

Institution: University of East London (UEL)

Unit of Assessment: 19

Title of case study: Black Business Observatory: supporting enterprise development among British Africans in London

1. Summary of the impact

UEL's Black Business Observatory (BBO) works with black entrepreneurs, business support providers and government agencies to promote enterprise development among British Africans through coaching, advice and assistance with business planning and start-up support. Since 2008, its interventions have supported the establishment of 15 companies and some 120 new jobs within London. As well as supporting individual entrepreneurs and contributing to the UK economy through its facilitation of entrepreneurship, business start-ups and the creation of new jobs, the BBO has informed UK business policy via its production of evidence-based conceptions of black entrepreneurialism, developed through collaborative engagement with primary stakeholders.

2. Underpinning research

UEL's Black Business Observatory (BBO) was founded in 2006 with funding from the London Development Agency in response to the findings of a Leverhulme study titled 'Black Entrepreneurship in Britain: people, processes and patterns', conducted at UEL between 2001 and 2003 by Professor Sonny Nwankwo. This study explored the intersections between the lived experiences of black entrepreneurs, the institutional environment, networks and interfaces to track the spatial and temporal dimensions of entrepreneurship among Britain's black population. It also considered the impacts on black British entrepreneurial identity of the complex interrelationship between historical factors and socio-economic contexts, and used this prism to challenge dominant 'scripted positions' marking the black British entrepreneurial landscape [1].

The project particularly illuminated the hybrid and ambivalent positions of the historiography of black entrepreneurship and its role in guiding - as well as constraining - representations of entrepreneurial choices among black British groups. Key findings included evidence for the critical importance of historical antecedents, including experiences of migration, assimilation and 'ethnic status', in the (re)construction of entrepreneurial identities, and of the concept of discourse to understanding British Africans' entrepreneurial processes and orientations. As such, it redressed the lack of historical perspective characterising much previous research on the entrepreneurial activities of Britain's black population and elucidated the richness of British Africans' entrepreneurial experiences. At the same time, it confronted and challenged dominant representations of the black community's passivity and limited participation in entrepreneurship.

This novel angle of inquiry suggested the potential for new areas of research which have since been explored and promoted as part of the "Entrepreneurship in Minority Groups" track of the Institute of Small Business and Entrepreneurship (ISBE), chaired by Prof. Nwankwo within UEL's Noon Centre for Equality and Diversity in Business. Since 2005, the research has diverged to address key themes such as 'faith and entrepreneurship' [3] and 'diaspora entrepreneurship' [4, 5]. Associated work on the transformative process of black entrepreneurship has focused, for example, on the problem of social capital formation, growth and sustainability. The ISBE work has particularly explored – and helped to open up the black British entrepreneurial space to contextualised discourses about the efficacy of public policy on entrepreneurial performance [1 - 5]. It has revealed that agency (symbolic and material factors embedded in origin and environments), cultural perspective, institutional power (capabilities in environments influenced by national norms), power relations perspective (cultural capital, professional knowledge, social positions), social capital and network perspective (embedded social relations) are factors influencing black entrepreneurship and its outcomes.

Despite the increasing diversity of its focal themes, Nwankwo's research retains a unifying central focus on problems typically encountered in attempts to stimulate and support entrepreneurship in black communities in Britain, including issues of trust, access to finance, business support take-up

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and promoting female entrepreneurship. It is also unified by its common use of a methodological framework underpinned by the notion of 'engaged scholarship'. This particularly entails the development of collaborative links and productive dialogue with user communities as part of the research process; promoting policy awareness of the conditions of black entrepreneurship; and the development of intervention strategies to scale-up entrepreneurial capabilities within the target population.

3. References to the research

- [1] Nwankwo, S. (2005), Characterisation of Black African Entrepreneurship in UK: A Pilot Study, Journal of Small Business and Enterprise Development, Vol.12 (1): 120-136. http://doi.org/ckq349
- [2] Nwankwo, S.; Akuniru, J. and Madichie, N. (2010), Supporting black businesses: narratives of support providers in London, *International Journal of Entrepreneurial Behaviour & Research*, Vol 16 (3): 561-580. (Best paper award winner, ISBE 2009). http://doi.org/bbjbz5
- [3] Nwankwo, S., Gbadamosi, A., and Ojo, S (2012), Religion, spirituality and entrepreneurship: the Church as entrepreneurial space among British Africans, Business and Society Review, Vol 7(2): 149-167. http://doi.org/p58
- [4] Nwankwo, S, Gbadamosi, A. and Ojo, S. (2013) Entrepreneurship among immigrant Africans in the UK: myths of informal and illegal business. *Entrepreneurship and Regional Development*. (Early Cite: http://dx.doi.org/10.1080/0895626.2013.814717
- [5] Ojo, S., Nwankwo, S. and Gbadamosi, A. (2013), African diaspora entrepreneurs: navigating entrepreneurial spaces in 'home' and 'host' countries, International Journal of Entrepreneurship and Innovation, Vol 14, No4, pp. 211-221. http://dx.doi.org/10.5367/ijei.2013.0126

Key Funding Grants

Nwankwo, S., 'Black Entrepreneurship in Britain: people, processes and patterns', 2001-2003. **Leverhulme Grant** RF&G/7/RFG/2001/0426

EMPOWER Project 2007-2008: **ERDF-funded project** completed at UEL, £769,000

Diaspora remittances jointly held with Jonkoping University, Sweden, and supported by the Swedish Foundation for International Cooperation in Research and Higher Education: SK1.2m funding from (2007-2010) held by Jonkoping International Business School, Sweden, under the auspices of DiasporaLink Network which UEL/BBO co-founded.

4. Details of the impact

The principal beneficiaries of the research outlined above are British African entrepreneurs and UK policy-making bodies concerned with black entrepreneurship, although the reach of its impacts is increasingly extending to national and even international beneficiaries. These groups have benefited primarily from our transfer of expert knowledge and advice, particularly in supporting business start-ups, the development of teaching and learning resources, and the provision of new resources and space for the effective delivery of support for black entrepreneurship.

Supporting black business start-ups in East London and beyond through the provision of training, resources and expertise

The BBO's delivery of benefits directly to entrepreneurs themselves is evidenced particularly through its provision of training workshops. These sessions have been tailored in line with key research findings identifying specific learning needs and gaps in existing programmes of entrepreneurial support. We have delivered 17 such workshops, providing a combined total of some 550 participants with information about and direct support in starting and growing their businesses, as well as creating reusable teaching and learning resources to sustain their business development activities. These have included factsheets and practical business support, such as 'how to do' toolkits, and a range of web-based information resources. The workshops have provided further support for participants by facilitating the sharing of best practice examples to

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inculcate and enhance their existing business skills.

In addition to allowing participants access to specialist knowledge and information resources, seminars and stakeholder workshops organised by the BBO have created a local network of black SME owners and managers, in line with Nwankwo's finding that social capital and network perspective (embedded social relations) is an important factor influencing black entrepreneurship and its outcomes. Major black business-focused agencies that have consistently collaborated with the BBO in knowledge transfer activities such as assisting business start-ups and securing self-employment among the UK black population include The Reform Corporation, Black Economics, and Haringey Business Development Agency [a]. Those activities have generated financial benefits by helping to create new companies and increase self-employment among black entrepreneurs. Five London-based universities have agreed to collaborate to better resource and extend the scope of BBO activities in London, marking a significant departure in local/community engagement strategies.

Although many of its most significant impacts have been realised within local black business communities, moreover, the reach of the impacts of BBO research has been expanded through collaborations with international HEIs and other organisations. These have included a collaboration with Diaspora Link, a Swedish-based Micro Finance consortium promoting diaspora cross-border entrepreneurship and remittances. Here, Nwankwo has drawn on his research with the BBO to contribute to discussion about and action to support skill development and capacity building for cross-border enterprises [e]. In 2010 the British Council identified the BBO as a 'best practice' model. The Council subsequently awarded £100k of funding to support its replication at the University of Ghana as part of the WorkBank project [f].

Supporting the creation of new companies and jobs by building links with stakeholders.

Workshops and other events run by the BBO have also provided a forum for the institution and maintenance of productive relationships between the local network of black SME owners and managers and a wide range of potential stakeholders, and helped to ensure awareness of emerging trends and opportunities. Thus, for example, quarterly workshops run between 2007-2011 (each attracting an average of 35 attendees) on *Public Procurement*, *Supplier Diversity*, *Compete-For*, and *Access to Finances* not only increased awareness among local black SMEs of Olympics procurement opportunities, but also enhanced their capacity to capitalise on those opportunities. Indeed, the facilitation of contact and collaboration between black entrepreneurs and local stakeholders has constituted an important pathway for the BBO's delivery of benefit to both those parties. As well as inviting stakeholders to its business development events, the BBO has produced updatable 'live' databases of business support providers operating in specific sectors and clusters.

This new resource, first developed in 2008, is now used frequently by organisations including the African Caribbean Business Network (ACBN), British African Business Alliance, and Haringey Business Development Agency (HBDA) to promote networking events and specialist knowledge-exchange activities. These have included a series of successful monthly Tender Readiness workshops co-delivered by the BBO in the run-up to the 2012 Olympics. The database therefore not only provides a new resource for entrepreneurs seeking business development support, but also extends our impact to include the provision of more effectively targeted support for black entrepreneurs - a traditionally hard-to-reach business community - from governmental, quasi-governmental, and local community bodies. Since 2008, organisations such as the London Business Development Corporation, Reform Corporation, DiasporaLink have all used BBO resources to deliver practice-enhancing programmes to over 1000 black-owned SMEs, enhancing access to the resources offered by the organisations [a, e].

Contributions to local and regional policy discussion, debate and formulation.

Beyond its impacts on entrepreneurs and other stakeholders within (and increasingly beyond) East London, the research has informed and influenced local and regional policy debate and formulation, including through the researchers' invited provision of expert advice at Breakfast Meetings at City Hall [b]. The meetings, which were used by the then-Mayor Ken Livingstone as a sounding board for policy on Minority Business support under Ken Livingston, afforded the

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research team an opportunity to communicate major research findings to local policy-makers and thereby to expose - and subsequently redress - existing gaps in their understanding of how best to engage black entrepreneurs. This has included their provision of recommendations made in [2] that business advisory services be considered as an aspect of market intervention with the overarching aim of helping to secure the growth and sustainability of an otherwise fledgling sector, and that black entrepreneurs be accorded a more vital role in the advisory process. The same research has also been used to support recommendations for longer term funding arrangements, and core funding for both projects and concomitant support mechanisms.

These sorts of recommendations have helped frame policy positions used, for instance by the London Development Agency (LDA), particularly through the researchers' delivery of quarterly briefings (2006-2010) to policy-makers at the LDA. Those briefings contributed to and helped shape the development of more focused policy interventions such as the LDA Action Plan for BAME, which referred directly to our findings; the subsequent Action Plan also reflects our recommendation [g]. By contributing to changes in ways of thinking at policy level, the research has also enhanced policy-makers' capacities to develop and deliver more effective support for black entrepreneurs. For example, Prof Nwankwo recommended a bespoke Support Network at a breakfast meeting with The Mayor of London (06/02/2006), which resulted in the delivery of £1.2m of public funding to support the development of the African Caribbean Business Network. That Network now acts as an umbrella organisation representing black enterprise interests in policy forums [a].

Contributions to public engagement with and awareness of black entrepreneurship.

Key research findings have been shared with non-academic audiences through invitations to speak on Black Entrepreneurship at events such as the Mayor of London's Black History Month [c]. In addition, the BBO and its activities have featured in both print and electronic media for local and national public and professional readerships [d].

5. Sources to corroborate the impact

[a] Copies of email correspondence with and testimonials from organisations including The Reform Corporation, Black Economics, and Haringey Business Development Agency, and from small businesses and agencies who have benefitted from the BBO's work, are available on request. Testimonials received from the last quarter of 2011 to February 2012 include statements from representatives of the following, all of which attest to the BBO's success in forging productive collaboration between stakeholders. They also corroborate our creation and use of databases for connecting with and delivering business support to the SMEs and their managers.

- Bite Size Marketing (http://www.bitesize-marketing.co.uk/)
- African Foundation for Development, AFFORD (http://www.afford-uk.org/)
- Reform Corporation (http://websites.uk-plc.net/Reform_Corporation)
- Haringey Business Development Agency (http://www.hbda.org.uk)
- London Business Development Agency
- [b] Invitations to Breakfast Meetings at City Hall available on request.
- [c] Invitation to speak at Mayor of London's events such as Black History Month available on request.
- [d] For national media coverage of the BBO: *The Times Higher Education* 21 February 2008: http://www.timeshighereducation.co.uk/story.asp?storyCode=400646§ioncode=26
- [e] For collaboration with Diaspora Link: http://bit.ly/1c3lzmJ. See p. 14 for Nwankwo's contribution to skill development and capacity building for cross-border enterprises.
- [f] British Council Reference number: EAP 95. Relevant documentation available on request.
- [g] Copies of relevant London Development Agency documents informed by and/or citing the research include Cannon, T., Victory, R. and St Paul, G. (2005) Redefining London's BME Owned Businesses. London, London Development Agency. Available on request.