

AN ACTION PLAN TO IMPROVE THE ENTREPRENEURIAL ECOSYSTEM

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Isle of Man
Government

Reiltys Ellan Vannin

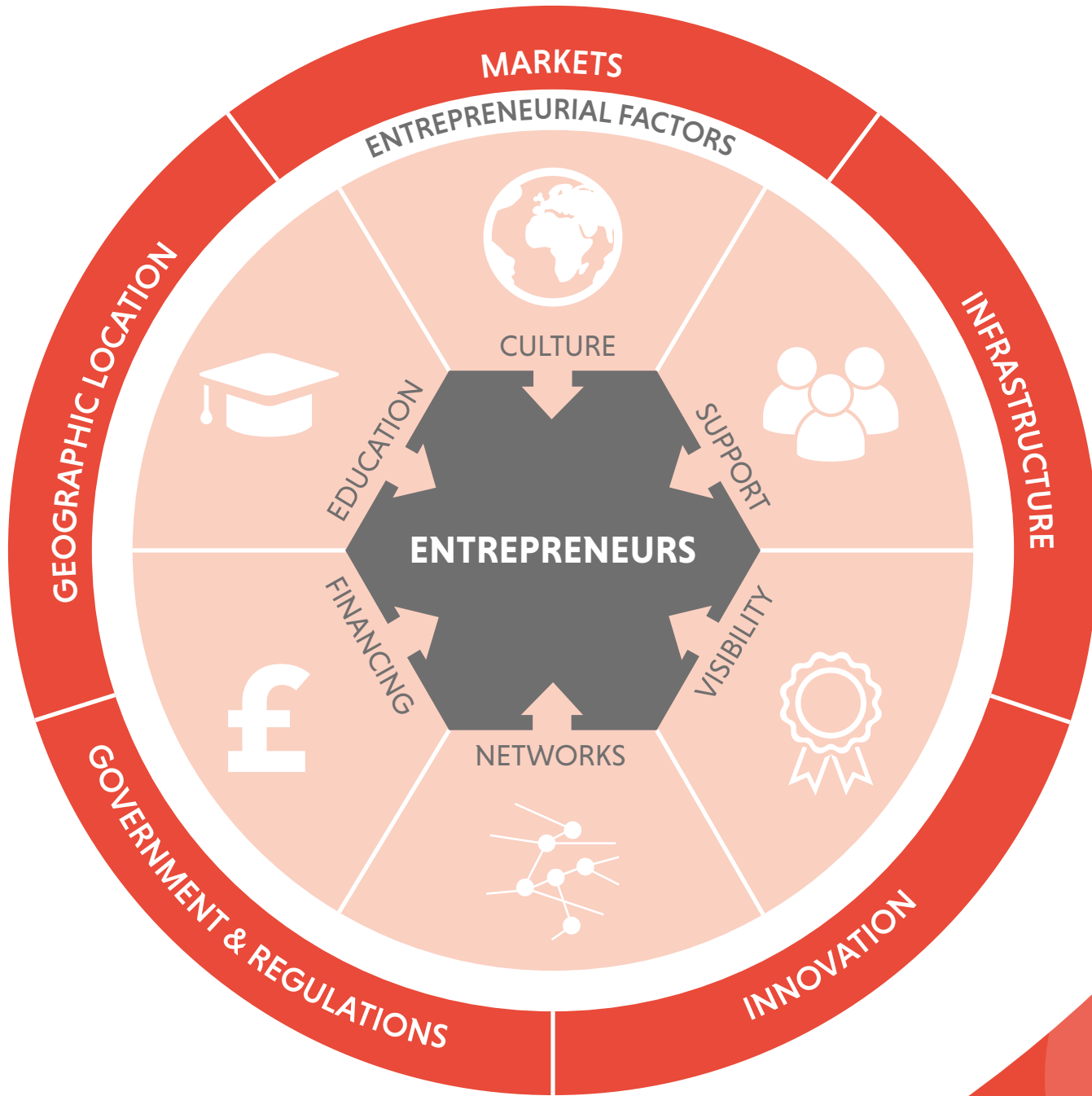
Isle of Man Entrepreneurship Ecosystem Action Plan

THE DEPARTMENT FOR ENTERPRISE IS COMMITTED TO CREATING AN ENVIRONMENT WHERE LOCAL ENTREPRENEURSHIP IS SUPPORTED AND THRIVING AND MORE NEW BUSINESSES ARE CHOOSING TO CALL THE ISLE OF MAN HOME.

Entrepreneurship is a powerful driver of economic growth and job creation. It creates new companies, and therefore jobs, opens up new markets, stimulates innovation and nurtures new skills and capabilities. It is an essential ingredient for the development of a vibrant small and medium-sized business sector—which is the core

of our economy. It enhances productivity growth and can also help find practical business solutions to social and environmental challenges.

The Island's Entrepreneurial Ecosystem is unique – as all ecosystems are – and development requires the involvement of all its stakeholders.



The Department for Enterprise kick-started initiatives to improve the Entrepreneurial Ecosystem back in 2016 with the launch of the Enterprise Development Scheme (EDS), ISLEXPO – which ran over 3 years and celebrated enterprise and innovation, and the introduction of alternative banking and crowdfunding regimes. However, there have been many changes in the intervening years and so, to map the current status of entrepreneurship and identify challenges and opportunities on the Island, the Department commissioned an independent review of the Island's ecosystem as it is today.

The final report listed an overview of findings and recommendations which were then ranked and prioritised to form an action plan.

The Action Plan is a blueprint for decisive action to improve the Island's entrepreneurial potential by removing obstacles and changing the culture of entrepreneurship.

THEMES

IMPROVING ACCESS TO FINANCE

Outside of grants from the Department for Enterprise, and with Bridge no longer in operation – it has become difficult for entrepreneurs to raise the finance they need. Access to alternative financing methods needs to be improved and more connections made between investors and entrepreneurs.

OPTIMISING THE REGULATORY ENVIRONMENT

The Island needs processes which fit the increasingly digital nature of start up enterprises. This includes digitalised government services including company registration, VAT registration and applying for grants. Moreover, the Island needs to ensure it has legislation and regulation which accommodates newer technologies where the potential for growth and scalability is high.

PROMOTION, AWARENESS AND NETWORKING

The report suggests that a public/private sector partnership would help support start ups and champion entrepreneurship on the Island, helping improve communication within the ecosystem. It also discussed the feasibility of setting up a Business Incubation Centre on the Island. The Department would like to encourage shared workspace providers to encourage more incubator type services (eg training, mentoring, accelerator programmes) across the pre-existing workspaces.

INNOVATING AND DIVERSIFYING

The report has identified opportunities in two distinct areas – MarineTech and the attraction of Digital Nomads. Further proposition development work now needs to be undertaken to identify the strength of these markets for the Island.

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THEME	NUMBER	AIM	ACTION	RATIONALE	TIMESCALES	PARTNERS	OUTPUT	OWNER
Improving access to finance	1	Improve access to business banking	Engage with On-Island banks and create outreach programme with alternative banks	Access to opening a bank account has been raised as the biggest issue for start ups on the Island.	Dec 2019 - May 2020	Finance Isle of Man, Isle of Man Bankers Association, FSA	Improved (quicker) business banking facilities on the Island	Finance Isle of Man
	2	Investigate access to alternative funding sources including crowdfunding	An options paper on the possibilities of opening up the crowdfunding market to start ups and scale ups	Improved access to alternative financing routes will help entrepreneurs access more funding for their business	Jan 2020 - Dec 2020	FSA, Finance Isle of Man, Crowdfunding Businesses	Improved access to alternative financing to raise money	Finance Isle of Man
	3	Identify and support ways to match Investors and Entrepreneurs via angel syndicates	An options paper on the formation of an angel syndicate	Following the closure of the Bridge Angel Network, a new matchmaking opportunity exists to bring investors and entrepreneurs together	Jan 2020 - Dec 2020	Ecosystem Partners, FSA, Marketing Partner	The matching of investors to entrepreneurs requiring funding through angel investment	Finance Isle of Man
Optimising the regulatory environment	4	Make the start up processes easier	Map out the user journey and improve existing content and 'how tos' on setting up a company and a business on the Island	To create content which guides and supports an entrepreneur through the process of starting up on the Island	Dec 2019 - Dec 2020	GTS, Marketing Partner, Income Tax, Customs & Excise, Industry, Ecosystem Partners	Improved content across Government owned sites	DfE Marketing
	5	Create an online space to support entrepreneurship	Creation of a portal for Entrepreneurs which guides them through the start up process and includes standard legal documents	An online space with all the info needed on starting up a business, along with events and networking information so that everything is in one place	Jan 2020 - Dec 2020	Ecosystem Partners, Marketing Partner	A user centred one stop shop for setting up a business on the Isle of Man	DfE & Private Sector
	6	Improve the company registration process, with a longer term focus on digitisation	Agree business case for the next phase of the Companies Registry system	To make it easier and quicker for Companies to be formed	Dec 2019 - Dec 2021	Companies Registry, GTS, Marketing Partner	A digitally based company registration service	Companies Registry
	7	Speed up the Department grants system	Produce a business case on the digitalisation of the grants system	This would improve the grants application process and make the user journey better	Jan 2020 - Dec 2020	GTS, DfE Enterprise Support, Marketing Partner	Improved and more user friendly grants system	DfE Enterprise Support

* Ecosystem Partners include Shared workspace providers, Investors, Entrepreneurs, Enterprise Support and Start Up Advisors and event organisers

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Promotion, networking and awareness	8	Create a body to support entrepreneurs on the Island	Consider the creation of a public private sector organisation which supports start ups and champions entrepreneurship on the Island, also improving ecosystem communications.	An organisation which sits outside of Government, run by entrepreneurs and supports start ups would improve the ecosystem	Jan 2020 - Dec 2020	Ecosystem Partners	A public private sector organisation which engages with and champions entrepreneurship on the Island	DfE Enterprise Support/ DfE Strategy & Policy/ Private Sector
	9	Offer incubator and accelerator services	Encourage shared workspaces to offer incubator type services (eg training, mentoring, accelerator programmes, events)	Incubators and Accelerators have a positive impact on the entrepreneur ecosystem and are positively correlated with higher survival rates, increased growth in employee numbers and higher amounts of funds raised. (Source, Nesta, 2019)	Jan 2020 - Dec 2020	DfE, Enterprise Support, Marketing Partner, Ecosystem Partners	Shared workspaces offering more added services to entrepreneurs and start ups	DfE Enterprise Support/ DfE Strategy & Policy
Innovating and diversifying	10	Understand the strength of our proposition around CleanTech, with a focus on MarineTech	Carry out a proposition review for Marine Tech	This sector holds much potential for the Isle of Man, and further work into this proposition should be undertaken	Jan 2020 - Jun 2020	Business Isle of Man, Cambridge Cleantech	A better understanding of our proposition in relation to Cleantech/ MarineTech and a decision as to whether this sector should be developed and promoted	Business Isle of Man
	11	Understand our proposition in attracting Digital Nomads	Carry out a proposition review for the attraction of digital nomads	The authors of the report felt the Island has a strong proposition for this market. Further work needs to be undertaken to gauge the strength of this	Jan - Jun 2020	DfE, Strategy and Policy	Digital Nomad proposition review	DfE Strategy & Policy

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