

# newstart

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## Test-tube enterprise

Can one of the UK's most deprived estates give birth to its own economy?

Can a run-down housing estate become the birthplace of dozens of new businesses? **Julian Dobson** visited Luton to find out

# Mother of

**T**he birth of the world's first test-tube baby, Louise Brown, caused a sensation in 1978. Thirty years on, a rather different experiment could lead to Britain's first test-tube economy.

Since 1978 hundreds of women have benefited from in vitro fertilisation, which enables embryos to be formed outside the womb. A comparable process is now under way in Luton, where local residents hope to create embryonic businesses outside of the usual market conditions.

And just as IVF often leads to multiple births, the Luton experiment hopes to spawn a multitude of enterprises at the same time. The secret is a process called Organisation Workshop, which will happen over the course of eight weeks next spring.

In normal conditions, new businesses need capital and it helps if their owners have relevant qualifications. In Luton, the aim is to enable people who have neither capital nor qualifications to run successful enterprises for the benefit of the community.

Behind the experiment is Marsh Farm Outreach, a social enterprise that grew out of Marsh Farm Community Development Trust, the town's new deal for communities partnership. Working with them are two Chilean psychologists, Ivan and Isabel Labra, who have spent the past 30 years taking the Organisation Workshop idea to poor communities from Honduras to Mozambique via their agency, Integra Terra.

Steve Williams, a member of Marsh Farm Outreach, explains why the area needs a radically different approach: 'We find once you have a postcode from Marsh Farm, you have an asbo, maybe a criminal record, you will never get a job.'

'These people are not going to go to college. They're the forgotten people. They see the guy at the end of the road in a posh car and a suit, he's a drug dealer – that's what they aspire to.'

The idea of Organisation Workshop is that people who might balk at the prospect of attending college, or be rejected by banks and business support agencies, can learn entrepreneurial skills in an intensive but supported environment. The eight-week workshop builds on a preliminary programme to identify potential businesses and analyse what's needed to make them succeed. All the ideas have come from local residents; in next year's workshop they will be given equipment and technical support, and told to get on with it – to learn by doing.

'We're saying it doesn't matter about your history, it doesn't matter that you have no qualifications,' Mr Williams says. 'And you are getting paid while you are learning to do a job.'

## Paying for local skills

The project is about 'giving money back to the people'. Instead of giving painting contracts to the big construction firms, why not hire local residents to do it? Similarly, services like childcare could be provided by Marsh Farm residents.

And the ideas don't stop there. Other potential enterprises being investigated include environmental improvements, a community farm selling organic produce, music production, local radio, a garage, and a community intranet.

The project is necessary because, despite seven



years of a new deal for communities programme and many business support initiatives, Marsh Farm residents are still left behind in the local economy. Shabba Kizmi thought he could get work by attending a course in forklift-truck driving. He says: 'I got my licence, but people wanted six months' experience. I thought I had got something I could use but I am stuck at home.'

Glenn Jenkins has been a driving force behind Organisation Workshop, battling with local agencies for many years to try a different approach to local regeneration. 'You can't fault an organisation that puts £1m a year on the table for capacity building, but it's the cultural relevance – it's all geared to the capacity of the providers,' he argues. 'For a chippy to be trained it's three hours a week for 20 weeks at Barnfield College.'

'If you need a wiring job done in a house you don't need a college degree. But people won't touch you if you don't have a certificate. The whole Organisation Workshop thing is learning what you need to learn to do a job.'

What's been on offer, he says, is 'rusty regeneration rather than responsive, springy regeneration. People totally lose faith. It's a real job to

re-engage people and say there's something going on that's meaningful.'

So, 20% of local young people over the age of 16 are still 'needs' – not in education, employment or training. That loss of faith is illustrated by a succession of resignations from Marsh Farm Community Development Trust during its lifetime, and two recent – and controversial – BBC programmes suggesting that the new deal for communities programme has made little difference to local people. The complaints were familiar ones: money spent on consultants, no obvious change, an apparent lack of transparency.

## Cross-fertilisation of ideas

While some residents may be tempted to give up, Integra Terra believes that Marsh Farm's inhabitants have what it takes to make a difference.

'What we have observed going from central America to Africa is that social phenomena are more or less the same,' Isabel Labra says. 'It doesn't matter if they are white or black, Chinese or Indian – the problem of poor people's groups for survival are more or less the same.'

'We have found behaviour that repeats. When people are starving and have nothing to eat it's

# invention



**Above: Founders of the workshop programme, Isabel and Ivan Labra, take a break outside; right: Marsh Farm's enterprise and resource centre will become a hub of the scheme**



decide how they will run their businesses. To ensure that they do the work themselves, the facilitators get up and leave them to it, telling them to report back once they are organised.

'When the process kicks in the speed of development is amazing,' Ivan Labra says. 'You get 13 or 14 people working together for the same goal. It's the stage at which cross-fertilisation happens. If it works here with 13 people, then that's a reality check – it would work with bigger numbers of people.'

If it succeeds, Mr Williams says, 100 or more people could find employment. All would be members of a social enterprise company that would support the chosen business activities. Profits will be channelled back into the community.

To prove it could be done, Marsh Farm Outreach began by using the Organisation Workshop method to put on a community festival, which had to be planned and staged in just two weeks. When they were first instructed to organise themselves, members of the team didn't know what to do. However, after a while, according to Mr Jenkins, 'it was like being in an arcade – pennies were dropping all over the place'.

## The gestation period

After each week's work, the team got together to see what they had learned and what had gone wrong. One crucial lesson was not to dwell on failure – 'you have not failed – you just have not got it right first time. When you stack up this process next to the current practice the risk is radically reduced because you have all the support,' Mr Jenkins explains.

Unlike traditional business models, which stress management and individual risk-taking, the

a social enterprise for two years, winning community engagement, research and consultation contracts.

The first four weeks of the workshop will test the business ideas generated in recent weeks to see which are most likely to work. The following four weeks are designed to develop these proposals, setting them up as enterprises delivering real contracts, with a business plan for six to 18 months, and linking them with business support services. Participants will earn a basic wage while attending the workshop.

'Behind most start-ups is the idea that business is done by activity,' Ivan Labra says. 'We see business as done by people when they are organised. If we could merge that approach with activity, resources and technical support, we can make a contribution to development.'

## Growing up

Organisation Workshop may be unfamiliar territory, but through five years of discussion and planning the project has gained some high-profile backers. New Economics Foundation has been closely involved, and the Scarman Trust has agreed to act as the workshop's accountable body. Significantly, it has changed its own rules to allow funds to be provided within 24 hours of a request.

The new chief executive of Marsh Farm Community Development Trust, Lysle Osborne, is also enthusiastic. He says: 'A community needs three things to sustain itself: the capacity to learn, an enterprising attitude, and compassion. The community has to care. What I see with this is you are encouraging enterprise, creating a learning attitude and providing compassion because people are working together.'

'We are excited about the potential of this project. If the project actually achieves what it says it's going to achieve it will make a substantial and lasting impact on Marsh Farm. We still need to see whether or not it has cultural legs and can move from Chile and Africa to the UK.'

'From what I have seen so far, I feel already there have been positive impacts.'

Marek Lubelski, from Luton Council's community development service, has been involved in the project from the start and believes it has potential to influence economic development elsewhere in the area.

'We're really interested in what's happening here. It's a tremendously exciting proposition and we have been really impressed with the levels of community engagement and interest stimulated so far,' he says. 'It's consistently provided us with pointers for future work on community empowerment, especially in responding to the challenge of the local government white paper.'

He stresses that the results aren't guaranteed. 'I don't have absolute confidence it's going to work. We're

in an experiment here – testing the feasibility, and we have to be hard headed about that. But all the indications so far are that it will work as we expect.'

Whether this test-tube economy can create enterprises in the UK as it has done elsewhere in the world is still an open question. But Mr Lubelski stresses there's an issue that's as important as jobs for local people.

'We're not just looking at business start-ups. We're looking at a change in understanding – 150 to 200 people who were not previously engaged in any sort of regeneration process learning through experience about how to work together in an organisational setting. That in itself is an outcome.'

easier to move them. Here people are not starving but have a very poor quality of life in my opinion. People here are more disenchanted. Despite that, if you believe in people and give them opportunities, people respond well.'

Integra Terra's method is known as 'capacitation'. Unlike more familiar models of capacity building, it works by throwing people in at the deep end and encouraging them to swim.

Having come up with a set of business ideas and analysed what's needed to make them work, local residents are put together and told to organise themselves. The facilitators provide tools, start-up funding, and technical expertise, but the participants

workshop encourages cooperation and mutuality. Isabel Labra says: 'We will start with the completed analysis of what needs to be done – an "enterprise list". The only thing we don't bring is organisation. That comes from the participants.'

'People can create any kind of organisation they like – anything within the law. People usually start with the ways of organisation they know, which are pyramids. The workshop is designed so that no individual leadership can dictate things. That's the key to the design – shared leadership.'

Marsh Farm Outreach is already applying these methods to its own activities. It has registered as a community interest company and has been trading as