



Isle of Man Department of Economic Development's Business Support Scheme Guidelines

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BUSINESS SUPPORT SCHEME GUIDELINES

Below is an explanation of the purpose of the Business Support Scheme 2004 ("the Scheme") the procedure for applying for assistance under the Scheme and the roles and responsibilities of each of the parties involved in the assistance.

The following is a list of all forms referred to in this document

- Business Support Scheme Guidelines
- Application Form
- Mentoring Agreement
- Mentoring Guidelines
- Project Consultant & Business Development Consultant Guidelines
- Income & Expenditure Forecast
- Profit & Loss Statement
- Writing a Business Case Outline
- Business Development Consultation Report
- Project Completion Report
- Contract Acceptance Form
- Contract Matters
- Eligibility

For further information on all aspects of the Scheme and downloadable copies of the above documents, please visit the following website:-

www.gov.im/bss

What is the Scheme?

The Scheme is a Department of Economic Development ("the Department") discretionary scheme that offers financial assistance for business development with the specific purpose of helping businesses become more effective and efficient.

The Scheme seeks to create opportunities for **Eligible***, Manx-based businesses by providing links to specialist consultants and financial support. The Scheme aims to promote the global competitiveness of businesses who take advantage of the support services on offer.

The assistance on offer should assist any business to become more able to cope with changes in economic conditions, to grow and to become more profitable.

The Department recognises that businesses may not develop at the same rate and may require different types of assistance at different stages of their growth. You can therefore apply under the Scheme more than once if the development of your business requires it provided that only one application per year, per discipline is submitted. You should consider the assistance offered under the Scheme to be part of your business planning process.

The assistance aims to deliver a complete business solution for an aspect of a business where sufficient knowledge, resources or a combination of both may be lacking.

What do I get?

The assistance is made up of three parts:

Part 1 is a free of charge meeting with a Business Development Consultant (BDC) to discuss your business needs, where your business is now and where you want it to be in the future.

Part 2 is the delivery of a project in one of the 10 business disciplines (further details of which are appended as Appendix 1) which have been identified during Part 1 as being of most benefit to your business.

The project must provide the business with an ***Appropriate Business Solution*****, and may include an element of ***End-Product******.

The project will be delivered by an independent consultant who is a specialist in the relevant discipline and a list of which is maintained by the Department ("the Project Consultant"). Only a Project Consultant who is on the list can deliver a project. A downloadable copy of the list is available via the following link:-

www.gov.im/media/1347302/bss-consultants-list-june-2016.pdf

Prior to commencement of the project a contract will need to be entered into between you/your business and the Project Consultant. The Department will not be a party to that contract, but for your protection, will require certain provisions to be outlined in the contract.

Part 3 is a free of charge review one year after the completion of the project to assess the success of the project and repeat of Part 1 to establish which, if any, project is now required developing your business further. (See "One Year Follow up" below)

One Year Follow-Up:

One year after the completion of a project, the Scheme Manager shall invite the relevant Business Development Consultant to visit the business in order to carry out a follow-up visit.

The purpose of the visit will be to determine the effectiveness of the project(s) and to make an assessment of the extent to which the project delivered the Expected Outcomes as defined in the BDC Report.

The BDC may also offer any suggestions in order to further assist the business including the offer of a further project should this be appropriate.

Details shall be recorded by the BDC on a Post Completion Questionnaire Form which shall then be submitted to the Scheme Manager.

The Scheme Manager shall assess the findings of the follow up visit and take appropriate action.

Mentorship:

Following completion of the project you may take advantage of up to 3 hours mentorship free of charge. Mentorship is a totally confidential, flexible support and guidance service to assist the development of Isle of Man businesses.

Mentorship is available during the six months following completion of a project and is delivered by experienced members of the business community who act as both Business Development Consultants and Mentors. Mentoring support is most relevant for newly developed organisations or organisations that have changed their strategic direction or may be experiencing difficulties.

Mentors can offer advice, guidance and support involving all, or some of, the following:

- Identification of opportunities and areas of development
- Passing on experience, information and knowledge
- Questioning and challenging
- Impartial analysis of your organisation
- Support and advice on issues you raise
- Helping to set short term targets and longer term goals
- Skills development
- Developing an understanding of market sectors and competitors
- Providing access to internal and external support networks.

How does Mentoring work in practice?

A mentor will be matched sensitively to each business. In most cases the mentor will be the person who has undertaken the Business Development Consultant Consultation Part 1 review. However there will be occasions inevitably when a business has specific requirements, which will involve the appointment of a different mentor.

There is a support structure for mentoring which includes:

- Written guidelines for mentors
- Written guidelines for businesses taking part
- A signed mentoring agreement between mentor and the business with acknowledgement of the mentor's role.

If the business needs additional support from the Scheme, the Mentor will raise the issue with the Department.

A downloadable document giving further information on the Mentoring programme is available via the following link:-

www.gov.im/media/150732/ded_bss_mentoring_guidelines.pdf

Terminology, Roles, & Responsibilities:

1. Terminology

* **Eligible:** Eligibility for assistance under the Scheme is determined by the Department in its discretion, in response to a number of economic factors. The eligibility criteria may therefore change from time to time. A downloadable flow-chart outlining the current eligibility criteria is available via the following link:-

www.gov.im/media/150716/ded_bss_eligibility_flowchart.pdf

Should you require further assistance on the question of eligibility, please email:

bss@gov.im

**** Appropriate Business Solution:** A project which delivers a benefit or combination of benefits to the business, which on completion will enable the business to benefit immediately and without the need for further work or expense on their behalf other than the time and expense incurred in using that solution. Only projects which "grow" the business and the economy are supported. For example, businesses are expected to replace redundant and out-of-date equipment and software etc. at their own cost, whereas a grant application for new equipment which will expand the product or service range, generate new revenues and thus grow jobs and taxes would be considered for support.

***** End Product:** The Scheme is primarily a consultancy scheme; however, an element of end-product (hardware such as a laptop, or software, such as a specialist or bespoke computer program) may be included as part of a project in order to supply the business with an **Appropriate Business Solution***** along with consultancy, and training etc. However, the supply of end-product, with just a token element of consultancy is not considered to be an Appropriate Business Solution, will not be accepted by the Scheme Manager, and would not be eligible for support.

To apply to become a Business Development Consultant or a Project Consultant, or to check what information the Department requires of a Business Development Consultant or Project Consultant before they are put on the Department's list, please contact the Department who will provide a copy of the **"Project Consultant and Business Development Consultant (BDC) Guidelines**. A downloadable copy is also available via the following link:-

www.gov.im/media/150728/project-consultant-guidelines-feb-2011.pdf

There are three major roles concerned with the delivery of the Scheme.

1.1 The Business Development Consultant ("the BDC")

The role of the BDC is to assist eligible Manx-based businesses to improve efficiency by making suggestions designed to enable them to compete more effectively in a competitive global market.

Following an application for assistance the Scheme Manager will nominate a BDC to arrange to visit the business premises.

The Business Development Consultant (Cont.)

The purpose of the visit will be:

- (1) To ensure that any business which is offered assistance under the Scheme is Eligible, and able to meet its share of the cost of the project.
- (2) To undertake a review of the business's operations in order to identify any needs or weaknesses and to make suggestions for a project(s) in any discipline(s) supported by the Scheme, which would provide an ***Appropriate Business Solution***, best suited to address the needs and/or remedy the weaknesses of the business.

The project must have clearly defined outcomes and which may include an element of End- Product. The details of the review shall be recorded in a ***BDC Report***.

- (3) To be available throughout the implementation of a project to offer advice and guidance to the Scheme Manager as requested, in order to ensure adherence of the project to all of the requirements set out in the BDC Report.
- (4) To offer further Mentorship following completion of the project.

In order to receive the most benefit from the BDC's consultation businesses should ensure that copies of its audited accounts/account forecasts, business plans and strategies are available. A downloadable document giving general advice on how to prepare a Business Case Outline, a pro forma copy of an Income and Expenditure Forecast and a Profit and Loss Statement, is available via the following link.

www.gov.im/bss

Should a project or projects be recommended by the BDC, detailed information shall be included in the relevant section of the BDC Report, specifically this shall include:-

1. an outline review of current system(s) or process(es)
2. an outline of the recommended project(s) including aims and objectives
3. an outline of expected outcomes to include but not be limited to:-
 - problems solved
 - improvement in process performance
 - improvement in staff competency
 - strategic benefit to the business.

The BDC shall invite the business representative to select a Project Consultant from the list available via the following link:- www.gov.im/media/1347302/bss-consultants-list-june-2016.pdf

The BDC shall then forward the completed BDC Report to the Scheme Manager.

Note: the BDCs do not offer advice. They may, however, make suggestions or make comments on how the business might progress. It is then for the business to seek its own advice and/or make its own decisions. Anything discussed between you/the business and the BDC will be treated as confidential and will not be disclosed to anyone other than the Department or Scheme Manager.

1.2 The Project Consultant

Following acceptance of the BDC Report, the Scheme Manager will invite the Project Consultant to visit the business premises in order to agree terms and conditions (a contract).

The contract must incorporate the recommendations outlined in the BDC Report, and must include the provisions outlined in the document, "**Contract Matters**", a copy of which is in Appendix 2 of this document.

The Project Consultant and a senior representative of the business shall complete and sign a **Contract Acceptance Form**. This form will be submitted along with the Project Consultant's contract to the Scheme Manager who will ensure:-

- appropriateness of project
- accuracy of detail, i.e. costings, hardware eligibility, and timescale etc.
- adherence to the requirements set out in the BDC Report.

When the contract has been confirmed as compliant by the Scheme Manager he will authorise the Project Consultant to commence with the project in accordance with the details outlined in the contract.

Following completion of the Project, the Project Consultant shall complete and sign a **Project Completion Report**. The final page of this report is the **Project Completion Acceptance Form**, which shall be signed by a senior representative of the business, to confirm to the Department that the project has been completed satisfactorily.

The completed report shall then be sent by the Project Consultant to the Scheme Manager, (along with his/her invoice, and receipts for End-Product if applicable)

The Scheme Manager shall ensure that the Completion Report accords with all requirements and is broadly in adherence with the required outcome s as indicated in the BDC Report.

Downloadable copies of the **Contract Matters** and **Project Completion Report** are available via the following link:-

<https://www.gov.im/media/150748/project-completion-report-i-2012-final.pdf>

Important: The specific function of the Completion Report is to ensure that the project has been delivered as agreed between the parties and in accordance with the BDC Report.

Upon receipt of a satisfactory Completion Report and a copy of the Project Consultant's invoice, together with receipts for End Product (as defined above), the Scheme Manager forward to the Project Consultant a cheque for 50% of the fee up to a maximum of £4,500.00.

1.3 The Scheme Manager

The role of the Scheme Manager (who shall be employed by the Department) is to ensure the smooth running of the Scheme and to ensure adherence to the requirements of the relevant guidelines. This will include but not be limited to:

- maintaining a list of Project Consultants, Business Development Consultants and Mentors
- ensuring that the project is delivered to the required standard
- confirming the compliance of the BDC Report
- wherever possible and appropriate the provision of guidance to businesses, BDCs and Project Consultants.

2. Professional Indemnity Insurance

The Department does not indemnify the BDC's or the Project Consultants in respect of any guidance and/or suggestions given to a business. Adequate Professional Indemnity cover is the responsibility of the individual Project Consultant and BDC. Included in the list of clauses to be included in any contract between a business and a Project Consultant "Contact Matters" (Appendix 2), is a requirement that the Project Consultant has professional indemnity insurance in place. You/your business should check, however, that a current policy with an appropriate level of cover is in place at the time of the contract.

NOTE: The BDC and any Project Consultant subsequently appointed are independent contractors and are not employees of the Department. The Department will not be a party to any subsequent contract entered into between the business and the Project Consultant.

To the fullest extent permitted by law, neither the Department of Economic Development, nor the BDC's accept any liability for any loss suffered by the business because of any action or inaction taken by the business as a result of any guidance offered by the BDC and/or any Project Consultant subsequently appointed.

Appendix 1

Project Disciplines

Business & Financial Management Controls

Businesses that need to establish or update information systems in all areas of financial management control will receive advice to help make informed decisions based upon sound financial management theories and practices.

A project can include:

- Financial Management
- Budgetary Control
- Corporate finance
- Financial auditing
- Tax planning and compliance
- Raising finance
- Management Information Systems

Business & Strategic Planning

All organisations need to understand their objectives, strategies and the marketplace in which they conduct their business.

Effective Business and Strategic Planning allows businesses to anticipate problems and respond positively to external factors to establish a competitive advantage.

A project can include:

- Strategic Planning
- Organisational values, vision, and mission
- Business objectives and goals
- Critical success factors and actions

Business Planning

- Where the business is now
- Where it wishes to get to
- Activities required to get there

Change Management

- Understanding the need to change and why
- Decide what and when to change
- Planning the change
- Implementing the change

A business plan can be produced for you and will focus particularly on the development of action plans involving markets and resources together with a financial forecast covering a two to five year period.

Design

The design of products and services is critical in establishing a brand and remaining competitive in an increasingly global marketplace. Innovations and improvements of an existing product or idea are also critical.

Innovation or improvement of the design process will need to be managed effectively to meet the expectations of the business, management and its customers.

New product design anticipates and provides solutions to problems which, if not resolved, can be costly to rectify - for example, should a product recall become necessary because of design fault.

A project can include:

- Market potential
- Aesthetics
- Design for Manufacture/Assembly (DFM/DFA)
- Functionality
- Material selection
- Finite element/stress/structural analysis
- New product development (NPD)
- New product introduction (NPI)
- Quality function deployment (QPD)
- Failure modes effects analysis (FMEA)

E-Business

Running a business makes great demands on time and resources. Advances in technology allow new business models to be developed and processes to be completed through electronic means. It is essential for businesses to apply technologies to maximise profits and reduce costs in order to achieve potential in a global marketplace.

New ways of doing business using the latest technologies can improve every aspect of business from finding and servicing sales to purchasing materials. Doing business online can make business routines easier, simpler, more productive and cost effective.

A project can include:

- What the Internet can do for your business
- Why the Internet is good for business
- The essentials of doing business online
- Introduction to e-Business and its applications
- E-Business communications
- E-Marketing
- Successful strategies for e-Business and how to find what your business needs on the internet
- Creating a website
- Marketing your website on the internet
- How to present your company and its message to a worldwide audience
- Successful strategies for selling online
- Customer relations and new ways of servicing your marketplace
- Innovative ways of using e-Business
- Advanced online marketing tips and skills to keep you ahead of the competition

Environmental Efficiency

In recent years businesses have been more focused on the concerns raised by environmental issues and have recognised that gains in profitability can be made by the effective use of waste and energy management technology.

In order to gain maximum benefit from implementing Environmental Management Systems (EMS), businesses need to understand the issues involved in effective environmental management.

ISO 4001 is an internationally recognised environmental standard that is becoming the industry standard for companies.

Businesses wishing to have EMS require a comprehensive environmental review of their facilities.

Development, maintenance and internal environmental auditing of EMS require comprehensive reviews. Support for this can be provided which also includes an evaluation of resources and waste management, leading to the effective use of all resources.

A project can include:

- Operating and maintaining an EMS
- ISO 14001 EMS
- Environmental reviews
- Development of an EMS
- Maintenance of the EMS and internal environmental auditing
- Evaluations of resource management
- Evaluations of waste management
- Traffic and transport
- Materials use and waste management
- Environmental legislation
- Environmental standards and guidelines
- Organisational impact on the community (part of an EMS)
- Environmental technology
- Plan, manage, audit, and improve the conservation of energy
- Energy conservation and sustainable energy generation
- Pollution, contamination and waste

Human Resource Development

The most expensive resource in any business is its people. Research shows that the most successful companies are those that maximise the potential of their employees, working with them to achieve business goals and a competitive edge.

The HRD consultancy is designed to identify strategies and working practices to implement and sustain your business and can include:

- A diagnostic review of the business HRD needs
- An analysis of training needs
- A HRD audit and risk assessment
- Employment legislation
- Employment contracts
- Policies and Procedures
- Training provision
- Effective Communication
- Performance Management systems
- Creation of employee handbooks and procedure manuals
- Training strategy and evaluation processes
- Appraisal systems
- Managing redundancies
- Coaching and counselling
- Investors In People (IIP) accreditation

Information Communication Technology/Information Systems

Organisations are under increasing pressure to enhance efficiency in order to remain competitive. As such, their ICT/IS systems also come under pressure to provide necessary improvements.

Existing systems may not be capable of radical improvements nor permit radical organisation changes and rapid advances in technology make finding and implementing the right solution very difficult.

ICT/IS consultancy helps organisations overcome these problems and enhance their efficiency through effective use of their information systems.

A project can include:

- Strategic Review
- Feasibility
- System Design/Audit
- System Procurement/Implementation
- System Management
- Security/Risk/Disaster
- Networks and communications

Marketing

It is essential that businesses market their products and services efficiently. A marketing consultancy will help devise a structured framework to meet the requirements of the competitive marketplace at home and abroad.

Consultancy will help the business to develop both strategic and tactical action plans.

A project can include:

- An internal marketing audit
- A SWOT analysis (strengths, weaknesses, opportunities and threats)
- Competitor analysis
- Setting marketing objectives and strategies
- Evaluation of products/services
- Assessing new markets
- Reaching your customers
- Review of marketing literature, branding and image
- Marketing campaign

This will form the basis of a Marketing Action Plan which the consultant will help prepare with emphasis on:

- Business Objectives
- Resources

Operations Management

The demands of modern commerce mean that businesses must continually improve delivery, quality and price to remain competitive. It is beneficial therefore to evaluate operations from a systems perspective in order to review and improve entire processes within a business, from meeting customer needs to dealing with their suppliers.

Recently there have been a number of innovations in the manufacture of goods and the provision of services. Management techniques can be applied which have been proven to be effective in assisting a company to improve its performance.

A project can include:

- Production planning and control techniques
- Production methodologies, processes and systems
- Supply chain management
- Logistics and distribution
- Just in Time (JIT)
- Kaizen (Continuous Improvement)
- Kanban (Inventory control techniques)
- Optimised Production Maintenance (OPT)
- Total Productive Maintenance (TPM)
- 5S (Organisation of facilities)
- Lead Time reduction

Quality

Achieving and maintaining the highest standards of quality is one of the most important priorities facing the managers of today's businesses.

Managing processes to consistently meet and exceed customer expectation is the responsibility of the whole company. There is a range of International standards and quality systems appropriate to a particular range of business sectors which assist the management of Quality. ISO9000, QS9000 and F.Sys are widely accepted and recognised as international quality standards. The Business Excellence Model of the European Foundation for Quality enables all organisations to develop and monitor their quality cultures.

50% of the cost of assessment fees may also be eligible for assistance under the scheme, provided the grant assistance is paid towards the on-Island Project Consultant's costs first, with the £4,500 cap being applied to the combined consultancy and assessment costs of any one project. Only fees relating to the initial assessment are eligible, recertifications and resits are ineligible, and assessment fees are treated as **End Product*****, in that they must account for a minority of the cost of the whole project.

The Customer Service Excellence accreditation offers businesses the opportunity to drive improvement in their customer service and allow employees to develop their customer service skills.

A project can include:

- Quality Management systems
- Auditing
- Accreditation
- ISO9000
- QS9000
- F.Sys
- EFQM
- Customer Service Excellence (CSE)
- Food Hygiene Standards

Appendix 2

Contract Matters

- The Department is not a party to the Contract or relationship between Project Consultant and business.
- The Scheme does not prescribe the Project Consultant's fees, save that the Project Consultant must provide at least one day's consultancy and cannot charge more than Six Hundred Pounds (£600.00) per day, inclusive of all or any expenses.
- The terms of the Contract may not be varied without having sought confirmation from the Department/Scheme Manager that the variations comply with the Scheme.
- The Contract must include clauses to cover the following points:-
 - a dispute resolution procedure between Project Consultant and business
 - liability and indemnity
 - professional indemnity insurance and any other insurances relevant to the project
 - termination
 - a project specification which accords with the BDC Report and which sets out the intended outcomes of the project and any goods which are to be supplied as part of the project
 - timescales for completion of the project
 - payment, which may only be sought after the Completion Report has been confirmed as compliant by the Department/Scheme Manager and the Acceptance Note signed by the business and sent to the Department
 - confidentiality.