



INCUBATORS - CONCEPTS AND VISIONS

5th Workshop of the CEFT Transnational Partnership in the Framework of the Equal Programme

Cyfenter · EXZEPT · Flevoland · TwaEn

11th-12th March 2004,
ENIGMA, Hamburg

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Foreword

During the CEFT workshop in Wales in June 2003 it became clear that all development partnerships had considerable interest in the concept of incubation. It was thus decided to organise a workshop in Hamburg where ENIGMA, a project partner of EXZEPT, was already running two successful incubators.

ENIGMA welcomed our three transnational partners, Cyfenter from Wales, Flevoland from the Netherlands and TwaEn from the Czech Republic, to our workshop "Incubators – Concepts and Visions" on 11th and 12th March 2004 in Hamburg.

During this workshop practitioners from incubators in different countries gave an account of their work and experience. In addition we heard presentations on research findings and conceptual approaches to incubation. To give our partners an insight into our work we invited them to visit the 'Start-up-Incubator' ".garage", the projects "Gründerwerft" and "Siebte Säule Microlending" and the Start-up cooperative GDM, where young entrepreneurs share office space and resources. During this visit the participants also had the chance to talk to young entrepreneurs.

Parallel to the formal programme we deliberately left time for informal networking among the participants. We also organised a boat tour of Hamburg Harbour so that our partners could see the beauty and diversity of Hamburg for themselves.

In the name of the development partnership EXZEPT we hope that all transnational partners benefited from the workshop and will keep a pleasant memory of their time in Hamburg. We also like to thank all those who contributed to the success of the workshop and we are looking forward to participating in future international CEFT conferences and activities.



Hajo Streitberger
Chief Executive Officer,
ENIGMA



Sylvie Feindt
SFC, Transnational
Coordinator EXZEPT



Dr. Bernd Curtius
Chief Executive Officer,
EXZEPT GmbH

1 Agenda

Thursday, 11th March: Incubators

Welcome

Hajo Streitberger, Chief Executive Officer, ENIGMA

Short Presentation of the Concepts Behind ".garage" and "Gründerwerft" (Founder Shipyard):

High Impact Incubating

Questions and Answers, Discussion

Thorsten Müller, Hajo Streitberger, ENIGMA

Study Visit of the two Incubators ".garage" and "Gründerwerft" (Founder Shipyard)

Thorsten Müller, ENIGMA

Opening Remarks:

Entrepreneurial Trends and the Present Situation – As Seen From a Labour Market Policy Perspective

Rolf Steil, Head of Hamburg's Agency for Labour

Hajo Streitberger, Chief Executive Officer, ENIGMA

New Insights from Science: Incubator Impact Analysis

Dr. Frank Wießner, Institute for Labour Market and Occupational Research (IAB)

Dr. Alexander Kritikos, European University Viadrina

The Enterprise Marketplace in Newport: From a Craft Incubator to an Enterprise Village

Dr. Caryl Cresswell, Head of Enterprise University of Wales

Discussion: Incubator Concepts

Plenary Session

Cordial Invitation: Dinner at Restaurant GRÖNINGER

Friday, 12th March: Future Activities and Projects

An Interesting Target Programme for Future Projects: The INTEREC-Programme

Sylvie Feind, SFC, Transnational Coordinator EXZEPT

Questions and Answers, Short Brainstorming

All participants

Partners Today – Partners Tomorrow?

The 2nd Equal Round – Short Presentations of Partners' Individual Plans and Discussion

About their Networking Potential

Iain Willox

Lubos Kavan

Hajo Streitberger, Dr. Bernd Curtius

Bart Willemsen, Koen Rapstock

Paula Manley, Sylvie Feindt

Continious Interactive Workshop on Incubators:

Presentation by University of Glamorgan

Derrick Izilein, presto:solutions

Presentation by KIZ "Auf geht's" Project

Jochen Bloss, EXZEPT GmbH

Tour of the Spice Museum

Boat Trip Hamburg Harbour

CEFT Management Meeting

2 Synopsis

Sylvie Feindt, SFC, Transnational Coordinator
EXZEPT



Sylvie Feindt

Hajo Streitberger welcomed the workshop participants on the premises of ENIGMA and gave a first overview of the different companies and organisations that belong to the group and would be visited during the workshop (see chapter "Study Visits"). Rolf Steil from Hamburg's Agency for Labour was also present to welcome the European delegation to Hamburg.

He provided background information on the start-up situation for those making the transition out of unemployment in Germany and in particular in Hamburg. As an economic centre with a population of four million people, an unemployment rate of 10% and little to no future in the manufacturing sector, the city is concentrating all its efforts on supporting employment creation in the third sector. In 2003, the city of Hamburg supported 6,359 persons who moved from unemployment into self-employment. 60-70% of these businesses still exist today, which is a reasonable success rate, exceeding that of start-ups supported by banks. The city therefore has high expectations with respect to the survival rate of companies whose founders are supported by ENIGMA.

Assessment and Concepts

The workshop included two presentations on research findings. Dr. Alexander Kritikos and Dr. Frank Wießner presented first results from research on the impact of business support centres.

Their founder typology of 'start-type', 'short-stay-type', 'long-stay-type' and 'stop-type' as well as the criteria for the assessment and selection of incubator participants caught on and were adopted in the ensuing practical discussions during the workshop. Increased and new financial support programmes not only attract more high-potential founders but also 'long-stay-types' and 'stop-types' (unsuitable candidates). The optimal allocation of financial support in human capital requires the correct identification of the

different founder types, specific and targeted support to founders with potential ('short-stay' and 'long-stay-types') and discouragement of the 'stop-type' to create a business. As a result of the support process in which knowledge and skills are developed, the internal risk that goes with the creation of a business is minimised. This type of support represents an instrument compatible to market conditions, as it hardly creates any market distortions. The public funds are only used for the development of personal skills and knowledge of young entrepreneurs.

Jochen Bloss presented the results of a survey conducted by the EXZEPT project and the reference model for a 'One Stop Shop' (OSS) derived thereof. The OSS aims to provide structure and service facilities during the founding phase. The ideal OSS should provide services and information on topics corresponding to the respective phase including idea finding, business and management, marketing and acquisition and entrepreneurial personality traits. Support should be provided in the form of coaching and specific workshops as well as comprehensive training of entrepreneurs (e.g. incubators). Indispensable instruments include a guideline to develop a business plan and a start-up schedule. The 'One Stop Shop' also needs to have a strong regional anchor. It needs to network with local players and create acceptance with traditional institutions. The OSS has to support a critical mass of founders per year and needs to establish a permanent relationship with the target groups and to adapt its services to them. However, there is no requirement for spatial concentration.

Dr. Caryl Cresswell's presentation focused on the concept of the "Celtic Enterprise Village", which is still in its planning stage. The vision of the project is to build, through extensive partnerships, an Enterprise Village that will encourage, stimulate, and support entrepreneurship and lifelong learning within Southeast Wales. The Village will provide a central hub with a reception area, a cybercafé, a business support centre, an ideas lab, training and meeting rooms and a resource centre as well as a crèche and Incubator Pods. Its programmes will include developing and carrying out enterprise education programmes and initiatives for the community, including educational institutions and businesses as well as the provision of information, mentors, advice, support, finance, facilities and networking (e.g. Saturday clubs and summer school activities), hosting meetings and conferences. The plethora of activities aims to generate funds to ensure the project's sustainability in the future.

Like the OSS concept, the "Celtic Enterprise Village" seeks strong anchorage in the community in which it is located. However, the concept differs in its more comprehensive community development. While the OSS concept is restricted to the support of business start-ups ('short-stay' and 'long-stay-types'), the Enterprise Village pursues more general goals and services such as lifelong learning or childcare. Accordingly, a physical location is essential in the "Celtic Enterprise Village", while the EXZEPT OSS concept does not necessarily require physical concentration in one location. As the aims of the two concepts diverge it will not be possible to compare the two concepts in terms of output once they are both in operation. So far, the OSS concept has been implemented successfully in two locations in the Southwest of Germany.

Incubators in Practice

As examples of good practice cases, two rather different projects were presented: the ".garage" incubator (ENIGMA) and the GTi – a Graduate and Business Incubation Project operated by the University of Glamorgan. However, it must be pointed out that while the GTi deliberately targets university graduates, two thirds of the ".garage" incubees are highly skilled people. ".garage" Hamburg is a special project for people under 35, initiated by the Agency for Labour and the "Deutsche Bank Stiftung (foundation) Alfred Herrhausen" with the purpose of combating high unemployment among young people. In other projects, such as the "Gründerwerft" (Founder Shipyard), age groups are more mixed. There is also a need for special projects for people above 55, because these people are in a totally different situation from that of younger people. Craft businesses are well represented in the ENIGMA incubators, making up close to 20% of the participant companies. The craftspeople have their workplace outside of the project grounds (it would be too costly to cater to the requirements of the different crafts); they only attend the weekly meetings on Mondays and are therefore referred to as 'satellites'.

Start-up support in the ".garage" incubator includes the provision of space and infrastructure creating a concentration of a large group of entrepreneurs that share the same goal of starting-up on a limited timescale. In the case of ENIGMA this means a period of six months, after which founders exit the project. The incubator programme aims to motivate and encourage participants as well as to train them to deal with crisis, a resource skill required in every micro-enterprise. To this end, participants in the ENIGMA incubators have to

give presentations every six weeks on their achievements according to the set goals. The incubator is designed to engender the right dynamics to encourage and motivate the participants through structure (tight schedule), knowledge (training), action (ask your customers), patterns of reflection (presentation of progress to the group), space and interaction, group experience and differences (heterogeneity). All seven functions must be in place, so that an optimal dynamic can be generated.

The assessment centre at the incubator operates as a filter, where 60% pass and the other 40% fail. Failure in this context means that the candidates do not fit into the ".garage" concept due to the business idea, personality structure, etc. The rejected candidates can of course nevertheless proceed to start the business. The assessment centres however ensure that the incubators are focused on 'long-stay-types'. ENIGMA makes no effort to address the 'hard-to-reach', because special organisations for these groups already exist. In any case, news about ".garage" is now spread by word-of-mouth, i.e. by people completing the ".garage" programme, so that applicants generally come from certain types of creative and highly skilled professions.

At GTi, the funding partners ensure that GTi users can operate their business without incurring any overheads – rent, charges, services, IT – for up to 18 months. At the same time, tenants have the advantage of being able to network with other growing businesses on site. This support framework allows entrepreneurial students and graduates to 'test the water' with their new businesses without some of the financial risks normally involved in company start-ups. The shared-facilities and 'hotdesking' at GTi allows for the space to be used by many more businesses than dedicated office space would. There are currently more than 100 businesses including software developers, consultancies, musicbased businesses, health industry, business services and multimedia being supported at GTi and involving over 150 people. The incubator has truly achieved its goal of making an impact on local area regeneration as well as demonstrating the commitment of the University of Glamorgan both to its region and to the business birth rate strategy for Wales.

While GTi founders can stay in a relatively sheltered environment for up to 18 months, ENIGMA incubees have to leave after six months. The question came up as to how young entrepreneurs are supported after leaving the incubator. As support needs change after exit, support is not provi-

ded in the framework of the ".garage" concept. Although there are meetings and social events (e.g. "Gründerstammtisch") after leaving the incubator, there is no way to force the entrepreneurs to take part. Contacts usually tend to wane after about three months. Networking is up to the ex-participants – it is simply not part of the present concept. Founders can, however, join the GDM cooperative, where there is informal mutual support among members (currently 90).

In addition, there is a project called "Business Line", where entrepreneurs can call in case of a perceived crisis situation to receive advice over the phone. Entrepreneurs are not allowed to return to the incubator. The issue therefore is keeping close enough contact with the start-ups in order to be able to give them the support needed before it is too late. This is important, as it is possible that the start-up will not be able to recognise a crisis. A solution could be to grant a loan to all of the start-ups, misusing the micro-lending scheme as an indicator for crisis. If a loan is not paid back, a crisis is obvious. Aftercare of young entrepreneurs is certainly an issue that requires more attention in the future.

While the experience with mentors in Wales has been positive especially in work with minority groups, for ENIGMA, experience with mentors has been mixed. Although a mentor, usually an ex-businessman or woman, can facilitate the founder's access to various networks, the age difference between mentor and mentee appears to be a problem. The (older) mentor's authority seems to interfere with the necessary development of the founder's creativity. The age difference also means that founder and mentor are in different stages of their lives, thus having different commitments to fulfil.

Conclusion

From the presentations and the discussions at the workshop, a number of issues emerged that need to be addressed in the future:

- Aftercare of business foundation is an issue to be tackled in the future. Currently there is no instrument to provide timely and efficient help to micro-companies in crisis. By the time the founder seeks help, it tends to be too late.
- A second issue is 'grey entrepreneurship'. Whilst an ageing process is clearly taking place in Europe, today's 50 year old individual is very different from his/her counterpart forty years ago. He/she is much more likely to be healthy and to show a willingness and ability to continue to participate actively in the labour

force. Facing the 'pension time bomb', governments may find it appropriate to stimulate 'grey entrepreneurship'. Currently there are only a few pilot projects being undertaken in this area.

- It is self-evident that high quality and targeted founder support using sophisticated assessment centres are not without cost. If, however, the aim of policy is to increase the level of self-employment, financial start-up support needs to be combined with human resource development for those who have the potential to become entrepreneurs.



Koen Rapstok, Starter Service Centre Almere, Stew, Sylvie Feindt, SFC, EXZEPT



Dr. Thomas Panzer, ENIGMA, Project Leader "Siebte Säule Microlending"



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Dr. Frank Wießner, Institute for Labour Market and Occupational Research (IAB), Dr. Alexander Kritikos, European University Viadrina,

3 Presentations

3.1 The Incubator – Creating a Favourable Environment for Start-ups. The Successful Model of the ENIGMA Start-up Centre

Hajo Streitberger and Thorsten Müller, ENIGMA



The ENIGMA Start-up Centre was first set up in 1998 as a pilot project to support start-ups in an incubator environment. The focus since then has been on coaching small start-ups, i.e. self-employed, aiming to earn their own money. In the start-up centre there are currently about 150 start-ups in an area of 4,500 sq m. In order to provide needs-oriented start-up support, ENIGMA provides a variety of services and carries out specific projects:

- Regular Meeting: every Wednesday about 60 people learn, with ENIGMA's qualified support, about starting up their business
- Compact seminar (2 weeks)
- EXZEPT seminar for women (4 weeks)
- Start-up assessment centre to guide potential entrepreneurs to the right support activity
- Start-up incubators "Gründerwerft" and ".garage"
- Package of steps for the 'Me-Inc.' ("Simply Start")
- "Siebte Säule Microlending"
- Start-up cooperative GDM

In 2003, ENIGMA provided advice via telephone and e-mail to 11,500 persons, 3,544 persons received initial advice at the weekly meeting and

1,400 entrepreneurs attended seminars. 363 applicants participated in an assessment centre, 245 of which took part in one of the incubators. Another 54 persons participated in the "Simply Start" programme for 'Me-Inc.'s' and, finally, 76 entrepreneurs received loans from the credit mediator "Siebte Säule Microlending".

Advice for Small Start-ups – What is Behind the First Step? (starting position)

The goal of the participants is achieving self-employment by starting a business under low risk conditions and with little or no starting capital. The target group requires differentiated bridges between self-employment and employment (patch working). Some entrepreneurs have two jobs when they start their business. There is no such thing as a born entrepreneur. It is more a question of possessing the confidence to take the step ("Am I confident enough?"). In order to take this step entrepreneurs are looking for a chance to gain experience and for experts who can support their development of knowledge and skills in this process. They are looking for 'structures' to support them on a day-to-day basis, i.e. an environment where they are taken seriously, can get practical advice and which allows for networking with other entrepreneurs.

Start-up support in an incubator includes the provision of space and infrastructure and a concentration of a large group of entrepreneurs that share the same goal of starting-up within a limited timescale. It also comprises orientation in preparing, implementing and potentially consolidating a business. The incubator programme should include client-oriented training and coaching to develop knowledge and skills of the entrepreneur to turn him/her into a businessman/woman. Beyond this, the incubator programme aims to motivate and encourage participants by, for instance, obliging participants in the programme to interview 104 potential clients upfront. It also aims to train participants to deal with crisis, a skill required in every micro-enterprise. To this end, participants in the ENIGMA incubators have to give presentations every six weeks on their achievements according to the set goals. The incubator strives to create the right dynamics to encourage and motivate the participants by providing:

- Structure (tight schedule)
- Knowledge (training)
- Action (ask your customers)

- Patterns of reflection (presentation about progress to the group every six weeks)
- Space and interaction
- Group experience (always start in groups of 8-15 persons) and
- Differences (heterogeneity).

In fact, each and every one of these seven components is essential to creating a dynamic which is optimal for the founders involved.

ENIGMA has two consulting approaches for small start-ups: "instant cash" and "risk & fun". The "instant cash approach" is above all for small services and trade ideas. The aim is to make money after three weeks of existence. The approach is thus very customer-oriented with the main focus of advice on acquisition of orders and ability to deliver. For the founders, this means creating a logo and a flyer and directly approaching customers, literally in the street. The second approach, the "risk & fun approach", is useful both when opening a store or gastronomic business as well as for a film production or an internet-based project. It is more appropriate for businesses requiring a longer preparation and planning phase or facing greater administrative and legal obstacles. Usually these businesses are more capital-intensive and riskier than those involved in the "instant cash approach".



Hajo Streitberger, Chief Executive Officer, ENIGMA



Thorsten Müller, ENIGMA

".garage" – The Incubator



".garage" – the campaign

".garage" Hamburg provides young, unemployed persons under the age of 35 with an opportunity to become self-employed. Participants are required to have been unemployed for less than one year and be residents of the city of Hamburg. Support is provided over a six-months period including individual financial support of up to a maximum of € 1,000 per month. There are workspaces available equipped with telephone, PC and Internet as well as seminars/coaching activities where people can exchange ideas with 45 other participants.

The start-up schedule begins with an assessment centre. Within one day, 14 people are assessed with respect to their motivation and team abilities. About 40% are turned down in these assessments. They are either placed with other, more suitable support schemes or rejected completely. The selected founders then form groups of 8-15 people and the programme starts with a three-week 'bootcamp', in which participants not only define their product and target group but have to interview 104 people within five days about their product. This phase also includes a competitiveness analysis and a verification of numbers and figures. Every six weeks participants have to present their progress with respect to the set goals in front of the group (prognosis). In addition participants are supported through individual coaching and seminars.

Since January 2000, 1,940 people have shown interest in ".garage" and 525 have taken part in the assessment centre. Of these, 323 participants were given the chance to implement their business idea in the ".garage". Of the 267 participants who completed the project, 82% are self-employed, 9% are employed, 2% are apprentices and the remaining 7% are unemployed (figures: March 2004). The business survival rate is high at 89% (May 2002).

But is the ".garage" concept transferable? Such a lighthouse project depends of course on the location (town or countryside), the target groups, the general support structure and the specific characteristics of a region. Even so, it is our expe-

rience that the concept can be transferred to a different setting. One example of this is the ".garage Lausitz" which started its activities on 1st April 2003.

3.2 Entrepreneurial Trends and the Present Situation – As Seen From a Labour Market Policy Perspective

Rolf Steil, Head of Hamburg's Agency for Labour and Hajo Streitberger, Chief Executive Officer, ENIGMA



Rolf Steil and Hajo Streitberger

Since 1998, the number of start-ups in Germany has been declining. In 2002, there was a total of 452,000 start-ups. At the same time, the balance between foundations and liquidations shifted, resulting in a net reduction of the number of companies. In contrast to this trend, start-ups out of unemployment are drastically increasing. In 2003 a total of 156,966 unemployed persons received financial support in the form of a bridging allowance and another 92,819 unemployed received financial support from the 'Me-Inc.' support scheme. Altogether, there were about 250,000 start-ups out of unemployment in 2003, i.e. every second start-up in Germany is currently created by an unemployed person.

Researchers at IAB – a research institute of the German Federal Agency for Labour – found that the survival rates of start-ups by the unemployed are comparable to those who were not unemployed when starting their business. The two main reasons for failure in the former group are the entrepreneur's financial background and character profile.

Although the Global Entrepreneurship Monitoring Report specifies that in Germany 'entrepreneurship out of necessity' is still not the prevailing pattern, the economic situation certainly has had an impact on the strong drive out of unemploy-

ment towards self-employment. This trend could change if the economy recovers. However, since a time lag of at least half a year in positive labour market effects can be expected, it is reasonable to assume that the drive to self-employment as a route out of unemployment will continue for some time in the future.

As a result of a change in public attitudes, reducing the stigma related to bankruptcy, there is now more political support for self-employment in Germany. In addition, and beginning this year, the Federal Government declared that founders out of unemployment are now legally entitled to financial support.

Labour Market Situation in Hamburg

Hamburg is an economic centre with about four million inhabitants. The unemployment rate is currently at 10%. Employment in the city-state is concentrated in the third sector – services – and, strictly speaking, there is no future for jobs in the first or second sector in Hamburg. All efforts to create jobs and companies are therefore focused on different kinds of services in niche markets and the craft sector.

In 2003, Hamburg supported 6,359 persons who moved from unemployment into self-employment. 60-70% of these businesses still exist today, which is a reasonable success rate compared to that of start-ups supported by banks. The aim is, of course, to achieve the highest possible survival rate. Accordingly, the Agency for Labour has high expectations with respect to the survival rate of the chosen few unemployed supported by the city of Hamburg and coached by ENIGMA. The city is therefore particularly happy to receive delegations from different EU member states to discuss innovative business support and incubation concepts to generate sustainable self-employment for disadvantaged groups in the labour market.



Hajo Streitberger and Rolf Steil

3.3 Incubator Impact Analysis: the Search for the Right Types of Entrepreneurs

Dr. Alexander Kritikos, European University Viadrina and

Dr. Frank Wießner, Institute for Labour Market and Occupational Research (IAB)



Dr. Alexander Kritikos



Dr. Frank Wießner

With the introduction of the bridging allowance in 1986, start-up activity in Germany began to stagnate and, since 1996, has shown a declining trend. One explanation for the general decline of business creation might be the high number of business failures in the past few years and the resulting fear of failure.

At the same time, start-ups by unemployed persons have been strongly increasing. In 2003, start-ups out of unemployment receiving 'Me-Inc.' funding or a bridging allowance, amounted to nearly one quarter of a million people, and accounted for more than half of the total number of start-ups.

Long before support programmes for entrepreneurs became common, the German Federal Ministry for Economics and Labour set up a number of business support centres in 1995, three of which still exist. One of them is ENIGMA with its two follow-up projects ".garage" and "Gründerwerft". Past research of the IAB has already proven that start-ups by unemployed are as capable of surviving as other start-ups. In a new

research project, the IAB is now evaluating the impact of the three remaining incubators. In an observation period reaching from February 2000 to October 2002, the impact of the incubation on 1,400 participants is compared to the success rates of a control group comprising more than 12,800 cases. The aim here is to identify the determinants of success and failure.

An individual entrepreneur's behaviour depends on the existing institutional and cultural framework as well as on individual abilities (knowledge, skills, motivation, family background, etc.) and the respective personal situation. While the first two external factors are known to the incubator, the latter two internal determinants must be investigated. The chances of business success increase with the founder's ability to juggle the 'magic triangle' of product, target group and price strategy. To achieve this, the entrepreneur needs know-how and skills to make optimal decisions concerning his/her product marketing mix, target group and price strategy. The level of these skills and know-how vary. In principal, four business founder groups can be distinguished:

1. Start-Type:

Persons who possess both sufficient skills and sufficient knowledge. They are able to create a business without the support of a business centre.

2. Short-Stay-Type:

Persons that have most of the required skills and know-how for a successful business foundation. With little but targeted support they can quickly achieve maturity. It must be observed here that although a lot of seminars exist that help to develop know-how, there is only a scarce supply of those that support skill development.

3. Long-Stay-Type:

Persons with a promising business idea. Their knowledge and skill level is limited but can be developed. They can only realise a successful business creation with the aid of longer process-oriented support.

4. Stop-Type:

Persons without a viable business idea or with low skill levels. Despite supporting measures, these people will not realise a business or only a business with little prospects. Therefore, this group should be advised not to create a business.

With the aid of this typology, one can determine the focus and methods which are appropriate for start-up support centres. The main aim of the centres is to provide skills training and know-how

transfer which can be used for the founders' business creation. To ensure the integration of knowledge and skills, the business support centres have developed a structured plan of their support services. A system of successive filters plays a central role, in identifying 'short-stay' and 'long-stay-types', i.e. those groups who should receive support. To avoid binding scarce resources, 'start-types' must found their companies without extra support while 'stop-types' should be discouraged from self-employment. The latter should be provided with support leading to something other than self-employment. In particular, the distinction between 'long-stay' and 'stop-types' requires a fine-tuned selection process.

In ENIGMA the process starts with a half-day information event for persons interested in creating a business. There, information provided about requirements and risks involved initiates a self-selection process. Those who are still interested attend an assessment centre, which permits the classification of the candidates into the four founder types. Since 'start-types' are advised to start without support, the first two filters serve here as a means of merely validating their business idea. 'Short-stay-types' are advised to attend short seminars in combination with individual coaching. The most important target group of ENIGMA – the 'long-stay-type' – is invited to plan and realise the business idea in an incubator with informal group processes.

In the structured sequence of activities with strict time limits, the participants with a potential for skills and knowledge development learn to define and implement decision making processes for their own company (see 3.1). Founders who develop faster than the group average (actual 'short-stay-types') or persons who, due to their personality, do not fit the group dynamics of the process, leave the incubator to realise their business on their own. 'Stop-types' that slipped through the filters also realise that self-employment is not a suitable option for them. However, if the assessment lets too many 'stop-types' through, the incubator's internal dynamics will not work properly. The assessment thus needs to be done by the incubator itself as it has a vested interest in the type of participant selected.

Conclusion

Increased and new financial support programmes not only attract more high potential founders but also 'long-stay-types' and 'stop-types'. The optimal usage and allocation of funding money earmarked for investment in human resource development requires the correct identification of

the different founder types, targeted support of 'short' and 'long-stay-types' and the discouragement of 'stop-types'. As a result of the support process intended to develop knowledge and skills, the internal risk of business creation is minimised. This type of support is a political instrument compatible to the market and, as such, hardly causes market distortions, because public funds are only used towards the development of entrepreneurs' personal skills and knowledge.

3.4 Newport. An Enterprise City, From Marketplace to Village

Dr. Caryl Cresswell, Head of Enterprise University of Wales, Newport



Dr. Caryl Cresswell

Newport is the youngest city of the UK. Traditionally based on coal and steel production and other manufacturing industry (Newport 22.9%, 15.1% UK), the area has faced severe industrial decline. At the same time it has a low self-employment rate (14.8%), compared with the Welsh average (18.1%). Despite the economic decline the city's population has been growing. Newport's population currently counts 137,011 inhabitants, which represents an increase of 3,693 since the 1991 census. The proportion of people over 65 years has risen slightly from 15.7% to 16.1%. The ethnic minority proportion has risen from 3.5% to 4.8%.

To face the decline the development company Newport Unlimited was created. With EU funding it refurbished an old marketplace in the centre of the town, enabling potential entrepreneurs to 'test trade'. 290 people participated in the exercise and as a result 150 businesses started, tied into a strong network. After this promising start the building is now being converted into an incubator. After 18 months of intensive work the plans are now ready and the conversion work can start.

Having successfully established a trading centre in the city centre the development agency now aims to establish a "Celtic Enterprise Village" in

Tredegar Park, one of the most deprived areas in the UK. Tredegar Park is characterised by high unemployment (13.4% in 2002) and high long-term unemployment (21%, Welsh average 19.6%). It is ranked 23rd out of 865 in the overall index of multiple deprivation. It is also ranked 1st out of top 20 most deprived wards in terms of income and child poverty and 8th in terms of education. In addition, Tredegar Park has a high proportion (48.7%) of households with no cars.

The vision of the project is to build, through extensive partnerships, an Enterprise Village that will encourage, stimulate and support entrepreneurship and lifelong learning within Southeast Wales. The aims are to provide a focus within the community for enterprise education, business creation and development reflecting a welcoming, dynamic and entrepreneurial environment with an ethos of entrepreneurship and economic and environmental sustainability. The Enterprise Village will consist of buildings, facilities and resources that will seek to develop, deliver and support high quality entrepreneurship education, training, practice and experiences within a social context. Concretely the project aims to:

- Encourage a culture of social inclusion and entrepreneurship by promoting best practice through providing advice, encouragement and support for the community and social enterprise in partnership with other organisations.
- Improve job awareness, job readiness and employment prospects through work experience opportunities in the Village in the reception, the crèche and within the new businesses in the Incubator Pods.
- Gain support from a wide range of businesses by involvement in activities such as mentoring, advice, networking and through sponsorship.
- Raise awareness of the contribution that social enterprises make to the community, economic development and regeneration through case studies on show throughout the Village and the use of role models.
- Create an Enterprise Village within Newport that is seen as world class and a centre of excellence in social and community based enterprise.

A piece of land next to a school has been earmarked for the project and plans including a budget calculation have been established. Half of

the funding required has been raised. The Village will provide a central hub (289 sq m) with a reception, a cybercafé, a business support centre, an ideas lab, training and meeting rooms and a resource centre as well as a crèche (73 sq m) and Incubator Pods (4 x 100 sq m).

Its programmes will include the development and delivery of enterprise education programmes and initiatives for the community, educational institutions and business as well as provision of information, mentors, advice, support, finance, facilities and networking (e.g. Saturday clubs and summer school activities), host meetings and conferences. The plethora of activities is to generate funds to ensure its sustainability for future years.

Workshop questions:

After the presentation of the plans of the "Celtic Enterprise Village" workshop participants were presented four questions to brainstorm ideas and discuss issues to be tackled when realising the Welsh project:

1. What factors must be considered in the operational and promotional aspects of the Village to the external community?
2. What factors must be considered in the operational aspects of the Central Hub of the Village?
3. What factors must be considered in the operational aspects of the Incubator Pods in the Village?
4. How can we get a sense of ownership of the Village within the community and what can be done to ensure sustainability?



Cerris Dearsley



*Tarek Samad and
Cherrat el Ghali*



*Dr. Thomas Panzer,
Dr. Alexander Kritikos,
Sylvie Feindt*



*Discussing the work-
shop questions*

3.5 GTi – a Graduate and Business Incubation Project of the University of Glamorgan

Derrick Izilein, presto:solutions



Derrick Izilein

GTi is a 'hotdesking' business incubation centre for graduates and entrepreneurs based in the South Wales Valleys of the UK. Located in a business park five minutes drive from the main university campus, GTi provides a professional, 24/7, open-plan working environment with a dedicated Business Support Manager and Help staff on site. IT provision includes both Macs and PCs, multimedia and web authoring software, networked and wireless ICT, presentation equipment and meeting rooms – all in an upmarket business environment. The Innovation Centre setting also attracts external business support agencies and experts from the university, who are all available to give advice to the GTi incubating companies.

The funding partners ensure that GTi users can operate their business without incurring any overheads – rent, charges, services, IT – for up to 18 months, and have the advantage of being able to network with other growing businesses at the Centre itself. The partnership includes the University of Glamorgan, the Welsh Development Agency's Wales Information Society programme, European Union Structural funds (ERDF) under the Objective One Programme and a number of private sector companies. This support framework allows entrepreneurial students, graduates and new businesses to 'test the water' without some of the financial risks normally associated with company start-ups.

GTi hosts a varied mix of businesses including software development, consultancies (H&S, HR, Recruitment, IT), music based businesses (band management, venue management, orchestral consultancy), health industry (back support product, stress management), business services (exhibition, executive support) and multimedia such as presto:solutions.

The shared-facilities and 'hotdesking' at GTi allows the space to be used by many more businesses than dedicated office space would do, and today, there are more than 100 businesses being supported at GTi, involving over 150 people. The incubator has truly achieved its goal of making an impact on local area regeneration as well as demonstrating the commitment of the University of Glamorgan to its region and the business birth rate strategy for Wales.

GTi was set up in 2000 as a project of the Telematics group in ISeLS at the University of Glamorgan.

3.6 Strengthening Enterprise Spirit Using 'One Stop Shops'

Jochen Bloss, EXZEPT GmbH

The Equal project EXZEPT aims to create acceptance among target groups in order to facilitate entrepreneurial start-ups. One of the target groups consists of players and institutions at the regional/local level. EXZEPT's particular focus in this area is the reduction of functional barriers. The current support situation for start-ups in most parts of Germany is characterised by a plethora of information, support offers and institutions, leading to an information overflow for the potential founder. In addition, no quality control is in place, so that there is a good chance that the young entrepreneur is inadequately advised.



Jochen Bloss

In order to create a model for a central access point for business founders at regional level, EXZEPT surveyed 304 direct customers (founders) and 54 indirect customers (institutions). Direct customers included founders in the orientation phase (12-6 months before business start), founders in the conceptualisation phase (6-0 months before business start) and founders in the starting phase (0-36 months after business start). The direct customers were interviewed and participated in workshops in order to identify their needs and expectations towards start-up support. It was evident that the direct customer requirements varied considerably from phase to phase. In the orientation phase, founders expect orientation aids and encouragement, assistance in

evaluating the economic viability of their idea and guidance on the issue of possible ways of gaining access to funding. In general terms they require information and someone to listen to them and to provide feedback on their ideas. In the concept phase, direct customer requirements shift to concrete advice, training and seminars. Founders want feedback on the quality of their business plan, and require contacts and support in getting access to financial means. In the actual founding phase, support requirements shift once again to the need for a central access point that provides mentoring, individual advice, infrastructure, training, a single contact person and a network that provide contacts, mutual support and exchange of ideas.

Indirect customers surveyed included Agencies for Labour, municipalities/welfare offices, banks, chambers of commerce/handicraft, development agencies, business registries, accountants, business advisors, innovation and technology centres, universities and founder initiatives. Interestingly, the representatives of the institutions had a very different view about business founders' needs, from the one that the interviewees themselves had. Representatives of the institutions said that founders expected information and support in all business matters and with respect to the location and the market, expert advice concerning the idea/plan and encouragement. Opinions on start-ups from the Equal target groups oscillated between two extremes. Some respondents believe such founders represent a risk, are not qualified and have too much backload. Other interviewees think that founders out of unemployment know that this is their 'last chance' for employment and that they are therefore more motivated than the average starter.

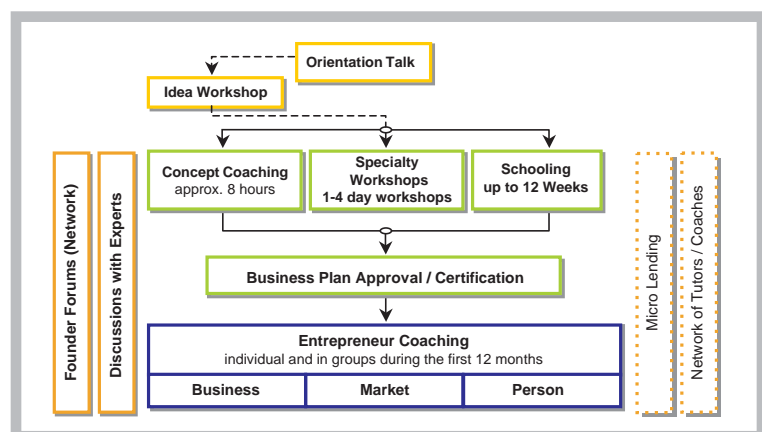
To analyse the current services offered by various institutions and taking direct customer expectations into account, 16 institutions were visited on site. Particular issues investigated were the

number of the accompanied business foundations, target group relevance, training and coaching services, support with respect to finance, micro-lending, other services, degree of integration in a local, regional and trans-regional network, financing of the centre or responsible organisation and the financing of the service range including own contribution of customers.

Drawing on the findings, EXZEPT developed a reference model for a 'One Stop Shop' (OSS). The OSS aims to provide structure (infrastructure, time table, etc.) and services (coaching, etc.) during the founding phase. The ideal OSS should provide phase-related services including orientation, general information and verification of ideas in the orientation phase, specific subject-related information, methods and instruments as well as feedback in the conceptualisation phase and a hotline, feedback, support and contacts for acquisition in the start-up phase. Topics to be dealt with in an OSS include idea finding, business and management topics, marketing and acquisition and entrepreneurial personality traits. Support should be provided in the form of coaching and specific workshops as well as comprehensive training of entrepreneurs (e.g. incubators). A guideline to develop a business plan and a start-up schedule are indispensable instruments.

The 'One Stop Shop' needs to have a strong regional anchor. It needs to network with local players and create acceptance with traditional institutions. In order to efficiently provide the above defined scope of services, attain a degree of acceptance among direct and indirect customers and be financially sustainable, the OSS needs to support a critical mass of founders per year. Only a network of advisors can cover the variety of topics that have to be addressed. In addition, the OSS needs to establish a permanent relationship with the target groups and adapt its services to these groups. In spite of all this, spatial concentration is not required.

'One Stop Shop' Reference Model



4 Study Visit at ENIGMA

With the purpose of giving our partners the opportunity to see ENIGMA's work first-hand, visits to the 'Start-up-Incubator' ".garage", the projects "Gründerwerft" and "Siebte Säule Microlending" and the start-up cooperative GDM were organised.

4.1 ".garage" Hamburg – The Project



".garage" is a 'Start-up-Incubator' for young people under 35, wishing to begin self-employment in a "garage" atmosphere. They are people who are either unemployed or threatened with unemployment, and who wish to take their professional future into their own hands. They are prepared to take the risk and carry the responsibility.

45 young entrepreneurs at a time work on their own business idea in the 400 sq m ".garage" synergy-room. They are provided with cordless phones and a desk on castors, and share the use of mobile work surfaces and computer stations. They have six months in which to implement their business idea.

".garage" is a place for the exchange of ideas and for their realisation, a place for exchanging knowledge and experience, and above all else it is a place for gaining practical experience and being creative in a way that lends courage. Ideas are only suitable when they can survive on the market. Young people talk shop. Their thoughts are focused on product acceptance and financing, their conversations centre around advertising and distribution strategies.

The ".garage" framework attracts young people who are mostly looking to become freelancers in the areas of graphic design, Internet design, copywriting, PR, film, music, photography, fashion and styling.

External management consultants support and coach the young entrepreneurs on an individual basis. Needs-based seminars and courses are promptly organised in order to immediately broaden the business and decision-making scope of the young company founders.

Participation in the project on the one hand serves to develop and realise a business idea. On the other hand, it also promotes and supports development of those qualifications that participants of the target groups are still lacking, but are necessary for preparing the way to independence.

The participants are from all over the Hamburg area. 100% of them recommend ".garage" to others, which explains the high percentage of applicants who reach us through word-of-mouth. Young people from the media and other creative industries, from the 'in areas' of Ottensen, Altona, St. Pauli and Eimsbüttel are particularly attracted by the ".garage" set-up.



Saleem Kidwai learns about the business of a ".garage" founder



Tomas Nedved, Lubos Kavan, Jolana Blazickova, Thorsten Müller

".garage" – The Figures (March 2004)**Efficiency**

- From January 2000 to 1st December 2003 the ".garage" team was able to offer 1,940 consultancies before entry into the project (221 by e-mail, 689 by telephone, 356 in person and 674 at info forums).
- 525 applicants passed through the assessment centre.
- 323 project participants to date have had the chance to realise their business ideas in ".garage". 280 of them are running today. At present, 43 young company founders are in ".garage".

Results

- 229 young people work independently in newly-founded companies (some of them team efforts). The majority (60%) are working on a freelance basis in the areas of graphic design, Internet design, copywriting, PR, film, music, photography, fashion and styling.
- 55 young ".garage" entrepreneurs have received €5,000 in start-up capital from the "Deutsche Bank Stiftung Alfred Herrhausen" "Hilfe zur Selbsthilfe" (Helping you help yourself). That is a total capital of €275,000.
- Company foundation statistics after leaving the project (267 people):

229 people	(82%)	are self-employed
24 people	(9%)	are employed
7 people	(2%)	are in re-training
20 people	(7%)	are unemployed
- Over 90% work or go on to a training course immediately after the end of the project.

- Sixth months after leaving the project the survival rate of the companies founded is well above average at 89%. (May 2002)

Socio-demographic Target Group Characteristics

- 54% of the participants are male and 46% female.
- Average age at start of project is 27.5.
- 5% are foreign nationals.
- Two third have matriculated or qualify for university entrance.
- At the start of the project, over 50% of the participants are receiving financial support from the Agency for Labour. The rest are either supported by their families, support themselves through part-time work (on a €325 basis) or are otherwise temporarily (for under 12 months) employed.

Public Private Partnership

- "Bild hilft e.V." (€210,000 for project financing)
- "Deutsche Bank Stiftung Alfred Herrhausen" (€5,000 start-up capital for entrepreneurs)
- Lovells Boesebeck Droste (law firm offering legal advice for company founders)
- Sharp (electronic equipment for ".garage")
- AOL (group and single know-how transfer)
- AOK (insurance advices)
- Pilot-group (media advice and support for the ".garage"-campaign)

".garage" Project Milestones	
Nov. 1999	Start-up phase through to January 2002
Jan. 2000	First participants ("Alpha Team") in project
May 2000	".garage" full efficiency with 45 project participants
July 2000	Implementation of the new company foundation consultancy concept ".garage 2.0"
Aug. 2000	The first entrepreneurs ("Alpha Team") leave the project
Aug. 2002	".garage" celebrates the 100 th company foundation
Oct. 2002	End of the pilot project financing
Nov. 2002	Start of the ".garage Hamburg project" with new financing
Nov. 2003	First private project financing by "Bild hilft e.V."

Business Founders: Individual Portraits

".garage", set up in January 2000, has exceeded all expectations. Not only has ".garage" aided more than 200 young people to enter self-employment successfully. The concept is so popular that young people now consider ".garage" to be the ideal place for implementing a new business idea. The following three stories describe the initial ideas and success of three founders who started their business at ".garage".

Folkfriends.com



Nicolai Semmler

Nicolai Semmler is the founder of an Internet department store that sells rare, hard-to-find musical instruments. Folk musicians will find crumhorns, balalaikas, hurdy-gurdies and bagpipes, flutes and fanfares. Nicolai obtains his rare instruments from sources both in Germany and abroad. When he came to ".garage" to start his business in May 2000, this now successful entrepreneur was only 22 years old and, having at the time only just completed secondary school and alternative military service, had had no chance to obtain any prior professional training.

Nicole Podlich – Stylist



Nicole Podlich

Before she came to ".garage", Nicole had held a lot of small jobs which enabled her to earn her living, but prevented her from practicing her profession of choice. The ".garage" concept finally offered her the opportunity of becoming a self-

employed stylist in the summer of 2002. Nicole was 26 at the time and already trained as a hair stylist and make-up artist. Today, a lot of her customers are musicians and models.

VisLogic



Maxim Szenessy

In large companies with hundreds of computers, an administrator can easily lose track of licenses for application programmes. In the past, clarifying license issues cost companies enormous amounts of money, time – and in the case of an actual offence – even more money in the form of heavy fines. Maxim Szenessy designed his own software to automatically take stock of the immediate situation, enabling him to offer a quick, low-cost and reliable solution suitable even for the needs of large corporations. Maxim came to ".garage" in the winter of 2000 at the age of 28 after he had worked night and day, investing hundreds of hours to programme the perfect inventory software. His programme in tow, Maxim now wanted to set up his company. Maxim is proud that his company has been able to make profits from the start and that large companies, banks and regional government institutions are among his customers.

4.2 "Siebte Säule Microlending"



"Siebte Säule Microlending" is a pilot project at the ENIGMA Start-up Centre designed to give small loans to business founders who would otherwise not be able to obtain loans from banks. With this project, ENIGMA wants to address people intending to become self-employed and who are either currently unemployed or threatened by unemployment. In addition, the programme is aimed at addressing founders whose home and/or business is located in Hamburg and individuals who have no other possibility for financing their business project.

"Siebte Säule" currently arranges three types of loans for founders:

- "U30 Start", a micro loan for those under 30
- "Start-Spezial", an investment and operating resources loan for founders within the first three years after company foundation
- "Next Step", a follow-up loan

As the case may be, start-ups begin with the "U30 Start" or the "Start-Spezial" loan. "Siebte Säule" arranges for repayment at the earliest possible date. If the loan is repaid on time, the founder then qualifies for the "Next Step" loan.

By means of this graded concept, founders can prove themselves as responsible borrowers. They are thus able to build a positive credit history, allowing them to improve their credit-rating in a step-by-step manner and eventually making them eligible for normal bank loans.

During the credit period, "Siebte Säule" offers founders intensive support in the form of coaching, organised meetings for borrowers, prognosis talks or crisis intervention.

The "Siebte Säule" micro-lending project is financed by the German Federal Agency for Labour and the European Social Fund. The collateralisation fund receives funds from the "Deutsche Bank Stiftung Alfred Herrhausen" and the Johann-Georg-Büsch-Preis (awarded by the Patriotische Gesellschaft from 1765). The creditor is our partner bank, the Hanseatic Bank.

Support and advice for "Siebte Säule" on methodological and other research issues is provided by Dr. Alexander Kritikos (European University Viadrina, Frankfurt/Oder and University of Athens), an expert on micro-lending.



Rebecca Stridde, "Siebte Säule", talks to Dr. Caryl Cresswell, Enterprise University of Wales, about her work

4.3 GDM – the Cooperative for Founders and Young Companies

The GDM "Genossenschaft für Dienstleistung und Management" (Cooperative for Service and Management) is an alliance of young companies which support each other by:

- Offering office space on a flexible basis
GDM has access to inexpensive individual workplaces and offices that can be rented quickly and flexibly (EUR 14/sq m including utilities, with a month's period of notice). Only the space actually used is charged. A quick Internet connection (flat rate), ISDN telephone lines and office furniture can also be rented if necessary.
- Joint use of resources
GDM members have access to a fully equipped kitchen and sanitary services – both free of charge. In addition, use of a copy machine and a modern conference room are available for a fee.
- Representation of interests and lobbying
The GDM represents the interests of its members to politicians, interest groups and trading associations and will, upon request, facilitate contacts.
- Networking and exchanging information
GDM members support each other in the process of getting contracts, setting up offers, finding services and clients. Members are craftspeople, graphic designers, advertising agencies, public relations agencies, event companies and other service companies.

4.4 "Gründerwerft" (Founder Shipyard)

ENIGMA "Gründerwerft" offers people the chance to move out of unemployment by becoming self-employed, enabling them to set up their own independent and viable business.

Start-ups have eight months to implement their business idea. In the first three months they take part in a training programme which helps them to set up a business plan. In the following implementation phase, lasting five months, founders are supposed to position themselves on the market, i.e. to canvass customers and make a turnover.

In both phases, founders are supported by competent advisors who provide coaching and other specialised input. Through special seminars and practical trainings, founders are able to acquire needed expertise and knowledge. In addition, they have free access to office workspace, telephones, PCs and the Internet.



Visit at the "Gründerwerft"



Radek Mach, TwaEN and Olive Corner



Gertjan ten Broek, Chamber of Commerce



Dagmar Rissler, ENIGMA, EXZEPT,
Dr. Bernd Curtius, Chief Executive
Officer, EXZEPT,
Jochen Bloss, EXZEPT



Terry Mills, Prime Cymru



Hajo Streitberger, Chief Executive
Officer, ENIGMA,
Paula Manley, Welsh Development
Agency

5 Harbour Tour

Parallel to the formal programme we deliberately left time for informal networking among the participants. We also organised a boat tour of Hamburg Harbour so that our partners could see the beauty and diversity of Hamburg for themselves.



Pleasure Boat Mississippi Queen and the Hamburg Michel



Shipping traffic in Hamburg Harbour



On the boat in Hamburg Harbour



Clas Beese, Tarek Samad, Mark Willis, Derrick Izilein



*Lubos Kavan and Radek Mach,
Czech Delegation*



Jolana Blazickova, Paula Manley, Beate Wiebe



On the docks

6 Hosts

6.1 ENIGMA



Within the framework of EXZEPT, a development partnership, ENIGMA Gründerwerft GmbH is responsible for the subproject "Achieving Acceptance in the Target Group".

The objectives of ENIGMA are:

- To develop best-practice models. Target groups are "business founders and founders-to-be as well as the special target groups of the Equal programme, namely women, the unemployed and migrants".
- To develop innovative consulting concepts designed for founders.
- Facilitating business creation for founders by improving the transparency and quality of the respective consulting services.
- To write a summary of the results to be included in a manual for 'One Stop Shops'.

The focus here is on achieving a stronger market alignment and giving special consideration to the founder's personality traits during the start-up phase. In order to successfully test these approaches, the subproject "Target-group-specific Services" was subdivided into the following activities, each with its respective goals:

Optimising the Consulting Programme

by investigating the existing programmes and carrying out interviews with the target group. This activity lays the foundation for developing best-practice models.

The Optimal Consulting Concept – "instant cash" vs. "risk & fun"

Juxtaposition of two consulting concepts – low-risk micro business creation vs. capital-intensive business creation. This activity lays the foundation for developing new consulting programmes.

"Pre-foundation" Seminars for Women (morning sessions)

Women are offered a programme consisting of a

total of nine seminars before starting their own business. The programme is devised so that during its course both content and methods can be adapted to women's needs.

"Simply Start" Support Programme for 'Me-Inc.'

Founders

This one-year programme includes a comprehensive selection of evening seminars, professional workshops on how to explore a market and make client contacts, telephone contact on a quarterly basis to check on business figures and, if need arises, talks concerning crises.

Research/Interviews

Research and talks with experts aimed at optimising the incubator methodology.

Telephone Aftercare Programme "Business Line"

Advice and support by telephone for bridging allowance recipients for the first six months after setting up their new business. A quick, uncomplicated and efficient support instrument.



Frauke Mathiessen, ENIGMA, Leader Subproject "Achieving Acceptance in the Target Group"



Dagmar Rissler, ENIGMA, EXZEPT



Hajo Streitberger, Chief Executive Officer, ENIGMA

6.2 EXZEPT



EXZEPT is a development partnership operating within the framework of Equal, a European joint initiative. Our motto is:

"Making business creation easier through more acceptance!"

The members of the partnership are:

- ENIGMA Gründerwerft GmbH, Hamburg (Target-group-specific Services)
- KIZ GmbH, Offenbach (Establishing support services in the region)
- GLS Gemeinschaftsbank eG, Bochum (Financing for new businesses)
- SFC – Sylvie Feindt Consulting, Köln (Transnational coordination)

Important partners, especially for securing funds, are:

- European Union, European Social Fund
- German Federal Ministry for Economics and Labour
- German Federal Agency for Labour, Hamburg's Agency, Offenbach's Agency
- "Deutsche Bank Stiftung Alfred Herrhausen"
- Hessian Ministry for Economics, Transportation and Regional Development

EXZEPT develops and tests best-practice approaches to promote the creation of new businesses and communicates its findings to players and institutions at the regional, local, national and European level that can help to implement these concepts in public practice. Special attention is given to concepts which address the needs of women, the unemployed, migrants and socially disadvantaged persons.

On their way to personal and professional independence, individuals from these groups tend to be confronted with a lot of special obstacles. EXZEPT's main task is to prepare the ground for a

climate in which the idea of self-employment becomes a normal alternative which an individual can opt for within the scope of his/her life planning at any given time. Concrete results are targeted in three areas:

- Establishing a network to represent business founders' interests
- Publishing a manual containing guidelines for the content and organisation of 'One Stop Shops' (contact points for founders to ensure comprehensive consulting and support services)
- Processes in coordination with banks creating practicable structural conditions for the effective financing of new businesses



Dr. Bernd Curtius, Chief Executive Officer, EXZEPT



Sylvie Feindt, SFC, Transnational Coordinator EXZEPT

Participant List

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Mark Willis	Wavehill Consultancy – external evaluator
Iain Willox	Welsh Development Agency

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