

## **EVENTS - SME300 AWARDS 2009: A win brings benefits**

Nov 16 2009 Business Insider

Next month we will find out who this year's winners of the Insider SMe300 awards are at a prestigious dinner being held at Glasgow's Radisson Hotel. The event, which is held in association with leading professional services firm **Scott-Moncrieff**, recognises the achievements of Scotland's best performing companies with turnover between £5m and £20m. It succeeds the e250 awards which have been running for the past two years.

Winning an award is beneficial for companies in a variety of ways. Simon Howie, whose business activities range from butchery to laminating, won the e250 Company of the year award and the e250 Business Leadership award last year. He says: "It endorses the fact you are on the right path. When you look at who is doing the judging these guys know what they are talking about so it means a lot to me as an individual. everybody likes a little bit of praise no matter what they say and to go on that stage and be given that award from your peers is terrific. It really means I need to work harder now because I have put myself up there. I think our customers like to be associated with a business that is doing well because it is an endorsement of their choice."

Howie's is on course for 15 per cent growth this year. He says the food division has been "well insulated" from the economic downturn but admits trading in the laminates sector has been tougher, though has still stood up well. "Things are pretty good. It hasn't been as testing as we thought it might have been this time last year. Then it was like a storm coming and we didn't know if the house was going to blow down. The food sector we are in on the Simon Howie Butchers side has been pretty well insulated because of the position we are in the marketplace. Sales are up year-on-year and the numbers are good. The stuff we have in the laminates sector through Shore Laminates has been challenging, but again the numbers are ok. We got stuck into our costs this time last year and made sure we were as lean and mean as could be, and that has stood us in good stead."

James Wilson, managing director of precision metal engineering firm Wallace McDowall, which won the Most Focused E250 business, admits it had been a tough year for his company. "We have probably been more focused than ever this year," says Wilson, who had to reduce employee numbers from 125 to 80 at the worst point in the middle of the year. However, after winning 15 new customers and seeing more activity from current clients business has started taking on staff again and the company now has over 100 employees. "It is certainly picking up again," says Wilson. "We have a few new clients and it is more the smaller customers that are doing reasonably well. We have three or four very big customers who are very very quiet."

Wilson believes next year is again going to be tough but says things are starting to look up. "We are back into profitability and should end up with still making a profit this year. We haven't lost any customers whatsoever. It is not all doom and gloom - we invested £500,000 on new machinery and will probably invest a similar amount next year."

On last year's win he says: "Winning has been good from the point of view of some customers who look upon it as an encouragement to them that they are dealing with people who can win awards like that."

Law firm Harper Macleod, which won the Best E250 Employer award, went against the trend in the legal services sector and actually recruited another 23 people during the year. It reported a 2.5 per cent increase in income during the year as it benefited from new work from Glasgow City Council, the Forestry Commission and Scottish Coal. It also focused more on restructuring and litigation services as it adapted to the change in the legal marketplace in Scotland.

Chief executive Martin Darroch says the firm has retained all its qualified lawyers and took in all its trainee intake at the end of August. "We have a well-run business which has been based on good values," he says. "We believe in being transparent and removing uncertainty because the only sustainable advantage we have is our people."

Martin Darroch, Harper Macleod (above) He says entering the E250 awards was very positive in a number of ways. "It is about testing our business and beliefs externally but also reinforcing the messages we have within the businesses about how important people are. It is a method of

benchmarking our business externally and to receive recognition in that manner is invaluable. In the legal sector there are a significant amount of detailed procurement exercises where you have to evidence your role as an employer and that type of award can only be a reinforcer for that."

*Scott-Moncrieff tax partner Paul Renz says his firm sees its support of the SME300 as an excellent means of demonstrating its commitment to this key sector. "For us it has remained a priority. We believe in the importance of Scotland's SMEs - they are the heartbeat of our economy. We are fortunate we have a resilient set of leaders in these companies who, using their experience, are demonstrating their ability to guide their companies through the worst recession in almost a century. As a member of the SME community ourselves, Scott-Moncrieff believes it is important to demonstrate our faith in the calibre of Scotland's SMEs by acknowledging their leadership skills, workforce capability and overall business acumen by investing in awards that recognise exceptional business ability.*

*"The prime challenge for SMEs remains managing cash flow efficiently. Banking relationships remain an issue for many. The banks are still setting loan rates that are unacceptably high and more pressure needs to be applied by our politicians to get this sorted. The UK and Scotland are lagging in the recovery race compared to our competitors and the lack of reasonably priced loans must be a part of this - it needs to be dealt with quickly.*

*"Retaining key staff and ensuring morale is maintained is vital should a business find itself forced to reduce its operations, while dealing with any redundancies both professionally and sensitively. Maintaining good relationships with existing clients is also important, balancing the value of the longer-term relationship against shortterm flexibility that may be necessary to help them should they face temporary difficulties. Clarity of communications with both customers and suppliers is important for all.*

*"Because we are an SME, we experience and understand the same challenges. As we have a broad range of SME clients across a range of sectors we can use our experience working in one area to the benefit of clients in another. We are of sufficient size that we have a strong resource pool of experience upon which we can draw, yet are not too large to be in any way 'remote'. We know what it's like at the SME 'coalface' and our focus is client support."*

**Contact: Paul Renz, Partner**