would enable their return to work to be made easier. Again, the emphasis is on straight-forward, obvious steps. "It is vital to take these steps early, to build positive contact from the start," says Sian. "All the evidence suggests that the longer a person is off sick, the less likely they are to return to the workplace."

There are other steps such as more in-depth assessments – you will have to read the report to find out more – but the overall message is that, when it comes to absenteeism, communication is key. When communication breaks down, both sides – employer and employee – begin to lose faith in one another. In many cases, employers think their absent member is 'swinging the lead.' The absent member thinks the employer doesn't care. It's a vicious circle.

Yet it needn't be this way. What's more, implementing some of the recommendations of this report needn't cost the earth. "In terms of cost-benefit analysis, the benefits of implementing this guidance far outweigh the cost of absenteeism on your business," says Sian.

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Calling the **BOTTOM**

Brett Mathews assesses the current status of the recession with help from economic experts

In October 1991, based on various business surveys, Norman Lamont, the then chancellor of the exchequer, came out with his famous quote that, "the green shoots of economic spring are appearing once again." Many criticised him at the time – after all, unemployment was still rising and the economy appeared to be on its knees.

In fact, his utterance turned out to be remarkably prescient: estimates of GDP show the trough of the early 90s recession occurred in the fourth quarter of 1991, with sustained growth resuming in the third quarter of 1992.

The question many in business are asking themselves now is whether, for autumn 1991 we can read summer 2009. Is now the time to call the bottom? Is the worst of the recession over?

Well firstly, let's look at some of the headline evidence of green shoots. The markets have rallied in the early part of the summer – at the time of writing, the FTSE 100 is close to 4500 points. The CBI's Access to Finance Survey showed businesses were less negative in May than they were in March about the supply of new and existing credit. Meanwhile, its Service Sector Survey showed signs that the decline of business activity in the service sector was starting to slow. In addition, a raft of surveys on the housing market have showed the rate of decline in house prices to be slowing.

On the last front, I spoke to Robert Jordan, chairman of residential letting agents Jordan's. A past president of the Association of Residential Letting Agents (ARLA), Robert said: "A recent survey by The Royal Institution of Chartered Surveyors revealed new buyer enquiries have risen for the fifth consecutive month leading to an increase in both newly agreed sales and sales expectations.

"The green shoots of spring will take time to mature but there will be an improvement in the property market of some sort by the end of the year which will help the whole economy."

But what about the wider economy? Are the optimists getting a bit carried away in thinking we will be out of the woods by the beginning of 2010? In addressing this question, I spoke to Dr Dominic Swords a business economist at Henley Business School at the University of Reading.

Putting the current situation into context, he said: "With a trio of market collapses over the last eighteen months to recover from – in banking, equities and housing – the world economy is like a patient in intensive care. There are some pretty solid reasons for supposing there will be a recovery over the next year with plenty of signs of activity, but also some reasons for questioning whether that will be sustained.

"The evidence of previous recessions tells us to expect a 'real economy' recovery well in advance of banks and asset markets returning to their pre-recession shape. On balance the kind of market re-structuring that is required to get us out of this slowdown takes something like six quarters for non-financial businesses. With the USA dating the start of the slowdown as early 2008, that puts them on track





Dawn Kendall



Dominic Swords



Brett Raynes



David Jones

for the beginning of an upturn later this year with most EU states following shortly after.

“Add to this experience the massive amounts of government spending being used to stimulate the world economy, then the forecasts of a recovery starting by the end of 2009 for the global economy looks realistic.”

Broadly concurring with this sentiment is David Jones, director at HSBC Private Bank in Manchester. He told

Business Today: “The economy is still unstable and this is likely to continue for the next three months, but global government stimulus packages are going some way to slowing the speed of recession. This means it’s likely we’ll see recovery starting in 2010.

“Government action is also having a positive impact on equities. As fiscal easing takes hold, the negativity that has plagued the markets in recent months seems to be subsiding, albeit slowly, and we should see some advances within equities in the latter part of this year.”

While many are drawing on historical evidence and positive surveys as a sign of what to expect in the coming months, others believe the problems in the UK economy are more profound than previous recessions. As such, a genuine upturn could be further away than we think.

Dawn Kendall is head of investment strategy and product development with investment firm, Architas Multi-Manager. She told me: “The question on whether the recent talk of ‘green shoots’ is justified is as much to do with market desire for a recovery as it is to do with hard economic reality. And as we know, desire wearsies over time.

“The Bank of England has adopted an aggressive quantitative easing programme, although the recent Monetary Policy Committee minutes clearly support the message from the Inflation Report that even the large amounts of quantitative easing already being applied might not be enough to get the economy functioning adequately.

“...to conclude, regardless of the small glimmers of hope, any prospect of a recovery in the UK is still built on a very weak foundation and will take a good deal longer and for better data to be supported fully.”

An obvious barometer of any green shoots is unemployment. While most are expecting job losses to continue being racked up through 2009, some stabilisation is anticipated – certainly by those of a more optimistic nature.

Ellis is CEO of professional recruitment consultancy, Harvey Nash. He points out that some sectors have been hit harder than



To watch a video on surviving in a downturn and staying positive go to: www.ukbusiness-today.co.uk

others. The manufacturing and retail sectors have seen significant job sheds while technology and telecommunications have fared pretty well. There is no coincidence in this: Andrea Percival of UK distributor, Maxa Technologies, is ideally placed to see fluctuating trends in demand for IT and related technology. She says: “Although some budgets have been put on hold or tightened [many IT products] save money, increase

productivity and efficiencies so there is an ROI to be seen relatively quickly.”

Albert Ellis concludes: “Although unemployment is set to reach three million this year in the UK alone, due in part to a lag between declines in economic activity and layoffs, the CEBR also says that the worst is behind us and the bottom appears to have been reached in the first half of 2009.”

Richard Chimento, CEO of Rialto (www.rialtoconsultancy.com), takes a slightly more bearish line on employment prospects. He argued: “Sadly in this economic climate, jobs will never be safe and workers across the board now need to view their next roles as temporary projects (even if they are permanent in the future) as organisations will have to change even more quickly going forward. Despite some positive movement in the economy, employment will take much longer to recover, as organisations will continue to be cautious. Many more redundancies will be necessary, particularly in the public sector, to balance the public budget.”

The overall picture, then, seems to be one of cautious optimism. Certainly, the business owners I speak to on a daily basis tell me – while touching the nearest piece of wood – that things seem to be looking a little more positive. Such owner managers are typified by Brett Raynes, managing director, Backup Direct.

He told Business Today: “I saw a wave of customers suffering the effects of the recession at the back end of last year and fully expected it to get worse in the first half of 2009. However, I’ve actually seen things calm down over the last quarter, with no clients ‘going under’.

“To take an example from our current customer base, a client agreed a new four year contract for our services and was, rightfully, keen on getting the best rates. At the same time though, he was looking to recruit six new consultants into his business. His comments were: ‘perhaps it’s mad, but business is good’.

“I think cautious optimism is the key. If business continues to look good then I don’t see any reason not to talk about those ‘green shoots’ and plan for the future.”

Online OPPORT

Measurability and the ability to monitor - and respond to - consumer behaviours are just two reasons why online marketing has come of age, as Brett Mathews discovers

Clothes shopping, for me at least, used to constitute the following: take a look around a few shops, find a few items I like, perhaps see which store is doing them at the best price, make the purchase. The internet, obviously, has changed all of that. Figures suggest that your average consumer is turning to the web before making a new purchase these days.

Wilfried Beeck, CEO of ePages, says: "When exploring options, prices and the most convenient outlet, most purchasers will now do their homework online first, believing they will get the fullest picture of the choices open to them if they use an internet search engine."

So far, so obvious. Where this picture becomes slightly more clouded, however, is when one considers the relationship between online research and offline purchases. Wilfried continues: "Retail analysts believe 'internet-influenced' sales are grossly underestimated - that is, offline sales that have been driven by online research. Official figures suggest more than 80 per cent of the sales generated by web sites are being completed offline - the important point being that they were initiated online."

There are a number of implications of this but one of the most notable of them is this: people looking to sell their products and services online, whether in the b2b or b2c sphere, are clearly missing a trick. Somehow, they are failing to correctly tap into their audience, to convert the website visit into a sale.

At a time when the economy is in downturn, phrases such as measurability



To watch Marie Taillard from ESCP Europe talk about online marketing and the need to cultivate defiant customers go to: www.ukbusiness-today.co.uk

and ROI are being bandied about in marketing departments more than ever. The days of throwing money at costly direct marketing campaigns and the like are, it would seem, gone - for the time being at least. With digital, marketers want to know exactly what they are getting for their marketing spend, they want to know how many leads their website and related marketing activities are generating and how many are being converted.

The good news is that the tools of the digital trade are now providing answers to these questions. Skip Fidura works with digital experts, the dotAgency. He says: "Gone are the days when 'guesstimation' played a major part in marketing campaign reviews and ROI was hard to approximate.

"The internet and an increasingly sophisticated number of tools, has made it possible for businesses to accurately track and measure online and offline marketing campaigns - and use this insight to inform future activities."

The website is central to this measuring process. Skip continues: "Web analytics allows you to track all inbound traffic and know whether it came through organic search, paid search, email, PR, or your blog.

"These individual components will themselves provide additional in-depth analysis, for example you can use your email marketing platform to identify which areas of the email generated most interest."

A key word in marketing spheres when it comes to websites right now is personalisation. Tobias La Cour, vice president of strategic marketing at Digital River, argues that personalisation is changing the way that ecommerce sites are marketing to customers.

He says: "Marketers looking to take advantage of the increased [internet] audience are turning to specialised software to ensure web users are being encouraged to shop, purchase and buy more. Mass dynamic personalisation (MDP), is becoming crucial to developing an intelligent online strategy, one that gives customers what they need before they ask for it."

La Cour argues that intelligent retailers should be taking full advantage of the significant amount of electronic customer data they now have at their finger tips. He continues: "MDP facilitates this process by analysing users' browsing habits prior purchases so the retailer can recommend alternative products that might interest the customer. This technique has a range of benefits including reducing the need for extensive market research, increasing sales and providing an improved shopping experience."

While all of the above sounds okay in theory, how does it pan out in practice? To answer this question, we spoke to Conrad Bennett, senior technical services director at

OPPORTUNITIES

ONLINE MARKETING OPTIONS



Nicholas Mann, managing director of Interdirect, looks at some online marketing options

Search Engine Optimisation: SEO remains a relatively cost-effective way to market products and services, particularly to niche (less competitive) markets. In crowded sectors, however, SEO offers less compelling ROIs.

Email marketing: Permission-based email marketing is still an effective communication tool and helpful in enticing recipients to reveal information about themselves, which in turn enables increasingly sharper targeting of messages. However, irresponsible spamming continues to be a big problem and serves to undermine the overall effectiveness of this medium.

Pay Per Click advertising: PPC is a great tool for selling products online as outcomes are easily and automatically captured, making it easy to calculate the success (or otherwise) of campaigns (and hence ROIs). PPC is also excellent for targeting tightly defined demographics.

Affiliate marketing: This is another medium that is ideal for selling products online and enables great targeting. It works by incentivising owners of popular websites to advertise products by paying them a commission on sales made through their websites. Again, ROIs are easy to calculate thereby making it easy to monitor the success of campaigns.

Social media marketing: This is the art of promoting products and services via the myriad social networking / Web 2.0 websites that abound nowadays. Whilst these techniques can be useful in generating sales they are more suited to developing product awareness and are harder to monitor. However, once again precise demographics can be targeted as by definition social networks hold these data.

WebTrends, which recently worked with NS&I to promote the availability of its other products (in addition to Premium Bonds).

“The principal objective was to raise awareness of our full product offering without detracting from customer interest in Premium Bonds,” says Mark Joslin, internet channel manager at NS&I.

In order to drive traffic to the relevant product pages, whilst maintaining the all-important Premium Bond sales, Mark needed to understand exactly how users were interacting with the website and monitor the customer journey, through from the search engine to product purchase.

NS&I deployed WebTrends' Marketing Lab to help meet these objectives. The detailed reporting provided crucial insight into, firstly, how customers were reaching the website, and therefore how accessible the site is, and secondly, allowed Mark to identify their key search terms. “At a basic level, once we found out what the key search terms were, we were able to ensure these were incorporated into site content so customers could find exactly what they were looking for quickly and easily.”

From the outset, NS&I worked with WebTrends to set up templates to outline particular user journeys. Mark continues:

“We discovered that there are typically 15 stages to the purchasing process and as we followed each step we were able to monitor customer ‘drop-off’ and pinpoint the problem pages that required optimisation. This allowed us to redesign accordingly in order to streamline the customer experience and offer appropriate assistance.”

Conrad Bennett told us: “By tracking every step of the user journey through the NS&I website, Mark has access to invaluable data that can tell him what proportion of users are return customers, what they invested in and how much. Mark can now confidently report back to the board of directors on the success of each product both in terms of take-up and investment value.”

Digital, it would appear then, is the new panacea when it comes to marketers being able to answer those awkward questions about spending from the boardroom. However, clever web analytics will only ever be part of the picture. Without the support of robust marketing techniques which adhere to tried and tested marketing principles, investment in such technology is wasted.

Daniel Rowles is director of digital at SiteVisibility. He says: “Digital marketing,

particularly search marketing, has opened access to the world's markets to businesses large and small, especially small.

“However, solid marketing and business strategy is what differentiates those that succeed and fail in these new opportunities.

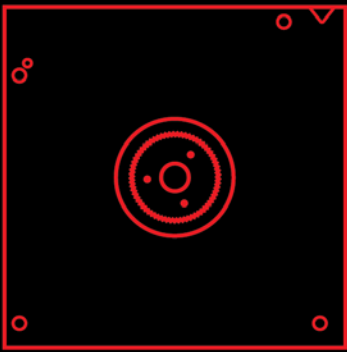
“Digital marketing's promise of a transparent return on investment is particularly inviting in times of financial uncertainty. However, achieving this in reality takes expertise. Digital marketing does offer fantastic opportunity, but brings its own set of challenges and new skills to be used.”

To read tips from Conrad Bennett on how to get the most out of any website go to: www.ukbusiness-today.co.uk



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How ICT can improve your efficiency

Mark Lane talks to Microsoft's **Robert Epstein** and considers the challenges facing SMEs in the Information and Communication Technology (ICT) arena

The small to medium sized enterprise (SME) community is facing a number of huge challenges right now. The recession, a word I am sure most owner managers are sick and tired of hearing, has placed many businesses under incredible strain. Even those that are well managed and whose products and services are in demand, are finding it hard to access growth capital due to the lack of liquidity that has caused chaos in the banking sector.

Yet while the recession may grab most of the headlines, SMEs are up against ongoing, day to day challenges of an entirely different, long term nature. One of the most significant of these is how they can make the most of their Information and Communication Technology (ICT) systems. The continually shifting ICT landscape is radically altering the way companies do business, whether it be how they market themselves, how they manage customers or how they communicate with other organisations. This dynamic environment, which larger organisations are well placed to embrace and make the best of, can present a challenge and even a threat to smaller businesses.

Microsoft understands this better than most and it has a dedicated small business team managing solutions specifically for SMEs. Microsoft works in tandem with its extensive partner network including the Small Business Specialist Community (SBSC) to educate and inform small businesses about how they can use ICT to benefit their business and add genuine bottom line value. A key focus of the SME

team is their website, the Microsoft Small Business Centre – www.microsoft.com/uk/smallbusiness – which offers a wealth of information, practical advice and support on all aspects of the business development process, whether it be building a website, customer relationship management (CRM), driving sales or getting the best out of particular software.

I recently caught up with the head of the Small and Medium Business Sales and Marketing, Robert Epstein to discuss some of the challenges facing small businesses right now and how the centre is looking to support them through these difficult times.

More important for us is looking at how businesses can use technology intelligently...

Speaking candidly about the tough market conditions right now, he said: “We are realistic enough to know that it is not astronomical growth people are looking at in the current environment. More important for us is looking at how businesses can use technology intelligently in order to streamline processes and ultimately save money.

“We want to show how ICT can be used strategically by small businesses rather than simply being a cost which, historically, has often been the case. For instance, we all know that when you start out in business you have to purchase a laptop or desktop along with other peripherals and software. Quickly, ICT starts to be viewed as a cost

rather than an investment.”

A key part of this education process is the partner network that Microsoft has in place. Robert is at pains to point out the importance of small businesses working with a Microsoft partner who really understands their ICT requirements and can help them to get the best out of technology.

“There is such a huge array of ICT solutions these days and they can be accessed relatively inexpensively,” Robert says. Some business owners might be thinking “well, he would say that, wouldn’t he.” However, a brief visit to the Microsoft Small Business Centre portal lends credence to the point Robert is making.

Utilised correctly, it is now possible to establish and market a business across multiple channels to millions of potential clients, whether via email or using newsletter templates or other marketing formats. Sophisticated software is available to expertly manage customers, glean information from them along the way so that any email shots to them can be targeted accordingly. Obviously, accounts management software is relatively old hat these days yet it is becoming increasingly sophisticated, with facilities being incorporated to offer owner managers in-depth forecasting, management reports and a range of other options.

“Small businesses can gain a significant advantage by maximising the capabilities of their software,” Robert says. “It is really important for us to ensure smaller firms are competing better, improving efficiencies and processes in their business taking wastage out and making staff more productive, whether this by being more mobile or flexible.”

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Martin
Lyne

Making the most of mobile technology

Mark Lane discusses the mobile telephony market with **Martin Lyne**, head of Orange UK's SME division

The world of mobile phone technology is evolving at a rapid pace. While much of this change is being driven by consumer demand for increasingly clever gizmos, the huge corporate market is also having a massive influence on the pace and direction of new developments. More

than ever, businesses are prepared to place their faith in mobile phone technology in ways that enable it to touch and influence all parts of their operations.

One mobile phone operator that has been at the forefront of this dynamic market place in recent years is Orange. Orange UK,

for the uninitiated, is a voice network that covers 99 per cent of the UK population. The company is also the largest high-speed data network in the UK – enabling users to work where and when they want and providing access to more UK wireless hotspots than any other mobile operator. ►►►

company profile

Keep down the cost of upgrading

David Rowe of ForensiT explains why User Profile Wizard can save time and cost when upgrading your Windows platform

So, you've decided to give your business the advantage of all the technologies available with Windows Small Business Server. You've budgeted for the software cost. But what about migrating your workstations to the new Windows domain?

If you have anything more than a handful of PCs you'll need to treat migration as a properly planned, resourced and funded project. User Profile Wizard can help minimise the cost of this project.

IT'S ALL IN YOUR PROFILE

As Windows has developed, User Profiles

have become an integral part of the way it organises data. Your User Profile is where Windows keeps all the information that makes your computer personal to you.

For many of us, productivity comes from the desktop – it's where we do our job. We tend to personalise our desktop to suit how we work and how we store information. The problem comes when you join your PC to a new Windows domain: Windows automatically creates a new profile for you, and you lose all of your personal data and settings.

Now you could manually transfer your users' old profile information. Not too bad if it's only one or two PCs; but a complete headache if you have multiple workstations to configure. Your IT teams could waste days, staff will be disrupted and productivity impacted.

With User Profile Wizard, you can do all of this automatically. You can join your computer to a Windows domain and

automatically migrate your original user profile to your new domain logon so that you can continue using your existing data and settings.

For as little as £1 per desktop, User Profile Wizard can be used to migrate to a new domain from an existing Windows network, from a Novell NDS network, or to join standalone computers to a domain for the first time.

Your business and your people benefit from the latest server technology and you minimise the cost of upgrading your platform.

Visit: www.forensit.com/domain-migration for more information



The company enables organisations to keep doing business when they leave the shores of the UK. Indeed, Orange has coverage in over 170 countries and more roaming agreements than any UK mobile operator. Users can also take advantage of the largest international data network to use their laptop or PDA while they are travelling.

I recently caught up with Martin Lyne, head of Orange's SME division, and asked him about the burgeoning mobile telephony market, the far-reaching technological changes that are taking place in the industry and how Orange is ensuring that it is continuing to provide the personal support which small and medium sized businesses owners rely on to make the most of mobile technology.

Martin points out how Orange has striven to get much closer to customers in recent years, investing significantly in terms of its "footprint in retail stores." Moreover, the company has increased its investment in customer service staff by 300 per cent in the past four years. "We now have over 900 specially trained staff in the UK, who only help business customers, providing information, technical advice or practical help," Martin says.

Supporting this offering is high quality training for business customers. Clearly, there's no point in having the latest, most up-to-date technology if you don't know how to use it. Orange has recognised as such, creating a series of training programmes, designed to suit the way businesses work and the technology they have.

Martin says: "When it comes to mobile technology in the business arena, it is becoming clear that customer appetite is evolving. Email usage has become mainstream while mobile broadband and data transfer are developing at a rapid rate.

"At the same time, we recognise that every business is different and that off-the-shelf solutions often give them benefits that they don't really need. That is why this year we launched Orange Business Sense which enables business users to build their own mobile plan. This means they can choose the number of sharers, price and minutes then either enjoy a discount on their bill, or choose inclusive benefits that suit their business."

I put it to Martin that many business owners I speak to find the mobile market confusing and technology rather than people-driven. He says he accepts that



Clearly, there's no point in having the latest, most up-to-date technology if you don't know how to use it.

"When it comes to mobile technology in the business arena, it is becoming clear that customer appetite is evolving. Email usage has become mainstream while mobile broadband and data transfer are developing at a rapid rate."

finding the right line between pushing out new technology and remaining flexible and easy to use is a "fair challenge," adding, "it is very important that we don't push unwanted technology at our clients."

That said, there are undoubted areas where technology can make a business owner's life much easier. Orange Device Management, says Martin, is a good case in point. Orange Device Management is accessed via a simple web log on – users

don't need to buy any extra software or equipment and full online training is provided. It means businesses can remotely apply different applications, security policies and settings to different user groups' smartphones and PDAs.

"With Orange Device Management, when a user calls in with a device problem they can remotely perform a number of diagnostics around the device itself and the applications, settings and policies that may have been applied," says Martin.

Orange has made some significant strides in the business arena in recent years. The company has ploughed resources into this growing market and, in the words of Martin, really "established some solid credentials with business owners in the past two years."

Ultimately, however, for all the pace of change in technology and all the things that we can now do with our mobiles that we didn't used to be able to, the one thing that people still seem to place most emphasis on is reliability. There is, after all, nothing more annoying than losing contact with a key customer mid-way through an important call. To this end, Orange has made significant strides. "A recent poll by YouGov showed that we have the most reliable mobile data network," Martin says.

Presenting development OPPORTUNITIES FOR ALL

Public speaking coach **Peter Watts** shows how to deliver team and individual development within existing team meetings



Think back to when you learnt how to make stand-up presentations. In those moments you made a series of fire walks that pushed your boundaries and developed the personal strengths you rely on today; strengths beyond being able to stand up and speak:

- personal confidence and self-esteem
- how to research information
- how to synthesise arguments from data
- mental agility, self-discipline and time management
- leadership skills
- intra-personal awareness and communication

The experience of presenting benefits staff at all levels, yet the realities of time and budget mean formal training is reserved for those who have the word “presenting” written on their job descriptions.

Your entire team benefits from accessing the disciplines offered by presentation skills training, but how do you achieve this when formal training isn’t realistic?

Team meetings hold the key. Already occurring on a regular basis, they provide a safe environment to help non-sales people win the benefits of knowing that they too can present.

Having one team member per week deliver a five minute presentation at each meeting, and following up with a one-on-one review, allows you to introduce formative learning experiences that might otherwise have been unavailable.

Research indicates that public speaking is a fear for many people, hence why presentation skills has so many ancillary benefits. That fear, however, can turn constructive weekly learning into destructive weekly torture if it’s not managed. Therefore:

1. ANNOUNCE THE PROCESS

When you announce a presentation-skills-for-all initiative, be ready for reluctance. Explain the process, explain why you are doing this, and emphasise it is to help participants develop both as individuals and as a team. Emphasise that this is not a test. Stress soars when staff believe they are being appraised as pass / fail.

2. ALLOCATE SUBJECTS

Each member of the team has knowledge they can beneficially share with colleagues. Help team members identify areas where they shine and make these into their presentation topics so they share their skills with colleagues.

3. DEVELOP A STRUCTURE TEMPLATE

First-time presenters need the support of structure in the same way that children need rear-wheel stabilisers on their first bikes. Create a simple template detailing a structure for your team to follow to ensure everybody works from the same blueprint.

4. ON THE DAY

The least comfortable times for your presenters will be at the beginning and end of their presentations, so assist by introducing the individual and their topic, and then, once they have finished, say a few words of thanks, praising specific aspects of the presentation.

5. MANAGE PANICS

If someone panics on the day, don’t force them to present. They’ll freeze. Make a big deal of it and training initiative becomes public humiliation. Tell them it’s no problem; they can try again another day and

then consider making their second attempt into a teamed presentation with a colleague. Your most nervous people then have someone to prepare with, to present with, and to draw support from.

CLOSING THE LOOP

Review each session one-on-one, focusing learning onto areas that benefit your team’s day to day work. Arrange sessions for as soon as possible after the presentations and ask questions that lead team members to reflect on:

- areas they did well
- areas they did not do so well
- how they want to improve next time.

Question sequencing is crucial. Always start with strengths, before moving to weaknesses, and concluding with practical steps for improvement next time.

Once everyone has presented, conclude the cycle with a full team review to establish what learning experiences have taken place, and identify which subjects people would choose to present on next time.

As managers today, when we look back on the managers who helped us the most, it is the ones who sought to develop our skills and push our boundaries that we remember. We might not have always thanked them at the time because having boundaries pushed is not always a comfortable experience, but without them pushing us out across those coals, we would not be where we are today.

Presentation skills allow you to start your own people, regardless of job role, on that same journey.

Peter Watts is an international coach and trainer specialising in all aspects of public speaking. His weekly blog of advice and guidance for presenters can be read at www.peterwatts.org

Your Ideas – the value inside...

Every business generates some form of Intellectual Property.
But what do you own and how can you best protect it?

With the advent of the internet and increased global trading, many businesses are vulnerable to a competitor stealing their ideas, or copying their brand. Many have little idea how to protect their valuable intellectual assets or even realise they have any.

Small businesses in particular often assume that Intellectual Property is not relevant to them and is far too costly and time consuming to consider. But this isn't the case. Every business will have a brand or trading name which they could protect as a Trade Mark, or a website which holds content that is Copyright.

Raising awareness

As part of its drive to raise awareness of IP to business the Intellectual Property Office, the government body responsible for IP in the UK, runs and attends events across the UK.

But to help them reach more businesses it has recently launched a free online diagnostic tool hosted on its website called the **IP Healthcheck**.

Unlock your hidden value

The IP Healthcheck online tool is essentially a step by step questionnaire intended to help you identify the types of intellectual property you own and might be worth protecting. It guides you through all four elements of IP; Patents, Trade Marks, Designs and Copyright, and gives you helpful tips and advice along the way.

It will help you find out;

- If you have IP to protect;
- Whether you own it and, if you don't, who does;
- How to protect it, and whether you should;
- How you can exploit it commercially.

The online tool is now available at www.ipo.gov.uk/iphealthcheck or you can ring the IPO Enquiry Unit on **08459 500 505** to find out more.

Need more help?

The Intellectual Property Office has a wealth of free advice on Patents, Designs, Trade Marks and Copyright. Just phone our Enquiry Unit on **08459 500 505** or access our website at www.ipo.gov.uk



YOUR IDEAS – find the value within...

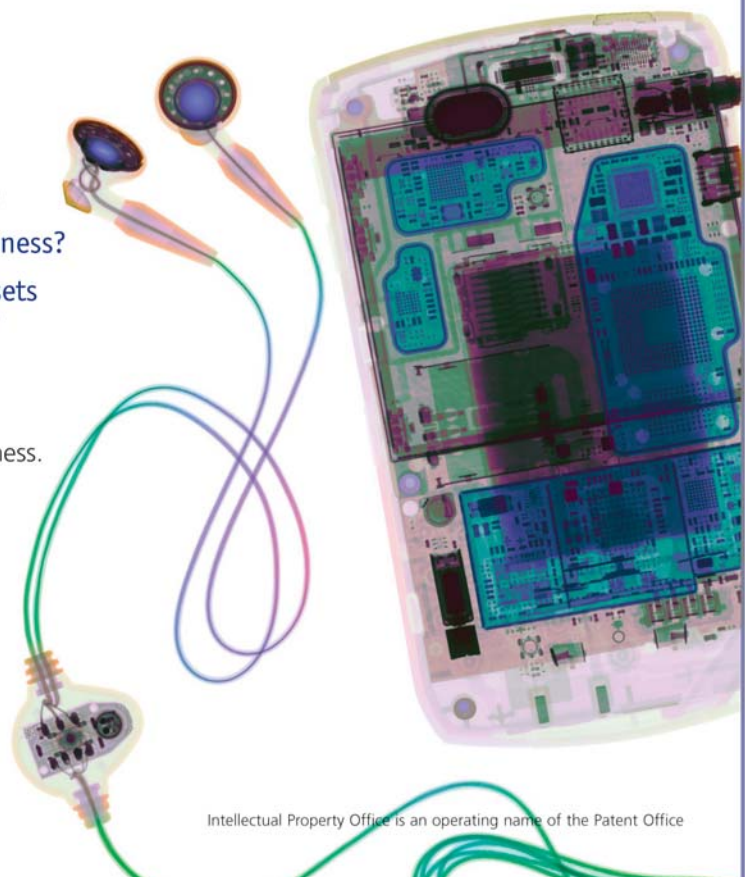
Do you know how IP can be used in your business?

Have you thought about what intellectual assets you own and how to protect or exploit them?

Take our free online **IP Healthcheck** at www.ipo.gov.uk/iphealthcheck to help you answer these questions and add value to your business.

The Intellectual Property Office is the government body responsible for IP in the UK. If you need help and advice on Trade Marks, Patents, Copyright or Designs then contact us on:

08459 500 505
enquiries@ipo.gov.uk
www.ipo.gov.uk



Intellectual Property Office is an operating name of the Patent Office

Facing up to REDUNDANCY

Business Today takes advice on the difficult subject of redundancy and its legal implications

Figures released to the end of March by the Office for National Statistics, showed that more than 2.22 million people were unemployed in the first three months of 2009 – an increase of some 592,000 in the last 12 months.

The level of redundancies for the three months to March 2009 was 286,000, up 27,000 over the quarter and up 175,000 over the year, the highest figure since comparable records began in 1995.

Since then, the list of UK businesses going into administration or shedding hundreds (if not thousands) of jobs in order to survive has continued.

For some employers, making staff redundant may be the only option, but this can be a costly option.

The Chartered Institute for Personnel and Development says the average cost of redundancy per individual is around £16,000, a figure which can bring a struggling company even closer to its knees.

David Buckle, employment practice partner at Thames Valley law firm B P Collins said: “Many companies are approaching redundancy as the last possible option to reduce costs. Having to pay redundancy money can be an expensive business, and at times like this when the banks are nervous of extending a loan or companies find themselves near the limit of an overdraft, spending large sums of money on letting staff go may just kill the business in the short term. The position will become more severe in October 2009 when the cap for a week’s pay when calculating redundancy payments increases to £380.”

Far better, he says, to work with employees to consider alternatives options to help the business continue through the difficult times.

“Our advice is to explore every way possible to avoid redundancy and many companies are being much more creative in their approach,” continued David. “Whether that’s encouraging staff to take a sabbatical at a reduced rate of pay, to work less hours or take time to retrain and gain new skills, there may be a solution somewhere.

“To employees facing a decision between redundancy or reduced working hours, we would say think about the fact taking less money now may be preferable to taking a year to find a new job. To employers with tough decisions to make, we would say those who treat their staff well now, will benefit from a more committed workforce in the longer term.

“If there’s one positive message coming through, it’s that both sides of the employment relationship are clubbing together to decide how best to get through this situation.

“And, when the upswing comes, it is those companies which are leaner and meaner, who have been most flexible and had the most flexible workforces, who always seem to do a lot better and be more competitive than their counterparts.”

For employees however there may not be a choice, and if the redundancy axe does fall, David Buckle says the top priority must be to make sure your legal rights are protected.

“Companies must follow the correct procedure, such as having consultation periods and applying fair criteria, and if individuals feel they aren’t being treated fairly, then they must seek legal advice,” he said.

“This is especially true if employees have been trying to help their employers



David Buckle

“Many companies are approaching redundancy as the last possible option to reduce costs.”

by either cutting back their hours or reducing their pay, as doing so will have meant a change in the terms and conditions of their contract. This in turn can impact on any redundancy payment and on areas such as their pension.

“The devil is in the detail and it’s really important to make sure that employees are aware of this and that their rights are protected.”

It’s against the law to choose someone for redundancy because of age, disability, sex, race, religion or sexuality and, David warns, companies need to be able to show that there is a genuine need for redundancy, rather than simply using it as an excuse to dismiss someone.

The methods used to identify candidates must be fair and based on some evidence, such as disciplinary records or performance, and at all times consultation is critical. Where 20 or more employees at one workplace are affected, this becomes known as collective redundancy, requiring a more formal consultation procedure, for example with trade unions or employee representative.

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Qikker has responded to the credit crunch by becoming the first IT solutions provider to offer a 'deploy now, pay later' subscription service that delivers savings from day one.

With many organisations still using paper forms and Excel spread sheets to manage people, a real opportunity exists to improve workforce efficiency and increase productivity by embracing technology and updating processes. With Qikker Finance you can do that without a budget!

Conservative estimates suggest that a combination of savings and output gains could improve the balance sheet of an organisation with 2000 employees by up to £500,000.

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New tool exposes hidden costs in businesses

Make productivity and efficiency gains with no additional budget, says Qikker

WITH THE ECONOMIC DOWNTURN, businesses have to assess every opportunity to save costs. For too long directors and managers have turned a blind eye to the inefficiencies caused by using paper processes. Qikker Solutions has now developed a tool that helps businesses expose these costs and realise gains without any upfront investment. Go to: www.qikker.com/finance

Combining research with nearly 200 organisations and published data from independent sources, Qikker has created a model to calculate the conservative savings that can be made through system automation of various HR processes and functions.

Mark Barlow, managing director of Qikker Solutions, says: "There's always been a stumbling block for replacing paper systems for people processes – the budget that's required for improving technology. The tool we have developed lets us surface the inefficiencies so that organisations can see the real costs and wastage. These costs can be quickly turned into efficiency and productivity gains without the business having to invest capital upfront."

Alongside the tool Qikker has launched an innovative finance package Qikker Finance, a 'Deploy Now Pay Later' scheme. Qikker Finance enables businesses to reap the benefits and savings associated with HR technology with no upfront capital expenditure. After 12 months, monthly subscriptions spread the cost.

To generate a bespoke report on the potential savings, the tool requires demographic information on the organisation plus seven simple areas of paper based processes, such as holiday forms and appraisals. A report is then generated that outlines the indicative savings and productivity gains for each organisation. The report calculations utilise industry average data and make a number of realistic assumptions to generate initial figures.

From testing the tool, Qikker conservatively estimates that by automating people management processes an organisation with 2000 employees can

ultimately improve its financial performance by over £500,000 a year.

ORGANISATIONS MAKE SAVINGS THROUGH:

- **Saving time:** Reducing HR and line manager administration effort. The Chartered Institute of Personnel Development has found that 60% of an HR person's time is spent on data input. Likewise a manager will tend to spend 50% of their time on people management, whether it's conducting appraisals, approving expenses or sorting out holiday requests.
- **Productivity gains:** Converting time saved into extra output. Research from Saugatuck Technology confirms organisations that deploy on-demand talent management solutions achieve higher financial performance than industry norms. Indeed, the research suggests that these organisations achieve 2-3% higher annual revenue growth.
- **Efficiency gains:** A more engaged workforce increases efficiency. Engaging with employees reduces the number of people who voluntarily leave an organisation, reducing the costs of recruitment and training.
- **Avoid waste:** Reduce costs associated with inefficient processes. HR respondents from Qikker sponsored research (www.qikker.com/hot-news/page/1) in 2008 showed over two-thirds saying that consolidation of information to avoid double data entry and replacement of inefficient paper based HR processes were vital to improve

business efficiency. Likewise, 44% called for the enablement of employee self-service. Yet, 61% stated that the capital expenditure required for implementing HR technology was just too great.

Research by InfoHRM Group, a strategy consulting firm has shown that an average employee transaction, such as processing expenses or organising appraisals, costs £8.50. If employees take control of their own work management through employee self-service, an organisation can save £3.50 per transaction, about a 40% saving. No costs are added back in terms of employee or manager time as they would have spent comparable time filling out paper based forms.

Taking a conservative average of just 25 employee transactions per year involving HR, the cost to the organisation is £212.50 per employee per year. For an organisation of 2000 employees this translates to £425,000. If employee self-service is enabled an organisation can save over £170,000 per annum.

With Qikker Finance these savings, efficiency and productivity gains can be added to the organisation's bottom line for the first year, before the first monthly instalment. So if cost is no longer a barrier, what is stopping implementation of Portal and Talent Management technology? You will save money, improve efficiency and accuracy of your data and provide a best practice employee experience, increasing attraction and reducing attrition of your valuable employees.

"It might appear trivial in the scheme of things, but HR processes administered using paper forms is costing businesses far more than they think. At least 25 per cent of wasted 'form filling in' time could be saved by transitioning the processes online. This time can then be realised as either cost savings or increased productivity".

To find out more about how your organisation could benefit, go to: www.qikker.com/finance or contact us on: 0845 2600 222

The future of

UK

manufacturing

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here is a fierce debate going on about the future of manufacturing in the UK right now. On one side are those who think the state should step in to help prop industry up, particularly the automotive sector which has been hit so hard by the recession. On the other are the free market proponents who fear a return to the interventionist, industrialist policies of the 70s and reckon the Government should leave well alone.

Who is right? I actually think a better question than that is, do we have a manufacturing base that is worth saving? Moreover, if we do, where does that base lie and what is the best way to ensure it continues to generate wealth and create jobs in the future?

I put these questions first of all to David Bailey, a professor at Coventry University's business school. David is an expert on the automotive manufacturing industry in particular, but manufacturing and regeneration in general.

He says: "I am actually very positive about this and that is partly because, following the shake-out of manufacturing in the 80s and 90s, what we have left is actually very efficient by world standards. We have a smaller but very vibrant manufacturing sector."

Bailey is of the opinion that the Government should intervene and, particularly, help manufacturers to gear up for the boom that is anticipated in emerging technologies, particularly green technology, low carbon vehicles and other green industries. Manufacturing, he argues, is also linked into thousands of services – when you buy a car you need finance, you need insurance and so on. Moreover, the jobs created are high in added value and this is no surprise. "75 per cent of all money spent on research and development in the UK is in the manufacturing arena," says Bailey.

One such example of the leaner, slicker manufacturing base that Bailey is alluding to – and that he thinks we should be looking to help nurture more of – is ENER-G, a North West company that finances and delivers renewable and energy-efficient power generation and management schemes.

"We apply advanced technology to cost and greenhouse gas reduction," the company's group managing director, Derek Duffill, tells me. The company has experienced significant growth and is on a solid financial footing. Derek acknowledges it is in a growth industry, but also says: "Our rapid growth and success also owes much to continuous investment in innovation, and a commitment to offering total, end-to-end solutions for our customers."

"The company is a modern example of UK manufacturing in that we exploit innovation and engineering excellence to create high quality products using cutting-edge technologies. Like many successful manufacturers we add even more value after the goods have left the factory gates through the service side of our business, which provides lifetime maintenance and management of all installations."

Most crucially of all, as far as the UK plc is concerned, is that the



Mark Lane considers the future of UK manufacturing with help from a range of experts in the field

company is active in international trade, with operating companies in Hungary, the Netherlands, Lithuania, Norway and Poland, plus joint ventures in South Africa, Mexico and Spain.

There are many more companies like ENER-G out there - UK manufacturers who are global leaders in their field and contributing greatly to UK wealth. Morgan Technical Ceramics Europe is one such example. The company is part of the UK-based Morgan Crucible, a successful global manufacturer employing over 1,700 people in the UK in skilled jobs.

When I caught up with Charlie Cobb, vice president, Morgan Technical Ceramics Europe, he was in defiant mood. He told me: "I refuse to blindly accept the ceaseless 'doom and gloom' predictions being made and, that despite the economic downturn, believe at least some sectors of the UK manufacturing industry are more robust than many give them credit for."

Outlining his own company's strengths and reason for its longevity - it has been in industry since the early 1900s - Charlie says: "Two of [our] cornerstones are diversity and expertise. Diversity of end markets enables us to maintain a 'balanced portfolio' to ensure that as one market stumbles, we retain stability in another.

"Our technical ceramic components can be found in semiconductor, aerospace, military, medical, automotive, energy and industrial processing applications and equipment. So, as we experience delays and cutbacks in areas such as automotive and semiconductor production, we see demand continuing in the medical and military market sectors."

Tellingly, the company has reacted quickly to changing market conditions, transferring a semiconductor process to the manufacture of solar panels, "one of the few burgeoning growth industries," according to Charlie.

It is such industries, and UK companies attempting to make their way in them, that David Bailey would like to see the Government supporting. So, indeed, would Adam Buckley, head of contracts and programmes for The Manufacturing Institute. Adam, like many, is concerned that, "manufacturing has been sidelined over the past couple of decades by other rising stars within the economy, such as finance and other services, but it has remained a solid work horse. It has contributed greatly to the growth of the service sector, supporting an estimated 1.5m UK jobs on top of the 3.7m direct manufacturing jobs."

Adam tells me that manufacturing accounts for around one seventh of our national wealth and generates more than half of our exports - a figure which I, and I am sure many readers will be surprised by. He adds: "If this sector fails, the economy is in deep trouble and the shock waves will be felt acutely by the service sector companies it supports."

Adam says that UK manufacturers have upped their game in the past two decades in the face of fierce global competition. "Faced with fierce global competition over the past two decades, the emergence of many nimble, knowledge-led, world class enterprises has made productivity per workforce job in UK manufacturing nearly £8,000 higher than the service sector," Adam says. "What many people don't realise is that manufacturing output today is higher than in its heyday of the 70s, even though far fewer people are employed."

It's easy, when talking to the likes of Adam and others associated with the manufacturing sector, to argue a strong case for offering greater support for manufacturers. I spoke to a number of other manufacturers in the course of my research, many of whom were doing rather well despite the downturn and

- belatedly - beginning to feel some advantage of the sterling's depreciation. With all, there was a sense that other, 'sexier' industries seemed to find it easier to win the ear of government officials. As one, long-in-the-tooth industrialist put it to me, "we seem to be too busy training hairdressers to worry about the manufacturing sector."

An over-riding feeling when talking to those in the know is that UK manufacturing is at a crossroads. David Bailey tells me that one of the greatest dangers of the very sharp contraction manufacturing has experienced is that many manufacturers simply will not recover.

Talking in the context of possible car plant closures, he says: "The trouble is, when you lose that kind of capacity and jobs, they are gone forever. A consequence of that is that the capacity simply won't be there to help us benefit from the export-led growth we should experience as a result of sterling's fall in value."

Skills: THE KEY TO MANUFACTURING'S FUTURE

Despite the current economic climate, many UK manufacturers can secure their long-term future by investing in the skills they need to embrace emerging environmental technologies.

That's the view of many industry leaders, including Bob Gibbon, managing director of the National Skills Academy for Manufacturing (the Skills Academy) and Lord Kumar Bhattacharyya KB CBE, director and founder of Warwick Manufacturing Group based at the University of Warwick.

Recently, the Skills Academy hosted a lecture by Lord Bhattacharyya at the Institute of Mechanical Engineers (IMechE) which highlighted the fact that environmental concerns presented the opportunity for manufacturing firms to lead the world.

Mr Gibbon explained: "It's clear that many manufacturers are suffering because of the recession, but there are plenty of opportunities for forward looking companies.

"Lord Bhattacharyya also stressed that to make the most of this ongoing 'green revolution', UK companies needed to invest in new skills.

"At the Skills Academy we also believe that this investment in skills training also has a wider benefit, particularly in times of recession.

"Those firms that resist the temptation to cut back on training or lay off skilled staff will reap the rewards once the recovery gets under way.

"One of the most important lessons we have learnt from the last serious recession is the need to retain skills within manufacturing - once they are gone they are gone forever."

**KEEP
Skills
ALIVE!**

Q&A



Q. What, in your opinion, was the main factor in creating the current UK recession?

A. The problem was that in America, people were given loans that they could not afford to pay on very low, post 9-11 interest rates, which then shot up and left people unable to keep up the repayments.

Their debt was packaged up and sold on, and because the financial systems of the US and the UK are so interlinked, the problem mushroomed when the debt turned out to be bad.

Once that started, the banks no longer trusted each other and lending became a lot more restricted. ■

Q. How much has the slowdown in the housing market impacted on your business, www.look4aproperty.com?

A. It has impacted on www.look4aproperty.com – we have seen a drop in enquiries and also in the number of homes on sale. Having said that, there have been rises in the rental markets, with a lot of landlords deciding against selling and renting out instead. At the same time, a lot of potential buyers have decided to wait it out and rent, too.

Sales enquiries have started to pick up in the UK market – but the most dramatic drop has been in the overseas market, which has totally failed. ■

**Business Today talks to
Aaron Turner, the founder
of www.look4aproperty.com.
The website allows potential
buyers to search for the
right home for them**

Q • Do you agree that the economy is showing green shoots or is this wishful thinking?

A • I do agree that there are signs of recovery. We have started to see the impact of the government's intervention but the rate of recovery is very slow.

Job losses are still happening but the rate is slowing at least. Thanks to quantitative easing we are seeing a slow resumption of bank lending. Another very good sign has come from the purchasing managers' index (PMI), which hit 51.7 in May, up from 48.7 in April. The 50-mark separates contraction from expansion. Having said all that, we have a very long way to go, and I don't think we are out of the woods just yet. ■

Q • Some people argue the UK's obsession with house prices got us into this mess in the first place. What do you say to that?

A • I don't think it's our obsession with house prices that caused this. As I have already explained, the problem started in America with unscrupulous lenders.

Admittedly, there were some loans given out in the UK which were far too big – 125 per cent, for example. This should never have happened and, thankfully, such irresponsible banking practices cannot happen now. But to blame the entire crisis on the UK housing market is unrealistic and does not take into account the whole picture.

Q • Do you think the Government has done enough to help businesses during the downturn?

A • I am fully behind the decision to lower interest rates, part-nationalise the banks and introduce quantitative easing.

Having said that, I don't think the Government has gone far enough. They should have helped more by appointing a lending tsar and forced the banks to start lending after the taxpayer bailed them out. The taxpayer, after all, has rescued these banks, and should be able to enjoy the benefits. ■



Q • It seems puzzling when people say that house prices going up is a good thing. Shouldn't we be aspiring to more affordable houses for all?

A • It depends on how you look at it. People will always invest in assets that will give them a return, whether that's stocks, shares or property. As they make money from those investments they have more money to spend on the high street, which stimulates the economy and creates jobs.

The trouble is finding a balance. Some people can't afford stocks and shares either and that doesn't cause any problems in the economy. However, houses are not just investments, they are homes. What we really need is a strong, healthy and thriving market – but one with affordable housing options for people on lower incomes. ■

Q • Are the constant television programmes about property buying harmful in that they help ramp up house prices and encourage people to invest in properties they can't really afford?

A • I disagree with that totally. Those programmes are informative, in the same way the internet or library are.

People considering buying, selling or renovating their homes find such programmes invaluable as a resource – but more than that, they are also very entertaining, and popular. They don't encourage people to get mortgages they cannot afford – they show people how to make money out of the housing market. ■

To read more of the interview with Aaron Turner (pictured below) go to: www.ukbusiness-today.co.uk



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