The
Designing
Demand
Review

Foreword

Before my arrival at the Design Council I was made aware of BERR and DIUS' joint request to review the Designing Demand programme. Given the objective of the programme—to help SMEs become more competitive—and my own background in working with businesses in the fields of R&D, design and innovation, I relished the opportunity to lead the review and communicate its findings and recommendations.

To date, Designing Demand has touched more than 1,300 companies and business advisors, and for those companies who have fully engaged with the programme the transformations are nothing short of dramatic. Importantly, the market failure which the programme addressed initially—that SMEs fail to use design effectively—remains as real today as it was when the programme was launched some 18 months ago.

Although the programme is still being rolled out nationally, the Design Council, together with the RDAs and their respective delivery partners, have made significant progress in defining and delivering it. My initial approach to this review was forensic, to let the facts speak for themselves. However, while the outcomes and outputs of the programme do tell a story, the real value of Designing Demand lies beneath the raw data. The case studies, or better still a conversation with the owners and directors of a business who have undertaken the journey, serve to tell this story in a far better way than data ever could.

It is clear that Designing Demand's mentoring process is highly effective, but on the basis that the programme will only ever address the needs and achieve the aspirations of a few, it is the knowledge and learning derived from the programme, communicated effectively, which should serve to assist the many UK businesses who crave a strengthened position in their respective markets.

This review allows time for reflection, and more importantly an early course correction in areas where improvements can be made. This opportunity for reflection should be taken by all of the programme's key stakeholders. It is clear the programme is at its strongest when it has high level support and commitment within the sponsoring departments, within the RDAs and their respective delivery partners, and within the client companies themselves.

My recommendations touch almost every aspect of the programme, but more importantly they need to be owned and acted upon by each of the stakeholders so activities can be optimised to the benefit of the clients for whom this programme was created. My request is for a participative approach, at all levels, in achieving a newly revised and simplified programme, designed to benefit the most important stakeholder of all, the customer.

David Godber
November 2008

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Definition of Terms and Abbreviations

The terms used in this review are defined in the same way as those in the *Cox Review of Creativity in Business (2005)* and the DTI Economics Paper No. 15 *Creativity, Design and Business Performance (2005)* .

— **Creativity** is the generation of new ideas—either new ways of looking at existing problems, or of seeing new opportunities.
— **Innovation** is the successful exploitation of new ideas. It is the process that carries them through to new products, new services, and new ways of running or doing business.
— **Design** is what links creativity and innovation. It shapes ideas to become practical and attractive propositions for users or customers. Design may be described as creativity deployed to a specific end.

Like the *Cox Review*, the Designing Demand programme is focused on small and medium-sized enterprises (SMEs). The EU defines such companies as those with fewer than 250 employees and an annual turnover not exceeding €50m.

This review also employs a number of terms that have specific meanings in the context of the Designing Demand programme:

— **Coxtargets** are the recommended delivery targets for the roll-out of a national design support for business programme, as described in the Cox Review. These targets were adopted for the roll-out of Designing Demand to 2010–11, and are divided between the different levels of service offered by the programme.

— **DesignAssociates** are recruited and approved by the Design Council to deliver one or more of the Designing Demand services. They provide specialist business support services to client SMEs, but do not conduct design work. Design Associates have led creative teams, often have formal business management training, and also have extensive experience of delivering business advice or consultancy.

— **DeliveryPartners** are contracted by the Regional Development Agency to deliver and manage the Designing Demand programme in a region. Delivery Partners are responsible for SME client prospecting, client selection, referral on to the programme and running programme events. Delivery Partners are also responsible for programme monitoring and evaluation.

— **BusinessAdvisors** are trusted intermediaries who provide information, diagnostic and brokerage functions in helping small businesses access business support programmes like Designing Demand. Business Advisors may typically be Business Link Advisors, but may also be from professional services and provide banking, legal and accounting or financial advice to SMEs.

Finally, this review was conducted in the context of the Department for Business Enterprise and Regulatory Reform Business Support Simplification Programme (BSSP). The government committed in the 2006 budget to reduce the number of publicly-funded business support programmes from more than 3,000 to no more than 100 by 2010. Designing Demand is one of these 100 protected programmes. BSSP will provide a common brand for business support, a common customer journey for client SMEs and a common portal—Business Link—through which client SMEs access these services. Business Link employs the IDB customer identification and referral process—Information, Diagnostic and Brokerage.

AWM	Advantage West Midlands
BERR	Department for Business Enterprise and Regulatory Reform
BL	Business Link
BSSP	Business Support Simplification Programme
CIF	Ceramic Industry Forum
CSR	Comprehensive Spending Review
DIP	Design Immersion Programme
DIUS	Department for Innovation, Universities and Skills
EEDA	East of England Development Agency
EMDA	East Midlands Development Agency
ERDF	European Regional Development Fund
GVA	Gross Value Added
IAS	Innovation Advisory Service
IDB	Information, Diagnostic, Brokerage
BHHMA	British Hardware & Housewares Manufacturers' Association (renamed as the British Home Enhancement Trade Association),
LDA	London Development Agency
MAS	Manufacturing Advisory Service
NPD	New Product Development
NWDA	North West Development Agency
OJEU	Official Journal of the European Union
ONE	One NorthEast
RDA	Regional Development Agency
REP	Regional Economic Priority
SEEDA	South East of England Development Agency
SME	Small and Medium sized Enterprise
SWRDA	South West Regional Development Agency
UKTI	United Kingdom Trade & Investment
YF	Yorkshire Forward

Executive Summary

This review of Designing Demand was jointly commissioned by DIUS and BERR in June 2008. Designing Demand is a business support programme developed by the Design Council and delivered in partnership with the Regional Development Agencies (RDAs) in England. The programme is designed to benefit the UK by helping businesses become more competitive, increase profits and improve performance through the strategic and effective use of design.

The objective of this review is to:

1. Understand the issues and challenges faced in delivering the programme nationally, drawing on comparisons with other models to inform the further development of the programme, including delivery by the remaining RDAs and the devolved administrations.

2. Capture the views of stakeholders on the future direction of the programme after 2010–11 and on ways in which a sustainable model might be developed, aligned with the Business Support Simplification Programme (BSSP).

This review is in advance of a comprehensive evaluation of the programme's economic impact and value for money assessment which will take place at the end of fiscal year 2010–11.

The programme was launched at the national level as a direct recommendation of the *Cox Review of Creativity in Business (2005)*. The market failure which the programme is designed to address is that smaller businesses are less likely to use design in their daily business practice and that SMEs lack both knowledge and experience of the design sector and the ways in which good design, appropriately commissioned and implemented, could add significant value to their business.

Furthermore, the provision of best practice design advice or information is not easily achieved without government-funded advocacy and intervention. Design, in common with other areas of specialist consultancy and investment in expertise, exhibits the characteristics of experience goods—goods or services whose value can be best understood after the service has been consumed. However, because they are expensive, these goods and services cannot be tried before purchase.

The stated programme objectives of Designing Demand to 2010–11 are to:
— Deliver a balanced portfolio of transformational services to business including achieving the full roll-out of Designing Demand to 4,950 SMEs across the nine English regions by the end of fiscal year 2010–11
— Manage and ensure the quality and consistency of Designing Demand for existing and new customers and partners
— Continue to assess, refine and develop the Design Council's offer to business
— Identify and develop a sustainable financial model for the existing programme beyond 2010–11 and for programme extensions within new markets.

The Designing Demand customer journey is governed by the commitment and capacity of the client SMEs, with opportunities typically falling into the following five key areas:

Vision and Strategy
Product and Service
Brand and Communications
User Research
Culture and Environment.

Designing Demand offers three levels of support, each of increasing intensity and impact, with different points of entry and exit. The three levels of Designing Demand services are:

Level 1

Programme Introductions: workshops for business advisors and designers to introduce them to the Designing Demand programme, including information on how to engage client SMEs with design. This is a 'one to many' service.

Skills Assists: introductory educational workshops for client SMEs and technology venture start-ups using specially developed Design Council tools to identify design opportunities linked to an organisation's strategic goals. This is a 'one to many' service.

Level 2

Business Support Services: diagnostics and tailored consultancy supporting key design areas including new product or brand development, with expert one-to-one mentoring support provided by a Design Associate drawn from the Design Council approved roster. There are two business support services at this level, Generate and Innovate.

Generate gets a design project going for small and medium-sized businesses with growth potential, and focuses on a specific design project over a six to 12 month period. Generate is an opportunity to make design a long-term part of the business by developing new skills among staff, ranging from choosing and briefing designers to managing the design process. Generate normally consists of up to five days of specialist consultancy, provided by a Design Council-approved Design Associate.

Innovate cuts time to market for new technology. Innovate supports early stage technology ventures with the potential for rapid growth, helping them use design to strengthen their business proposition, attract funding, reduce risk and get to market faster. Technology ventures explore potential design opportunities through an intensive diagnostic process and then work on a range of projects for up to 12 months with strategic guidance from a Design Associate.

Level 3

The Immerse service helps companies to build bigger profits through design-led strategies. Immerse is a service aimed at mature businesses who are hungry for growth, have an appetite for new ideas and are willing to invest in realising these ideas with the support of a Design Associate. Up to 15 days of mentoring are delivered over a 12 to 18 month period. The service also provides a cohort of 14 client SMEs the opportunity for peer-to-peer learning through a series of three specialist workshops on the subjects of brand, new product development and user experience.

SME design projects implemented to date as a result of participation in Designing Demand's Generate and Immerse services have drawn on a wide range of design disciplines. These include strategy and process, branding, new product design, marketing and communications, packaging, web design, environment and service design.

Original Cox targets

The Designing Demand delivery targets to 2010–11 were adopted from recommendations made in the Cox Review. The delivery targets are divided between the different levels of service, and between Programme Introductions, Skills Assists and Business Support Services. These are detailed in Table 1.

	Companies per region	Total (9 English Regions)
Programme Introductions		
Business Advisor Workshops	100	900
Designer Workshops	100	900
Total Programme Introductions	200	1800
Skills Assist & Business Support Services		
Business Workshops	300	2700
Technology Venture Workshops	100	900
Innovate	24	216
Generate	100	900
Immerse	26	234
Total Skills Assist & Business Support Services	550	4950
Total Designing Demand	**750**	**6750**

Table 1 – *The Cox Targets*

Key Findings

While comprehensive findings are detailed within the body of the review, key findings are summarised under these seven headings:

1. Programme objectives

The regional roll-out against the Cox targets to 2010–11 has been slower than anticipated, however the programme as delivered is of an extremely high quality. But where regions have sought to deliver a high volume of Level 1 interventions in a short timescale, this has resulted in the participation of SMEs who are not ready, or indeed appropriate, for the programme. Where RDAs have drawn down European Regional Development Funding (ERDF), funding qualification criteria also influences the programme's roll-out.

2. Organisational structure, funding and governance

Designing Demand is a national programme, conceived and managed centrally by the Design Council and delivered by the RDAs and their contracted Delivery Partners.

The Design Council is funded by DIUS. In addition to the Grant in Aid funding allocated to the programme by the Design Council, the RDAs agreed to make a contribution to the central function for the period to March 2010 in the amount of £1.8m, equally distributed among the RDAs in the amount of £200,000 per RDA. A proportion of this funding is yet to be committed.

Each RDA has committed different levels of incremental investment to the programme and has contracted to delivery targets that are markedly different from the targets envisaged in the Cox Review. Targets also differ between RDAs. (It is important to note the Cox regional targets were stated as an average for the entire UK). However, current targets do not currently reflect the market needs of the regions or indeed the potential future roll-out of the programme.

ERDF funding is drawn down and applied to the Designing Demand programme by a number of regions.

The costing model (based on a fixed RDA contribution to Design Council central costs) does not reflect the actual profile of the programme roll-out in the regions.

The cost of the Designing Demand central function is not explicit and transparent to the RDAs, and is not constituted in such a way as to allow RDAs to agree the programme's central cost and activities.

3. Alignment of Designing Demand with other government support programmes
In some cases, RDAs and delivery partners are planning to align Designing Demand with other relevant business support offerings such as the Manufacturing Advisory Service (MAS), the Innovation Advisory Service (IAS) and High-Growth Coaching.

4. Programme content and client readiness
Designing Demand works best when it is demand-led—with the right client, at the right time, with needs that can be addressed specifically through the programme's offerings. Early qualification to identify whether SME clients are likely to derive benefit from the programme improves its productivity to cost ratio.

Client selection guidelines have been developed by the Design Council, but they are not universally applied to qualify clients for participation in the programme, and they are not mandatory.

In common with other business support programmes, a range of support services are available, and where provided they have delivered a broad range of results.

— Level 1 support services consistently receive excellent participant feedback but do not necessarily function as the first step in a multi-tiered customer journey.
— Level 2 Generate has delivered specific, measurable and material results but success is determined by client readiness.
— Level 2 Innovate has not been widely rolled out in the regions, with delivery partners struggling to effectively identify suitable early-stage technology venture clients. Results, where they exist, are impressive, but the scale of the roll-out to date is too small to have an impact at the national level.
— Level 3 Immerse has been implemented with a much smaller number of SME clients and not all RDAs have offered this service, but it is highly valued by client SMEs.

5. Metrics and measurement
Data collection is focused on programme roll-out against the Cox targets, with project evaluation conducted as a close-out activity. Given the programme is still in its roll-out and only a relatively small sample of Level 2 and 3 interventions are complete, it is too early to meaningfully understand outcomes for the Level 2 and 3 services. In addition, adequate performance management metrics do not exist to allow effective monitoring and evaluation of the programme delivery throughout the entire SME client customer journey, in particular where it is required to understand client entry points.

In parallel to this review, the BSSP team are working on a monitoring and evaluation framework with which all of the BSSP product owners will comply. The recommendations will be made to the BSSP Transition Management Board.

6. Key programme assets of Designing Demand
Design Associates have been universally praised. This is attributed to their individual capabilities, and to the processes employed in their recruitment, management and continuing professional development. The Design Council has developed a comprehensive roadmap to support the Design Associates through the delivery of specialised coaching, quality control and continuing professional development including the embedding of the sustainability agenda. The Design Council is also in the process of formalising an alumni model to facilitate additional knowledge transfer between Design Associates.

The **intellectual property** created to date for Designing Demand is intended to be 'open source': freely available to all SMEs that wish to learn from the programme and open to improvements in the programme offerings whenever and wherever they are suggested. The intellectual property of the programme specifically includes the tools, processes and web content relating to the programme.

The **Designing Demand central team** has amassed a great deal of knowledge and expertise, not only from Designing Demand, but also the pilot programmes which have preceded it. Loss of key personnel could constitute a risk to the programme.

7. Brand management, marketing and channel management
The Design Council brand is strong, denotes high quality and engenders SME client

confidence in Designing Demand. However, the Designing Demand brand and naming conventions will necessarily become aligned with the recommendations of the BSSP Transition Management Board.

The Design Council is responsible for delivering a national marketing and awareness campaign. RDAs and their delivery partners are responsible for regional marketing activities, but these regional activities are in many cases supported by the Design Council.

Overall conclusions

Designing Demand has demonstrated its ability to add significant value to businesses, and the Design Council, the RDAs and their Delivery Partners have worked hard over the past 18 months to define and deliver the programme to great effect. However, this review has raised questions about the comparative value of the different products in the programme portfolio and whether the portfolio of products is appropriately balanced to meet regional priorities and needs.

The market failure which Designing Demand was created to address still exists. In the absence of the programme, there are indications that SMEs would still fail to engage with creative industries in the regions or use design effectively within their businesses.

In common with the outcomes of other government-funded business support programmes such as the MAS, High Growth Coaching and the IAS in regions where this programme is delivered, early indications from Designing Demand are that the deeper the intervention (and the investment), the greater the eventual returns on that investment.

'Business champions must experience the transformational impact of good design in their business before they themselves can start to become champions of design in their regions and in their industries.'

Sir George Cox

The roll-out of Designing Demand has fallen behind its original volume delivery targets and objectives. The roll-out of the programme through the chosen channel of the Regional Development Agencies has been slower than anticipated. The central team has limited capacity to deliver multiple regional roll-outs simultaneously and in some cases, where slippage in one region has affected another, this has been seen as a restriction to regional roll-out. A further issue has been the time taken to reach contract between the Design Council and the RDAs due to the processes involved with RDAs contracting their respective Delivery Partners. This is due in part to the rigorous procurement processes employed in the regions and delays caused by the complicated process of securing ERDF funding.

More significantly, the current product portfolio mix of high volumes of Programme Introductions and Skills Assists and lower volumes of Business Support Services is not conducive to reaching enough 'business champions to champion design' as envisaged in the Cox Review:

'SMEs are most strongly influenced by the experience of other companies in the same locality, particularly those with whom they have business links. Those that have successfully benefited from the programme would serve as practical examples to many others.'

Cox Review of Creativity in Business, 2005

While the Cox Review acknowledged the importance of knowledge transfer in a locality, the importance of peer influence within a sector grouping via trade associations or other sector specific communication channels should also be considered.

Perhaps the most important challenge for the different organisations involved in the delivery of Designing Demand is to ensure the wide dissemination of successful

programme results to SMEs that need to hear them. The programme monitoring and evaluation frameworks must produce robust, qualitative conclusions about the value of participation in Designing Demand, supported by meaningful quantitative metrics. At the national scale, these quantitative metrics are not yet in evidence, not least because the programme remains in its infancy. Current evidence suggests that return on investment outcomes may not be manifest until up to 12 to 18 months after an SME has completed the programme.

The second important challenge for all those involved in Designing Demand is the effective alignment of Designing Demand with other business support programmes being delivered in the regions. In the majority of cases, RDAs have sought to align Designing Demand with their existing business support offerings. This alignment should now be made explicit and operational under the BERR-led Business Support Simplification Programme (BSSP).

This review, however, has been conducted at the mid-point in the national roll-out of the programme. The opportunity here is to recommend changes that will provide a course correction, not break with the way that the programme has been rolled out to date. Stakeholder support for the programme has been overwhelming: the demand from SMEs, although slower to achieve traction in some areas than others is there. The programme's strategic assets are of exceptional quality, most impressively evident in the roster of Design Associates recruited to date. Early evaluations of the pilot programmes indicate significant value has been added to participating businesses, though more work is required to demonstrate the lasting impact of the programme.

The RDAs, in partnership with the Design Council and their Delivery Partners, have made great progress in scaling up Designing Demand to meet a national requirement. Over the last 18 months of research and development it has established increased delivery capacity, absorbed the many lessons learned through the first wave of the programme roll-out and generated a clear understanding of how the programme might best be delivered in the future.

All the evidence gathered for this review demands that the programme roll-out continue vigorously over the remainder of the current CSR period. The existing monitoring and evaluation processes must be strengthened and augmented under BSSP, in advance of the comprehensive value for money assessment that will take place at the end of fiscal year 2010–11. It is at this point that the decision should be made whether to scale up the programme, maintain its delivery at a steady state, or to consider appropriate exit strategies.

Summary of recommendations

This review makes 'course correction' recommendations to be implemented within the period of the current CSR, and captures stakeholders' expectations about the future positioning and development of the Designing Demand programme. Comprehensive recommendations lie in Section 5 of this review, however the essence of these recommendations is detailed within the following eight suggested areas of change:

1. A shift in programme objectives
There should be a specific and immediate revision, by all key stakeholders, of key national and regional targets, with an emphasis on achieving a higher level of deeper (Level 2 and 3) SME-oriented interventions, specifically Generate and Immerse. Technology Venture activities should also be provided through specialist delivery partners in areas where target clients are evident.

2. Alignment of organisational structure, governance and funding
It is recommended that DIUS and BERR, together with the Design Council and the RDAs should consider the programme's present central organisation structure, costs and funding mechanisms, with a view to simplification and alignment with the programme's objectives. Of particular note is the RDAs' partial funding of the programme's central costs to March 2010, which is in contrast to the central funding model of the MAS which receives its central contribution directly from BERR. It is further recommended that the RDAs engage at a high level and take a more prominent role in the governance of the programme alongside DIUS, BERR and the Design Council.

3. Alignment of Designing Demand with other government support programmes

The Designing Demand programme presently exists as a single product within the Business Expertise portfolio. In the context of BSSP, the Design Council, the RDAs and Delivery Partners should accelerate the Designing Demand programme roll-out and seek to collaborate with the leaderships of other national programmes where relevant, with particular attention being paid to relationships which should exist with the Manufacturing Advisory Service, the Innovation Advisory Service where delivered, and with High Growth Coaching programmes.

4. Programme content and client readiness

Where a shift in programme objectives has been recommended, this should be partnered with a mandatory roll-out (to RDAs and their Delivery Partners) of criteria for client targeting and selection to drive the programme's productivity-to-cost ratio. Programme monitoring and evaluation should also support the continued development and improvement of effective regional client selection processes.

5. Metrics and measurement

It is recommended that BERR, DIUS, the Design Council and the RDAs should collaborate in a review of the current monitoring and evaluation framework, and institute a suite of business support performance and delivery metrics capable of assessing how the design intervention has affected a company's performance while falling in line with BSSP's recommendations for monitoring and evaluation. The impact of the current economic downturn should also be considered in the monitoring and evaluation of programme effectiveness and value for money.

6. Assessment of key programme assets

The Design Council should continue to fund the continuing professional development of Design Associates through grant in aid received from DIUS, in order to enhance the programme content as well as the skills of the individual Design Associates. Looking to the post-2011 delivery of the programme, an IP strategy for Designing Demand's tools, methodologies and content should be developed, in consideration of the potential future transfer of IP into the private sector.

7. Brand management, marketing and channel management

The BSSP recommendations on naming conventions and brand management should be implemented and should help to add coherence to the programme's offerings, with particular consideration being given to positioning the Design Council as the endorsing brand of the Designing Demand programme. The formation of strategic relationships with the most appropriate national industry bodies, to seek endorsement of Designing Demand and to channel high quality potential clients into the programme should also be considered. Potential clients should be channelled through the Business Link IDB process wherever possible.

8. Future programme development

The Design Council should consider a collaborative approach to working with the incumbent organisations (where existing) in each of the three devolved nations, where the programme IP and content may be ceded, and where marginal contribution to central costs may be achieved.

Consideration should also be given to estabishing relationships with leading academic institutions in order that leading edge thinking in the programme's content can be continuously developed, and that the learning and evidence resulting from the programme can be fed into business schools and programmes to inform business education for the future.

RDAs should also consider the economies of scale and scope which may be achieved through the appointment of a common supplier for the delivery of Designing Demand, along with the other relevant Business Expertise offerings under BSSP.

Finally, in respect of future governance and co-operation, the Design Council and the RDAs should develop a new model which aligns national and regional objectives with the funding and resource requirements of the programme.

Naylor Industries

'Design is fundamental, creating brands, products and an environment for businesses to move forward, not just sit back and wait to be attacked by cheaper competition.'

Edward Naylor, Chief Executive, Naylor Industries

The company

Naylor Industries was founded in 1890 to manufacture clay pipes. It now has three divisions – Naylor Drainage, focused on clay and plastic drainage pipes; Naylor Concrete Products, which services the construction and civil engineering sectors; and Naylor Gardenware, which manufactures two ranges of clay products. Naylor has factories in Yorkshire, Fife and the West Midlands, and a turnover of £250m.

The problem

Naylor had invested £18m in diversifying and modernising products between 1994 and 2004, but its product development processes were ad hoc. Also, it had not put enough emphasis on brand and marketing. The result was a lack of market profile and low return on investment.

The response

The business joined the Designing Demand Immerse service, which was a 'wake-up call', according to Chief Executive Edward Naylor. Two projects were taken forward, one to improve marketing, overhaul branding and upgrade reception facilities, and the other to streamline product development. In particular, the business set out to build its Yorkshire Flowerpots brand. A marketing director has also been appointed, giving design a board-level presence in the business and ensuring it is embedded in all Naylor's operations.

The impact

Since participating in Immerse, Naylor's profits have doubled and 60 staff have been taken on. Investment in branding and communication has increased sales by 25 per cent and Yorkshire Flowerpots sales are expected to double. Overseas business has been generated for the first time in Europe, Asia and Australia. Seventy per cent of Naylor's sales now come from products the business didn't make five years ago.

Craufurd Technology

'I urge anyone in business to look at their company with the help of something like the Designing Demand programme.'

David Davies, Chairman, Craufurd Technology

The company
Craufurd Technology was founded in Slough in 1949 to make pipework and ducting for the construction industry. Later its core business became secondary steel structures and production lines assembled on-site in factories. Turnover stands at around £3m.

The problem
The business wanted to put more emphasis on its high-margin specialist architectural metalwork and stainless steel fabrication, particularly in hygiene-sensitive sectors such as food processing and pharmaceuticals. Craufurd had also begun manufacturing public art installations increasingly found in locations like corporate HQs, housing developments and city centres, and wanted to boost that business.

Chairman David Davies says: 'We weren't using our skills to best advantage. That meant we were standing still and needed to move on by improving margins, finding new customers and engaging in more challenging work.'

The response
Work with the Engineering Employers Federation on a strategy for attracting clients such as architects, developers, sculptors and local authorities quickly revealed the need to update the corporate image in line with the business's new ambitions. Through the Generate service, Craufurd ran a design project that resulted in a new identity extending across stationery, brochures, signage, presentations, and a new website and showroom. Design Associate James Duguid helped the business define its needs, draw up a brief and choose a designer.

'Designing Demand showed us the level of excellence we need to achieve. It's lifted our sights,' says Davies.

The impact
Turnover is expected to increase by £1m in 2008 and the business is planning to double factory space and boost staff numbers from 40 to 60. Davies says: 'We're already starting to see the benefits. We're starting to get the kind of enquiries we've been looking for.'

Introduction

In June 2008, DIUS and BERR jointly commissioned a review of the Designing Demand business support programme. This review is in advance of a comprehensive evaluation of the programme's economic impact and value for money assessment, which will take place at the end of fiscal year 2010–11.

The intention is to assess the progress of Designing Demand while it is still in its infancy, so that lessons can be drawn out which will further inform the development of the programme as it is rolled out nationally. Key findings will also inform the development of a sustainable model for the future delivery of the programme.

The review brief

The review focuses on the respective elements of the programme, its original objectives and reason for being, the clients to whom it is directed and the model of programme delivery and its outcomes. The objectives of the review are to:

1. Understand the issues and challenges faced in delivering the programme nationally, drawing on comparisons with other models to inform the further development of the programme, including delivery by the remaining RDAs and the devolved administrations.

2. Capture the views of stakeholders on the future direction of the programme post-2011 and on ways in which a sustainable model might be developed in alignment with the Business Support Simplification Programme's recommendations.

Methodology

The review has been led by David Godber, the newly appointed Deputy Chief Executive of the Design Council, assisted by Accenture's Public Service Strategy practice. This section outlines the research methods employed in the review of Designing Demand.

Interviews with key stakeholders
Primary research undertaken included structured in-depth interviews with key stakeholders within the English RDAs and their respective delivery partners, Design Wales, The Lighthouse (Scotland), Invest Northern Ireland and Enterprise Ireland. Further interviews have been conducted with key officials at BERR and DIUS. Additional stakeholder interviews have been held with a number of Designing Demand's clients, with key business organisations and sector-specific trade associations, with the Design Council central team and a number of the Design Council-approved Design Associates.

Workshops with key stakeholders to assess emerging hypotheses and options for the programme's future sustainability
Two workshops with key stakeholders have taken place through the course of the project to test hypotheses and consider the future sustainability of the programme. Senior economists from BERR and DIUS also participated in these workshops.

Interviews with, and desk research on, Designing Demand clients
Primary and desk research has also been undertaken on the Designing Demand programme, and also on case studies relating to the current programme and pilot programmes preceding the current programme.

Desk research on existing evaluation reports for previous Design Council activity
Desk research has been conducted on existing independent evaluation reports which were completed on behalf of the Design Council to assess the outcomes and outputs from previous business support interventions.

A briefing with the Designing Demand Advisory Board
The Advisory Board convenes on a quarterly basis to provide governance and direction and to review the programme's strategy and progress. The Advisory Board was briefed on the emerging findings of the review.

A briefing with the RDA steering group for Designing Demand
The RDA steering group was initially formed to share experience and knowledge about the programme's activities, operations and results. The RDA steering group has been informed of the review's findings and recommendations. All responses and issues raised by the Design Council's regional partners have been considered in the final recommendations of this review.

Structure of the review

Section 1 details the history and context of the Designing Demand programme, including the evolution of:
Programme Introductions—workshops for Business Advisors and Designers
Skills Assists—workshops for businesses
Business Support Services—the Generate, Innovate and Immerse services.

Section 2 gives an overview of the Designing Demand programme delivery, including the service overview, the customer journey, the planned programme delivery targets, the service delivery model including roles and responsibilities, actual programme delivery to date and regional progress.

Section 3 explores the continuing roll-out of Designing Demand, including opportunities for closer collaboration with other funded programmes under the Business Support Simplification Programme (BSSP).

Section 4 considers the achievements and effectiveness of Designing Demand at this early stage in the programme roll-out, detailing the inputs, outputs and expected outcomes of the programme and reflects on the outcomes of previous Design Council business support interventions.

Section 5 summarises the review findings and recommendations, highlighting issues for consideration during the remainder of the current CSR and for the future positioning of the programme.

Figure 1
Summary programme of work for the review

Workstreams:	As – Is Performance Analysis	Review of Programme Roll-out	Review of Programme Delivery and Impact	Programme Architecture Analysis	To Be Option Development	Future Positioning	Stakeholder Engagement and Mapping	Report Development	Compilation and Review

Week 1
21 - 25 July

Week 2
28 July - 01 August

Week 3
04 - 08 August

Week 4
11 - 15 August

Week 5
18 - 22 August

Week 6
25 - 29 August

Week 7
01 - 05 September

Week 8
08 - 12 September

Week 9
15 - 19 September

Week 10
22 - 26 September

* **Panel initiate review**
1 **In house research complete**
2 **To-Be workshop**
3 **Future positioning workshop**
4 **Panel-review of findings**
5 **RDA Steering Group**

RDA

RDA Delivery Partners

Central Government

Previous Stakeholders

Sector Organisations

Design Council

Design Associate Pool

SME

RDA

Catherine Allford
EMDA
Business Support Development
Manager

Zoe Allis
Yorkshire Forward
Project Manager—Innovation

Nick Barley
Scotland—Lighthouse
Director

Mike Barton
AWM
Interiors & Lifestyle Cluster
Manager

Dr Max Broadhurst
LDA
Head of Innovation

Michael Carr
EMDA
Executive Director of
Business Services

Gavin Cawood
Design Wales
Operations Director

Jim Farmery
Yorkshire Forward
Head of Innovation

Robin Gillum-Webb
SEEDA
Operations Manager

Dr Simon Goon
One NorthEast
Head of Business Investment

Alan Harris
EEDA
Head of Business Development
& Enterprise

Ian Harrison
EMDA
Head of Business Support
& Enterprise Policy

Richelle Harun
LDA
Senior Development Manager
for Innovation Design

Keith Harvey
AWM
Innovation & Technology
Development Manager

Lorelei Hunt
SWRDA
Director of Innovation

Jackie Irving
One NorthEast
Service Sector Specialist Advisor

Sumeet Kanwar
EMDA
Business Support Team Manager

Jim Keane
NWDA
Head of Innovation &
Knowledge Transfer

Richard Male
SWRDA
Science & Industry Manager

Alan Pain
EEDA
Contract Manager

Roger Parr
EMDA
MAS National Network Resource
Manager

David Read
NWDA
Head of Product Development

Toby Scott
Enterprise Ireland
Managing Director

Ben Strutt
One NorthEast
Design Senior Specialist

Ian Williams
One NorthEast
Director, Business & Industry

RDA Delivery Partners

David Bartlett
SEEDA Delivery Partner
Wessex Enterprise

Keith Dunton
AWM Delivery Partner
Head of Design & Innovation

Willie Herdman
ONE NorthEast Delivery Partner
BIC

Susan Oliphant
ONE NorthEast Delivery Partner
Entrust

Glenn Stone
Grant Thornton
LDA Delivery Partner

Central Government

Mark Gibson
BERR
Director General Enterprise
& Business Group

Jane Hartshorne
DIUS
NESTA & Design Council
Sponsorship | Innovation Delivery
Directorate

Christine Hewitt
DIUS
Deputy Director Innovation Delivery

Michael Hodson
BERR
Senior Economist
Economic Advice to BSSP

Ray Lambert
DIUS
Deputy Director

John Mackay
BERR
MAS Project Manager

Andrew Miller
BERR
Assistant Director

Janice Munday
BERR
Director BSSP

Fiona Murray
BERR
Marketing & Branding Project Lead
BSSP

Rob Sullivan
Director of Manufacturing
Materials & Environment

Previous Stakeholders

Sir George Cox

Clive Grinyer
CISCO-IBSG
Director of Customer Experience

Professor John Boult
Brunel University

Martin Rigby
ET Capital Limited
Joint MD

Sector Organisations

John Dunsmere
British Chamber of Commerce
Managing Director

Karina Knudson
British Chamber of Commerce
Senior Business Development
Manager

Andrew Summers
Design Partners
Chairman

Martin Temple
EEF
Chairman

Design Council

Helen Aldred
Designing Demand
Programme Planner

Jonathan Ball
Designing Demand
Senior Design Associate

Louise Conolly-Smith
Designing Demand
Senior Partnership Manager

Sonja Dahl
Designing Demand
Design Associate Manager

Bonnie Dean
Advisory Board
& Design Council Member

Sarah Gardner
Designing Demand
Programme Content Officer

David Kester
Chief Executive

Ashna Khan
Designing Demand
Partnership Manager

Ellie Runcie
Designing Demand
Programme Director

Paul Travers
Designing Demand
Knowledge & Stakeholder
Manager

Design Associate Pool

Robert Bewick
Generate

Emma Collins
Designers Workshop
Workshop Associate

Andy Cripps
Generate & Immerse

Nick Devitt
Generate

Ian Ferris
Generate

Evan Kitsell
Generate & Immerse

Ellis Pitt
Generate & Immerse

Gavin Pryke
Generate

Chris Thompson
Innovate

SME

Douglas Bell
Fat Controller Media Ltd

Billy Boyle
Owlstone

Ian Harrison
Alchemy Healthcare

Adam Parker
Webitpr Ltd

Steve Woodhouse
Richard Burbidge

1.

History and Context of the Designing Demand Programme

'Creativity properly employed, carefully evaluated, skilfully managed and soundly implemented, is a key to future business success—and to national prosperity.'

The Cox Review of Creativity in Business, 2005

1.01 **This section details the history and context of the Designing Demand programme, including the evolution of Programme Introductions—workshops for Business Advisors and Designers; Skills Assists—workshops for businesses; and Business Support—the Generate, Innovate and Immerse services. It includes a brief account of the previous business support pilots, led by the Design Council, which shaped Designing Demand.**

The rationale for Designing Demand

1.02 The Designing Demand programme was created and launched by the Design Council in partnership with the RDAs as a recommendation from the *Cox Review of Creativity in Business: Building on the UK's strengths (2005)*. Designing Demand sets out to improve the performance of UK businesses by helping them to use design as a key driver of growth and competitiveness. The programme's overarching objective is to embed effective processes for the management of design in SMEs and also specifically in technology start-ups.

1.03 The *Cox Review* identified five main barriers which prevented SMEs from accessing the UK's creative sector:
1. Lack of awareness and experience (of the UK's creative talents)
2. Lack of belief in the value of, or confidence in, the outcome
3. Not knowing where to turn for specialised help
4. Limited ambition or appetite for risk
5. Too many other pressures on business.

1.04 In parallel to the *Cox Review*, the DTI Economics Paper No.15 *Creativity, Design and Business Performance (2005)*, provided compelling evidence of the impact that creativity could have on business performance. However, the paper also reports how smaller businesses are less likely to make use of design in their daily business practice. SMEs lack both knowledge and experience of the design sector and the ways in which good design, appropriately commissioned and implemented, could add significant value to their business.

1.05 BERR's supporting evidence for the government action plan for small business[1] states that too few small businesses grow fast enough, or are competitive enough, to contribute as fully as they might to overall productivity levels. Many UK small businesses want to grow, but there are a number of market failures and associated barriers that prevent small businesses maximising their potential. Specifically highlighted as an area of failure is the lack of information available to the purchasers of best practice, this problem being particularly acute for small businesses that tend to face greater information barriers than

larger businesses because of their limited resources.

1.06 Small businesses' capability to grow is also assessed as being limited by a lack of skills. Small businesses experience particular difficulties in judging the quality of training and often do not appreciate the benefits in terms of improved business performance. This problem can be accentuated by the low initial skills base in many small businesses that affect perceptions about the value of externally available sources of advice and expertise.

1.07 There is also evidence of significant disparities in the levels of innovation practiced by UK businesses. Cosh and Hughes (2003)[2] also suggest that larger businesses and manufacturing businesses are significantly more likely to engage in Research and Development than smaller businesses or those in the service sector.

1.08 The UK Innovation Survey 2007[3] states that both larger and smaller enterprises reported market and internal sources as most important for information on innovation. This suggests that enterprises tend to rely on their own experience and knowledge coupled with information from suppliers, customers and clients. The least frequently cited sources were institutional sources. Technical, industry or service standards were also a highly important source for 12 per cent of large firms.

1.09 Research by the Design Council has consistently shown a link between the use of design and better business performance across key measures including turnover, profit and market share, while at the same time demonstrating that most businesses are failing to make best use of design. For example, rapidly growing businesses are six times more likely than static ones to see design as integral to their operations, and 83 per cent of businesses which see design as integral have launched new offerings in the past three years, compared to only 40 per cent of businesses overall. Meanwhile, more than four out of ten businesses do not invest in design at all and 64 per cent give it a limited role at best. While 32 per cent of larger businesses see design as integral, only 15 per cent of SMEs share this view.[4]

1.10 This evidence helped to create a powerful case for the Cox Review's recommendation to accelerate the roll-out of the former Design for Business programme, which had been piloted by AWM, SWRDA and the London Development Agency, and make it available to SME's nationwide.

'What is required is a national programme, to a consistently high standard, that can be refined and extended as experience is accumulated, available to SMEs regardless of location. This needs all of the RDAs and the devolved administrations vigorously to drive the programme, albeit accommodating local priorities.'

Cox Review of Creativity in Business, 2005

1.11 The provision of best practice design advice or information is not easy without government funded advocacy and intervention. Design, in common with other areas of specialist consultancy and investment in expertise, exhibits the characteristics of experience goods—goods or services whose value can be best understood after the good or service has been consumed. However, because they are expensive, these goods and services cannot be tried before purchase.

1.12 In addition to the experience goods nature of the programme and the barriers identified by Cox, this review has found that even where SMEs may be aware of the strategic value of design to their business, or be willing to pay to experience the value of design, the majority do not have the requisite skills or experience to engage external designers. SMEs lack the ability to write a design brief, to choose the best pitch from a design agency, or to project-manage a design intervention.

The history of Designing Demand

1.13 Designing Demand was born from a rich history of design-based business intervention programmes. These date back to the 1970s when the Council for Industrial Design (now the Design Council) delivered government-funded design consultancy in conjunction with

2 Cosh, A and A.Hughes, (eds) (2003) Enterprise Challenged Policy and Performance in the British SME Sector 1999–2002. Cambridge, Centre for Business Research.
3 DIUS, Robson, S and Haigh G. First Findings From the UK Innovation Survey 2007.
4 Design Council Research Briefing, 2008. www.designcouncil.org.uk/briefing01

Figure 3
Design Intervention: A brief History

Location

| Haymarket | ⟶ | Bow Street |

Chairman

Sir John Sorrell

Director General/Chief Executives

| Ivor Owen CBE (Director General) | ⟶ | Evelyn Ryle (DG) | ⟶ | Andrew Summers (first CEO) |

Design Directors

Sean Blair

| Sainsbury review | Sorrell report | | Creative Britain report |

| 1988 | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 |

| Design Advisors | ⟶ | Design Counsellors |

Figure 4
Designing Demand Pilot Programmes since 2000

Name of Programme	Duration	No. of companies involved
24/7	2002–2005	11
Humanising Technology	2002–2005	8
Design for Business	2004–2006	150+
Design Immersion Manufacturing Campaign	2004–2006	15
Technology Campaign	2004–2006	12
'Design works' (Generate Pilot)	2005–2006	75

Scottish Design

Design Wales

Northern Ireland

Sir Christopher Frayling

Sir George Cox

Sir Michael Bichard

David Kester

Deputy Chief Executives

Harry Rich

David Godber

Clive Grinyer

Richard Eisermann

UK Innovation report

Cox Review

Sainsbury review

1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009

Design Mentors

Design Associates

Design for Business Workshop Pilot

Designing Demand

24/7 / Immerse

Design Immersion Manufacturing Campaign

Demonstration Projects

Humanising Technology

Technology Campaign

Generate Pilot (Yorkshire)

Big Idea / workshops

government grants to help businesses to invest in specific design projects.

1.14 In relation to the development of Designing Demand in its current form, the Design Council has implemented a number of pilot and business support programmes in the period since 2001–02.

The evolution of growth services for SMEs

1.15 The Design for Business programme was created by the Design Council from a series of pilot programmes for SMEs in the manufacturing and technology sectors between 2002 and 2006. The programme set out to develop and test the scalability of strategic design interventions and help business identify how design could address business challenges, taking practical steps to implement change throughout a business.

1.16 Within this pilot the Design Council worked closely with national trade associations including: the British Hardware & Housewares Manufacturers' Association (now renamed British Home Enhancement Trade Association), the Ceramic Industry Forum (CIF), UK Science Parks Association, UK Business Incubation and the Engineering Employers Federation (EEF). These strategic alliances helped to target companies who were ready to engage with, and benefit from the programme.

'Too many UK manufacturers are still focused on cutting costs, as opposed to increasing margins through the application of design and innovation.'

Martin Temple, Director General (now Chairman) of the Engineering Employers Federation – cited in the Cox Review of Creativity in Business (2005)

1.17 The positive outcomes resulting from the programme were reported in the 2005 Cox Review, which recommended that a nationwide programme should be introduced and supported. The 'Design for Business' programme, as it was named in the Cox Review, offered three levels of increasingly intensive business support.

1.18 Level 1 A set of inspirational and educational workshops and tools for SMEs, business advisors and designers.

1.19 Level 2 Tailored interventions in key areas such as product development or brand, with expert mentoring support to implement change.

1.20 Level 3 The opportunity for selected companies to develop and implement a programme of design-led transformation. This most intensive level of intervention was developed from pilots in the technology and manufacturing sectors—the resulting services were Innovate and Immerse respectively.

'The scheme is highly rated by participants and has delivered demonstrable success with respect to their understanding of and willingness to exploit design in both the strategic and operational spheres '

Evaluation of Technology Campaign, Technopolis, June 2006

1.21 Twenty technology ventures participated in the Innovate pilot programme (the Technology Campaign). The 2006 independent evaluation of this programme concluded that all participating companies felt that the programme had an overall beneficial impact on the business in the following ways: stronger business proposition; enhanced income and survival prospects; shorter time to market; alignment of products and services with customers' needs.

1.22 Specific results contained within this evaluation concluded that:
— 80 per cent reported a change in strategic direction
— 80 per cent reported a changed attitude to design and understanding the value of design, culture and vision

— 80 per cent increased their ability to raise finance
— 75 per cent invested significantly in design and were confident of a return on investment

1.23 Thirty SMEs participated in the Immerse pilot programme. The 2006 independent evaluation of the Immerse pilots also concluded that all participating companies felt that the programme had an overall beneficial impact on the business.

'The programme has done well at producing the expected outcomes and there is an optimism (within the client base) that this will lead to the impacts of increased turnover, increased competitiveness, safeguarding jobs and an increasing bottom line.'

Evaluation of Design Immersion, Technopolis, October 2006

1.24 The impact from Immerse pilots at the point of programme completion were:
— Turnover increased by 14 per cent above earlier predicted levels
— Profit increased 9 per cent above earlier predicted levels
— Employment increased 13 per cent above earlier predicted levels.

1.25 To meet the recommendations of the Cox Review, the Level 3 'Immerse' product was adapted, to be implemented on a smaller scale and over a shorter time period. This is now known as the Designing Demand Level 2 'Generate' product. Given that the delivery time for Innovate was shorter than that for Immerse, Innovate was also positioned at Level 2.

The development of Programme Introduction activities

1.26 In parallel with the development of the Design Council interventions, some regional partnerships also led to the development of Programme Introductions. The South West Regional Development Agency, SWRDA, worked with the Design Council on the development of workshops aimed at regionally-based designers and design agencies. The feedback on the content and quality of the Designer workshop was very positive, and these workshops were integrated into the Designing Demand service portfolio when the new programme was launched nationally.

1.27 Similarly, the Business Advisor Programme Introduction workshops were developed from the Design Council's experience of engaging with industry bodies. The objective of these workshops was to ensure that regionally-based business intermediaries would become familiar with the new programme and be able to refer SMEs effectively.
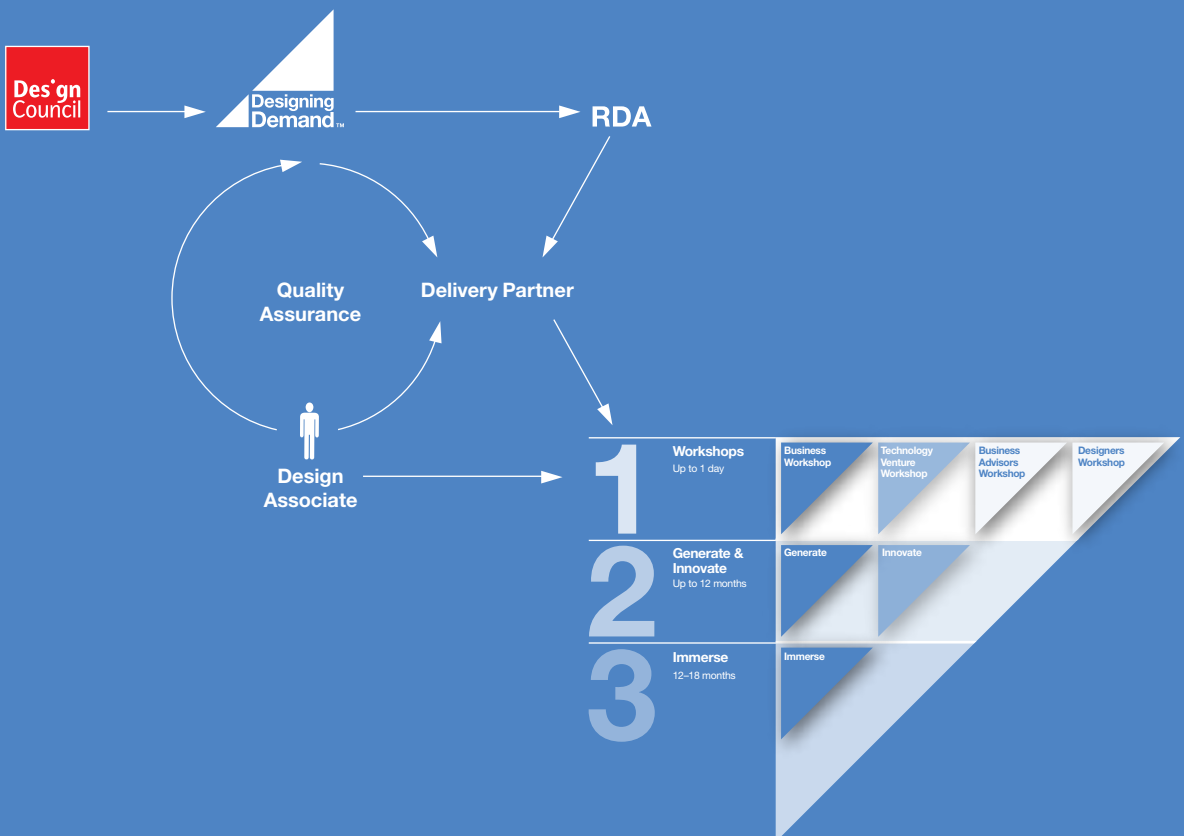
2.

Designing Demand Programme Delivery

2.01 **This section gives an overview of the Designing Demand programme delivery, the service overview, the customer journey, the planned programme delivery targets, the service delivery model including roles and responsibilities, the actual programme delivery to date and the progress made in each of the regions where the programme is active.**

Designing Demand service overview

2.02 Designing Demand seeks to use experts in the provision of high level advice, mentoring and consultancy for SMEs to embed design thinking within business. Designing Demand can be accessed by client SMEs in two main ways:
— A three-level business support service, funded directly by RDAs and managed by regional delivery partners.
— The Designing Demand website, on which delegates register for workshops and which makes available programme knowledge and case studies demonstrating the benefit of design to SMEs.

2.03 The three-level business support service is divided into seven component parts. Each level increases in depth of intervention and length of SME participation. All of the services are delivered by Design Council approved Design Associates. Currently, no charge is made for any of the services.

2.04 Level 1 Programme Introductions—Workshops for Business Advisors and Designers
There are two Programme Introduction workshops for business advisors and for designers to introduce them to the Designing Demand programme. Workshops focus on how to engage client SMEs with design-related government funded business support services, or with designers and design agencies. This is a 'one to many' service. These workshops are a half-day in duration and do not count towards the achievement of the Cox targets.

2.05 The **Business Advisor Workshop** is marketed to business intermediaries and advisors from Business Link and from other professional services providing advice to SMEs on banking, accountancy or law. The objective of this workshop is to achieve client referrals into the programme.

2.06 The **Designer Workshop** is aimed at engaging the design sector with Designing Demand, particularly designers who do not usually work with SMEs. In some regions, the lack of local designers with the experience and capability to communicate the commercial benefits of design to SMEs was identified as a potential market failure in its own right. The Designer Workshop aims to raise awareness of the Designing Demand programme and to assist the regional design sector in building new SME client relationships through their understanding of the commercial needs of SME clients.

Des·gn Council

Designing Demand™

RDA

Quality Assurance

Delivery Partner

Design Associate

1 Workshops
Up to 1 day

Business Workshop · Technology Venture Workshop · Business Advisors Workshop · Designers Workshop

2 Generate & Innovate
Up to 12 months

Generate · Innovate

3 Immerse
12–18 months

Immerse

2.07 **Level 1 Skills Assists—workshops for SMEs and technology venture start-ups**
These one-day introductory educational workshops for client SMEs and early stage technology venture start-ups use specially developed Design Council tools to identify an organisation's design opportunities. This is a 'one to many' service for up to 25 participants. The workshops are designed to be up to six hours in duration in order to qualify for RDA single programme funding as a 'Skills Assist'. The workshops do not qualify for ERDF as the ERDF minimum requirement for support is a two-day intervention.

2.08 The **SME Workshop** introduces SME managers and directors to the principles of good design. The workshop includes practical demonstrations and the dissemination of Design Council case studies. The SME client workshop may serve as a recruitment event for the Generate or Immerse services. The regions have experienced variable levels of success in converting workshop participants into clients for Level 2 and 3 growth services.

2.09 The **Technology Venture Workshop** acts as an introduction to the specialist Designing Demand service for early stage technology venture start-ups only. The workshop process is explicitly designed to identify whether clients are suitable to participate in the Innovate service.

2.10 **Level 2 growth services—Generate and Innovate**
Level 2 growth services offer diagnostics that result in tailored support, with expert 'one to one' mentoring support provided by a Design Associate drawn from the Design Council-approved roster. There are two growth services at this level, Generate and Innovate.

2.11 **Generate gets design projects going for SME businesses who have demonstrated growth potential.** Generate focuses on a specific design project implemented by the client SME over a six to 12 month period. Client SMEs may enter the Generate service by direct referral from a Business Advisor, or may have attended the SME workshop. The client SME receives up to five days of Design Associate support to define and implement a design project.

2.12 Generate is an opportunity to make design play a more significant role within a client's business. The Design Associate will help the client SME to develop new skills, from choosing and briefing designers to managing the design process. Generate projects might best be described as 'demonstrators' of how a client SME might commission and procure design in the future. To date, Generate client projects have typically engaged in brand related projects, as these types of design intervention are better suited to the relatively short timescales of the service.

2.13 **Innovate cuts time to market for new technology start-ups.** Innovate specifically supports early stage technology ventures in using design thinking to attract funding, reduce risk, refine business strategy and get to market faster. Technology venture clients start their Innovate journey as a cohort of six ventures attending a three-day workshop using an intensive and interactive diagnostic process to identify business challenges, define and shape appropriate design opportunities and build actions plans. Innovate consists of a three-day workshop led by a Design Associate and supported by a team of three highly experienced, multi-disciplinary designers. Each business then receives one-to-one mentoring from the Design Associate every month for up to 12 months as the ventures implement a range of design projects supporting their action plans, with the overall aim of achieving investor readiness.

2.14 Innovate clients are recruited through the Technology Venture Workshop. At this point in the roll-out of Designing Demand, regions have struggled to meet targets for the Innovate service, though Technopolis' 2006 evaluation of the Innovate pilot suggests that the return on investment in early stage technology ventures can be very high. The Design Council team has recently recommended, and the findings of this review support the view, that technology venture services might be better delivered through specialist delivery partners located in Technology Transfer Offices, incubators, science parks and innovation centres. DIUS has commissioned a pilot to this effect, to be conducted though 2009.

Challs International

'We expected Designing Demand to give us some nice new designs, but the team worked with us to make design part of our strategy. Now it's a key part of our business mix.'

Graham Burchell, Director, Challs International

The company
Challs International began making cleaning products in the early 1990s and owned several brands, the most successful of which was Buster. Based in Suffolk, it employed around 20 people and had a turnover of around £1m when it joined the Immerse service.

The problem
Challs's sales were satisfactory but its products were regularly delisted by supermarket buyers under pressure to reduce the number of lines on the shelves. The Immerse team discovered that 'the product portfolio wasn't well structured and the on-shelf presence wasn't as coherent as that of the competition,' says Design Associate Evan Kitsell.

The response
Challs and the Immerse team focused on the business's strongest brand, Buster, and its strongest sector, plughole and drain care. All but four Buster products were either discontinued or moved in to other Challs brands, leaving Buster solely concentrating on cleaning bathroom and kitchen plugholes and unblocking drains. The range was repackaged to improve on-shelf stand-out. Design Associate Fiona Myles says: 'The design emphasised that Buster was a product system – none of the competition had that.'

Design input also created a sales presentation emphasising the products' commercial potential to buyers. 'They didn't take us seriously before,' but now we're seen as credible and professional,' says Director Graham Burchell.

The impact
The Buster range is now sold in virtually all supermarket chains. Following the launch of the new range, sales rose by 35 per cent in 2005, with year-on-year sales rises of 50 per cent and 25 per cent. The products are now also sold overseas. 'Our design project has paid for itself many times over,' says Burchell.

Owlstone

'If we hadn't taken part in Designing Demand we would have missed a big opportunity. Without it, we would have been a lot slower getting to where we have.'

Billy Boyle, Director, Owlstone

The company
Owlstone launched in 2004 to develop nanotechnology capable of detecting airborne chemicals in extremely small concentrations. It focused initially on military security.

The problem
The business had created a device the size of a five pence piece - making its technology 100 times smaller and 1,000 times cheaper than what already existed. But it was struggling to explain the technology, attract investors and choose the right applications and route to market.

The response
Owlstone joined the Innovate service soon after launching. It helped the business realise the value of design techniques such as visualisation and modelling in understanding customer needs and explaining technology. It was also able to cut risk by reducing time to market by placing its technologies inside intermediate products and services that generated revenue earlier and won the confidence of investors.

In parallel, Owlstone developed a corporate identity. 'It was a very important part of establishing credibility with investors and potential partners. We had technology and we had a team but we had to present ourselves in a way that made people take the proposition seriously,' says Director Billy Boyle.

The impact
Barely two years after joining Innovate, Owlstone had developed a product, Tourist, which let potential customers test the technology and assess how best to use it. 'It's a low-risk way for them to evaluate the technology. Meanwhile, for us, 80 per cent of the development is done up front and it's just a question of making modifications to suit different applications. So we spread risk too,' says Boyle.

In 2006 Owlstone landed $2.3m of new investment in addition to $3m of earlier funding. An order from a UK defence contractor followed.

2.15 **Level 3 Growth Services—Immerse**
Immerse is intended to help companies build bigger profits through the implementation of design-led strategies. Immerse is the most intensive service aimed at mature businesses who are hungry for growth, have an appetite for new ideas and the willingness to invest in realising them with the support of a Design Associate.

2.16 Immerse offers up to 15 days of mentoring delivered over a 12 to 18 month period. The service also provides a cohort of up to 14 client SMEs the opportunity for peer-to-peer learning through a series of three workshops on the subjects of brand, new product development and user experience.

2.17 To date, delivery targets for Immerse have been very small, with as few as ten Immerse clients engaged in the Yorkshire region. Immerse is perceived to be expensive and given the nature, depth and length of the intervention returns may not be evident until some time after client participation. Take-up of the service has been significantly slower than anticipated.

2.18 Immerse is arguably better suited to larger SMEs. The Immerse client recruitment process may improve through the formation of strategic relationships with national industry bodies, where appropriate, and build on the successes of earlier Design Council pilot programmes implemented in partnership with the BHHMA, the CIF and the EEF.

2.19 **Online support services**
The Designing Demand website contains managed content. Administration of the site is undertaken by the Design Council's marketing group with information feeds sourced from the Designing Demand central team, from the Design Associates and from SME clients.

2.20 The website is currently an under-utilised and under-resourced service, particularly given the role it could play in channelling potential client SMEs to participation in the programme. The review has found that RDAs, delivery partners and client SMEs do not see the website as an integral part of the Designing Demand customer journey. All stakeholders reported, however, that they thought the website could play a more significant part in the national roll-out of the Designing Demand programme.

Designing Demand service delivery and funding model

2.21 **The role of the Designing Demand central team and key programme assets**
The Designing Demand central team has ten staff. It is currently responsible for:
1. New product development
2. The provision of Designing Demand service content
3. Knowledge management, including the effective sharing of programme learning among client SMEs and between the regions
4. National marketing, event management and communications
5. Relationship and contract management with the regions
6. The recruitment, training, management and continuing professional development of Design Associates
7. Quality assurance of Design Associates and service tools
8. The development of programme effectiveness evaluation tools (regional implementation).

2.22 It should be noted that the size of the central team has not changed since the launch of Designing Demand. This team does not have the capacity to deliver multiple regional roll-outs simultaneously.

2.23 **The recruitment and management of Design Associates**
The best practice Design Associate selection and recruitment process, developed over the last 18 months, has become a key programme asset. Designing Demand currently has 23 Design Associates on its roster and the Designing Demand team are currently recruiting in the London area to support the LDA's programme, which launched in June 2008. Design Associates are recruited on a region by region basis in line with the programme roll-out. The capacity of the Designing Demand team to recruit, induct and coach new Design Associates impacted on the ability of the central team to support the national roll-out of the programme, and a number of regions have commented on the low number of Design Associates employed to meet the national requirement.

Figure 7
Designing

BIC, Entrust — ONE

NWDA

Business Link
Yorkshire — YF

Business Link
West Midlands — AWM

Wessex Enterprise
Oxford Innovation

Wessex Enterprise

SWRDA

SEEDA

EMDA

EEDA

LDA
Grant Thornton

☐ Designing Demand live

☐ Designing Demand not yet live

Director

Team
Co-ordinator

Operations

Helen Aldred
Programme
Planner

Content

Jonathan Ball
Programme
Strategist

Partnership

Louise Conolly-Smith
Senior Partnership
Manager

Marketing

Sarah Ghirardi
Brand & Marketing
Manager **20%**

Sonja Dahl
Design Associate
Manager

Sarah Gardner
Programme
Content Officer

Ashna Khan
Partnership
Manager

Paul Travers
Knowledge &
Stakeholder Manager

Jessica Hinchliffe
Marketing
Executive **80%**

2.24 The Design Associate Recruitment schedule is outlined in Figure 10. This schedule is based on the Cox targets, and the assumption that a Design Associate typically works one or two days per week with Designing Demand client SMEs.

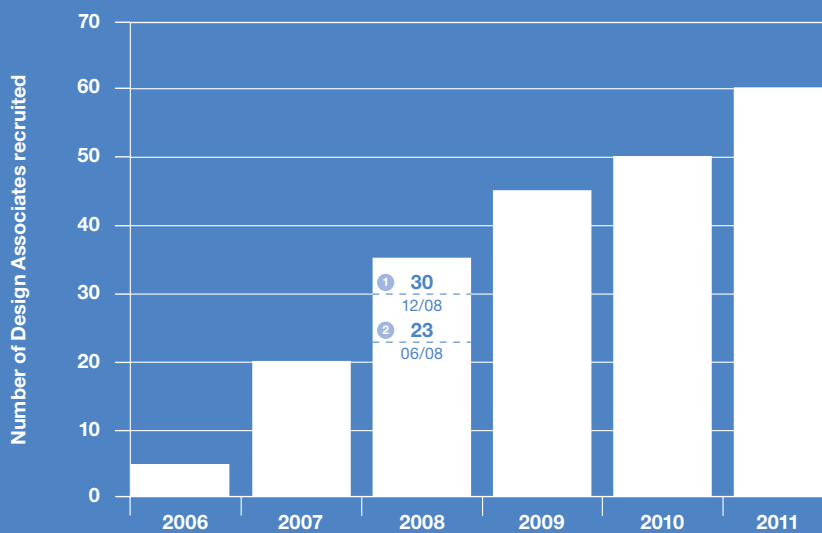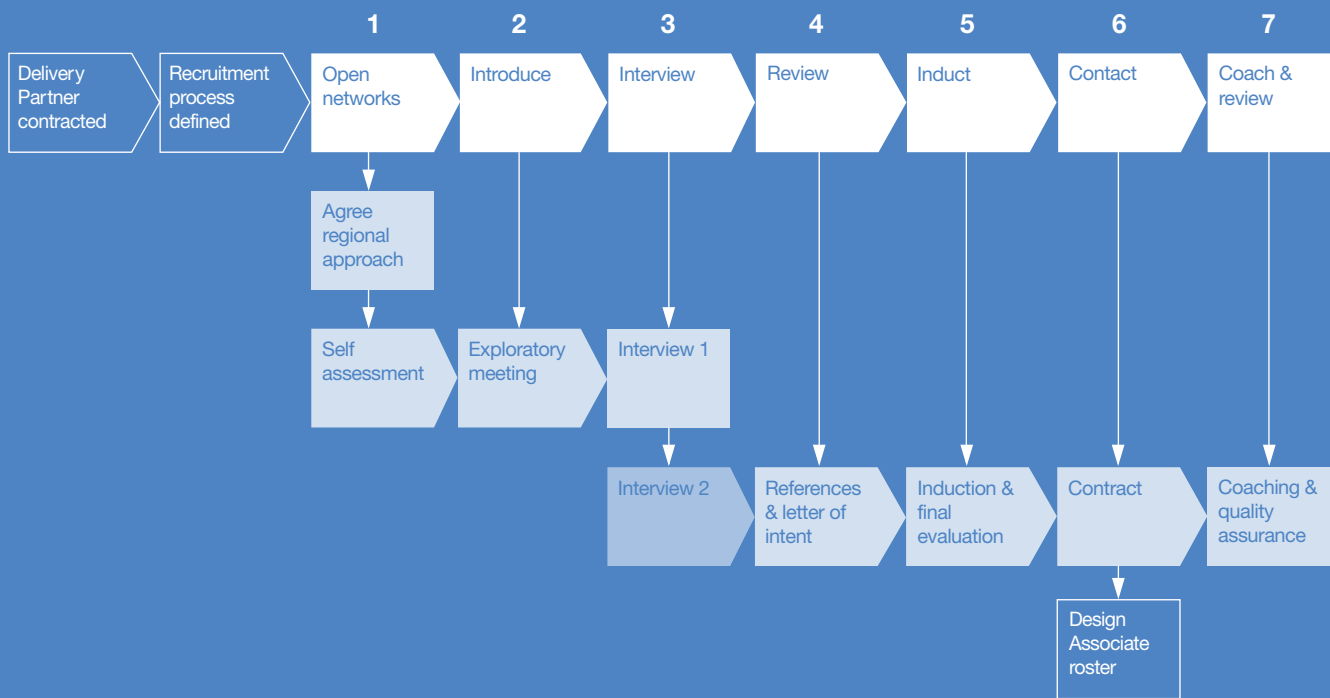2.25 In addition to the Design Associate selection and recruitment process, the Designing Demand central team is responsible for a number of other key programme assets. These include:
— **Design Associate Code of Practice:** criteria for engagement with the programme, a record of shared agreement between Design Associate and Design Council.
— **DesignAssociate Tools:** to help inform and direct the work of Design Associates.
  1. Workshop Associate Handbook—guidance for the delivery of Level 1 workshops.
  2. Design Associate Handbook—a continually updated reference guide for the delivery of Level 2 and 3 services.
— **NewDesign Associate Induction process:** best practice induction delivered to all new Design Associates recruited.
— **NewDesign Associate Coaching process:** six months of coaching for all new Design Associates.
— **DesignAssociate Reviews:** conducted on a quarterly basis by regional delivery partners supported by the Designing Demand central team.
— **Ongoingsupport on use of materials/delivery programme:** the development and deployment of an online resource for Design Associates with knowledge exchange, a message board and regular newsletter.
— **Ongoingdevelopment of Design Associates:** delivery of personal and continuous professional development opportunities through tailored content, best practice events and workshops.

The role of Design Associates

'Design Associates have been pivotal to the programme's day-to-day operation, its successes and lasting legacy.'

Evaluation of the South Yorkshire Design Works or Generate Service, EKOS, 2007

2.26 Design Associates are experienced design managers approved to deliver one or more of the Designing Demand services. A Design Associate is typically a qualified designer who will have worked as a design manager and led creative teams across a broad range of sectors. They will often have undertaken formal business management training, have practical experience of delivering business advice and consultancy support, and are part of a wider network with the potential to add value to any Designing Demand intervention.

2.27 Once Design Associates have successfully navigated the recruitment process, they are attached to different Designing Demand service levels according to their experience and capabilities. Not all Design Associates are approved to deliver all of the services: the quality of the Design Associates drives the quality of the whole Designing Demand programme.

2.28 During the delivery of one or more of the Designing Demand services, Design Associates will:
— Be a design advocate
— Provide design management advice, best practice and business support
— Use Design Council tools to ensure that project objectives and implications are understood
— Draw on experiences to help define the right design project
— Support the development of a design brief
— Shortlist a number of appropriate designers from which the company may choose
— Aim to leave a legacy of good design management with the business.

2.29 Design Associates do not:
— Advise a company to start a design project if the business has more pressing priorities
— Undermine any existing advisors or designers
— Tell the company which designer to use
— Directly promote or sell their services to the client
— Actually design the product, system or service.

		1	**2**	**3**	**4**	**5**	**6**	**7**
Delivery Partner contracted	Recruitment process defined	Open networks	Introduce	Interview	Review	Induct	Contact	Coach & review

Agree regional approach

Self assessment — Exploratory meeting — Interview 1

Interview 2 — References & letter of intent — Induction & final evaluation — Contract — Coaching & quality assurance

Design Associate roster

Number of Design Associates recruited

Year	Value
2006	5
2007	20
2008	35
2009	45
2010	50
2011	60

1 30 — 12/08

2 23 — 06/08

1 Actual as at 06/2008

2 Forecast as at 12/2008 inclusive of ongoing recruitment activity

2.30 There is evidence to show that Design Associates do undertake a range of activities outside of their contracted obligations including responding to calls and written messages from client SMEs throughout the period of a design intervention, attending unscheduled and non-chargeable meetings, and providing advice on a range of business activities that are outside of the Designing Demand service scope or duration. The Design Associate fee structure is £600 per day for Level 2 and 3 services and £1,000 per day for Level 1 workshop preparation and delivery, inclusive of all expenses[5]. This depth of unfunded engagement with client SMEs generates a huge amount of goodwill, and should be recognised as a significant if difficult-to-measure outcome of the Designing Demand programme.

2.31 ### The role of the Regional Development Agencies
The RDAs are responsible for managing the Business Link service, for co-ordinating business support in each region and for developing Regional Economic Strategies in respect of business support. The RDAs will ensure consistency with BSSP in providing and procuring business support, and in leading the development of regional business support strategy. Specifically in the roll-out of Designing Demand, RDAs fund the service, manage contracting with the Design Council, manage budget allocation, and are responsible for securing funding from external sources such as the ERDF. RDAs are also responsible for procuring and managing the regional Delivery Partner.

2.32 ### The role of Delivery Partners
Delivery Partners are contracted by the RDAs to manage the roll-out of the programme in the region. These partners range from the regional Business Links to professional services firms. Delivery Partners are responsible for client prospecting, client selection and referral on to the Designing Demand programme. They are also responsible for contracting with Design Associates, and for undertaking programme monitoring activities.

2.33 ### The role of client SMEs
SMEs accepted on to the Business Support Service products must demonstrate that they have the capacity to invest people, time and resources—and that senior management who are integral to the process will be available to participate fully in the programme's activities in order that design is embedded into the strategic decision making process of the client SME.

The Designing Demand customer journey

2.34 The Designing Demand customer journey is fundamental to the success of the programme. The quality of a design intervention is positively correlated to client readiness. Good quality channel management will ensure that clients access Designing Demand services at the right point in their business development.

'The quality of the outcome depends on a high quality Design Associate, a good client who is ready and willing to engage with the programme, and a good designer. If the quality of any of these three fall down then the quality and value of the project can easily be jeopardised.'

Evan Kitsell, Design Associate

2.35 ### The SME customer journey
The main channel to SME participation in the Designing Demand programme is intended to be the Business Link portal. Client selection is determined through the IDB process—Information, Diagnostic, Brokerage.

2.36 In some cases, the Designing Demand customer journey includes referrals to or from other regional business support programmes or through the professional networks of the Design Associate. SMEs have also learned about the programme through the networks of delivery partners or from other SMEs who have participated on the programme. In practice, the Business Link portal and existing client base has been the preferred, but not the only, channel into the Designing Demand programme. The Design Council has developed detailed client selection guidelines for each of the Level 2 and Level 3 services but these are not mandatory to qualify clients for participation.

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5 This cost structure was independently reviewed in July 2008 by Octagon Human Resources. The report, *Design Associates: Industry Position, Benefit and Cost* concluded that these day rates were still suitable, given the difficulty in benchmarking consultancy rates where there is an established market failure. However, it should be noted that the majority of Design Associates command much higher rates in their respective private practices.

It is also apparent that a number of Generate and Immerse clients have been recruited through their participation in business workshops.

2.37 SME client feedback reveals that participants had no preconception of the role the Designing Demand interventions could play in supporting their businesses. SMEs who participated successfully in the Level 2 and Level 3 interventions do, however, share a number of common characteristics, regardless of regional or geographic industry concentrations:
— An SME is operating at a steady state—but growth has plateaued
— Competitive pressure is driving down margins and eroding market-share
— Wage and/or raw material inflation is driving up costs
— Business strategy lacks new ideas and direction
— There is sparse investment in creative or other external expertise
— There is low employee engagement.

2.38 The technology venture customer journey
The customer journey of successful technology venture clients has differed from the customer journey of established SMEs. Technology venture clients have been attracted to the programme on the advice of trusted technology networks—university Technology Transfer Offices, incubation centres or science parks. Innovate clients tend not to have accessed Designing Demand through the regional Business Link networks.

'The trusted advisor network through the university is why we ended up on the programme—Innovate is perfect for guiding early stage companies through a rapid period of growth. Designing Demand has an adverse selection problem in the regions for technology venture start-ups—those who know about design will already be sold and seeking assistance, but the guys who really need it don't think they do.'

Billy Boyle, Owlstone

2.39 To date, only a very small number of early technology venture clients have participated in Designing Demand Innovate. Just as business champions are required to champion design in the regional SME business communities, the leadership of Innovation Centres should be pivotal in communicating the value of design to a technology start-up. Venture capitalists also have a role to play in promoting the value of design thinking to a start-up trying to achieve investor readiness.

2.40 The impact of BSSP on the Designing Demand customer journey
Looking ahead to the remainder of the current CSR and to post-2010–11, the Designing Demand customer journey will become aligned with those of other funded business support programmes under BSSP. This standardisation and alignment of the customer journey under BSSP can only benefit Designing Demand client SMEs. However, as previously noted, a number of other potential channels have been developed, often on a regional basis, and these channels should be maintained and strengthened with Design Council support at a national level throughout the remainder of the CSR period.

Planned programme delivery: the Cox targets

2.41 The Designing Demand delivery targets to 2010–11 were adopted from recommendations made in the 2005 Cox Review. The total delivery target is divided between the different service levels.

2.42 The Design Council envisaged that the regional roll-out of Designing Demand would be phased over the three-year CSR, and that it would take up to two years to contract with all nine of the English RDAs. The Cox Review also anticipated that the three devolved nations, Northern Ireland, Scotland and Wales, would also be involved in the future delivery of the programme, and were therefore included in the total delivery target. The target breakdown assumed a balanced portfolio of the different levels of the Designing Demand service, equally distributed across the nine English regions and three devolved nations. However this was not at the time agreed with the RDAs.

General considerations	Criteria
Financial status	Stable financial future and a financial strategy in place
Profitability	Company in profit, but if losses are being generated the decline is not terminal
Senior level commitment	Managing Director/board is in support of the application
Export potential	The company is currently exporting or looking to export
Open to advice	The company is open to receiving external advice
Open to information sharing	Openness in respect of potential outcomes from which others may benefit
Open to new ideas and concepts	A commitment to business improvement
Potential to transfer learning	The company has a peer group to which learning and experience could be passed

Design specific considerations	
Experience of design	Low to moderate use of design
Potential design impact	Design impact can be readily identified
Project opportunity	Company has indicated more than one area where a project could be initiated
Ambition	Ambition within the company for growth in sales, profit, market share, employment and value
Capacity to change behaviour	Open to a change in behaviour through engagement with a design project

SME client criteria	
Turnover	In excess of 250k
Employees	10–250 employees
Project commitment	Minimum £5k available (Exception granted for start-ups)
Outcome probability	Probable realisation of outcomes in a 1–3 year timeframe

Technology venture client	
Investment	Minimum 3k available
Employees	1–15 employees
Nature of business	Start-up or early stage (<3 years)
Intellectual Property	IP likely present as a basis for commercialisation

	Per Region	Total (9 English Regions)	Total (including devolved nations)
Programme Introductions			
Business Advisor Workshops	100	900	1200
Designer Workshops	100	900	1200
Total Programme Introductions	200	1800	2400
Skills Assist & Business Support Services			
Business Workshops	300	2700	3600
Technology Venture Workshops	100	900	1200
Innovate	24	216	288
Generate	100	900	1200
Immerse	26	234	312
Total Skills Assist & Business Support Services	550	4950	6600
Total Designing Demand	**750**	**6750**	**9000**

Table 2 – *The Cox Targets*

Actual programme delivery: regional roll-out to date

'Even when there is a national programme, there is a need to understand the ecology of the region in terms of its needs, and in terms of other business expertise programmes on offer.'

Simon Goon, One NorthEast

2.43 The overall Cox target of 4,950 growth services to be delivered in England to 2010–11 was distributed equally between the nine regions. This distribution did not take into account the size of the regional SME market for business support services, the regional economic or sector priorities for business development or the range of other business support programmes that the RDAs were already funding.

2.44 The differing regional priorities, business support needs and access to funds are reflected in the fact that each region has chosen to deliver portfolios of Designing Demand services that are not necessarily aligned to the achievement of the Cox targets. The national roll-out to date is outlined below.

	Target for the 9 English Regions	Under contract June 2008	Actual delivered to June 2008
Programme Introductions			
Business Advisor Workshops	900	825	301
Designer Workshops	900	450	215
Total Programme Introductions	1800	1275	516
Skills Assist & Business Support Services			
Business Workshops	2700	2200	557
Technology Venture Workshops	900	250	57
Generate	900	955	231
Innovate	216	54	6
Immerse	234	106	10
Total Skills Assist & Business Support Services	4950	3565	861
Total Designing Demand	**6750**	**4840**	**1377**

Table 3 – *Overview of Actual National Roll-out to June 2008*

Figure 13
BSSP customer journey

Business Link core service	**Other agencies eg, sector bodies, specialist providers**	**Other BSSP delivery**

General Diagnostic

Filter criteria applied

General Diagnostic (if not already completed) → **Specialist Diagnostic**

Level 1 Specialist information

Match coach to client

Other support, public and private sector

Level 2 One to many support

Development of growth plan

Level 3 Expertise to individual firms

Ongoing support from coach 6-18 months

Level 4 Specialist individual interventions

Business Link core offer

Other BSSP offers

Figure 1
The Desi

RECRUITMENT

National Marketing
(Design Council)

Regional Marketing
(RDA and Delivery Partner)

Business
Advisor
W'shop

Referrals from:
Sector specific Trade Assocations
Business organisations
Designing Demand client referral
Delivery Partner network
Design Associate professional network
Regional Business Support Programme referral
Other

DELIVERY

Business Link
Information · Diagnostic · Brokerage

Level 1
One-to-many

Business
W'shop

Level 2
One-to-one

Generate

Level 3
One-to-one
Peer group learning
Cohort of 14

Immerse

OUTCOMES

Case studies
metrics
Client ambassadors

Recruitment process
and marketing

Executive Education

Figure 15
The Designing Demand Technology Venture customer journey (to be)

RECRUITMENT

National Marketing
(Design Council)

Regional Marketing
(RDA to clusters and target clients)

Referrals from:
Technology Transfer Offices
Universities
Incubators
Venture Capitalists
Science Parks
Innovation Centres
Innovate Client referrals
Business Link IDB Portal

DELIVERY

Level 1
One-to-many

Technology
Venture
W'shop

Level 2
One-to-one
Peer group learning
Cohort of 6

Innovate

OUTCOMES

Case studies
metrics
Client ambassadors

Recruitment process
and marketing

2.45   The unanticipated amount of time taken to reach contract between the Delivery Partner and RDAs, and then between the RDA and the Design Council, has had a significant impact on the speed of the national roll-out. This is due in part to the rigorous multi-step procurement processes employed in the regions. Further complications were caused by the contracting or delivery restrictions imposed by external funding bodies, and delays caused when additional ERDF processes had to be followed.

2.46   In addition to contracting with the Design Council, each RDA must also procure regional delivery partners. Typically, RDAs require goods and services valued up to a total of £130,000 to be procured through open competitive tender. Goods and services valued above £130,000 must be procured through the European wide OJEU process (Official Journal of the European Union), which could add a further six months to the time taken to contract between the RDA and the Delivery Partner. The Design Council is the sole provider of Designing Demand and in December 2006 had confirmation from the DTI that single tender procurement applied to the programme.

2.47   It would not be fair to attribute slow progress made against the Cox targets to the complexity of the contracting processes alone, as it is clear the central team's time and resource has been consumed by RDA business support teams in order to make their own internal investment cases.

2.48   Where RDAs have been able to successfully deliver programme services, Designing Demand, particularly in relation to Design Associates, is considered to be good value for money and is expected to generate significant returns on investment. There is however, a lack of transparency about the role of the Designing Demand central function, and in this context, the £200,000 fixed central contribution per RDA is perceived to be very high, particularly when put into context of the total investment that some RDAs have made or plan to make in the delivery of the programme.

2.49   Finally, both the Designing Demand team and the regions have struggled with the practical and philosophical question of whether to charge SMEs for participation. It can be argued that if the service is designed to address a market failure then it is inappropriate to charge for the provision of these services. However, delivery partners from all active regions have highlighted that there are frequent 'no shows' if something is free, particularly in relation to Level 1 workshop attendance. SMEs that engage with Level 2 or Level 3 services are more likely to value participation as they are required to make significant investment of time and resources in the procurement and implementation of design projects. This investment causes further issues—client SMEs report that it is only with hindsight, knowing the benefits, that they would have invested in the programme.

The Regions

2.50   Three regions participated in the 'first wave' of the Designing Demand roll-out in 2006 —Yorkshire Forward, Advantage West Midlands and SEEDA. Both YF and AWM are in the process of re-contracting with the Design Council and are due to launch new portfolios of activity in Q3 of 2008–09. SEEDA is also extending its existing contract and is shifting its service offering towards the provision of deeper interventions by including the Level 3 Immerse product in its portfolio.

2.51   Three regions are part of the way through their current Designing Demand delivery contracts—SWRDA, ONE and the LDA. ONE is due to complete delivery of the current programme in March 2009 and is seeking to extend delivery.

2.52   Three regions are planning to participate in the 'third wave' of the Designing Demand roll-out—NWDA , EEDA and EMDA. The launch of the programme in these regions is scheduled for fiscal year 2009–10.

Figure 16
Cumulative national roll-out to June 2008

1500

1125

750

375

0

06   09   12   03   06   09   12   03   06

2006–7   2007–8   2008–9

Immerse

Innovate

Generate

Technology Venture Workshop

SME Workshops

Designer Workshops

Business Advisor Workshops

Figure 17
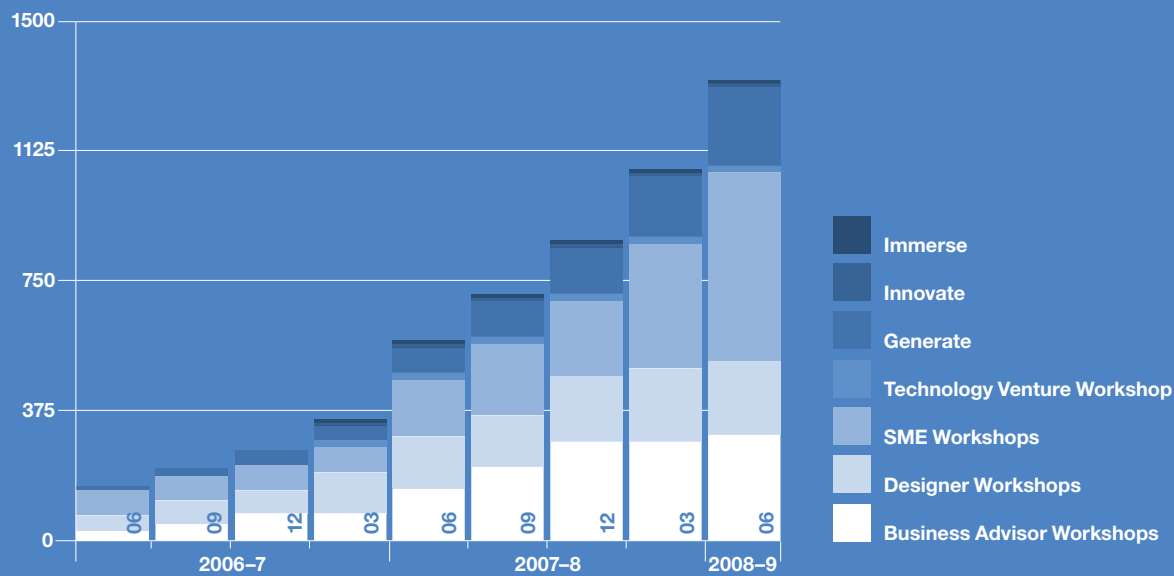*Breakdown of regional roll-out to June 2008*

April 07   April 08   April 09   April 10   April 11

Yorkshire Forward

Yorkshire Forward	Delivered	Planned
Programme Introductions	'Design Works'	
Business Advisor Workshop	25	150
Designer Workshop	50	100
Subtotal Programme Introductions	75	250
Skills Assist & Business Support Services		
Business Workshop	77	400
Technology Venture Workshop	0	50
Generate	75	200
Innovate	0	12
Immerse	10	10
Subtotal Skills Assist & Business Support Services	162	672
Total Designing Demand	**237**	**922**

2.53   Yorkshire Forward undertook the first wave of the national roll-out, regionally branded as Design Works, in 2006–07 which concentrated on the delivery of 75 Generate and a small number (10) of Immerse projects. This was in part supported by ERDF and Objective One funding.

2.54   The first wave of the programme roll-out is perceived to have been good value for money in the region, improving competitiveness and joining up both supply and demand for design in business in the region. Of the 75 SMEs that completed a Generate design project:
— 97 per cent expected to see an increase in sales, around half of which expected the total to be in excess of £100k
— 90 per cent expected to see increased profits, half of which were expected to be above £50k
— 80 per cent expected to create or safeguard jobs.

2.55   Other positive outcomes identified include improved company image, the increased profile of design internally (within the business) and a greater desire to pursue design-related initiatives.[6] Participating SMEs also reported that they developed a range of valuable contacts and networks.[7] The average project spend by each SME that participated in Generate was £15,000, with a total SME investment in external design support of £1.1m.

2.56   Yorkshire Forward is now in the final stages of re-contracting with the Design Council to deliver a broader Designing Demand product portfolio. Yorkshire Forward will offer a grant incentive to SME participants in the programme of up to 35 per cent (to a maximum of £2.5k) of the cost of a design project. This grant is in recognition of the significant investment of time, resources and funds that SMEs are asked to make during the course of the programme. Yorkshire Forward has also learned the best way to convince an SME of the value of design is to persuade them to engage with the Designing Demand programme: the grant incentive reduces the perceived risk to SMEs.

Advantage West Midlands (AWM)

AWM	Delivered	Planned
Programme Introductions	'Design for Business'	
Business Advisor Workshop	21	50
Designer Workshop	20	50
Subtotal Programme Introductions	41	100
Skills Assist & Business Support Services		
Business Workshop	34	225
Technology Venture Workshop	0	100
Generate	12	73
Innovate	0	24
Immerse	0	26
Subtotal Skills Assist & Business Support Services	46	448
Total Designing Demand	**87**	**548**

2.57 AWM focuses business support on four key areas of intervention: Innovation, Design, ICT and Resource Efficiency. The region was one of the first to participate in the national roll-out of the programme and undertook a small scale pilot of workshops and Generate during 2006–07 and 2007–08. Successful workshops were delivered to 21 business advisors, 20 designers and 34 SMEs, and 12 Generate projects were initiated.

2.58 The regional perception was that these pilots were not as successful as they could have been due to inflexibility in the delivery model, and to the time taken for the Delivery Partner to fully engage with and understand the programme. A further observation was made about the duration of workshops: 'It is a big ask to small businesses to give up a full day to attend workshops particularly when the workshop may do no more than raise awareness of design.'[8]

2.59 However, participation in the pilot allowed AWM to learn valuable lessons on the best practice delivery of the programme and, with a new Delivery Partner, it is currently re-contracting with the Design Council to deliver a broader service portfolio, to be launched in 2008–09. The intention is to integrate delivery of Designing Demand with MAS and IAS service offerings, which will allow business support in the region to focus on the customer journey from the Business Link point of entry through to the creation of a tailored service appropriate to SME clients' needs.

South East of England Development Agency (SEEDA)

SEEDA	Contracted	Actual to 06–08
Programme Introductions		
Business Advisor Workshop	75	72
Designer Workshop	75	83
Subtotal Programme Introductions	150	155
Skills Assist & Business Support Services		
Business Workshop	300	250
Technology Venture Workshop	50	57
Generate	60	51
Innovate	6	6
Immerse	0	0
Subtotal Skills Assist & Business Support Services	416	364
Total Designing Demand	**566**	**519**

2.60 SEEDA also participated in the first wave of the Designing Demand roll-out. SEEDA's project management team has worked hard in collaboration with the Designing Demand central team to shape and deliver a programme reflecting the region's requirement. SEEDA have willingly and consciously acted as a proving ground for the programme, intentionally taking on an ambitious portfolio of services in order to learn and assess the programme's approach, tools and techniques, and discover the benefits a client could get from undertaking the programme. In taking this approach, SEEDA has established its own need for a balanced portfolio of services, in particular where it uses the business workshop as a recruitment and filtering tool for potential Generate clients.

2.61 A number of significant results have also emerged from the region, some of which have been used as case studies for the programme by the regional Business Link and also by the Designing Demand central team.
Examples include:
Increased sales and orders in excess of £1m each for Craufurd Technologies and JS Humidifiers respectively.
A major supermarket listing for Prosperity Brownies (which is only mid-way through its Generate project)

2.62 To June 2008, 51 Generate design projects have been initiated with an average SME spend on external design support of £12,000. Regional investment in the design sector to date as a result of these projects totals £330,000. SEEDA has also progressed a programme of

Innovate services. These proved difficult to progress, though the intention is to conclude the current programme prior to making any further commitment to this service.

2.63   SEEDA has not accessed external funding sources such as ERDF. The current contract is set to run until the end of December 2008, when SEEDA is extending its Generate programme and is now offering the Level 3 Immerse service in its portfolio.

South West Regional Development Agency (SWRDA)

SWRDA	Contracted	Actual to 06–08
Programme Introductions		
Business Advisor Workshop	100	69
Designer Workshop	0	0
Subtotal Programme Introductions	100	69
Skills Assist & Business Support Services		
Business Workshop	0	0
Technology Venture Workshop	0	0
Generate	100	31
Innovate	0	0
Immerse	0	0
Subtotal Skills Assist & Business Support Services	100	31
Total Designing Demand	**200**	**100**

2.64   SWRDA launched Designing Demand as a business support offering in May 2007, focusing on the Level 1 Business Advisor workshops and Level 2 Generate service. The programme is contracted to run until May 2010.

2.65   SWRDA's objectives for the programme are to:
— Increase awareness of Design among businesses
— Build capacity among SMEs within the region
— Increase profitability and competitiveness of SMEs
— Ensure that SMEs receive the right intervention at the right time in the business lifecycle, in conjunction with other programmes such as MAS, High Growth Coaching and the IAS.

2.66   Designing Demand is perceived to instil strategic thinking within the SMEs that participate in Generate, over and above the business benefits of addressing specific design issues. A year into the programme, SWRDA has completed the delivery of the workshops to Business Advisors, and has launched a third of the target number of Generate projects. The average spend on external design support has been £10,331 per SME, with a total of £320,250 invested in design in the region to date.
(Note: one single company spent £145,000).

One NorthEast (ONE)

ONE	Contracted	Actual to 06–08
Programme Introductions		
Business Advisor Workshop	100	95
Designer Workshop	100	62
Subtotal Programme Introductions	200	157
Skills Assist & Business Support Services		
Business Workshop	300	177
Technology Venture Workshop	0	0
Generate	110	62
Innovate	0	0
Immerse	0	0
Subtotal Skills Assist & Business Support Services	410	239
Total Designing Demand	**610**	**396**

2.67 ONE is close to completing the current delivery contract for Designing Demand, which is due to run until the end of March 2009. The portfolio of services offered in the North East is focused on SMEs, with the Business Workshops used to channel appropriate SME clients into the Generate service. ONE also originally aimed to deliver Level 1 and Level 2 technology venture services, but when it became clear that the programme was not attracting the level of interest from the required target audience which was necessary to make Innovate regionally viable, the delivery contract with the Design Council was renegotiated. As at June 2008, 62 Generate design projects have been initiated with an average of £8,300 per SME budgeted for external design support.

2.68 ONE introduced a number of innovations to the Designing Demand delivery model, including the appointing of 'lead' Design Associates. These lead Design Associates help the regional Delivery Partner manage programme delivery and recruitment of suitable SMEs for the Generate service. Lead Design Associates make a pre-qualification visit to SMEs, and 'match' successful Generate candidates with the local Design Associate best placed to meet the specific needs of that SME.

2.69 The region's flagship business improvement initiative, the North East Productivity Alliance (NEPA) has recently procured a single delivery partner for MAS and IAS. ONE is now seeking to extend the current contract with the regional Delivery Partner and the Design Council to ensure continuity of Designing Demand. The intention is to use Designing Demand as part of a broad regional design support portfolio which will complement and add value to a number of other offerings including the combined regional MAS-NEPA service. ONE has recently awarded a contract to run a NorthEast design KTN (working title) which responds to Cox's recommendations for 'creating a network of centres of creativity and innovation across the UK'.

London Development Agency (LDA)

LDA	Contracted	Actual to 06–08
Programme Introductions		
Business Advisor Workshop	100	19
Designer Workshop	0	0
Subtotal Programme Introductions	100	19
Skills Assist & Business Support Services		
Business Workshop	200	19
Technology Venture Workshop	50	0
Generate	200	0
Innovate	12	0
Immerse	60	0
Subtotal Skills Assist & Business Support Services	522	19
Total Designing Demand	**622**	**38**

2.70 The London Development Agency launched Designing Demand in June 2008, with a strong focus on the Level 2 and Level 3 products. The LDA perceives Immerse to be the key product within the Designing Demand portfolio: Immerse will enable SMEs to achieve greater returns and longer lasting change in the way they do business, particularly as Immerse includes a relatively large amount of Design Associate contact time. The LDA is also running the Innovate Service to explore how it could fit into the landscape of technology venture assistance programmes already existing in the region.

2.71 Designing Demand sits alongside the London Creative Industries Initiative, Knowledge Connect and Design London. The shared objectives of these programmes, which are deemed complementary to Designing Demand are to:
— Empower London-based business
— Provide a broad suite of services which acknowledges that London has a wide client base for Designing Demand including service as well as product-based companies, and SMEs who might have a more sophisticated understanding of business strategy, and therefore design
— Maximise and integrate the design services provided.

Heritage Cashmere

'We knew what we wanted but we didn't have the guts to go for it. We got a kick up the backside from Designing Demand. Because of the changes we took on board we have put design at the centre of the business – it's been a sea-change in 18 months.'

John Kaye, Chairman, Heritage Cashmere

The company
Heritage Cashmere, near Halifax, employs around 25 people processing and finishing cashmere, and manufacturing clothing and accessories for leading fashion retail brands. It was founded in 1995. When the business joined Designing Demand's Immerse service in 2008, turnover stood at around £2.2m.

The problem
According to Design Associate Andrew Williamson, Heritage Cashmere had become 'less a manufacturer and more a middle man for cashmere brought in from China. They weren't adding much value and margins were being cut'. The business had a design department but it was under-used and out of sight at one end of the premises. 'Design was adding cost but not adding value,' says Williamson.

The response
A 20-point action plan aimed to build Heritage Cashmere's confidence in using design. A stronger identity as a designer and innovator, as well as a producer, would make the business better at fending off low-cost competition and more assertive with its clients. An immediate physical change has seen the design department moved to a new studio in the centre of the building, backed by a £40,000 investment in new CAD facilities, bringing it into the mainstream of the business.

A new relationship with a Thai company has opened up a good medium-term opportunity to bring creative and - for now – unique products to market through an innovative technology for printing directly on to cashmere. Heritage also plans to create an own-brand offering and build up corporate business, producing branded items for hotels, for instance.

The impact
Designers now work directly with customers, making them better at pre-empting their needs. One result was a London fashion showcase for retail buyers in April 2008, which generated £300,000 of business. During 2008, turnover is forecast to grow by £500,000 to £2.75m and the business is set to become profitable for the first time.

JS Humidifiers

'We weren't consistent in what our products looked like or how we used our brand. Designing Demand helped us realise we needed to improve. Good design sells, without a doubt. If you put a well-designed product in front of a customer that's half the battle.'

Tony Fleming, Technical Director, JS Humidifiers

The company
Sussex-based JS Humidifiers, founded in 1980, manufactures equipment that keeps humidity stable in environments from pharmaceutical plants to art galleries. It also has a fast-growing consumer division which generates around 20 per cent of its £10m turnover.

The problem
While the business has a good reputation and a majority share of the UK market, many of its international rivals for overseas business are subsidiaries of larger businesses with marketing capability to match. And JS's key JetSpray product range had not been overhauled for 25 years. 'We'd been making it for a long time and we knew it looked dated,' said Technical Manager Tony Fleming.

The response
Designing Demand's Generate service helped the business devise a project to redesign the JetSpray to bolster competitiveness by increasing sales and cutting costs. The 12 month project was handled by the internal design and engineering team and a product design graduate, who was a Knowledge Transfer Partnership placement.

As well as improving the appearance of the product, the project has made it more attractive to customers by enhancing its capabilities and specifications – it has double its predecessor's capacity and half the running costs.

The impact
The new JetSpray had an immediate impact, generating 300 sales leads and £1m in new orders at launch. The project also helped JS cut manufacturing costs by 25 per cent. Fleming says, 'We've improved the way we manufacture through factors like supply chain management, inventory and commonality of components. And we've improved efficiency by using CAD software to the full. We can now use it to prototype more rapidly too.'

In another project the business has updated its brand as well as creating guidelines for future product development which will help it express its identity through what Fleming calls 'a family of products'.

This approach also allowed the LDA to attract a delivery partner (Grant Thornton) who has design understanding and commercial credibility to deliver the programme.

2.72 At the heart of the London programme is a new CRM system. The system allows the LDA to review programme management reports in real time, and records the customer journey of all programme applicants, including unsuccessful applicants who may be channelled to other funded business support programmes more appropriate to their needs.

2.73 North West Development Agency (NWDA)
The NWDA has not yet reached contract with the Design Council to deliver Designing Demand. NWDA is in the process of creating an innovation policy framework within which design has been highlighted as a key component, alongside the High Growth Coaching programme. NWDA also wants to introduce the IAS service in the region and has paid specific attention to defining client characteristics for engagement in a business support programme. Clients' readiness for business support is assessed based on their motivation to innovate, client knowledge and capacity to act.

2.74 The Design Council's capacity to support the roll-out of the programme in the region has been seen as a barrier to contracting a portfolio of Designing Demand products, although the funding contribution to the Designing Demand central function has already been secured.

2.75 However, the implementation of Designing Demand has not been the highest priority for the NWDA, particularly given uncertainty about the outcome of BSSP. This uncertainty has now been addressed, but concerns remain about the long-term nature of investment generated by Designing Demand, the level of return on it and a perceived lack of flexibility. However, subject to ERDF matched funding, the region will look to contract to deliver the SME focused services, including Level 2 Generate and Level 3 Immerse.

2.76 East of England Development Agency (EEDA)
The East of England Development Agency has not yet contracted with the Design Council for the roll-out of Designing Demand, though it plans to contract with its chosen Delivery Partner before March 2009. EEDA aims to develop an integrated model, putting the client at the heart of its business support offering. When the region's existing MAS contract expires in November 2008, EEDA wants to aggregate MAS, the Innovation Advisory Service and Designing Demand into a single delivery contract, through which it plans to achieve economies of scale and scope through the appointment of a single Delivery Partner. The contract is for three years with a two year extension option. It is envisaged that Business Link will provide front end marketing and recruitment to the IDB service, channelling SMEs to the service most appropriate to their needs.

2.77 EEDA enjoys a growing economy of creative industries, but this is underpinned by a fundamental need to raise regional awareness of the value and application of design. The three stated objectives of appointing a single Delivery Partner for the programmes are to achieve a wider scope for MAS in the region, for the IAS to drive increased profits, and for Designing Demand to embed a foundation of 'good design' in the region.

2.78 The current budget for the period of the new tender is £4.4m, which includes funding obtained from ERDF. The annual spend will be divided between the three business support services—£1.1m per annum on MAS, and £183,000 each per annum for Designing Demand and the IAS respectively—a regional investment in the roll-out of Designing Demand of £550,000 over the next three years.

2.79 East Midlands Development Agency (EMDA)
EMDA has not yet reached contract with the Design Council to deliver Designing Demand, and sees the RDA as part of the 'third wave' of the programme's national roll-out. EMDA is the national lead for MAS, and the delivery of that service is perceived to have been extremely successful in the region and better suited to the region's business support requirement than Designing Demand. In addition, when Designing Demand was first launched, EMDA had already committed to fund alternative design interventions at the sub-regional level.

2.80 EMDA has completed and submitted an internal application to deliver Level 1 services to 200 clients, and 100 Level 2 Generate services. This reflects the regional aim to start to deliver a greater volume of high quality in-depth interventions. The application is however unlikely to be approved until 2009–10 due to regional budgetary constraints.

The devolved nations

2.81 The three devolved nations—Northern Ireland, Scotland and Wales—are not currently engaged with Designing Demand. Each is pursuing very different strategic approaches to design, and the recent relationship between the Design Council and the devolved nations has not been particularly close or collaborative. This is in part because the Designing Demand central team has not had the capacity to engage with the devolved nations while being focused on the English regional roll-out. However, during the course of this review discussions were held with stakeholders from each of the devolved nations to understand how the Design Council could collaborate effectively with the devolved nations in the future, including the opportunity to partner with the Design Council to share knowledge, which includes the Designing Demand IP.

2.82 ### Northern Ireland
Invest Northern Ireland is currently conducting a Review of Innovation in Northern Ireland, and is in the process of tendering for the delivery of design promotion and support in Northern Ireland. Invest Northern Ireland is part of the Department of Enterprise, Trade and Investment and provides government support for business by delivering the government's economic development strategies, making the most efficient use of available resources. It offers the Northern Ireland business community a single organisation providing high-quality services, programmes, support and expert advice. This service principally supports businesses in the manufacturing and tradable services sectors, and there are many potential opportunities to build on the experience of Designing Demand in these sectors.

2.83 Enterprise Ireland was also consulted during the course of this review. The future potential for cross-border collaboration in the application of design for development and promotion of the indigenous business sector was discussed, although this is likely to fall within the scope of the Designing Demand programme post 2010–11.

2.84 ### Scotland
Design Innovation Scotland is the Scotland-wide response to the Cox Review of Creativity in Business. Design Innovation Scotland is a country-wide network with a focus on education and business which includes Scottish universities, the Lighthouse and Scottish Enterprise.

2.85 The Lighthouse nurtures, champions and promotes Scotland's architecture and design nationally and internationally while profiling best practice from across the country and the world, bringing world-class thinking and projects to the UK. This is achieved through a diverse range of projects, exhibitions, events, networks, festivals, awards and publications.

2.86 The Six Cities Design Festival, which took place in May and June 2007 was a £3m initiative aimed at celebrating and raising awareness of the value of design and creativity in all six of Scotland's cities. The Design into Business programme as part of this festival was a nationwide initiative developed in response to the Cox Review. The programme aimed to promote Scottish designers at home and abroad, while encouraging Scottish companies to utilise and integrate design within their businesses.

2.87 The principal aims were to:
— Promote design as a strategic business tool
— Create an environment for lasting collaboration between Scottish designers and industry
— Support designers to become business focused.
The programme featured a series of talks, workshops, training sessions, case studies, partnerships, networking and signposting events. The programme was developed with partner organisations including; the Cultural Enterprise Office, the Creative Entrepreneurs Club, Design-Nation, Design Wales and the Design Council. The Design Council ran two Designing Demand workshops for businesses which received excellent

delegate feedback. The programme culminated in the national Six Cities Design into Business Conference which provided inspiration and practical examples from Scottish businesses of how design has made a difference to business development.

2.88 Also, worthy of note is the Scottish government's proposal to award one of the biggest international innovation prizes in history through its plans for the Saltire Prize—a £10m challenge prize for advances in clean energy.

2.89 Designing Demand has the potential to fit within a number of Scottish initiatives and organisations should there be a desire to progress such an activity. Once again this is likely to be post 2010–11.

2.90 Design Wales
Design Wales is based at the University of Wales and commissioned by the Welsh Assembly to instil principles of design within Welsh business through a four-tier intervention service. In common with Designing Demand, the design support to Welsh business constitutes the provision of advice, focused promotion, facilitation and mentoring, to raise awareness of design issues and to help businesses make the most of their investment in design. The Design Wales advisors are experienced designers who help businesses to introduce or develop the use of design but will not actually carry out the design work itself.

2.91 The four levels of Welsh support to business are:
— Level 1 Telephone and email advice lines
— Level 2 Regular brand and web design workshops, 'Brand Essentials'.
These workshops aim to provide the basic skills needed to understand a client's target market, as well as an awareness of the design process required to create and implement an identity, including how to source, brief and manage external design expertise. These workshops are specifically designed for start-ups and established companies that have yet to successfully develop an identity or brand.
— Level 3 Industry sector-specific support. Current industry focused initiatives include:
1. Branding and packaging for the food sector
2. Colour and trend prediction for the fashion and textiles industry
3. New product development in the manufacturing sector.
— Level 4 One-to-one advice from specialist design advisors to help businesses to complete a specific design project or to explore how design might be implemented within their business.

2.92 The current Design Wales contract to deliver the four tier business support service will expire in March 2009. Design Wales will be bidding to renew the tender and the opportunity to share Designing Demand knowledge in order to reinforce the Design Wales bid should be pursued. Design Wales may also have much to share on the provision of industry specific initiatives.

3.

The Continuing Roll-out of Designing Demand

3.01 **This section explores the continuing need for the Designing Demand programme, the SME market for business support and the potential opportunities for closer collaboration with other government-funded programmes under the Business Support Simplification Programme (BSSP).**

The SME market for business support

3.02 In line with the recommendations from the Cox Review, which focused on SMEs, Designing Demand is aimed at the estimated 1.2 million SMEs in the UK. The European Union definition of SMEs, which came into force 1 January 2005, defines them as non-subsidiary and independent firms employing fewer than 250 employees, with a balance sheet that should not exceed €43m and a turnover which should not exceed €50m.

3.03 Significantly for the funding of Designing Demand and other business support programmes, this EU definition of SMEs is also applied to all Community Acts and regional funding programmes. State Aid regulations allow that SMEs can be a granted a higher intensity of national and regional aid than large companies, thus allowing Designing Demand to be fully government-funded but at the same time also ensuring that RDAs can draw down European Regional Development Funding (ERDF).

3.04 Of the estimated 1.2 million SMEs in the UK, an estimated 1 million are located within the nine English regions. Of the estimated 4.7 million businesses recorded by BERR[9] at the start of 2007, the vast majority (99.3 per cent) are small businesses with fewer than 50 employees. These small businesses provided 47.5 per cent of UK private sector employment and 37.4 per cent of turnover. It is these small businesses which might best access the Level 2 Designing Demand Business Support Services. Medium sized businesses, which may be better suited to the Level 3 Business Support Service are in the minority. There are around 6,000 firms that have 250 plus employees, but this accounts for 40.8 per cent of private sector employment and 48.5 per cent of turnover.

3.05 It is recognised that at the current level of national investment in Designing Demand, the programme can only touch a very small percentage of this SME market. Closer collaboration with other funded business support programmes under BSSP is one route to ensuring that the potential of Designing Demand to have a positive impact on SMEs at a national scale is increased.

The opportunity for closer collaboration: Business Support Simplification Programme

3.06 This section on closer collaboration with other support programmes under BSSP is focused on the Manufacturing Advisory Service (MAS) because of the three business support services that Designing Demand is aligned with under BSSP (MAS, IAS and High Growth Coaching). MAS has been the most successful at the national level.

3.07 MAS has firstly been very successful in realising tangible programme outcomes in the manufacturing sector, and secondly in creating a programme operating and delivery

model that has been developed in partnership with RDA business support delivery mechanisms. MAS is described as having entered the DNA of business support services in the regions.

3.08   This review has identified a number of key areas in which Designing Demand should align with MAS. The 2007 MAS Evaluation included a survey which asked MAS clients to identify the areas of their business in which they would require future external advice and support. These areas were:

Region	Marketing*	Production	Management* & Strategy	Product & Service* Development	None	Other
All	38	32	29	20	10	1
East Midlands	39	29	26	31	4	1
North East	33	34	28	26	3	2
North West	25	51	32	15	7	2
South West	33	43	32	16	7	1
Yorkshire & Humberside	35	31	32	17	11	1

Table 4 – *Business areas most in need of external advice and support, by study region* [10]

3.09   Designing Demand services include offerings that address marketing, management and strategy, and product and service development issues. In addition, the 2007 MAS Evaluation reported that SMEs would welcome an expanded suite of technical and business assistance:

3.10   Technical assistance
        — Product Innovation and development and access to universities' expertise
        — More consultancy days offered
        — Longer term relationships
        — Technological information.

3.11   Business assistance
        — Assistance in relation to optimal staffing/HR and management issues
        — Business strategy development.

3.12   Some of these services* are specifically covered in the Designing Demand programme, while others could be addressed by the IAS and High Growth Coaching services. To ensure the best possible customer journey through government funded business support intervention programmes, the client base of MAS (and of other intervention programmes) should be linked, where there is a clear client need, to the Designing Demand programme.

3.13   Knowledge sharing between SMEs and between business support programmes
        Client SME interviews for this review revealed a desire to participate in peer to peer learning opportunities and alumni networks, and the view that the Design Council in partnership with the regions should consider ensuring that these become part of Designing Demand in the future. This finding is supported by findings from the MAS Users Business Survey (2007). Specifically, the MAS evaluation recommended that consideration should be given to:
        1. Establishing demonstration groups (allowing businesses to visit other 'best practice' companies)
        2. Establishing and facilitating local discussion groups
        3. Providing a list of approved suppliers/best practice/business guides/directories.

3.14   The Technology Strategy Board's (TSB) experience of delivering Knowledge Transfer Partnerships is based on similar conclusions about the power of knowledge sharing among best practice groups of business advisors, and of SME clients. Knowledge Transfer Partnerships (KTPs) are intervention programmes helping businesses to

improve their competitiveness and productivity through the better use of the knowledge, technology and skills within the UK knowledge base.

3.15 Each KTP employs one or more high calibre associates (recently qualified) to work on a project that is core to the strategic development of a business. The main parallel to be drawn between Designing Demand Level 2 and Level 3 services and a KTP is that the KTP intervention relies on a tripartite collaboration between a client, an associate and a university, overseen by the TSB. Similarly, Designing Demand relies on collaboration between client, a Design Associate and a designer or design company, overseen by the Design Council.

'It is very important the company chooses a university with appropriate academic expertise. It's also very important that the company buys into the project and doesn't view it as just a sideline, that it's strategically important to them so it sets their commitment, and probably most importantly, that they get the right associate.'[11]

Professor Wendy Lomax, Kingston Business School

3.16 This review will recommend that the Design Council in partnership with the regions should implement best practice knowledge sharing and seek to collaborate with intermediaries and specialist advisors from other programmes within BSSP. This will not only enhance the diagnostic and referral process to connect SMEs with the business services that will best meet their needs, but will also support 'client readiness' qualification.

4.

Achievements and Effectiveness of Designing Demand

4.01 **This section considers the achievements and effectiveness of Designing Demand at this early stage in the programme roll-out, detailing the inputs, outputs and expected outcomes of the programme and reflecting on the outcomes of the previous Design Council-led business support interventions.**

Metrics and measurement

4.02 Given that the Designing Demand programme was only launched in 2006–07, the number of client SMEs able to report on programme outcomes is not yet significant enough to draw robust conclusions about its effectiveness. Lack of programme-wide measurable outcome data has been compounded by the staggered phasing of the regional roll-out. However, there are some promising early indicators: of the 75 SMEs that completed a Generate project in South Yorkshire, 97 per cent expected to see an increase in sales; 90 per cent expected to see increased profits; and 80 per cent expected to create or safeguard jobs. Other less tangible outcomes identified in South Yorkshire include improved company image, a greater desire to pursue design related initiatives,[12] and the establishment of new creative services contacts and business networks[13].

4.03 With respect to Immerse and its preceding pilot programmes, a review by PACEC in July 2007 concluded that of 30 SMES participating, turnover increased by 14 per cent, profit increased by nine per cent and employment increased by 13 per cent above earlier predicted levels[14].

4.04 Since 2000, the Design Council has commissioned a range of third party evaluations to assess the achievements and effectiveness of the business support initiatives that preceded Designing Demand (see appendices). A desk review of these evaluations indicates:
— There is a significant delay between a design intervention and a measurable outcome in terms of business growth
— Most SME participants do not realise economic benefits until after they have completed and embedded a design-led change or changes in their businesses.
It is, however, possible to understand the more immediate qualitative achievements of the programme through the real-time monitoring and evaluation of softer metrics, such as cultural transformation, business strategy development or evolutions in user experience.

4.05 In the case of Designing Demand, regional metric data collection and reporting requirements are driven by the particular funding model and delivery mechanism that has been adapted for that region. For example, where RDAs have secured ERDF support, ERDF-specified metrics are collected and monitored. These are not necessarily aligned with the evaluation guidelines developed by the Design Council for Designing Demand.

4.06 The Designing Demand evaluation guidelines are not mandatory and the responsibility for commissioning independent close-out evaluations of regional programme delivery lies with the RDAs and their Delivery Partners. This process is almost entirely

12,13 EKOS Evaluation of the South Yorkshire Design works Programme January 2008.
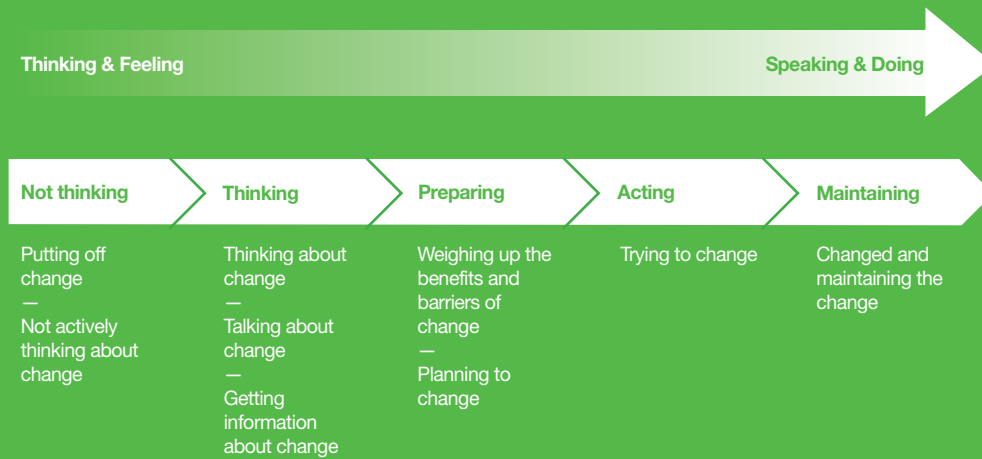14 PACEC, July 2007, Phase 2 Six Month Tracking and Impact Report.

retrospective, with the exception of workshop feedback gathered on the day. Given that the programme remains in its infancy, these close-out evaluations currently lack depth in respect of SME sample size, and, because the responsibility is devolved, the quantitative and qualitative metrics assessed lack consistency between regions.

4.07 This review will recommend that systemic real time indices for monitoring and evaluation should be implemented, in line with BSSP recommendations and MAS precedents. In addition, the specific responsibility for this activity should be allocated to a single accountable authority able to action management decisions, based on this performance information.

4.08 **Programme inputs**
The development of the key programme assets detailed earlier in this review should be counted among the main achievements of Designing Demand to date. The quality of these inputs—the Design Associates are the principal programme asset—will drive the quality of programme outcomes. SME clients who have contributed to this review all cite the quality of Design Associates as being a critical factor in determining the impact of the programme.

4.09 The Design Council's strong brand and the high quality programme content has provided consistency and continuity at the national level. While RDAs own the programme at the regional level, they attach significant value to the fact that they obtain the programme content and Design Associates from the Design Council.

4.10 **Programme outputs**
Although the national roll-out currently falls short of the Cox targets, the feedback provided by the RDA steering group since Designing Demand's launch has been invaluable to research and development.

4.11 **Programme outcomes**
While it is too early in the roll-out of Designing Demand to assess whether the current programme delivers value for money, there is one medium-term outcome that should not be overlooked. Where RDAs have completed or are close to completing current delivery contracts for Designing Demand, all of these RDAs are seeking to continue working with the Design Council and extend or re-contract the programme.

4.12 In addition to the specific outcomes attributed to SME participants, anecdotal evidence also suggests that the most significant outcome of participation in Designing Demand's Business Support Services is strategic and cultural business transformation. Positive economic outcomes may follow this strategic and cultural transformation. The existing monitoring and evaluation processes must be strengthened in order to demonstrate these intangible outcomes. For example, SMEs effectively travel through the five stages of behaviour change before they embed design thinking at the heart of business. *(Figure 18)*

4.13 This review offers the opportunity to provide course-correction recommendations (where necessary) to ensure that the programme will provide evidence that it has achieved value for money. There is no question that the Designing Demand programme should continue with the current roll-out in the regions, with the improvements that this review will recommend.

4.14 Stakeholder support for the programme has been positive: the demand from SMEs clearly exists. The programme's strategic assets are of exceptional quality, most impressively evident in the roster of Design Associates recruited to date. Further, the expected outcomes of the programme look promising, although more work is required to demonstrate this.

Expectations of Designing Demand—outcomes of previous design interventions

4.15 The UK economy is entering a downturn. Government, the Design Council and the regions will experience increased scrutiny on public spending. Based on previous Design Council experiences of business intervention, Designing Demand is expected to add value to the bottom line as well as contribute to 'softer' business outcomes. The following section details some of the previous business outcomes realised.

Figure18
The five stages of behaviour change

Thinking & Feeling → Speaking & Doing

Not thinking	Thinking	Preparing	Acting	Maintaining
Putting off change — Not actively thinking about change	Thinking about change — Talking about change — Getting information about change	Weighing up the benefits and barriers of change — Planning to change	Trying to change	Changed and maintaining the change

Figure18
The five stages of behaviour change

4.16   At the start of 2008, the Design Council commissioned EKOS to perform a follow-up evaluation on 35 of the companies that had participated in the Immerse programme delivered by the Design Council in partnership with the CIF and the EEF. These interventions were known as 24/7 and Design Immersion. The objective of the 2008 evaluation was to assess the impact of Immerse in terms of perceived impact on company performance.

4.17   Due to the small sample size of companies which took part in the evaluation, caution should be exercised when interpreting the findings. However, the report highlights many of the outcomes that should reasonably be expected from the Designing Demand programme:
— Immerse is seen to have been relatively successful in increasing market share and sales
— Immerse has also helped improve access to new markets and increase profits
— It is yet to become a driving force behind companies gaining market leader status.

4.18   Business benefits have been attributed to Immerse in four of the five areas considered to be the most important by participating SMEs: increased market share, increased profits, entry into new markets and increased sales. The exception is the achievement of market leader status. However, companies who accessed the pilot service six years ago remain enthusiastic about its longer term qualitative impact.

4.19   The 2008 evaluation reports that overall, where sales and profits have increased through participation in Immerse, these increases were substantial and were accompanied by an increase in market share that could also be attributed in part to the programme. The sample SMEs did not report a corresponding increase in employment, which suggests that Immerse helped these SMEs to exploit untapped potential.

4.20   The 2008 EKOS evaluation suggests that the full positive effect of the Immerse service has still not yet been seen.[15] Additional benefits are predicted to occur between this review and mid-2009. The table below highlights the time between an intervention and the achievement of outcomes.

Length of time after engagement (years)	Business Benefits (survey)	Qualitative Benefits (case studies)
0-1	The only business benefit reported in the first year after engaging with Immerse was one company stating that brand awareness had improved. No increases in sales, profits or market share were recorded, reflecting both the duration of Immerse interventions and the fact that it has not been designed as a 'quick fix' solution.	Project design and implementation
1-2	Two companies reported increasing market share, entering new markets and increasing sales. Profit increases were recorded by one company.	Project design and implementation
2-3	This is the period when business benefits have been most likely to occur, especially in the first six months, ie 2-2.5 years after engagement. Four companies increased market share, two entered new markets, two increased sales and two increased profits.	Period when profitability appears to improve and a design culture starts to become embedded.
3-4	No business benefits were recorded in this period.	Anecdotal evidence of more sophisticated design, branding and market share with increased design related experience.
4-5	Limited business benefits—one company reported an increase in profits and one reported improved brand awareness.	
5+	Examples of business benefits across most categories although only by one company in each.	Longer-term cultural change.

Table 5 – *Summary findings on the timing of Immerse benefits*

4.21   A range of qualitative or cultural impacts of the Immerse service were also demonstrated. Design played a central role in strategic planning activity and increased design thinking was applied to advertising and corporate communications. Design Associates also helped companies spend more effectively on design, and increased SME confidence in appointing designers or procuring design advice.

4.22   Examples of these 'softer' outcomes of participation in Immerse included:
— Reviews of brand and customer engagement strategies that resulted in new brands and customer presentations
— The adoption of design best practice and the role of design in new product development, resulting in new products being developed and launched
— Market identification activities being broadened, resulting in products being introduced to new and previously unrecognised channels
— A deeper understanding of customer and user-experience, resulting in a change to more customer-focused management behaviour
— The introduction of clients to other government support programmes.

4.23   Immerse was also successful in connecting SMEs with local creative industries. Also, SMEs which experienced significant returns on their design investments have increased and maintained their engagement with external design consultancies.

Finally, it should be noted that a number of Immerse clients have achieved design and/or industry recognition through a number of national award schemes:
— Staff from Johnson Tiles worked on the development of the Materials Lab, the surface design resource centre that won a Retailer Interior Award in 2006
— Taylors Eye Witness (formerly Harrison Fisher) won a Gold Award in the Kitchenware category at the 2007 Industry Awards ceremony for its new magnetic knife rack
— Stewart Plastics won a House Beautiful Award for a new product
— Naylor Industries won the best SME award at the Manufacturing Excellence Awards 2008.

5.

Key Findings, Conclusions and Recommendations

5.01 **This section summarises the findings and recommendations of the review, and highlights issues for consideration during the remainder of the current CSR and for the future positioning of the programme. What should be remembered above all is that the creation of a national programme to deliver design focused business support, and the Cox delivery targets for the roll-out of this programme were not the end in itself, but the first step taken to embed design at the heart of British business. If Designing Demand is really going to succeed first as a national programme and secondly as a service offered under BSSP, then the Design Council and the regions should be seeking, post 2010-11, to deliver design interventions on a much greater scale than the Cox targets.**

Key findings of the review

5.02 The key findings of the review are detailed under the following seven headings:

5.03 1. Programme objectives
— Where it has been delivered, the programme has been delivered to a high level of quality.
— The regional roll-out against the stated programme objectives of Designing Demand to 2010-11 has been slower than anticipated, with six of the nine RDAs contracted to date.
— The pressure on regions to deliver a high volume of Level 1 services (workshops) in a short timeframe has resulted in the participation of SMEs who are neither appropriate for the programme nor relevant. In addition, Level 1 services do not have sufficient depth or traction with SMEs to embed design at the heart of business.
— Where RDAs have drawn down ERDF, funding criteria also have a bearing on the programme portfolio in a given region.

5.04 2. Organisational structure, funding and governance
— The national programme is the ultimate responsibility of the Design Council's executive team, with additional input from a steering group and an advisory board.
— Given the national status of the programme, DIUS and BERR's financial involvement, the use of ERDF funding, the scale of investment, and the decentralised nature of delivery, clarity is required around the executive decision making and implementation processes.
— The Design Council is currently funded by grant in aid from DIUS. Each of the nine regions will have contributed £200,000 over the three years of the current CSR, a total contribution of £1.8m.
— The current Designing Demand delivery cost model (based on this fixed RDA contribution) does not reflect the actual profile of the programme roll-out in the regions.
— Each RDA has committed different levels of investment to the programme, and contracted delivery targets that are markedly different between RDAs and different from the targets envisaged in the Cox Review.
— The Cox targets do not currently reflect the market needs of the regions or indeed the potential future roll-out of the programme.
— The cost of the central team and the Design Council's overhead recovery are not explicit and transparent to RDAs.

5.05 **3. Alignment of Designing Demand with other government support programmes**
— In some cases, RDAs and delivery partners are intending to align Designing Demand with other relevant business support offerings such as the Manufacturing Advisory Service, the Innovation Advisory Service and High-Growth Coaching.
— The outcome of closer alignment with other services under BSSP would ensure that:
1. Clients can be referred seamlessly between programmes in accordance with their needs on a timely basis
2. Understanding of programme effectiveness, delivery models and knowledge can be shared between programme management teams, delivery partners and specialist advisors.

5.06 **4. Programme content and client readiness**
— Designing Demand, in common with other funded business support programmes, offers a tiered approach to the provision of support.
— Designing Demand works best when it is demand-led—with the right client, at the right time, with needs that can be specifically addressed through the programme offerings.
— Early qualification to identify whether SME clients are likely to derive benefit from the programme will increase the productivity-to-cost ratio of the programme.
— Client selection guidelines have been developed, but they are not universally applied to qualify clients for participation in the programme, nor are these guidelines mandatory.

1. Level 1 services consistently receive excellent participant feedback but do not necessarily function as the first step in a multi-tiered customer journey. Where the transition from an SME or Technology Venture Level 1 workshop to a Level 2 service occurs, further qualification is required to ensure the client is suitable for the more intensive service.

2. Level 2 Generate has delivered specific, measurable and material results.

3. Level 2 Innovate has not been widely rolled out in the regions, with many delivery partners struggling to effectively engage suitable early stage technology venture clients. Results where they exist are impressive, but the scale of the roll-out to date is too small to have an impact at the national level.

4. Level 3 Immerse has been implemented at a much smaller number of SME clients and not all RDAs have offered this service. However, this service is highly valued by client SMEs and by RDAs and Delivery Partners, where the right client SMEs have been identified. Material results are in evidence from pilot programmes.

5.07 **5. Metrics and measurement**
— Metric data collection is focused on programme roll-out against the Cox targets (total number).
— Project evaluation is conducted as a close-out activity, and it is too early in the roll-out of the programme to expect fully fledged outcomes for the Level 2 and 3 services.
— In addition, adequate performance management metrics do not exist to allow effective monitoring and evaluation of the programme delivery throughout the entire SME client customer journey, particularly where it is required to understand client entry points.
— In parallel to this review, the BSSP team is working on a monitoring and evaluation framework which all the BSSP product owners will have to comply with. The recommendations will be made to the BSSP Transition Management Board.

5.08 **6. Assessment of key programme assets**
— Design Associates have been universally praised for their conduct and capability. This is attributed to the processes employed in their recruitment, management and continued professional development.
— The Design Council has developed a comprehensive roadmap to support the Design Associates through the delivery of specialised coaching, quality control and continuing professional development including the embedding of the sustainability agenda.
— The Design Council is also in the process of formalising an alumni model for additional knowledge transfer between the Design Associates.
— The intellectual property created to date for Designing Demand is intended to be

'open source', to be freely available to all SMEs that wish to learn from the programme and to capture improvements to the programme offerings whenever and wherever they are suggested.

— There are three key opportunities to do this: disseminating the programme in partnership with the regions who are closest to regional needs, employing the expertise of Design Associates and through the participation of each new client SME.

— The 'open source' development of Designing Demand products should, over time, ensure improved quality, reliability, flexibility and lower cost.

— There are three specific product registrations:
   1. Matchbox™ (The tool used within Workshops)
   2. Networkshops™ (Workshops embedded within the Immerse programme)
   3. Managed content that is copyright of the Designing Demand website.

— The Designing Demand central team has amassed a great deal of knowledge and expertise, not only from Designing Demand, but also from the pilot programmes which preceded it. Loss of key personnel could constitute a risk to the programme.

5.09 **7. Brand management, marketing and channel management**

— The Design Council brand is strong, denotes high quality and generates SME client confidence in the programme.

— The Designing Demand brand and naming conventions will become aligned with the recommendations of the BSSP Transition Management Board.

— The Design Council is responsible for delivering a national marketing and awareness campaign. RDAs and their delivery partners are responsible for regional marketing activities, though these regional activities are in many cases supported by the Design Council.

— Clarity is required with regard to the marketing support services offered by the Design Council and this support also needs to reflect the national marketing strategy of the BSSP.

— These marketing services might include: client targeting, brand and product guidelines, advice on how to engage with clients, event management and co-ordination, awareness campaigns, knowledge gathering, structure and value of case studies, and the co-ordination of PR and communication activities. The associated cost of marketing support services needs to be transparent.

Overall conclusions

5.10 Designing Demand has demonstrated its ability to add significant value to businesses. However, this review has raised questions about the comparative value of the different products in the programme portfolio and whether the portfolio of products is appropriately balanced to meet regional priorities and needs.

5.11 The market failure which Designing Demand was created to address still exists. In the absence of the programme, there are indications that SMEs would still fail to use design effectively.

5.12 In common with the outcomes of other government funded business support programmes such as the MAS, High Growth Coaching and the IAS where delivered, early indications from Designing Demand are that the deeper (and more intensive) the intervention, the greater the eventual returns on the investment.

5.13 The roll-out of Designing Demand has fallen behind its original delivery targets and objectives because the roll-out through the chosen channel of the Regional Development Agencies has been slower than anticipated. The central team does not have the capacity to deliver multiple regional roll-outs simultaneously and this has in some cases been seen as a restriction to regional roll-out. A further issue has been the time taken to reach contract between the Design Council and the RDAs. This is due in part to the rigorous procurement processes employed in the regions, and delays caused in securing ERDF funding.

5.14 More significantly, the current product portfolio mix of high volumes of workshops and lower volumes of Skills Assist and Business Support Services is not conducive to the creation of enough 'business champions to champion design' as envisaged in the Cox Review.

5.15 Perhaps the most important challenge for the different organisations involved in the delivery of Designing Demand is to ensure the wide dissemination of successful

programme results to the SMEs that need to hear about them. The programme monitoring and evaluation frameworks must produce robust, qualitative conclusions about the outcome value of participation in Designing Demand, supported by meaningful quantitative metrics. At the national scale, these quantitative metrics are not yet in evidence, not least because the programme remains in its infancy. Current evidence suggests that return on investment outcomes may not be manifest until up to 12 to 18 months after an SME has completed the programme.

5.16   The second important challenge for all those involved in Designing Demand is the effective integration of Designing Demand with the other business support programmes being delivered in the regions. Each RDA has, through its chosen Delivery Partner, implemented different delivery mechanisms. In the majority of cases, RDAs have sought to align Designing Demand organically with their existing business support offerings. This alignment should now be made explicit and operational under the BERR-led Business Support Simplification Programme (BSSP).

5.17   This review has been conducted at the mid-point in the national roll-out of the programme. The opportunity here is to recommend changes that will provide a course correction, not break with the way that the programme has been rolled out to date. Stakeholder support for the programme has been overwhelming: the demand from SMEs, although slower to achieve traction in some areas than others, is there. The programme's strategic assets are of exceptional quality, most impressively evident in the roster of Design Associates recruited to date. The expected outcomes of the programme look extremely promising, although there is more work required to demonstrate this.

5.18   The Design Council, in partnership with the RDAs and their delivery partners has made great progress in scaling up the Designing Demand programme to meet a national requirement. Over the last 18 months of research and development it has established increased delivery capacity, absorbed the many lessons learned through the first wave of the programme roll-out and generated a clear understanding of how the programme might best be delivered in the future.

5.19   All the evidence gathered for this review demands that the programme roll-out continue vigorously over the remainder of the current CSR period. The existing monitoring and evaluation processes must be strengthened and augmented under BSSP, in advance of the comprehensive value for money assessment that will take place at the end of fiscal year 2010–11. It is at this point that the decision should be made whether to scale up the programme, maintain its delivery at a steady state, or consider appropriate exit strategies

Recommendations

5.20   This review makes 'course-correction' recommendations to be implemented within the period of the current CSR, and to capture stakeholder expectations on the future positioning and development of the Designing Demand programme. Recommendations are grouped under eight headings.

5.21   1. Programme objectives
— Designing Demand should focus on the market failure—supporting SMEs to access creative services—rather than on market supply—supporting designers to engage with SMEs. Evidence gathered for this review suggests that there are enough designers nationally with the experience and capabilities to meet the needs of SMEs. Where appropriate to regional requirements, the Design Council should consider ceding the Designer Skills Assist product to design industry trade bodies.
— The Design Council and the regions should consider a revision of the current national and regional targets, with specific emphasis on delivery target mix: current targets are aimed at achieving a high volume of Level 1 workshops in comparison to a much lower overall number of deeper Level 2 and Level 3 interventions.
— The programme delivery targets should focus on achieving a higher proportion of Level 2 and Level 3 interventions that will optimise the return on investment for both RDAs and client SMEs, particularly in terms of increased GVA.
— This shift would also reflect the requirements of external funding bodies. The European Regional Development Fund (ERDF) is increasingly looking to fund more in-depth business assists in line with the Level 2 and Level 3 business support

services offered by Designing Demand.
— The Design Council and the regions should consider technology venture activity—the Workshops and Innovate—to be delivered through specialist delivery partners located in Technology Transfer Offices, incubators, science parks and innovation centres.

5.22 **2. Organisational structure, governance and funding**
— It is recommended that the Design Council undertakes a review to clarify Design Council central organisation structure, costs and responsibilities, in addition to the specific expectation of activities incumbent upon the RDAs and their respective Delivery Partners.
— It is further recommended each RDA, at a senior level, engages with and takes a more prominent role in the governance of the programme alongside DIUS, BERR and the Design Council.
— In addition to any increase in activity as a result of these recommendations, it is envisaged the Design Council will remain responsible for:
1. New product development
2. Product content
3. Knowledge management
4. National marketing, event management and communications
5. Relationship and contract management
6. Quality assurance
7. Measurement and evaluation at a national level
8. The recruitment, training, management and continuing development of Design Associates.
— It is recommended that a new central programme and product costing model should be developed between the Design Council and the RDAs, together with Designing Demand's sponsoring departments, DIUS and BERR. BERR's current decentralised funding (through the RDAs) of the national programme's central costs should also be considered, as should a co-operative approach to executive governance and funding in line with the objectives of the RDAs.
— Appropriate exit strategies should be developed if specific elements of Designing Demand do not align with this new cost model. This might include ceding Designing Demand IP to other public or private sector service providers.

5.23 **3. Alignment of Designing Demand with other government support programmes**
— The Design Council, in partnership with the regions, should implement best practice knowledge sharing between programmes and should seek to collaborate with intermediaries and specialist advisors from other programmes within BSSP, as well as enhancing the diagnostic and referral process to channel SMEs into the most appropriate business support programme to meet their individual needs. (Particular attention should be paid to the relationships which should exist with the Manufacturing Advisory Service, the Innovation Advisory Service where delivered, and with High Growth Coaching programmes.)
— The Design Council should formalise client referral processes between Designing Demand and other programmes under BSSP as an enhancement to the existing IDB process employed by Business Link.

5.24 **4. Programme content and client readiness**
— Existing client selection guidelines should be mandatory and be integral within the monitoring and evaluation framework in order to drive a high productivity-to-cost ratio in the delivery of the programme.
— Selection criteria should, however, consider regional variations in respect of targeting and filtering prospective clients.
— The Design Council should continue to provide flexible support to RDAs in client identification and selection activities, including the briefing and training of the business advisors and Delivery Partners in the assessment of client readiness for Designing Demand.
— Programme monitoring and evaluation should also support the continued development and improvement of effective regional client selection processes.

5.25 ## 5. Metrics and measurement

— It is recommended that BERR, DIUS and the Design Council, in partnership with the regions, review the current monitoring and evaluation framework, and institute a common suite of business support performance and delivery metrics according to BSSP recommendations on monitoring and evaluation.

— The impact of the current economic downturn should be addressed in the monitoring and evaluation of programme effectiveness and value for money.

5.26 ## 6. Management of key programme assets

— The Design Council should continue to fund the continuing professional development of Design Associates through grant in aid received from DIUS, to enhance the programme content as well as the skills of the individual Design Associates.

— Looking to the post-2011 delivery of the programme, the Design Council should develop an IP strategy for the further development of the Designing Demand toolkit and programme content, including making allowance for specific future contracting into the private sector.

— The Designing Demand central team should be assessed for risk in terms of staff turnover and loss of continuity. Appropriate contingency plans should be put in place.

5.27 ## 7. Brand management, marketing and channel management

— Subject to the BSSP recommendations on naming conventions and brand management, future consideration should be given to positioning the Design Council as the endorsing brand of the services delivered through the Designing Demand programme offering.

— BERR and the Design Council should be responsible for the formation of strategic relationships with the most appropriate national industry bodies to seek endorsement of Designing Demand and to channel high quality potential clients into the programme.

— Where appropriate to regional context, RDAs and Delivery Partners should work with the Design Council to generate client referrals from regional industry bodies.

— In line with BSSP and regional channel management strategies, all activities should focus on channelling potential clients to the Business Link IDB process wherever possible.

5.28 ## 8. Future programme development

In addition to recommendations which relate to the programme within the current CSR, a number of areas should also be considered in respect of the programme's future.

— With regard to the programme's UK-wide expansion, the Design Council should consider a collaborative approach to working with incumbent organisations (where existing) in each of the three devolved nations, whereby the programme IP content may be ceded, and marginal contribution to central costs achieved.

— Consideration should also be given to the construction of relationships with leading academic institutions in order that leading edge thinking in the programme's content can be continuously developed, and that the learning and evidence resulting from the programme can be fed into business schools and management programmes in order to inform business education for the future.

— For the future contracting of Delivery Partners, RDAs should also consider the economies of scale and scope which may be achieved through the appointment of a common supplier for the delivery of Designing Demand, along with other relevant 'Business Expertise' offerings under BSSP—specifically the MAS, IAS and High-Growth Coaching services.

— All parties should remain mindful of the programme's objectives and to this end, any opportunity to cede IP and assist in the migration of programme elements into the private sector to expand the programme's reach, or to reduce the programme's dependency on public funding should also be considered.

6.

Appendix

A: List of evaluations of Design Council-led business support to June 2008

Programme (Description)	Programme Live Dates	Evaluation Author	Evaluation Date
Generate-type services			
1. Evaluation of the South Yorkshire Design Works Generate-type services	2006–2007	EKOS	January 2008
Immerse-type services			
2. Design Immersion Programme Impact Update 2006 (case study compendium)	2002–2005	Technopolis	October 2006
3. The evaluation of the performance of the Design Immersion Programme and its benefits to ceramics companies	2004–2006	Technopolis	October 2006
4. Design Immersion Programme: Phase 2 six-month tracking and impact report	2005–2006	PACEC	July 2007
5. Designing Demand Immerse service: Follow-up evaluation	2002–2008	EKOS	August 2008
Innovate-type services			
6. Synthesis report on the impact case studies prepared by Technopolis in the course of the project review for the Design Council's Technology Campaign including: Design demonstration phase Innovation service pilot	2004–2005 2002–2005	Technopolis Technopolis	September 2005 June 2006
7. Technology Campaign impact update	2002–2005	Technopolis	June 2006
8. Designing Demand Innovate service: Follow-up evaluation	2002–2008	EKOS	August 2008

B: Breakdown of regional activity to June 2008

Advantage West Midlands (AWM)

AWM Activities	Delivered	Planned
Programme Introductions	Design for Business	
Business Advisor Workshop	21	50
Designers Workshop	20	50
Subtotal Programme Introductions	41	100
Skills Assist & Business Support Services		
Business Workshop	34	225
Technology Venture Workshop	0	100
Generate	12	73
Innovate	0	24
Immerse	0	26
Subtotal Skills Assist & Business Support Services	46	448
Total Designing Demand	**87**	**548**

Contract Dates	
Contract Date	22/3/2006
Start Date	1/3/2006
Finish Date	1/5/2007

Funding	
Contracted Funding to Design Council	£143,550.00
Total Contract Value	**£596,000.00***

* Estimate

East of England Development Agency

Contract Dates	
Contract Date	Q4 FY 2008/09
Start Date	tbc
Finish Date	tbc

Funding	
Contracted Funding to Design Council	tbc
Total Contract Value	**£550,000.00**

East Midlands Development Agency

EMDA	Planned
Programme Introductions	
Business Advisor Workshop	100
Designers Workshop	0
Subtotal Programme Introductions	100
Skills Assist & Business Support Services	
Business Workshop	100
Technology Venture Workshop	0
Generate	100
Innovate	0
Immerse	0
Subtotal Skills Assist & Business Support Services	200
Total Designing Demand	**300**

Contract Dates	
Contract Date	1Q 2009
Start Date	tbc
Finish Date	tbc

Funding	
Contracted Funding to Design Council	tbc
Total Contract Value	**tbc**

London Development Agency

LDA	Contracted	Delivered
Programme Introductions		
Business Advisor Workshop	100	19
Designers Workshop	0	0
Subtotal Programme Introductions	100	19
Skills Assist & Business Support Services		
Business Workshop	200	19
Technology Venture Workshop	50	0
Generate	200	0
Innovate	12	0
Immerse	60	0
Subtotal Skills Assist & Business Support Services	522	19
Total Designing Demand	**622**	**38**

Contract Dates	
Contract Date	19/3/2008
Start Date	1/6/2008
Finish Date	31/3/2011

Funding	
Contracted Funding to Design Council	£391,207.00
Total Contract Value	**£2,596,907.00***

* Estimate

North West Development Agency

Contract Dates	
Contract Date	Q4 FY 2008/09
Start Date	tbc
Finish Date	tbc

Funding	
Contracted Funding to Design Council	£300,000.00
Total Contract Value	**Not known**

One NorthEast

ONE	Contracted	Actual to 06/2008
Programme Introductions		
Business Advisor Workshop	100	95
Designers Workshop	100	62
Subtotal Programme Introductions	200	157
Skills Assist & Business Support Services		
Business Workshop	300	177
Technology Venture Workshop	0	0
Generate	110	62
Innovate	0	0
Immerse	0	0
Subtotal Skills Assist & Business Support Services	410	239
Total Designing Demand	**610**	**396**

Contract Dates	
Contract Date	6/2/2007
Start Date	21/10/2007
Finish Date	31/3/2009

Funding	
Contracted Funding to Design Council	£382,477.00
Total Contract Value	**Not Known**

South East of England Development Agency

SEEDA	Contracted	Actual to 06/2008
Programme Introductions		
Business Advisor Workshop	75	72
Designers Workshop	75	83
Subtotal Programme Introductions	150	155
Skills Assist & Business Support Services		
Business Workshop	300	250
Technology Venture Workshop	50	57
Generate	60	51
Innovate	6	6
Immerse	0	0
Subtotal Skills Assist & Business Support Services	416	364
Total Designing Demand	**566**	**519**

Contract Dates	
Contract Date	31/1/2007
Start Date	21/10/2007
Finish Date	31/3/2009

Funding	
Contracted Funding to Design Council	£411,000.00
Total Contract Value	**Not Known**

South West Regional Development Agency

SWRDA	Contracted	Actual to 06/2008
Programme Introductions		
Business Advisor Workshop	100	69
Designers Workshop	0	0
Subtotal Programme Introductions	100	69
Skills Assist & Business Support Services		
Business Workshop	0	0
Technology Venture Workshop	0	0
Generate	100	31
Innovate	0	0
Immerse	0	0
Subtotal Skills Assist & Business Support Services	100	31
Total Designing Demand	**200**	**100**

Contract Dates	
Contract Date	2/5/2007
Start Date	2/5/2007
Finish Date	31/5/2010

Funding	
Contracted Funding to Design Council	£302,646.00
Total Contract Value	**Not Known**

Yorkshire Forward

Yorkshire Forward	Delivered	Planned
Programme Introductions	'Design Works'	
Business Advisor Workshop	25	150
Designers Workshop	50	100
Subtotal Programme Introductions	75	250
Skills Assist & Business Support Services		
Business Workshop	77	400
Technology Venture Workshop	0	50
Generate	75	200
Innovate	0	12
Immerse	10	10
Subtotal Skills Assist & Business Support Services	162	672
Total Designing Demand	**237**	**922**

Contract Dates		
Contract Date	20/7/2005	Q3 FY 2008/09
Start Date	21/7/2005	tbc
Finish Date	31/12/2006	tbc

Funding		
Contracted Funding to Design Council	£199,690.00	£428,625.00
Total Contract Value	**Not Known**	**£2,002,875.00***

* Estimate

C: Overview of SMEs

The Organisation for Economic Co-operation and Development (OECD) definition of an SME is:

'Small and medium-sized enterprises (SMEs) are non-subsidiary, independent firms which employ fewer than a given number of employees. This number varies across countries. The most frequent upper limit designating an SME is 250 employees, as in the European Union.' [16]

According to BERR[17] there were an estimated 4.7 million businesses in the UK at the start of 2007. The vast majority of these (99.3 per cent) were small businesses (with fewer than 50 employees) and they provided 47.5 per cent of the UK private sector employment and 37.4 per cent of turnover. Large businesses are in the minority; there are only around 6,000 firms that have 250 plus employees. Even so, they account for 40.8 per cent of private sector employment and 48.5 per cent of turnover.

Financial assets are also used to define SMEs. In the European Union, a new definition came into force on 1 January 2005 applying to all Community acts and funding programmes as well as in the field of State Aid where SMEs can be granted a higher intensity of national and regional aid than large companies. The new definition provides for an increase in the financial ceilings: the turnover of medium-sized enterprises (50-249 employees) should not exceed €50m; that of small enterprises (10-49 employees) should not exceed €10m while that of micro firms (less than 10 employees) should not exceed €2m. Alternatively, balance sheets for medium, small and micro enterprises should not exceed €43m, €10m and €2m, respectively.

Number of businesses, employment and turnover in the private sector at the start of 2007, by size of business and government office region/country

Businesses	(=100%)	None[2]	Per cent Size (number of employees)		
			1-49	50-249	250+
United Kingdom	4,679,080	74.0	25.3	0.6	0.1
North East	133,620	72.6	26.6	0.7	0.1
North West	444,150	71.0	28.2	0.7	0.1
Yorkshire and the Humber	349,930	73.2	26.0	0.7	0.1
East Midlands	327,300	73.2	26.1	0.6	0.1
West Midlands	376,315	72.1	27.2	0.6	0.1
East of England	512,455	76.0	23.4	0.5	0.1
London	757,685	78.2	21.1	0.5	0.2
South East	740,785	75.1	24.3	0.5	0.1
South West	417,910	71.8	27.6	0.5	0.1
England	4,060,155	74.3	25.0	0.6	0.1
Wales	194,560	71.9	27.4	0.6	0.1
Scotland	292,330	71.1	28.1	0.7	0.1
Northern Ireland	132,040	71.2	28.0	0.7	0.1

BERR SME Statistics 1994 to 2007

1,211,882 businesses are within the client universe of the Designing Demand programme. When this is broken down by region, and where businesses with no employees (None) and more than 250 employees are excluded from the sample, the regional market sizing is then derived as follows:

16 OECD, 2005, OECD SME and Entrepreneurship Outlook: 2005, OECD Paris, pp 17
17 www.berr.gov.uk/bbf/enterprise-smes/research-and-statistics

	Total SMEs	% of companies 1–250 employees	Net SMEs
United Kingdom	**4,679,080**	**25.9**	**1,211,882**
North East	133,620	27.3	36,478
North West	444,150	28.9	128,359
Yorkshire and the Humber	349,930	26.7	93,431
East Midlands	327,300	26.7	87,389
West Midlands	376,315	27.8	104,616
East of England	512,455	23.9	122,476
London	757,685	21.6	163,659
South East	740,785	24.8	183,715
South West	417,910	28.1	117,433
England	4,060,155	25.6	1,039,399
Wales	194,560	28.0	54,477
Scotland	292,330	28.8	84,191
Northern Ireland	132,040	28.7	37,895

D: Explanation of the Business Link service and IDB model

This explanation of the Business Link service is taken from the BERR paper, URN 07/1514, Initial Response to the Consultation on Simplifying Business Support To Accompany the Pre-Budget Report, published in October 2007.

The Business Link service provides impartial information, advice, and practical support to help existing and future businesses make the most of their opportunities. Business Link brokers should direct clients to the most appropriate support regardless of who provides it (public, private or third sector). Its services are aimed at **all** businesses (whether a private company, a public company, a partnership, a sole trader, a community interest company, a co-operative, a social enterprise or other type of business) and are available across all sectors of industry and all community groups throughout the nine English regions.

Business Link is subject to a national framework that ensures consistency throughout the country, providing a coherent, quality assured single point of contact for business that draws together advice and guidance on issues that affect business and helps to promote business survival and growth. It operates on the principles of 'Information, Diagnosis and Brokerage' (IDB).

This is provided through local advisors and is supported by a national award-winning website **www.businesslink.gov.uk** which contains useful information and practical help from more than 40 government departments and agencies, such as the Health & Safety Executive and also a national phone line 0845 600 9 006, both of which are linked to local Business Link advisors.

It also reaches out into communities to promote and market its services through a variety of means, working with appropriate partner organisations at all levels.

The core elements of IDB
— Informing businesses about the issues that have an impact on them and giving them fast access to the right information to answer their business concerns.
— By understanding the customer, the independent advisors can help businesses to identify the most appropriate course of action, in the right order, to address their needs, and find the best places to access help.
— Finally, the advisor will broker the business to a solution provider.

	What this does	How this is achieved
Information	Non-competitive access to all information that is relevant to any business on the basis of need.	— National helpline — Access to government department helpdesks — Web-based information services — Local information on sectors/markets — Information on sources of funding — Sign-posting to professional services — 'How to' & 'No-Nonsense' guides & 'Good Practice' guides on a wide variety of subjects important to business
Diagnosis	Examining customer needs as a precursor to brokerage to external experts who actually provide the services.	— Online self-assessment diagnostics — Initial telephone diagnostic — Face to face diagnostic, resulting in a Business Action Plan that summarises the key priorities for action (some of which may point the company to other business support services)
Brokerage	Managed referral to the most appropriate source of advice for the particular client's needs. This ranges from non-intensive to intensive managed relationships.	— Online, telephone and face-to-face assistance and practical help from specialist advisors, for example manufacturing experts, as necessary.

The nature of the assistance received by intensively-assisted businesses is wide-ranging but would probably include developing a Business Action Plan, helping businesses to plan for the growth of their business. This will lead in most cases to further actions in generic areas such as:
— Access to Finance—finding ways of raising finance to support business growth ambitions
— Human Resources—finding out how to go about taking on staff, learning about recruitment, training, management and development of people
— Technical Capability—getting help in understanding how best to use technology, or in product or service development, and how to protect and exploit ideas.
— Marketing—finding out how to improve marketing and increase sales—both at home and abroad.
— Benchmarking—seeing how the business compares with your competitors using a performance assessment tool
— Regulatory advice and compliance
— General business advice and support.

Business Link will provide impartial advice and brokerage to support provided through delivery organisations. Several different providers may be contributing to a package of support. It is important that this feels like a cohesive and integrated experience, rather than being 'passed on' and having to repeat diagnostic processes to identify need. The Business Link advisor will help to monitor the progress of the Action Plan and ensure that it evolves as appropriate to meet the needs of the business.

E: Overview of MAS

MAS—the Manufacturing Advisory Service aims to address the practical needs of British manufacturers by delivering hands-on advice and assistance from experts in a wide range of manufacturing disciplines.
http://www.mas.dti.gov.uk

The Manufacturing Advisory Service (MAS) has been a huge success story since its launch in 2002. MAS now plays a vital role in helping UK manufacturers to share knowledge, improve productivity and achieve success in an increasingly competitive global economy.
MAS is delivered through ten Regional Centres covering England and Wales. The Scottish Executive has also established a MAS in Scotland, which became operational in November 2005.

MAS is delivered through three main components:

1) MAS Regional Centres
The ten Regional Centres in England and Wales are the recommended first point of contact for users of MAS services. MAS advisors based in the Regional Centres are able to help manufacturers by providing information, advice and follow-up support on all manufacturing related issues.

2) Specialist support organisations
A network of organisations which can provide additional, specialised assistance to businesses involved in manufacturing to supplement the support available from the Regional Centres. This network includes Technology Institutes and Manufacturing Centres, Centres of Expertise in Skills and Training, industry sector bodies (such as Trade Associations and Industry Forums), Centres of Knowledge and Research (such as university departments with particular manufacturing expertise including many of the Engineering and Physical Sciences Research Council's Innovative Manufacturing Research Centres, Faraday Partnerships and certain commercial Research and Technology Organisations).

3) MAS offers manufacturers the following key services:
— Direct helpline support through the Regional Centres
— A free one-day on-site diagnostic visit by a MAS manufacturing specialist to review a company's entire manufacturing operation
— Regional Centres can follow up to deliver up to ten days in-depth consultancy—to introduce, for example, lean manufacturing techniques, product or process innovations, or design advice
— Best practice activities, training and workshop activities for manufacturers across each region.
Initial advice, information and diagnostic assessments are free of charge for small and medium-sized enterprises (SMEs).

Additional resources—MAS expert Practitioners have compiled a number of informative and practical 'How 2' and 'What is' guides on the business improvement tools they use, business legislation summaries, statistics and details of useful organisations. These guides are held in MAS Best Practice Library which is free of charge to search and download.

F: Overview of KTPs

Knowledge Transfer Partnerships (KTP) is Europe's leading programme helping businesses to improve their competitiveness and productivity through the better use of knowledge, technology and skills within the UK knowledge base. The role of lead sponsor for Knowledge Transfer Partnerships transferred from the Department for Innovation, Universities and Skills (formerly the Department for Trade and Industry) to the new Technology Strategy Board in July 2007.
http://www.ktponline.org.uk/

The Technology Strategy Board is a business-led executive non-departmental public body, established by the government. Its mission is to promote and support research into, and development and exploitation of, technology and innovation for the benefit of UK business, to increase economic growth and improve quality of life. A Knowledge Transfer Partnership serves to meet a core strategic need and to identify innovative solutions to help businesses grow.

Funded under the Science and Technology Act 1965, the Teaching Company Scheme (TCS) was established in 1975 by the Science and Engineering Research Council, based upon the teaching hospital idea— 'learning by doing'. Originally aimed at engineering projects, Knowledge Transfer Partnerships today covers a wide business spectrum to meet the social, technological and economic priorities of the UK.

Knowledge Transfer Partnerships has broadened its remit from the physical and social sciences to the include disciplines such as the arts, the media, and the social environment. It now covers most UK business sectors. The distribution of companies has seen the service sector continue to increase in importance, in line with general developments within the UK economy. In 2006 it accounted for 22 per cent of the partnership portfolio.

There are three principal players within a partnership:
Company partner—This is usually a company (including not-for-profit) but in some cases it can be a health or education organisation or Local Authority. KTP supports a broad cross-section of UK firms, regardless of size
Knowledge-base partner—this is a higher education institution (eg, university), college or research organisation (public or privately funded)
KTP Associates—Each partnership employs one or more high calibre Associates (recently qualified people), transferring the knowledge the company is seeking into the business via a strategic project.

Additional information:
— There are more than 1,000 Partnerships running at any one time and more than 1,100 Associate projects.
— For every £1m of government spend the average benefits to the company amounted to an £4.25m annual increase in profit before tax, £3.25m investment in plant and machinery with 112 new jobs created and 214 company staff trained as a direct result of the project.
— For the knowledge base partner (higher education institution mainly), on average, each KTP Associate project produces 3.6 new research projects and two research papers.
— For the Associate 60 per cent are offered and accept a post in their host company on completion of their KTP project, while 41 per cent register for a higher degree, 67 per cent of which were awarded a higher degree.
— The KTP Awards event is held each year to honour the best Knowledge Transfer Partnerships from the previous year and the Associates who win the accolade of 'Business Leaders of Tomorrow'.

G: Overview of IAS

The IAS acts as a catalyst for growth for its clients. Clients gain strategic competitive advantage, and hence long-term profitability, by adopting appropriate aspects of an Open Innovation Framework. The IAS enables Open Innovation in client organisations by facilitating:

1) Strategic alignment:
— Working with companies to create an Open Innovation programme relevant to their needs

2) Implementation:
— Using its funding and scale to provide experienced advisors who provide original thinking and deliver practical real world solutions
— Developing the cross fertilisation of ideas and opportunities within and outside the client organisation
— Finding the resources to enable clients' innovation
— Applying its substantial networks which include those of CLIK, NPL and the Investment Networks of Oxford

— Innovation, to make connections, transfer capability and enable new relationships to further innovation
— Providing a bureaucracy-free engagement.

http://www.iasse.co.uk/services/
http://www.iasse.co.uk/services/open-innovation/

H: Overview of High-Growth Coaching

The High Growth Programme has been developed to help entrepreneurs in the difficult early stages of business set-up and growth.

Businesses that are judged to be viable are normally supported by a High Growth advisor during the first year of trading. Business Link can provide financial support through the Business Development Voucher Scheme, which is designed to contribute towards the cost of the specialist advice.

Businesses are eligible to apply for the programme if they are:
— Starting to trade in the near future or have been trading for less than one year
— Planning to create jobs and employment
— Planning to generate significant sales turnover
— Operating in national or international markets.

I: Design Associate roster June 2008

The roster is the exclusive responsibility of Designing Demand and is the definitive list of Design Associates available to the programme at any given time. A Design Associate is only added to the roster once they have been through the formal recruitment process, been inducted in a specific Designing Demand service and signed the code of practice. A 'P' symbol indicates that a Design Associate is still in their six-month probationary phase of the roster for the specified service.
The start date for the roster was 1 April 2007. Only Design Associates who were already contracted to a Designing Demand programme were shortlisted to be included in one, or who have been formally recruited on or after that date, are included on the roster.
Only Design Associates on the roster will be included and supported by the Design Associate Network. The roster will grow to reflect demand created by the timing of the regional roll-out of Designing Demand.
If a Design Associate on the roster has not been contracted to support delivery of a service for 12 months, their position on the roster will be reviewed.

	Design Associate	Location	Generate	Immerse	Innovate
1	Alan Warren	Yorkshire	DA		
2	Andrew Stokes	North West	P		
3	Andrew Williamson	Yorkshire		DA	
4	Andy Cripps	East England & Yorkshire	DA	DA	
5	Bruce Watson	North East	P		
6	Chris Thompson	London			DA
7	David Raffo	North West	P		
8	Ellis Pitt	West Midlands	DA	P	
9	Evan Kitsell	Yorkshire	DA	DA	
10	Gavin Pryke	West Midlands	DA		
11	Ian Ferris	South East	DA		
12	James Duguid	London	DA		
13	Jonathon Ball	North West & London	DA	DA	
14	Kathryn Hughes	South West	P		
15	Lawrie Cunningham	North East	P		
16	Lesley Gulliver	North West	DA		
17	Lynne Elvins	South West	P		
18	Matthew Lievesley	North East	P		
19	Neil Wilson	North East	P		
20	Nick Devitt	North East	P		
21	Pradeep Sharma	South West	DA		
22	Robert Bewick	North East	P		
23	Steve Bailey	North East	P		

J: Overview of continuing professional development of design associates

The strategy for continuing professional development (CPD) and personal and professional development (PPD) is currently developed. The expectation is that each Design Associate should be obliged to commit ten per cent of the time they work on Designing Demand to personal and professional development. Broadly speaking it will cover the following levels /areas of engagement:

Best practice events	— Events with restricted places – first come basis — Inspirational subjects and topics (single or multiple per day) — Design Associate subject champion (eg, Sustainability) to report back to the wider group — Events hosted by business / trade bodies / government bodies / Education / Associates — Interesting venues in interesting locations — Dynamic guest / expert speakers
Tailored modules	**Example modules** — Design Management (Catherine Best) — Writing for Designers (Elmwood / 26 Group) — Visual Thinking (Malcolm Craig) — Sustainability (Lynne Elvins) — NPD — Service Design — Product development — Language of Brand (Fiona Myles) — User-centred design **How** — Partner with existing CPD, eg, D&AD, CIM, DBA, DMI, IoD, AIGA, Advance (Institute of Leadership and Management) — Use contacts – Mind Gym, What If, Design London / Imperial College

Partnered courses and off the shelf modules	**Links to other organisations and bodies** — Design London/Imperial College — Manchester Business School — D&AD, CIM, DBA, DMI, IoD, AIGA — Northumbria University, Cardiff University, Cranfield University — International design programmes, eg, SEE Design
Design Council supported research proposals	**Designing Demand support proposals from DA network to conduct research inline with organisational objectives** — Research—published papers/present at conferences — Designing Demand to sponsor subscriptions, eg, DMI. Design Associate to feed knowledge/activity back into the network — Designing Demand to sponsor creation of a piece of work (individual or collaboration). Design Associate to feed knowledge/activity back into the network — Content for courses — Bursaries/'Trade missions' for individuals or groups

Quality assurance measures—Content delivery targets

— Ensure sufficient Design Associates are in place to meet agreed regional roll-out. Indicator: Required number of DAs inducted no less than two weeks before commencement of regional delivery

— Ensure sufficient Workshop Associates are in place to meet agreed regional roll-out workshop requirements. **Indicator:** Required number of WAs inducted no less than one month before commencement of regional delivery

Evaluation reports from companies and Associates include content satisfaction rate.

_ **Indicator:** 80 per cent content satisfaction rate in evaluation reports

Evaluation reports from companies and Delivery Partners include satisfaction reference to Design Associates.

_ **Indicator:** 80 per cent indicate satisfaction with Design Associates

Sufficient Associates for each region to support a sustainable programme.

_ **Indicator:** Number of Associates defined in Sustainable Model is available

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