

# Jersey Business Business Plan 2020

## Our purpose

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Jersey Business was established to ensure the delivery of independent and confidential enterprise and business development information, advice and support in Jersey. Our overarching purpose is to build a prosperous business community in Jersey.

## Our business model

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Jersey Business is committed to providing practical and confidential advice and support to businesses on the Island. We are funded by the Government of Jersey to deliver its economic aims and strategy, but we operate as an arms-length organisation with an independent Board and team.

### ABOUT JERSEY BUSINESS

#### WHAT WE DO

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We are a catalyst to trigger growth and change across all business sectors through:

- Directly supporting individual businesses to achieve their full potential throughout their lifecycle
- Helping drive productivity and sustainability in key sectors to deliver economic growth and
- Stimulating and promoting the adoption of market leading practices across the economy

#### OUR VISION

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Building business success in Jersey, a vibrant economy where local businesses thrive.

#### OUR MISSION

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We exist to help local businesses make better decisions, accelerate success and improve overall outcomes.

#### OUR VALUES

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We are professional, knowledgeable, and act with complete integrity towards our clients, staff and stakeholders. Above all we love what we do.

We proactively support a portfolio of clients that have the ambition to start or grow an efficient and profitable business. By gaining a thorough understanding of how our clients operate, their barriers to productivity and their opportunities for growth, we are able to offer and identify bespoke packages of support and expertise that maximises their chance of long-term sustainable success.

We are a small team with a limited budget, so we use our resources as efficiently as possible by working collaboratively with public and private sector partners. Our support programmes and industry sector strategies are focused on identified business needs and enable us to provide specialist resources and expertise at the right time.

## The Government's strategic context

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Jersey Business operates to deliver the Government's ambitions for the Island's economy. This strategic context has been set out in a series of policy documents that outline the Government's overarching ambition for Jersey across a number of policy areas.

In 2018 the Government issued its first overarching policy agenda the Common Strategic Policy. This was followed in 2019 with the 2020-23 Government Plan which identified specific actions for the forthcoming years.

## **2018-22 Common Strategic Policy**

In 2018 the Government of Jersey published its Common Strategic Policy which identifies 5 strategic priorities:

1. We will put children first
2. We will improve Islanders' wellbeing and mental and physical health
3. We will create a sustainable, vibrant economy and skilled local workforce for the future
4. We will reduce income inequality and improve the standard of living
5. We will protect and value our environment.

Jersey Business's purpose is primarily focused on delivering priority 3, 'creating a sustainable, vibrant economy and a skilled local workforce for the future'. Our unique ability to work across sectors enables us to maximise the impact of business support activity by creating a range of interconnecting programmes and building an intimate knowledge and intelligence about the business community.

## **2020-23 Government Plan**

The 2020-23 Government Plan sets out the practical steps to be taken during the period in relation to all 5 common strategic priorities and provides detailed actions for 2020. Jersey Business is ideally placed to support the Government's actions relating specifically to supporting the local business community.

More detail on the Government Plan and the Common Strategic Policy, priority 3 in is Appendix 4.

## **Jersey's Fiscal Policy Panel Annual Report 2019**

In addition to these Government policy documents, the latest Annual Report from Jersey's Fiscal Policy Panel was issued in October 2019. It clearly identifies that a number of longer term challenges, set out in previous reports, remain and specifically recommends:

'...that funding should be made available in future Government Plans to support initiatives with genuine potential to raise private sector productivity. These should be aimed at addressing the five key drivers of productivity growth: investment, infrastructure, innovation and enterprise, skills and competition'.

## **Jersey Business's strategy**

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As Jersey's business support and development organisation, Jersey Business plays a significant role in achieving the Government's aim of creating a productive future economy where businesses across established sectors contribute positively to the Island's long term economic sustainability.

Jersey Business's strategic plan will support this productivity drive in three ways:

	1	2	3
<b>Jersey's long-term ambition</b>	Higher levels of productivity	Enabling targeted sectors to prosper	Connected, vibrant economy
<b>Jersey Business's strategic objective</b>	Raising private sector productivity by improving efficiency and growing revenue	Delivering long term enabling strategies for targeted sectors	Accelerating sustainable, productive economic growth
<b>How</b>	<u>Direct business support:</u> Tactical interventions to maximise the economic value of businesses	<u>Strategic development:</u> Investment & support for specific sectors to deliver long term sustainability and improvement	<u>Leveraging relationships:</u> Sharing knowledge and connections to fast-track business success

More detail of specific activity is in Appendix 1.

### 1. Increasing productivity

<b>Jersey's long-term ambition</b>	Higher levels of productivity
<b>Jersey Business's objective</b>	Raising private sector productivity by improving efficiency and growing revenue
<b>Tactics:</b>	<u>Direct business support:</u> Tactical interventions to maximise the economic value of existing businesses

Creating efficient businesses and identifying opportunities to generate more revenue, and specifically international revenue, are both vital to increasing overall productivity in the private sector in Jersey.

To complement our face-to-face advisory service we have developed a number of programmes focused specifically on driving improvement in operational practices. Most notable amongst these is the Business Improvement Programme which delivers immediate productivity gains in participating organisations.

Businesses across all sectors in Jersey must address the constant challenge of recruiting and retaining talent at all levels of the organisation. This requires a comprehensive and diverse approach to skills and operational planning that must be driven at leadership level, including at Board level.

Jersey Business will support the development of leadership skills to enable business owners and leaders to plan, operate and grow their businesses more effectively.

When required, tactical skills development will be incorporated into sector strategies to address short term workplace skills gaps. This will be supported by a programme of topic specific events and seminars designed to share knowledge and information that will drive the adoption of best practice in business operations.

The development of Jersey Business's website into a business resource portal will provide a comprehensive set of tools and guidance for businesses across all sectors. These resources will encourage the adoption of best practice across the wider business community.

Efficiency and cost management is only one part of the productivity challenge and it is essential for businesses to grow profitable revenue to maximise the utilisation of their skills and assets in Jersey. We will continue to provide support to companies accelerating the growth of their international revenue and overseas investments.

**Our ambitions for 2020 are:**

Funded through current core grant:

- Support Jersey businesses to have a bespoke action plan to improve and/or grow
- Support Jersey businesses to earn international revenue
- Increase the value of export revenue in supported businesses
- Help growth businesses start up in Jersey
- Provide 24/7 access to business knowledge through the website
- Deliver events that provide skills & knowledge to help to business owners/leaders to help them operate more efficiently

Funded through other means:

- Supporting businesses to implement productivity improvements
- Delivering productivity impacts
- Stimulate businesses to invest in technology that will drive efficiencies within their operation

Potential new projects (subject to funding):

- Stimulating investment in capital, technology or other efficiency measures
- Enabling innovation in businesses to increase revenue/ productivity

**2. Enabling targeted sectors to prosper**

<b>Jersey’s long-term ambition</b>	Enabling targeted sectors to prosper
<b>Jersey Business’s objective</b>	Investment and support for targeted sectors to deliver long term sustainability and productivity
<b>Tactics:</b>	<u>Strategy development:</u> Delivering long term enabling strategies for targeted sectors

We know that Jersey’s established sectors are a vital part of the Island’s economy providing the aesthetic, leisure, employment and infrastructure necessary for the Island to thrive and for Islanders overall wellbeing. Each of these sectors has its own unique challenges which must be tackled with focused activity that addresses their specific barriers to productivity and growth.

During 2019 we successfully incorporated the activities of the Jersey Retail Association into our operation. Working under the banner of Jersey Retail, our support for retail continues through the provision of direct one-to-one advisory support and retail focused skills development. Retailers also benefit from our generic support programmes with ongoing engagement to help maximise the impact of improvements in individual businesses.

Focusing on non-finance industries, Jersey Business will develop sector strategies to address the unique challenges that businesses in these sectors need to address for long-term success. These will also identify opportunities for new entrants and inward investment that will enhance overall economic impact and enable individual businesses within these sectors to thrive. Funding will be required, and may exist elsewhere, to implement these strategies effectively.

However, access to high quality data and research is essential to provide an evidence base and ongoing analysis of the opportunities and challenges for our key sectors. Too little of this is currently

available and a focus for Jersey Business will be to influence the collection and access to economic performance data particularly on non-finance sectors.

**Our ambitions for 2020 are:**

Funded through current core grant:

- Develop and start to implement our approach to directly supporting retail businesses
- Ad hoc feedback of qualitative businesses intelligence across non-finance sectors

Funded through other means:

- Work with partners to develop rural economy strategy focused on direct business support

Potential new projects (subject to funding):

- Post Brexit international business development strategy
- Work with partners to develop strategy for productivity improvement in the tourism and hospitality sector
- Ensure relevant data is being collected on key sectors

**3. Connected, vibrant economy**

<b>Jersey's long-term ambition</b>	Connected, vibrant economy
<b>Jersey Business's objective</b>	Accelerating sustainable, productive economic growth
<b>Tactics:</b>	<u>Leveraging relationships:</u> Sharing knowledge and connections to fast-track business success

Jersey Business is in a unique position. Through the advice and support we offer, and the relationships we build with businesses across all sectors, we have an intimate understanding of operational practices and challenges that businesses are facing in Jersey. We understand the barriers to increasing productivity, the opportunities for new revenue generation and the systemic issues that key sectors face in shaping the future.

We already use our business knowledge and our extensive network of connections to support individual businesses to achieve their aims and objectives faster and better than they would without our help. We facilitate relationships that can have long term benefits to businesses.

All this expertise helps shape our own approach to supporting targeted sectors and in 2020, we will develop Industry Advisory Groups to give us a formal mechanism to receive focused feedback on broad and specific challenges and opportunities for these sectors. Membership of these groups will represent the range of organisations across the relevant industries.

Our intimate understanding of the business community can be collated in such a way that we will use this to better inform Government policy making in the future. Currently involvement is only open to us during the later stages of policy consultation, but it is our ambition to be more involved in the development process. We believe this will not only create more coherent and enabling policies, but also make the process of business consultation much more efficient.

**Our ambitions for 2020 are:**

Funded through current core grant:

- Have early input into the development of Government policy affecting key sectors
- Responding to consultations already in the public domain

## **Our delivery plan**

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Our overarching purpose is to build a prosperous business community in Jersey by delivering independent and confidential enterprise and business development information, advice and support to businesses in Jersey. Our extensive knowledge and understanding of business in Jersey underpins all our activity and enables us to act as an implementer, leader, partner, enabler and facilitator.

Our team of 10 FTE are totally focused on providing advice and support to businesses. We have grown our ability to provide specialist advice by developing support programmes that address specific business challenges and this approach will continue in 2020. Further investment to grow our experienced team will be required in order to deliver greater impact and to effectively share our business knowledge in and after 2020.

Our current premises are a constraint on our growth. We will work with Government during the year to find a solution that meets our future requirements and maximises our potential to support Jersey's business community.

Our limited budget requires the efficient and innovative use of our own online and offline resources. Already we have invested in our website and internal processes to streamline our content delivery to enable businesses to access information faster and easier. This process innovation will continue in 2020 and beyond.

The work we have done to streamline our operations enables us to focus our face-to-face support on generating substantial value to individual businesses and to Jersey's economy. We know this because our clients give us direct positive feedback. We also conduct independent research annually to ask clients if, and how, we add value to their businesses. This research returned a net promoter score of 74% in 2018, which is in the top 10% of service industries globally. It also confirmed that 64% of our clients said that the support received from Jersey Business had had a 'Material or Significant' impact on their productivity.

## **Our financial plan**

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Our core income is in the form of a grant from the Government of Jersey. This grant is negotiated annually based on a framework that sets out the outcomes and impact of our work with Jersey's business community. Details of the 2020 measurement framework are in Appendix 2.

Although our focus on continual improvement has enabled us to deliver more with less, we remain constrained by the level of funding that we receive. We have managed the impact of this by reducing our discretionary spend and by using our cash reserves. At the end of 2019 these options are no longer available to us. An analysis is available in Appendix 3.

Our baseline budget requires funding of £860k to maintain the current level of service and support.

Approximately £115k of direct costs for the Business Improvement programme, Leading Growth programmes, IT Reviews, Skills Audits and Social Media courses are funded through the Registered Licence Fund, which is currently held by Skills Jersey. Ideally this funding will be transferred to Jersey Business in 2020 to make the delivery of these programmes more efficient. Note, this total does not allow for increased levels of activity across these programmes, all of which could be extended and focused to provide more industry specific support.

Going forward, these funding requirements need to be consolidated into our core budget in order to guarantee these programmes remain available on an ongoing basis and to build efficiency into the work of our team.

During the first part of 2020 further work will be undertaken to scope the funding requirements for the effective and efficient operation and delivery of a more comprehensive support package across the three core strategy areas.

In addition, further work will be completed to develop a more comprehensive measurement framework. As well as the activity based measure already in place, this framework will include a representation of the value and impact of Jersey Business's activity on the local economy.



# Appendix 1

Theme	Direct business support		Strategy development & delivery		Leveraging relationships	
Jersey's long-term ambition	Higher levels of productivity		Enabling targeted sectors to prosper		Connected, vibrant economy	
Jersey Business's strategic objective	Raising private sector productivity by improving efficiency and growing revenue		Delivering long term enabling strategies for targeted sectors Investment & support for key sectors to deliver long term		Accelerating sustainable, productive economic growth	
	Activity	Outcome	Activity	Outcome	Activity	Outcome
	<b>Start-up &amp; new business to Jersey</b>					
	<b>6 Step Journey</b>	Every start-up gets the advice it needs to set up as efficiently as possible	<b>Inward investment</b>	Support given to inward investment businesses in target sectors		
	<b>High growth start-ups (Local &amp; new to Jersey)</b>	Help given to start-ups with ambition for above sector average results	<b>Future opportunities</b>	Identifying the challenges & opportunities for current/new sectors		
	<b>Running a business</b>					
	<b>1:1 Support</b>	Trading businesses have a bespoke action plan to improve and/or grow	<b>Jersey Retail</b>	Tackling the issues faced by the sector that are barriers to efficiency and revenue growth	<b>Business intelligence</b>	Provision of business and industry intelligence and foresight to shape government policy going forward
	<b>1:1 connections &amp; representation</b>	Business leaders get connections that will help them run a better business	<b>Brexit</b>	Understanding business needs for future national agreements post Brexit	<b>Business and economy data collection</b>	Working with Statistics Jersey to gather relevant data to better understand trends in the economy
	<b>1:many workshops</b>	Events provide skills & knowledge to help business owners/leaders operate more efficiently	<b>Rural economy</b>	Tackling the issues faced by the sector that are barriers to efficiency and revenue growth		
	<b>Website portal</b>	24/7 access to relevant information about running a business in Jersey	<b>Hospitality &amp; Tourism</b>	Tackling the issues faced by the sector that are barriers to efficiency and revenue growth		
	<b>Biz Improvement Prog</b>	Businesses become more efficient by redesigning wasteful processes & upskilling the workforce for continual improvement				
	<b>IT Review</b>	Businesses have the knowledge to invest in IT that makes their operation more efficient				
	<b>Skills Review</b>	Businesses have a skills, recruitment & retention plan fit for the future		<b>KEY: Delivered though core funding</b>		
	<b>Social media workshops</b>	Businesses can grow revenue through social media marketing		<b>Managed by JB but funded through other means</b>		
	<b>Productivity improvement support grant</b>	Match funding to stimulate investment in activity that will increase efficiency or revenue generation		<b>Not currently funded or delivered</b>		
	<b>Innovation support</b>	Stimulating innovation in products, services & business model to grow and/or sustain revenue				
	<b>Growing a business</b>					
	<b>1:1 Support</b>	High growth businesses have a bespoke action plan to grow				
	<b>Support to increase exports USA; France; India; Others</b>	More businesses start to export and the value of exports increases				
	<b>Leading Growth</b>	Owners and leaders have the skills & strategies to grow their organisations				

## Appendix 2

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In relation to the provision of the core grant from the Government of Jersey, the performance of Jersey Business will be measured by:

- Maintaining all corporate government and financial controls as agreed in the Governance framework
- Satisfying all reporting and other obligations in the partnership agreement
- Meeting 2020 key performance targets set out below
- Provision of additional management information as required

2020 key performance targets for Jersey Business's core grant are:

	2020 target	Description
<b>Direct Business Support:</b>		
<u>One-to-One Advisory Support</u>		Business are, or have a plan to perform above the average GVA for their industry sector
High Growth Start Up	5	Focused support for start-ups with high growth potential
Growth Businesses	120	Businesses with an action plan to improve productivity and profitability
<u>One-to Many Support</u>		
Event attendees	800	Sharing knowledge & best practice
Web Sessions	66,000	Access to information 24/7
Downloads & page prints	6,500	Providing guidance and information
<u>Enabling targeted sectors to prosper</u>		
Development of industry specific strategy to support retail and agriculture sectors	Strategy for Retail Strategy for Agriculture	A bespoke strategy to address industry specific challenges that are not supported through other programme or event activity.

Further work will be completed in 2020 to develop a more comprehensive measurement framework. As well as the activity based measure already in place, this framework will include a representation of the value and impact of Jersey Business's activity on the local economy.

## Appendix 3

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<b><u>Jersey Business Financial Analysis</u></b>	Actual <u>2016</u>	Actual <u>2017</u>	Actual <u>2018</u>	Forecast <u>2019</u>	Required <u>2020</u>
<u>Income</u>					
SoJ Grant	871	734	734	725	860
Retail Grant	0	0	0	53	0
Other	2	7	10	10	10
<b>Total Income</b>	<b>873</b>	<b>741</b>	<b>744</b>	<b>788</b>	<b>870</b>
<b>Total Costs</b>	<b>773</b>	<b>767</b>	<b>754</b>	<b>840</b>	<b>870</b>
<b>Net Income/ Deficit</b>	<b>100</b>	<b>-26</b>	<b>-10</b>	<b>-52</b>	<b>0</b>
<b>Balance Sheet Reserves</b>	<b>176</b>	<b>150</b>	<b>140</b>	<b>88</b>	<b>88</b>
Survival Days	83	71	68	38	37
Discretionary Costs	14%	9%	6%	7%	7%
Net Promoter Score	N/A	55%	9%	74%	
Web Sessions	N/A	37,442	50,602	59,000	

## Appendix 4

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In 2018 the Government issued its first overarching policy agenda the Common Strategic Policy. This was followed in 2019 with the 2020-23 Government Plan which identified specific actions for the forthcoming years.

### 2018-22 Common Strategic Policy

<https://www.gov.je/government/planningperformance/commonstrategicpolicy/pages/commonstrategicpolicy.aspx>

In 2018 the Government of Jersey published its Common Strategic Policy which identifies 5 strategic priorities Priority 3 is 'We will create a sustainable, vibrant economy and skilled local workforce for the future'.

The strategy describes the mechanisms for delivering Priority 3, as:

1. Delivering an economic framework to improve productivity, specifically:
  - a. the framework will work with all sectors to identify long term policy, legislative and resource needs, aligned with an investment framework that improves productivity to reduce population pressures and creates the most benefit for people across the Island
2. Nurturing and strengthening our financial services industry, specifically:
  - a. evolving a financial services and digital policy framework to support the growth of these sectors and a more digital society
3. Enhancing our international profile and promoting our Island identity, specifically:
  - a. extending our international identity beyond financial services so it reflects the richness and diversity of our talents and global citizenship
  - b. strengthening international relationships and facilitating international commerce and investment
4. Delivering the best outcomes from Brexit, specifically:
  - a. invest and maintain a close and productive relationship with the UK, our most important economic partner, and with EU nations and institutions
5. Improving skills in the local workforce to reduce Jersey's reliance on inward migration, specifically:
  - a. agreeing a population and migration policy that balances population, economic and environmental needs
  - b. improving education and skills across the island to deliver both academic and vocational skills for all sectors

### 2020-23 Government Plan

<https://www.gov.je/government/planningperformance/governmentplan/pages/governmentplan.aspx>

The 2020-23 Government Plan sets out the practical steps to be taken during the period in relation to all 5 common strategic priorities and provides detailed actions for 2020. Government actions relating specifically to supporting the local business community include:

1. Future Economy Programme
  - a. Deliver the first phase of the Future Economic Framework that will develop a Future Economy Programme to improve productivity across established sectors including finance, agriculture, retail, hospitality and tourism as well as the emerging digital sector
  - b. Establish an Infrastructure Fund to invest in capital projects to boost productivity

- c. Support outward trade opportunities to maximise value returned to Jersey and support increases in productivity
  - d. Identify and develop emerging high-value business sectors that capitalise on Jersey's position as an independent jurisdiction
2. Enhance our international profile and promote our Island identity
- a. A focus in 2020 will be on navigating through the next phases of Brexit.
  - b. Beyond this vital Brexit response, to enhance our Island identity and international profile through the Global Markets Strategy, European Relations Strategy and Jersey's overseas offices
  - c. Develop an island identity that builds on endeavours in culture, heritage, business and sport amongst others and enables us to build durable links with the world
  - d. Take forward the work of the independent Charity Commissioner and the charities register

### **Jersey's Fiscal Policy Panel Annual Report 2019**

<https://www.gov.je/Government/Departments/OfficeChiefExecutive/OfficeChiefExecutivesSections/Pages/FiscalPolicyPanel.aspx>

In addition to these Government policy documents, the latest Annual Report from Jersey's Fiscal Policy Panel was issued in October 2019. It clearly identifies that a number longer term challenges, set out in previous reports, remain and specifically recommends:

'that funding should be made available in future Government Plans to support initiatives with genuine potential to raise private sector productivity. These should be aimed at addressing the five key drivers of productivity growth: investment, infrastructure, innovation and enterprise, skills and competition'.