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Helping start-ups to scale-up: converting vision into strategy and governance

EU experts said governance, management, finance and enabling ecosystems are crucial interconnected success factors for companies seeking to scale-up at recent joint ACCA, Barclays, ecoDa and SMEUnited event in Brussels

Success in scaling-up is not only good for the companies themselves, but also delivers many benefits for the wider economy, including the people who they employ as well as the community in which they operate.

At a multi-stakeholder conference organised in Brussels by ACCA (the Association of Chartered Certified Accountants), Barclays, ecoDa and SMEUnited, EU experts discussed the role of corporate governance, measures to address Europe's equity financing gap, alongside the need to remove regulatory and legal barriers to successfully help business start-ups to scale-up.

Regarding corporate governance - and more precisely the role of leadership to steer a small company that wants to grow and develop systems and processes for robust growth - experts agreed that building leadership skills capacity as the company grows is important, as well as providing the right support for start-ups and scale-ups in this process.

Maggie McGhee, executive director for governance at ACCA opened the debate, saying: *'Governance is a topic very close to ACCA's heart. We recently published a [report](#) exploring the purpose of good corporate governance: examining the interrelation between businesses and society, and the importance of leadership in facilitating a positive relationship between them. Our report also outlines the governance needs of SMEs, where simple but effective principles over vision, strategy and human capital can provide them with greater flexibility, adaptability and resilience as they grow- a huge factor in the long-term sustainability of the business.*

Jo Iwasaki, the author of the [Governance needs of SMEs](#) report, further commented: *'The amount of interest in the subject matter indicates the importance of the topic to the economy as a whole. Key interventions such as access to finance, but also non-financial infrastructure and affordable sources of external advice should be further explored for more robust SMEs. But in the end, what businesses prioritise and allocate time and resources will come from leadership.'*

Michel de Fabiani, Chair of ecoDa's Policy Committee said: *'Scale-ups need to embed adequate corporate governance requirements to be more attractive and to overcome the financial obstacles to growth. In order to move to the next level, they have to be surrounded by professional board members that can convert the entrepreneurs' vision into strategy and tailored-made governance frameworks through efficient processes.'*

Discussions confirmed the importance to ensure the right access to finance. Scale-ups also need to be able to access and keep talented people in order to sustain growth. In the same vein, there can't be any growth without the right infrastructure and the right ecosystem, including legislation.

The main challenge for remains the access to capital markets. Panellists called for more venture capital for European entrepreneurs at all levels. While the situation has improved, the EU is still lagging behind, so addressing this issues is especially important if start-ups and scale-ups are to remain and flourish in Europe.

Juliet Rogan, Head of High Growth & Entrepreneurs, Barclays said: *'Scale-up companies have a disproportionate impact on the economy through innovation, job and wealth creation. It's important that industry bodies and corporate stakeholders understand the challenges of scaling a company in order to be better placed to support that growth. Innovative solutions to governance and finance are necessary to build a relevant ecosystem for growth companies across Europe.'*

Luc Hendrickx, Director of Enterprise Policy and International Affairs at SMEunited said: *'Scale-ups and start-ups have a lot of issues, however we don't need a separate policy for them. What we need is a general SME policy - which is at the moment missing at the European level. We should promote corporate governance in SMEs more, because it has a lot of advantages, and it has to be adapted to the specificities of the SME. Solutions offered by corporate governance should always be very practical and help SMEs become more efficient. There is a role for public authorities to promote corporate governance in SMEs. Not by legislation, but by raising awareness on corporate governance advantages.'*

Neena Gill, CBE, MEP concluded: *'Many of the initiatives voted at the European Parliament are far too often not implemented correctly in the various Member States. The accountancy profession could be a bridge to avoid a fragmented regulatory landscape across the borders, and could further boost entrepreneurship with special training schemes. And perhaps also encourage a mindset change. When I visited scale-ups in California, their key message was they were successful because there was a really good ecosystem of people coming together from financial advice, services, to skills, to support people who had bright ideas, with employment practices, and a whole host of other issues. It is important to try and have this level of support in Europe too.'*

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Notes to editor

About ACCA

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ACCA (the Association of Chartered Certified Accountants) is the global body for professional accountants, offering business-relevant, first-choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management.

ACCA supports its **208,000** members and **503,000** students in **179** countries, helping them to develop successful careers in accounting and business, with the skills required by employers. ACCA works through a network of **104** offices and centres and more than **7,300** Approved Employers worldwide, who provide high standards of employee learning and development. Through its public interest remit, ACCA promotes appropriate regulation of accounting and conducts relevant research to ensure accountancy continues to grow in reputation and influence.

ACCA is currently introducing major innovations to its flagship qualification to ensure its members and future members continue to be the most valued, up to date and sought-after accountancy professionals globally.

Founded in 1904, ACCA has consistently held unique core values: opportunity, diversity, innovation, integrity and accountability. More information is here: www.accaglobal.com

About ecoDa

The European Confederation of Directors Associations (ecoDa) is a non-profit association founded in December 2004 under the laws of Belgium. Through its national institutes of directors (the leading national institutes in Europe), ecoDa represents approximately 55,000 board directors from across the EU and EFTA. The member organisations of ecoDa represent board directors from the largest public companies to the smallest private firms, both listed and unlisted.

<http://www.ecoda.org>

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About UEAPME

UEAPME is the employers' organisation representing Crafts and SMEs from the EU and accession countries at European level. UEAPME has 64 member organisations covering about 12 million enterprises with 55 million employees. UEAPME is a European Social Partner. For further information please visit <http://www.ueapme.com/> or follow [@UEAPME](https://twitter.com/UEAPME) on Twitter.

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