



Evaluation of Flying Start

Executive Summary

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Introduction

1. The Flying Start programme was established by the National Council for Graduate Entrepreneurship (NCGE) in 2005. Funding has come from a number of sources, including NCGE, Department for Business Innovation and Skills (BIS), and other partners e.g. Regional Development Agencies (RDAs), universities.
2. The programme aims to encourage more students and graduates to think about starting a business and to help them to realise their ambitions. It offers 12-month programmes of support through a combination of a three-day residential, workshops, online resources, and mentoring. It also supports the establishment of student enterprise societies within universities and the Kauffman Fellows programme that includes entrepreneurial experience with a US company.

Evaluation Objectives and Method

3. NCGE commissioned an evaluation of the programme in March 2010, the objectives of which were to provide an assessment of :
 - strategic rationale for the programme and its ongoing relevance;
 - performance against objectives and targets as set out at the initial project appraisal stage;
 - impacts achieved and value for money (VfM); and
 - key lessons for future activity.
4. The evaluation was designed and conducted in line with current guidance on evaluation practice and is fully compliant with the RDA Impact Evaluation Framework (IEF). The method included:
 - a review of existing documentation, including financial and monitoring data;
 - consultations with NCGE staff and agencies/bodies involved in the delivery of Flying Start (e.g. universities, training providers, mentors);
 - primary data collection from a sample of students and graduates supported by the programme; and
 - analysis and assessment of the economic impacts achieved by Flying Start.

Programme Rationale

5. There is a clear and continuing rationale for Flying Start. It provides a strong fit with the national enterprise agenda and addresses well-established market failures associated with enterprise and business start-up (in the main information failures). It seeks to address identified challenges around:
 - increasing productivity in the UK economy;
 - stimulating the creation of new businesses;
 - increasing entrepreneurial activity among students and graduates; and
 - supporting entrepreneurial activity more widely across universities.

Programme Inputs and Activities

6. The total cost of the Flying Start programme over the period 2005 to 2010 (including the Kauffman Fellows) was £888,000. This was made up of public sector funding of £690,000 and private sector leverage of £198,000 (mainly from RDAs and universities). The total cost has been estimated based on:
 - 33 programmes at £12,000 per programme; and
 - the Kauffman Fellows programme costs £12,000 per participant and to date there have been 41 participants.
7. The programme has developed a range of activities that vary in intensity. Rallies and events raise awareness and encourage recruits into the programme, and those with a clear interest in starting a business can then register for the 12-month support programme. This begins with the residential course and is supported by mentoring and online resources.
8. The Kauffman Fellows is a year-long programme - from July to June participants are provided with training and support delivered by NESTA and NCGE, supported by sponsor universities. From January to June, time is spent in the US as full-time Global Scholars at the renowned Kauffman Foundation. There is input from top US institutions/academics and four months entrepreneurial experience with an innovative US company.

Programme Outputs

9. The availability of monitoring data was somewhat patchy. Targets for the programme were not set in its early years, something which has been rectified recently.
10. Based on the data available, performance in terms of the numbers of participants engaged both at events and on the 12-month programmes has been strong. A total of 465 new businesses have been created.
11. The Flying Start programme has delivered a wide range of benefits to participants, including helping with decision-making, generating useful contacts, improving understanding of how to start-up a business and increasing confidence.
12. There has also been a positive and marked impact on general levels of awareness of how to start a business, and a positive shift in attitudes towards enterprise. Other reported benefits included improved skills and capacity for starting a business, and enhanced (perceived) chances of business success.

Net Economic Impacts

13. In assessing the net additional impacts of the programme we have taken account of deadweight, displacement, leakage, substitution, and multiplier effects in accordance with the requirements of the IEF
14. The following section is based on the economic impact assessment of the telephone survey responses.
15. The level of displacement and deadweight for the programme are higher than national benchmarks (82% and 53% respectively - national comparisons are 31% and 47% respectively). This is a key area for improvement.
16. In relation to value for money, the cost per job created is £1,100 per gross job and £8,700 per net additional job. With expenditure of £880,000, Flying Start has the potential to create 770 gross jobs, resulting in 101 net additional jobs and GVA generation of £14.82m, which results in a ROI of 17:1. ROI compares well with the national benchmark of 14.1:1 for enterprise support projects.

17. Value for money is strong. Taking into account the progress of the programme and the impacts it has so far achieved, there is a good case for its continuation.
18. Additional impacts were reported through the online survey. However, as there was no control over the sample and the population size is unclear, the impacts have not been grossed-up. These impacts are reported on in the main Report.

Conclusions and Recommendations

19. There is a strong and robust strategic rationale for the programme. It aligns well with national policy priorities around enterprise development and economic growth and recovery.
20. While there was a lack of clear documentation around objectives and targets the programme has performed well. A range of support has been provided which students and graduates are overall satisfied with. There have been positive shifts in awareness of enterprise, attitudes towards starting up in business, and skills and capacity for enterprise as a result of involvement in the programme.
21. Flying Start is helping to raise awareness of enterprise opportunities among students and graduates and is helping to encourage more enterprising attitudes and behaviours. It is also supporting more start ups among its target group of beneficiaries - it is doing what it was set up to do.
22. A number of lessons have been identified to inform future activity:
 - **objectives and targets for the programme should be revisited with a view to developing a clear set of objectives and SMART targets** - it is important that future activity be aligned with clearer objectives and targets that better reflect the nature of the programme i.e. the behavioural and attitudinal change aspect of Flying Start;
 - **programme budgets should be more accurately specified** - the evaluation has relied on broad cost figures for the programme and there is a need to review this for future years;
 - **the role and responsibilities of both mentors and mentees needs to be reinforced** - feedback from the survey of participants of Flying Start identified that communications was a key issue, with students and graduates reporting a lack of regular and continued contact with mentors. While the programme has developed a set of manuals

(including for the mentor and mentee), there is a need to make clear what should be expected as support from the programme; and

- **review scope for greater face-to-face support** - there is evidence of demand for more face-to-face support. The three-day residential offered as part of the 12-month programme of support is well-regarded and provides an opportunity for students/graduates to meet their mentor.