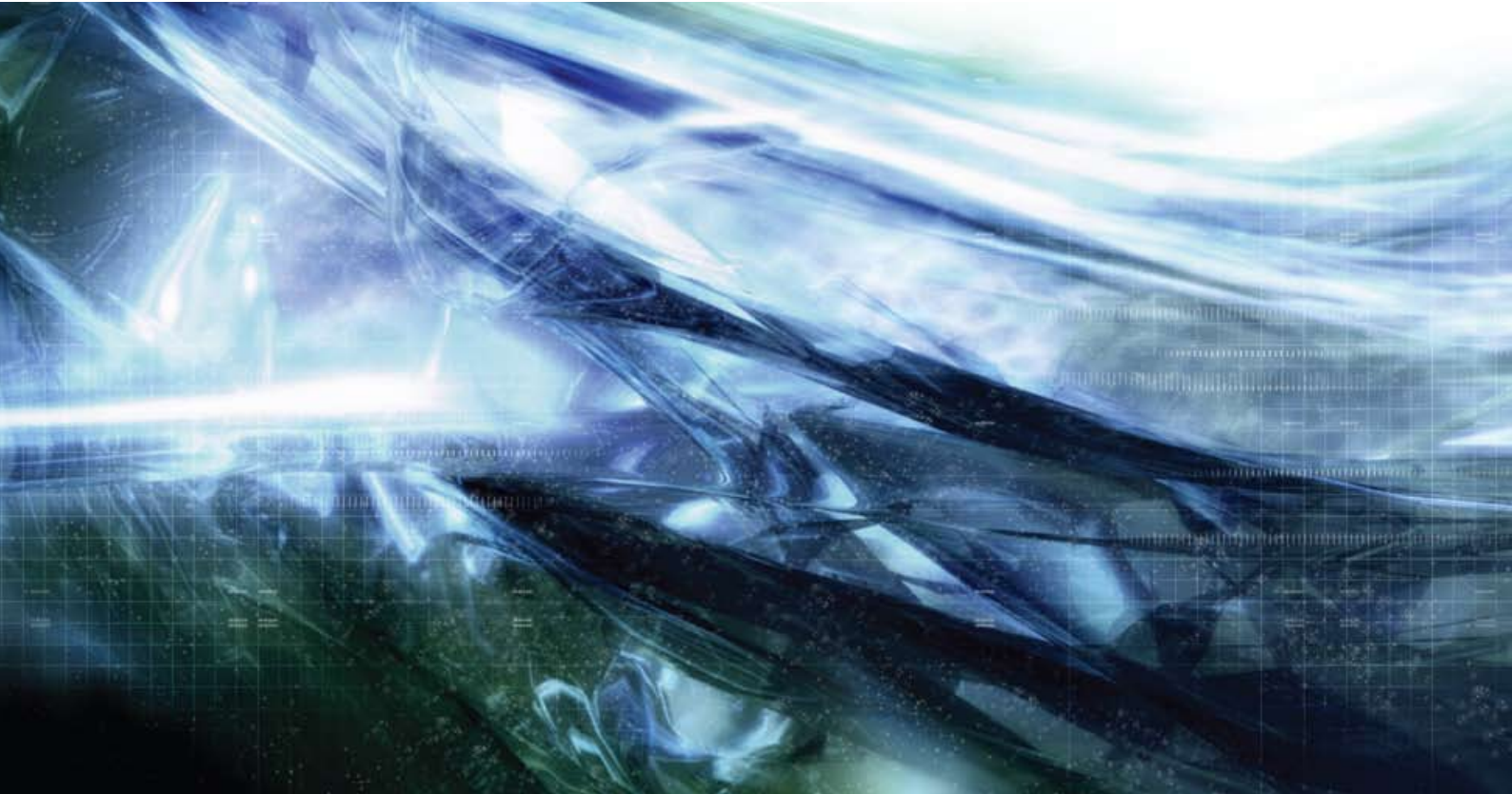


# The Centre for Small & Medium Sized Enterprises & Enterprise Teaching Group Annual Report 2008



“Since its inception in 1985, CSME has established a reputation for the rigorous, economic analysis of enterprise policy. This year this is evident with the publication of a series of research papers in top ranking journals and the official launch of the landmark book ‘Three Decades of Enterprise Culture’ by Francis Greene, Kevin Mole and David Storey.

Research papers written by CSME staff in 2008 focussed on the Centre’s traditional areas of strength – enterprise policy and behaviour, regional policy, finance and enterprise education. Other 2008 papers by CSME staff focused on innovation and information systems suggesting the broadening research focus of CSME as new staff have joined. These publications were recognised in the RAE feedback when the Centre was identified as an area of specific research strength within Warwick Business School.

Within CSME there were also some organisational changes during 2008 as I took over from David Storey as Director. This allowed David to take a sabbatical during 2008/09, although he returns as Professor of Enterprise to play an active role in the Centre’s research and teaching programmes in 2009/10”

Professor Stephen Roper, Director, Centre for Small and Medium Sized Enterprises,  
Warwick Business School

# The Centre for Small & Medium Sized Enterprises & Enterprise Teaching Group Annual Report 2008

## Highlights of 2008

The high points of 2008 reflect CSME's engagement with international quality research, teaching and policy development:

- Over the year CSME staff published seventeen papers in leading international journals and ten or more are forthcoming in 2009. Five of these publications are in journals classed as 4\* by the Association of Business Schools; *Journal of Management Studies*, *Journal of Business Venturing*, *Journal of International Business Studies*, *British Journal of Industrial Relations* and *Studies in Higher Education*, and twelve are in 3\* journals.
- Francis Greene, Kevin Mole and David Storey launched *Three Decades of Enterprise Culture: Entrepreneurship, Economic Regeneration and Public Policy* (Palgrave MacMillan). Based on early research by David Storey in Teesside, this traces the effectiveness of UK SME policy since the 1970s and emphasises that, despite improvements in the policy environment, there has been little change in the number, quality and performance of new firms.

- David Storey (together with Jonathan Potter) published the *OECD Framework for the Evaluation of SME and Entrepreneurship Policies and Programmes*. This provides a detailed summary of best practice in SME policy evaluation and highlights the key methodological issues involved in different policy evaluation methodologies.
- Established partnerships contributed to new research grant income to CSME during 2008. Stuart Fraser started work on the UK SME Finance Survey for 2008 supported by ESRC and Barclays Bank. Stephen Roper and Margi Levy were part of a successful bid to ESRC to establish the ESRC funded EREBUS ([www.erebus-cbc.com](http://www.erebus-cbc.com)) capacity building cluster. Developed in partnership with Aston Business School and Birmingham University, this five-year project will co-fund five PhD studentships and three two-year KTP studentships in CSME over the next five years. Margi Levy was also successful in obtaining additional KTP, Advantage West Midlands and British Academy funding.

- CSME staff also partnered with the insurance company 'More Than for Business', to develop the first regular indicator of small business inflation in the UK, called the 'Business Inflation Guide' [BIG]. This was first published in September 2008 and widely reported on the BBC and print media including the *Financial Times*, *Independent*, *Daily Telegraph* and *Mail on Sunday* ([www.morethanbusiness.com/Knowledge-Centre/Business-Inflation-Guide](http://www.morethanbusiness.com/Knowledge-Centre/Business-Inflation-Guide)).

## CSME in detail

CSME staff continued to engage actively with different academic and policy networks.

**Kevin Mole's** work for example, centered on empirical and theoretical work related to business advice. The policy evaluation of Business Link conducted over the period 2004-7 for the DTI, led by Kevin and published in *Environment and Planning C: Government and Policy* in 2008, yielded a large dataset which has formed the basis for a number of academic outputs related to business advice and other aspects of business capabilities. Kevin continued to be involved with ISBE in 2008, and was an advisor for the business support track at the 2008 ISBE Conference held in Belfast.

During 2008 **Stuart Fraser** focused on the second wave of the panel survey of UK SME Finances funded by ESRC and Barclays Bank. This work is particularly relevant in the current credit crisis and Stuart has presented some initial findings from the 2008 Survey to UK government. Stuart's additional research on Ethnic Minority Business Finances published in the *International Small Business Journal*, attracted a great deal of media attention in 2008 with reports in *The Daily Telegraph*, the leading UK Black Newspaper *The Voice*, and in the *Times of India*.

**David Storey** is taking a well earned sabbatical for the academic year 2008/9, and is going to spend some of that time in Australia at the University of Sydney. During



Kevin Mole, Francis Greene and David Storey at the launch of their new book *Three Decades of Enterprise Culture*.

his sabbatical he will complete the book he is writing with Francis Greene, 'Small Business: The Big Picture' to be published by Pearsons in early 2010. David still found time during 2008 to present the joint work he is doing with Richard Roberts and Julian Frankish, 'Do Entrepreneurs Really Learn?', at the Universities of Cambridge, Strathclyde, Hull and the Open, and at EIM in the Netherlands and FSF in Sweden.

Despite a very heavy teaching load teaching engineering undergraduates the joys of entrepreneurship and establishing their own businesses, Francis Greene began his work on the commissioned book 'Small Business – The Big Picture', alongside his joint author, David Storey. He also published with co-authors, in *Entrepreneurship and Regional Development and the Journal of Business Studies*. Francis' paper on evaluating youth entrepreneurship – 'The case of the Princes' Trust', was also published by *Environment and Planning C: Government and Policy*, in 2008.

**Margi Levy** continued her work on information systems and small business performance in 2008, with her joint publication in the *International Journal of Technology Management*, on small firm transition through IS. Her current focus is on strategic alignment in SMEs and, working with Kevin Mole, on turnaround SMEs. Margi also ran two AWM-funded workshops for SMEs in 2008 focused on the use of social networking and radio frequency identification (RFID) technologies. She also continued working on developing KTP proposals for CSME and for the Enterprise Hub, which will become active in 2009.

**Stephen Roper's** work continued to focus on innovation throughout 2008 with a focus on modeling firms' innovation success and its links to growth and productivity. The innovation value chain paper published in



CSME researchers, on a day out on the Grand Union Canal, speculating whether a fast growth business needs a 'capable crew' or a 'fast flowing current'.

*Research Policy* was important in generating new projects on skills and innovation and more recently on innovation metrics (NESTA). Progress was also made in constructing innovation value chain estimates for Switzerland and Malaysia. During the year Stephen did fourteen invited workshop and seminar presentations including two for OECD relating to innovation and high growth firms. Stephen also continued his work with the AWM Enterprise Board (on which he leads the Data and Strategy sub-group) and the ESRC's Strategic Research Board.

Social enterprise continues to be **Nigel Sykes'** greatest research interest and in the summer he was invited by a UK Charity called Hope International to visit the Ukraine to talk to students about releasing their entrepreneurial capability. In the Spring term, Nigel was again the NIE for the second year of the new Integrative Entrepreneurship Module taught to over 400 WBS first year undergraduates. Nigel's paper on 'Envisioning, Enabling and Enacting: Individual and Organisational Development as Metamorphosis', was published in *Organisations and People* in May 2008.

### The Enterprise Hub

Under the direction of **Roger Mumby-Croft**, the Hub concentrated in 2008 in creating a series of internal and external networks and partnerships with, for example, Warwick Business School Alumni, the Warwick Science Park, the Reed Foundation and Mazars International Accountants. In 2009 Roger will develop a series of programmes and projects in order to provide Warwick Business School with a high class centre of applied enterprise. The Hub was also successful in obtaining significant HEIF 4 funding to enable it to deliver on the enterprise agenda both for WBS and for Warwick University generally, until 2011. In 2009 the Enterprise Hub will leave the 'shelter' of CSME and move to its own offices within Warwick Business School.

### Enterprise Teaching

Another great year for spreading the enterprise agenda to undergraduate students at Warwick in 2008 – well over 1,000 students received tuition from Enterprise Group staff, with **Nigel Sykes** and **Francis Greene** teaching very large groups of WBS and Engineering students business planning and how to start a business. As well as established modules, such as 'Entrepreneurship and Small Business' and 'Finance in New Ventures', taught by **Kevin Mole** and **Stuart Fraser** respectively, **Stephen Roper** introduced a new module 'International Perspectives of Enterprise and Small Business', and with more new modules on growth and innovation planned for 2009/10 – the Enterprise Group will then have a complete undergraduate pathway in enterprise teaching. **Roger Mumby-Croft** and **Kevin Mole** continued their delivery of the various WBS MBA Entrepreneurship Modules, and **Stephen Roper** and **Stuart Fraser** delivered the specialist Masters in Management Module, 'Entrepreneurship and Business Venturing'.



Undergraduate students at WBS.

# Publications

## 2008 and Forthcoming in 2009

Burke, A., **Fraser, S.** and **Greene, F.J.**, (2009), 'Multiple Effects of Business Plans on New Ventures', *Journal of Management Studies*, (forthcoming)

Capelleras, J.L. and **Greene, F.J.** (2008) 'The Determinants of Venture Creation Speed and Subsequent Performance', *Entrepreneurship and Regional Development*, 20: 4, 317-343

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**Mole, K.F.**, Hart, M., **Roper, S.** and Saal, D., (2009), 'Assessing the effectiveness of Business Support Services in England: Evidence from a theory based evaluation', *International Small Business Journal*, (forthcoming)

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**Roper, S.** and Xia, T., (2008), 'From capability to connectivity - absorptive capacity and exploratory alliances in biopharmaceutical firms: A US-Europe Comparison', *CSME Working Paper 91*

**Sykes, N.**, (2008), 'Envisioning, enabling and enacting: Metamorphosing the enterprise: P3 Diagnostic', *CSME Working Paper 92*

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The Centre for Small and Medium Sized Enterprises was established within Warwick Business School in 1985 and the Enterprise Teaching Group was established in 2003.

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