

Goldman
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10,000 SMALL BUSINESSES

**JOB CREATION AND
BUSINESS GROWTH IN THE UK.**



SALLY ALLISTER
GFF DIRECT

A PROGRAMME TO STIMULATE JOB CREATION AND ECONOMIC GROWTH.

“Encouraging entrepreneurial activity in the UK is vital to the health of our economy. We know that small businesses and social enterprises are the engine of job creation potential; 10,000 Small Businesses has been specifically designed to maximise this potential.”

Michael Sherwood, Vice Chairman of The Goldman Sachs Group, Inc. and Co-Chief Executive Officer of Goldman Sachs International

Small businesses and social enterprises play a vital role in creating jobs and driving economic growth in the United Kingdom. Targeted at organisations with clear ambitions to expand, Goldman Sachs’ *10,000 Small Businesses* initiative is designed to unlock the job-creation potential of small businesses and social enterprises across the UK. The programme is based on the broadly held view of leading experts that greater access to a combination of education, capital and support services best addresses the barriers to growth. *10,000 Small Businesses* is funded by Goldman Sachs and The Goldman Sachs Foundation.

An investment in growth

10,000 Small Businesses is designed to help business and social enterprises build a plan to grow and create jobs in their communities, utilising networks of local partners that understand the needs of

local businesses. In an uncertain economy, a growth plan for some participants may simply comprise measures for continued viability. Others may be better positioned to accelerate growth and create new jobs. The goal of *10,000 Small Businesses* is to equip all participants with tools to help them overcome a range of obstacles and lay the foundation for long-term, sustainable growth.

The programme comprises of a practically focused curriculum, personal networking opportunities and mentoring support designed specifically for small businesses and social enterprises. In addition, *10,000 Small Businesses* will help participants gain opportunities to understand and access suitable financing through a network of local partners.

The programme was introduced into the UK in 2010, in Leeds. It will be expanded further on a city by city basis beginning with Manchester.



SUPPORTING BUSINESSES AND SOCIAL ENTERPRISES WITH A PROVEN MODEL.

In the UK, *10,000 Small Businesses* is based on an innovative and successful approach to supporting entrepreneurs, as developed through Goldman Sachs' existing global *10,000 Women* initiative and the *10,000 Small Businesses* programme in the United States. This expansion of *10,000 Small Businesses* is intended to give small businesses and social enterprises the resources they need to grow, with a programme tailored for the UK market.

Practical education, support services and access to capital

10,000 Small Businesses has as its foundation an action-based business and management education. It is designed by world-class international, national and local partners, then delivered locally by experts and practitioners. The curriculum focuses on building practical skills that can immediately be applied by participating businesses, including accounting, negotiating, marketing and human resources management. Throughout the programme, participants work to develop a customised growth plan for their business.

With *10,000 Small Businesses*, programme content and execution are being shaped by partners that understand the national small business landscape and the specific needs of local communities. The Saïd Business School, University of Oxford is coordinating curriculum development and programme expansion at the national level. Leeds University Business School and Manchester Metropolitan University are delivering the programme on the ground in Leeds and Manchester, respectively.

To supplement classroom learning, *10,000 Small Businesses* provides a range of business support services as part of the education environment. These "wrap around" services may include coaching, mentoring, access to professional experts such as lawyers and accountants and networking opportunities.

In addition, Goldman Sachs and its network of local partners will work with organisations that provide capital to small businesses, to help create opportunities for participants to understand and gain access to suitable finance.

"The Saïd Business School, University of Oxford, has built considerable expertise in the field of entrepreneurship. *10,000 Small Businesses* embodies practical entrepreneurial training at its very best. We are proud to partner with Goldman Sachs in developing and advancing this initiative to stimulate small business growth in the UK — a critical component of future economic performance."

Professor Colin Mayer, Saïd Business School, University of Oxford





NICK HOWARD
LIMEHOUSE TV

INVESTING IN ECONOMIC GROWTH AND HUMAN POTENTIAL.

Goldman Sachs seeks to drive economic growth, market expansion and job creation. Consistent with these goals, *10,000 Small Businesses* was launched in the US because research indicates there is no better investment than small businesses to stimulate economic growth. In the UK, a locally tailored version of *10,000 Small Businesses* has commenced to capitalise on the opportunity to foster growth not only through small businesses, but social enterprises as well.

The UK has one of the most vibrant social enterprise communities in the world. These organisations are making an increasingly significant contribution to UK economic and community development through sustainable business models, with less reliance on traditional grant funding.

Fostering success and independence

In any economy, one of the best ways to improve the flow of capital to growing enterprises is to help improve the quality of the value proposition their owners present to potential investors.

10,000 Small Businesses does this by investing in participants' skills, improving their ability to craft and execute a growth plan to make them more investable for banks, investors and other capital providers. The programme has been tailored to meet the needs of small business owners and social enterprises, including their need to develop and present a compelling investment proposition.

"We all have a collective responsibility to build a more sustainable British economy. By providing local entrepreneurs with the training, tools and networks they need to help their enterprises grow, Goldman Sachs' 10,000 Small Businesses initiative will go a long way to achieving this."

Stephen Howard, Chief Executive, Business in the Community

"As Britain's biggest business advocacy organisation, the FSB believes it has never been more important to promote, protect and campaign for the interests of the UK's small business community. At a time when we all need small business to grow and prosper Goldman Sachs has produced a programme that both understands and meets their needs."

Simon Williams, Chairman, North Yorkshire Region, Federation of Small Businesses

“As the company moves to a level with high growth potential, I am also really enjoying the challenge of acquiring new skills and thinking about business in a more strategic way — I’m learning new skills almost every day, and that’s very rewarding.”



SHAKOOR AHMED
LAHORE CAFÉ BAR LTD.



“I like the challenge of making a profit in what is a very competitive marketplace. I also really like the fact that as we’ve grown, we have created job opportunities for others, too.”

In 2003 Shakoor Ahmed identified a business opportunity. “There was a gap in the market for casual food served in a stylish way, in a stylish setting,” he says. “Our belief was that Bradford’s resident and student population was being poorly catered to. We could do better.”

Today, Lahore Café Bar Ltd. is rapidly growing. Shakoor has created a business that is differentiated by its brand and image, product quality, price and reputation. The business comprises an eat-in café, a deli with takeaway foods, home delivery and catering. He recently invested significantly to expand the Café Bar from two floors to four, “in the middle of a recession,” he adds.

Shakoor’s vision is to “create a highly reputable company comprising 15 wholly owned or franchised UK outlets by the end 2015.” Through his participation in the *10,000 Small Businesses* programme Shakoor is learning how to invest in the IT systems, human resources, training and operations management to further substantiate his company’s infrastructure.





SARAH DUNWELL

CREATE

“I wanted to start a business that would offer opportunities to those people who are traditionally furthest from the jobs market: the homeless. CREATE exists to provide work experience, skills training and employment to the most vulnerable people in our city.”



After selling her catering company in 2007, Sarah founded the CREATE Foundation, a social enterprise that today runs nine small businesses in Leeds, Bradford and Doncaster. These businesses include outside catering, four cafés, a fashion shop and a food redistribution warehouse.

Now in its third year of trading, CREATE has consistently grown turnover year-on-year and is on track to make a profit. Through the *10,000 Small Businesses* programme Sarah is acquiring the knowledge she needs to address CREATE's largest challenges: growing the scale and profitability of the business; gaining better access to capital; and developing a succession plan and management training for her team.

"Our expansion plans are to open CREATE in 20 cities over the next five years," she explains. "Each business centre will employ 30 staff and will offer a pre-employment training programme to another 100 people each year."

Of the *10,000 Small Businesses* programme, Sarah says, "I'm keen to network with other entrepreneurs, as well as with experts and tutors on the course, to expand my business knowledge and perhaps open up some new opportunities for the growth of my own business."

"We now offer our programme to around 125 volunteers and trainees per year, and around 80 per cent of our workforce have experienced homelessness."

"I have plenty of practical experience in running a business. Now it is time to get more academic help, to run the business more scientifically and take full advantage of the many opportunities which have been presented to our company."

PAUL DIXON
AUTODRAIN





“Through my participation in this programme, I have come to the realisation that I can grow the business to a greater level than I previously thought possible.”



Every year, end of life vehicles generate between eight and nine million tonnes of waste in the European Community. In 2000 the EC adopted legislation to make vehicle dismantling and recycling more environmentally friendly. Having owned and operated a vehicle salvage business since 1989, Paul Dixon recognised how this legislation presented a business opportunity. Today, his company, AutoDrain, specialises in efficient systems for the removal and safe handling of waste from end of life vehicles.

In 2010 AutoDrain grew significantly; “We are already the market leader in the UK and France, and we have plenty of room for growth,” Paul says. “But the business is limited by my lack of expertise in growing it further, and finding people who have the required skills.”

From the *10,000 Small Businesses* programme, Paul has gained the business skills he needs to take advantage of opportunities available to AutoDrain in other European markets such as Germany. This includes increasing the amount of time he has available to plot business strategy from 10 per cent to 50 per cent.



A NETWORK OF PARTNERS.



“Goldman Sachs’ *10,000 Small Businesses* initiative is a welcome boost for the UK. It’s going to increase the odds of small businesses surviving and minimise the odds of them failing. For the country to recover it’s only going to be achieved through successful businesses — the people who create future employment.”

Lord Graham Kirkham



“Social enterprises face many of the same issues as other growing businesses as they seek to scale up their social impact, including obstacles such as lack of support systems, networks and capital. *10,000 Small Businesses* brings together social enterprises and other small businesses to learn alongside and from each other and build a network of support to maximise their collective growth potential. This innovative initiative holds great promise.”

Dr. Pamela Hartigan, Director, Skoll Centre for Social Entrepreneurship, Saïd Business School, University of Oxford

“Goldman Sachs’ *10,000 Small Businesses* initiative is providing small businesses and social enterprises in our area with the practical skills they need to seize their opportunities, grow their businesses and bring new jobs to our communities. We are proud to work along side Goldman Sachs’ *10,000 Small Businesses* in this important and meaningful effort to foster small business growth in the city and the surrounding area.”

Tom Riordan

*Chief Executive
Leeds City Council*



Tailoring the programme for local needs

Built on the fundamental goal of providing participants with greater access to education, capital and support services, the *10,000 Small Businesses* programme in the UK has been designed to meet the region’s unique needs. Every aspect of the programme — from education to wrap around support services — is being delivered by local partners with a deep understanding of the UK’s business environment, and the challenges and opportunities it presents to small businesses and social enterprises.

“Small businesses are the bedrock of the local economy and the engine of job creation in Manchester and the north west. High quality support tailored specifically to the needs of growing businesses can have a huge impact. I welcome Goldman Sachs’ innovative *10,000 Small Businesses* programme to the region.”

Sir Howard Bernstein

*Chief Executive
Manchester City Council*



“The programme is about putting entrepreneurial thought into action through facilitated learning, not academic lectures. Each module is designed to provide practical tools that entrepreneurs can use within their businesses immediately. Through partnering with Goldman Sachs, we have brought together their knowledge of best practice from the *10,000 Women* and *10,000 Small Businesses* programmes, and our own research into how entrepreneurs learn, to provide a potentially transformative experience for UK small businesses.”

Professor Michael Arthur

*Vice Chancellor
Leeds University Business School*

FOCUSED ON RESULTS.



How will *10,000 Small Businesses* make a difference? Measuring impact is a fundamental component of the programme. After completing *10,000 Small Businesses*, participating graduates' business or social enterprise success in growth and job creation is tracked. These two metrics will be monitored over time, and the programme will evolve as needed to best achieve these two core objectives. This provides accountability and tracks *10,000 Small Businesses'* ability to drive economic growth — and helps ensure that the programme has a strong, positive impact.

Positive results
The results from the *10,000 Women* and *10,000 Small Businesses* programmes are encouraging. Globally, more than 3,000 women have participated in the former. According to reviews of early samples of *10,000 Women* graduates, nearly half have added jobs, and 70 per cent have grown their business.

In the US, graduates of the *10,000 Small Businesses* programme are already experiencing positive change. As an example, since completing the four-month course in New York, over 75 per cent of graduates have hired new staff, and over 50 per cent estimate double-digit, year-on-year revenue growth.



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About 10,000 Small Businesses

10,000 Small Businesses initiative is designed to unlock the job-creation potential of small businesses and social enterprises across the UK through greater access to business education, mentors and networks, and financial capital. It is based on the broadly held view of leading experts that a combination of education, capital and support services best addresses the barriers to growth for small businesses.