

Scaling in Leeds

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Eighteen months ago, I was asked for my view of the scaleup landscape in Leeds. But although my business is based in Leeds and focused on helping to scale businesses, we had no clients in the city. I didn't know; it was embarrassing



We started to do some digging around. It was amazing what we discovered – and how easily we found it. There were some really exciting scaleups dotted all over the city. There were two in our office block.

It soon became clear that Leeds had all the component parts in place to support scaleups. But the component parts weren't connected and the scaleups in the city region didn't know about the component parts.

At the same time, I attended the Driving Economic Growth course in Manchester. I was struck by Dan Isenberg's phrase – "build an ecosystem, not a farm." We had to connect what already existed in the city.

All it took was to make some phone calls – to corporates, investors, banks, professional services firms, companies that had scaled up – for the network to begin.

Up to now, the network has been principally about connecting dots. It is not about creating new products for scaleups; it is about each member of the network connecting scaleups to existing products and services which are already in place but about which they were unaware.

It doesn't have a name and nobody owns it. But there are clear rules of engagement: members can't poach clients or make heavy sales pitches. They have to support each other and recognise that most of the work they do is for free. We share information about everyone at each meeting. The core of this is collaboration, building awareness and knowledge among the group so we are all aware of what others in the network can do for scaleups. By building awareness among the group, we create knowledge that feeds into action and informal cross-fertilisation.

So if one of the members meets a company founder with the mindset to scale, we will introduce them to others in the network. It won't be because the company is demonstrating certain levels of turnover growth, or because of their technology or their business plan – but because we can see that they have the drive and proven capability. In other words, network members listen to scaleups and point them to other members who may be able to solve their problems.

It creates a virtuous circle. For example, large corporates want access to innovation and to acquire new customers who are growing fast; scaleups, on the other hand, want access to corporates as potential clients.

The network is a genuine mix. Membership is non-exclusive; for example, it includes Leeds University Business School's centre for executive and professional education, the Yorkshire & Humber Academic Health Science Network, the Leeds City Region LEP, but it also has five accountancy firms, four law firms and several large technology corporates. It now comprises about 70 organisations and there is no shortage of people who want to be part of it. There are others who don't want to share – and they don't play. There has been no marketing or promotion of the network, nor has there been a penny of expenditure on its delivery. It doesn't need a website or PR. To



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date, my firm has handled its administration. It has happened by osmosis and it looks and feels impromptu – and that’s one good reason why companies trust it.

In April this year, I attended the DEG in Leeds which helped to develop our plans for the future. There is a project in the pipeline and things are constantly evolving.

We have now mapped the intentions of most of our network members. Of course, their motivations differ. Commercial organisations see the potential for deal flow and gaining greater brand recognition. Social enterprises want to generate greater levels of economic activity within all parts of the community. The public sector has a variety of objectives, such as attracting inward investment and creating employment. But these differing objectives are aligned and complement each other. We can get both hearts and minds behind this.

The other powerful outcome from DEG is that we are now able to give stronger articulation to the question of “why scaleups?” The public sector is often asked whether it should support companies that are already growing; corporates find it hard to justify focusing on a small number of emerging companies.

As the network has not cost anything and is not funded, we have not yet felt the need to measure it but we are beginning to collate information about the number of member introductions to scaleups.

We had thought of an ecosystem as something that co-ordinated support services and helped to grow a number of businesses – like a virtual accelerator. We had envisaged a concierge service, which would require appointing an individual to understand the full picture and connect with everyone. But actually, the whole network is the concierge. Having a connected ecosystem means that you know who, how and where to call to find the right support.

The real output is to make Leeds a great place to scale a business, and to get more people to think that it is good to grow a business.