



*The role of Small and
Medium Enterprises
in improving
productivity in
Defence*





For the last ten years UK productivity growth has stagnated to the lowest levels since the 1820s.

– we cannot afford a second decade

*Productivity has risen on average by **0.2%** per year since 2008. Pre recession rate was **2%** per year*

*The UK has fallen from **6th** to **9th** in the Global Competitive Index*

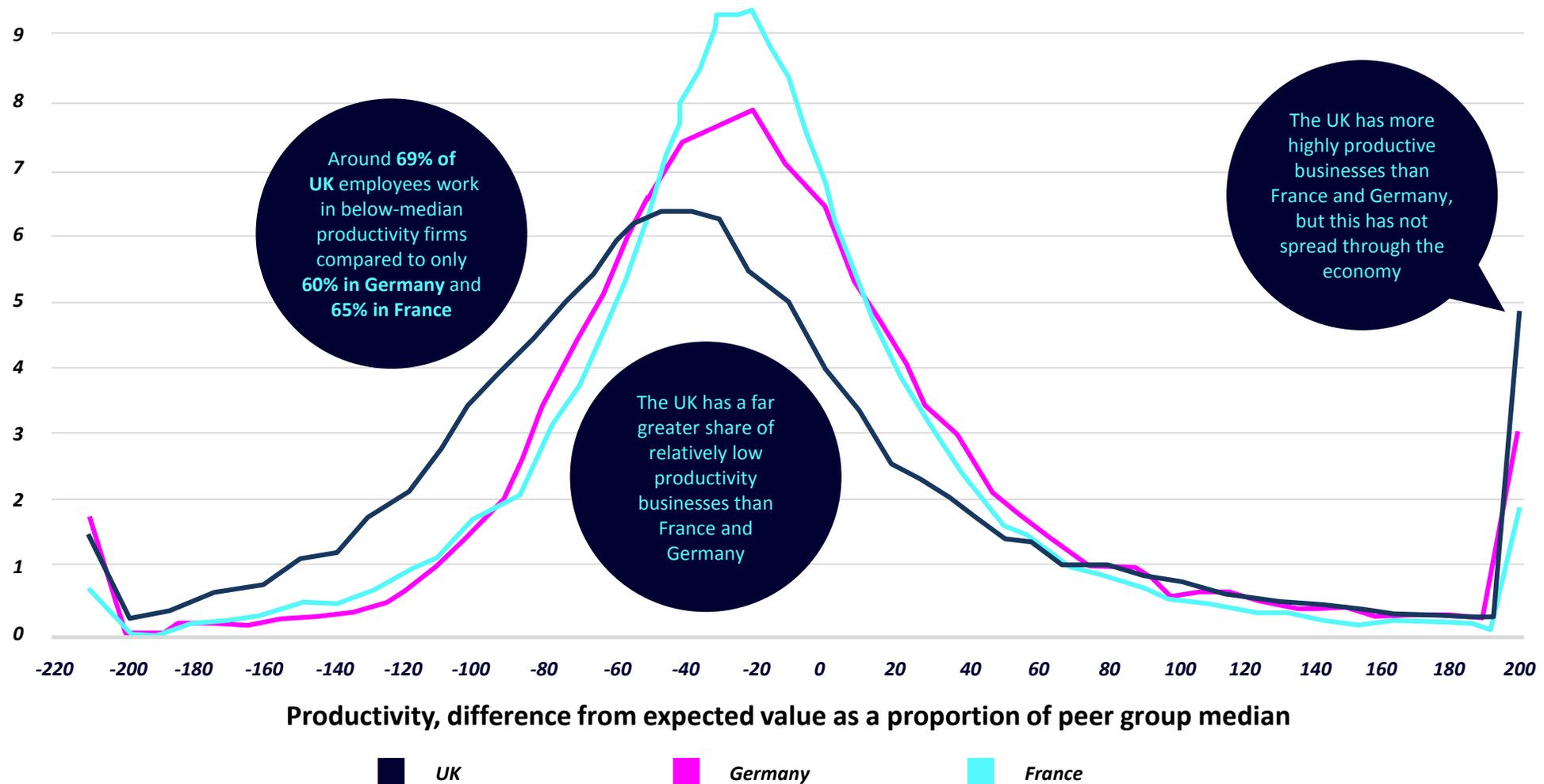
*Productivity and Prosperity: average wages would be **£5,000** higher if UK had retained **2%** growth rate post **2008***

***83%** of sectors have seen a decline in productivity.*

The UK has some of the largest regional productivity gaps amongst developed economies

We know the challenge is at firm level: Britain has a bigger gap between the “best” and the “rest”

Distribution of businesses relative to the expected productivity for a firm of their size in their sub-sector



And we have shown how to overcome these challenges



Engagement and Inspiration

National SME Focused Campaign

Action-focused content lowering the barriers to change

5000+ SMEs



Productivity through People

A mini MBA programme for SME leaders

200 firms
4 Business Schools



Mentoring

Mentors from leading firms matched with SME owners

250 pairings underway
1,000 targeted in 2020



Local Networks

Regional improvement clusters sharing best practice

Cornish Hospitality
Buckinghamshire Hospitality
North West family business



Benchmarking

Tool to benchmark your productivity and assess your management practices

2,500+ users

accenture

amazon

AVIVA

BAE SYSTEMS

British
Land

CISCO

Deloitte.

EY
Building a better
working world

Grant Thornton



JOHN LEWIS
PARTNERSHIP

KPMG

Landsec

LLOYDS
BANKING GROUP

McKinsey
& Company

moneypenny

News UK

NatWest

ROLLS
ROYCE

salesforce

Santander

SEVERN
TRENT

SIEMENS
Ingenuity for life

How Be the Business can help to transform SME productivity and prosperity in the defence sector

1. A focus on Management and Leadership skills to complement existing initiatives

- Strong correlation between management skills and productive output
- Build on, and complement, the work of programmes like SC21 and others
- Act as a diffusion engine across the sector

2. Leveraging insight from outside the sector

- Bring alternative perspectives and approaches to SME leadership teams
- Bringing leading edge technology firms to support digital skills and technology adoption

3. Programmes ready to be tailored for the sector

- Productivity through People
- Mentoring for Growth
- Virtual Advisory Boards
- Benchmarking to understanding SME performance throughout the defence ecosystem