

## What will it cost?

**A SHEIR-IP is part-funded by a Government grant. A small to medium-sized enterprise (SME) would be expected to contribute about a third of the costs involved in the project.**

The average annual contribution to a project for an SME would be from around £20,000 (UK).

This contributes to the costs of the Knowledge Base Supervisor and Associate employment and development. Your contribution to the costs of the project not only gives you the services of your SHEIR-IP Associate, but also the time and expertise of the academics or researchers working with you, and, in the case of a long-term strategic SHEIR-IP, expert guidance from a SHEIR-IP Adviser.

## What does the SHEIR-IP Associate get out of the collaboration?

You and the knowledge base partner recruit the Associate; as a full-time employee. However, while they are working in your business they will gain valuable business-based experience and will spend a proportion of their time on personal and professional development (at least 10% in the case of a long-term strategic SHEIR-IP). This enables them to better manage your project whilst also enhancing their own career prospects.

As a measure of the value Associates bring to a business, previous experience shows that for SHEIR-IP projects lasting 1 to 3 years, around 75% of them are offered a permanent full-time job by the business on completion of their project, often in senior roles in the organisation.

## Are there any restrictions?

A SHEIR-IP may not be appropriate for every business. Very small businesses, or very recent start-ups, may not have the capacity to provide support for the SHEIR-IP Associate or the resources to commit to the project.

We also will need to be satisfied at an early stage in discussions about the financial viability of any business wanting to establish a SHEIR-IP.

## What does the grant for a SHEIR-IP and the business contribution pay for?

The largest part of the costs of a Partnership is the employment cost of one or more SHEIR-IP Associates and the cost of staff from the knowledge base partner who are directly involved in the Partnership. The remainder includes provision for equipment and travel costs, the knowledge base partner's indirect and administrative costs and costs associated with the personal and professional development of the Associate(s).

### **How is the amount of a grant calculated?**

The grant is calculated on a number of things:

- Number of SHEIR-IP Associates to be employed
- Length of the project
- Business size
- Location of the business partner and/or the knowledge base partner, and whether the business has collaborated on a SHEIR-IP project in recent years

The financial arrangements for any potential Partnership should be discussed with a SHEIR-IP Adviser.

### **How much should a business expect to contribute?**

The budget for any individual SHEIR-IP, and a business contribution to it, depends on the details of the specific Partnership. However, annual business contributions per Associate employed could be at around the following levels for a first Partnership: an SME, that is one with fewer than 250 employees\*, can expect to contribute about a third of the project costs; contribution by a large business or group, with more than 250 employees\* or a business that does not qualify as an SME, would be around half of a long-term strategic project's costs and around two-thirds of a short-term tactical project's costs. Currently, average annual costs for a long-term strategic project are around £60,000, and the weekly cost for a short-term tactical project (10-40 weeks) is around £1,000.

*\*Where a business is part of a group, the organisation size is determined by the number of employees in the group as a whole. There are also balance sheet and turnover criteria.*

## **What other costs are involved for businesses?**

Businesses will need to cover the full overhead costs of their own participation in a Partnership. These include management and supervisory effort, additional materials, capital equipment and accommodation. They are also expected to contribute to the cost of equipment purchased specifically for the use of an Associate during their project work, above the contribution provided for in the grant.

Businesses should also be prepared to enhance the salaries of Associates to reflect pay levels in their organisation, business sector and location.

Businesses are invoiced by their knowledge base partners, normally in arrears.

[www.sheir.org](http://www.sheir.org)