



Department
for Business
Innovation & Skills

RESEARCH

**BIS RESEARCH PAPER NO
155**

Customer journeys in business
support services

NOVEMBER 2013

Authors: Paul Braidford and Professor Ian Stone
Policy Research Group, Durham Business School/St Chad's College

The views and interpretations expressed are the authors' and do not necessarily reflect those of the Department for Business, Innovation or Skills.

Department for Business, Innovation and Skills
1 Victoria Street
London, SW1H 0ET
www.bis.gov.uk

BIS Research Paper Number 155
URN BIS/13/1296

Acknowledgments

PRG would like to extend our thanks to all the businesses interviewed for their co-operation, and to our team of interviewers and support staff (Karen Langdon, Elise Houston, Gordon Allinson, Maxine Houston, Ella Cox and Leonard Raphael). We would also like to thank personnel from BIS and from the business support services for helpful comments and discussion.

Contents

Executive Summary	1
Research findings	1
Service Delivery Considerations	3
1 Introduction	4
1.1 Background	4
1.2 Aims and objectives	4
1.3 Methodology	5
1.4 Report structure	5
2 Profile of achieved sample	6
3 Manufacturing Advisory Service	9
3.1 Sample	9
3.2 Awareness	9
3.3 Investigation/trigger	10
3.4 Application	11
3.5 Use	11
3.6 Impact	14
3.7 Follow-up support	14
4 UKTI	15
4.1 Sample	15
4.2 Awareness	15
4.3 Investigation/trigger	15
4.4 Application	16
4.5 Use	17
4.6 Impact	18

4.7	Follow-up support	19
5	Growth Accelerator	20
5.1	Sample	20
5.2	Awareness	20
5.3	Investigation/trigger	20
5.4	Application	21
5.5	Use	21
5.6	Impact	25
6	Knowledge Transfer Partnership (KTP)	27
6.1	Sample	27
6.2	Awareness	27
6.3	Investigation/trigger	27
6.4	Application	28
6.5	Recruitment of associate	30
6.6	Use	31
7	Technology Strategy Board	35
7.1	Sample	35
7.2	Awareness	35
7.3	Investigation/trigger	36
7.4	Application	36
7.5	Assessment	38
7.6	Use	38
7.7	Impact	40
7.8	Follow-up support	40
8	All services	42
8.1	Prior awareness and use of business support	42

8.2	Awareness	52
8.3	Investigation.....	54
8.4	Application	55
8.5	Use.....	56
8.6	Follow up support.....	56
8.7	Public vs private sector	58
9	Service Delivery considerations.....	59
	Appendix 1 Questionnaire	62

Executive Summary

This research is intended to add to the evidence base on the customer experience of some key government funded business advice services and programmes of innovation support, and, more specifically, to inform thinking on whether and how the customer journey might be improved for the users of these services. In addition, it aims to better understand the rationale and options for promoting greater coherence and coordination in the marketing of schemes and the guidance and signposting provided to businesses seeking support.

100 in-depth interviews were conducted with SMEs across England in August and September 2013 which had used one or more of the following services during 2011-13: UK Trade & Investment (UKTI); Growth Accelerator (GA); Manufacturing Advisory Service (MAS); and Technology Strategy Board (TSB, split into Knowledge Transfer Partnerships and grants to provide funding for R&D projects).

These services are at the core of the Government's business support offer to innovative and growing SMEs. UKTI provides a range of export assistance and advice services to UK based companies; GA provides tailored professional business advice and coaching to SMEs with the potential for rapid and sustainable growth in England; MAS provides specialist strategic and technical advice to help manufacturers in England improve competitiveness and grow; and the TSB supports innovation by SMEs across the UK. The main mechanisms used by TSB are grants to part fund R&D projects (mainly through the SMART programme) and part funding the cost of partnership working between a SME and an academic institution to work with a business on a particular project involving a strong technological component (through Knowledge Transfer Partnership programme). The research separates the views of users of SMART awards from Knowledge Transfer Partnerships (KTPs) to reflect the different nature of the support provided and the way it is accessed.

It should be noted that the sample sizes for individual products are relatively small, so while the insights provided are instructive, they are not necessarily representative of the views of all users of that service.

Research findings

The evidence suggests that, in terms of their use of business support, the SME population can be split into a fourfold typology:

- Experienced or 'sophisticated' users, using a range of different support. They regard themselves as highly aware of the available range of business support; active participants in local and/or sectoral networks, and able to make good use of their previous experience or their current or past relationship with advisers in sourcing and using support. They also regard their employees as being high-skilled, and would generally only resort to support if they found they could not handle a problem internally, or needed a specialist skill or knowledge (e.g. compiling market reports for export).
- Users who have a narrower field of experience, but are well-versed within that field. They often regard themselves as active participants in sectoral networks, and report

that they are aware of support relevant to their sector. This applied particularly to technology-oriented businesses seeking funding (e.g. rather than transformative support), and tended to remain in this 'comfort zone'. They are often serial users of support in this area, but rarely seek out other types of support.

- Businesses which last used support some years ago, and have recently resumed use. They had typically last used support when their business was first established, or they were pursuing a growth strategy, and were generally well-disposed towards the support system. Many reported that they had lost touch with what was available, and would no longer know where to start looking, such that their latest experience came about because of a 'chance' hearing about a particular scheme through networks. Their knowledge of available support had usually not increased as a result of using the service.
- Inexperienced users, who had used no or very little support prior to the support experience investigated here. As with returning users, most of this group had limited knowledge of current support, and put down their use of the service to chance or serendipity. Most entered with an open mind, but a significant minority were more sceptical, and their knowledge about available support had not generally increased as a result of using the service.

However, there are a number of common themes which can be identified as applying across the majority of users, regardless of type:

- Word of mouth from a trusted contact (another business, a networking organisation or a service adviser) is the most effective way to build awareness of services and support products.
- Face-to-face discussion is preferred to using documentation on the website during the investigative phase – although (with the exception of GA) information on the websites is generally seen as patchy. The quality of these discussions is usually good, but can be variable depending on the individual adviser, with a small minority receiving initially poor diagnosis or support recommendations, or failing to gain an overview of all products offered by the service.
- There is a lack of a common entry point or source of information about available business support at a local, regional or national level, which makes it difficult to locate appropriate support. Similarly, it is difficult to get an independent diagnosis of need in order to be signposted to the correct support.
- There was very little direct referral between services, and referral, signposting and recommendation depend more on the individual knowledge of the adviser and/or consultant used than on a structured diagnostic tool.
- Knowing the right questions to ask and how or who to ask them to is important in getting appropriate support and referral. Using support is an effective means of building up that skill.
- Businesses will not necessarily approach or access support as soon as they become aware of it. They will usually wait for a project which fits the support, rather than fit a project around the available support or funding. They may develop an internal strategy to use more than one type of support, but would rarely make explicit joint use of support (i.e. the advisers from two services working together).

- The length of application, and the details needed, varied substantially between services, but most users were prepared to ‘jump through some hoops’ in order to show that they would make good use of public funding.
- A significant minority of businesses felt that they were left ‘dangling’ at the end of the support. Although they may not have appreciated a direct referral, they would have liked to have known where to go to find other support, or assured that they would be able to keep in touch with an adviser if needed. Those who had maintained such a relationship were very satisfied with it.
- Users generally trusted the public sector as a source of support, and many drew comparisons with the more expensive support available from private sector consultants, who were often also perceived to be less ‘neutral’ than the public sector, pushing an agenda or a particular product. In a number of cases (e.g. TSB, KTP), private sector alternatives were thought to be unavailable.

Service Delivery Considerations

There are a number of implications for service delivery which emerge from the research:

- Better navigation through the support – for example a diagram of the types and sources of support available, or a diagnostic tool to generate an initial referral. Some users would like this to be face-to-face, others would be satisfied with an online tool. If implemented through gov.uk, action would be needed to increase SME awareness and use of this site.
- Websites which are easier to navigate and provide a better overview of the various products offered by each service. This overview could be provided by the business landing pages of gov.uk but effort would need to be made to improve the visibility of this.
- More consistent service by advisers across the range of services.
- The importance of forging a mutual understanding and partnership approach between service and user, in order to encourage correct diagnosis and possible signposting and referral.
- A broadening of horizons about support, encouraging sceptical users to investigate further, or users with a narrow outlook to try other forms of support.

1 Introduction

1.1 Background

This research is intended to add to the evidence base on the customer experience of government funded business advice services and programmes of innovation support, and, more specifically, to inform thinking on whether and how the customer journey might be improved for the users of these services. In addition, government funded business support schemes operate largely separately from each other and from support provided by the private sector, albeit with some examples of joint marketing, data sharing and cross referrals between schemes. This report aims to better understand the rationale and options for promoting greater coherence and coordination in the marketing of schemes and the guidance and signposting provided to businesses seeking support.

1.2 Aims and objectives

The aims of this research are

1. To delineate the customer journey experience among SME customers of five support schemes and programmes: (a) Growth Accelerator; (b) Manufacturing Advisory Service; (c) UKTI Trade Advisers; (d) Knowledge Transfer Partnership and (e) other Technology Strategy Board services aimed at SMEs.
2. To identify areas where this journey may be improved, in terms of both targeting and usage.
3. To examine how support users perceive the business support landscape for SMEs, in particular how services and programmes work in conjunction with each other and with private sector support, and how this joint working could be improved.

This involves detailed research into the customer journeys of a wide sample of users, with the objectives of identifying:

1. what prompted them to access a service, including whether they were referred into the scheme and by whom
2. what they felt about the experience (e.g. did it fully meet their needs and expectations or only partially); ease of accessing the service; experience of actually using the service etc.
3. stress points and areas where potential drop-out may occur.
4. whether they were made aware of other government funded schemes, other locally available schemes or private sector schemes that might meet their needs at the time of accessing the service or subsequently; the quality of that information; and whether they went on to use other support.

1.3 Methodology

BIS provided the research team with a sample of client data, covering 13,197 SMEs that had accessed one or more of the relevant services, along with background data about the SME (size, sector, location and year of establishment), drawn from the Inter Departmental Business Register.

Interviews were arranged with a sample of 100 of these users. The achieved sample could not be entirely representative, but aimed to achieve good representation by size and sector, and ensured that interviews covered all English regions. Interviews gathered detailed feedback on how coherently the support accessed and the support system as a whole operated for them, and how the customer journey could be improved. The research used a semi-structured questionnaire, in interviews lasting, on average, 30-45 minutes and conducted face-to-face (as far as was feasible), in order to win the trust of the subject and gain detailed and accurate information. Questions were based around the standard progression of usage (e.g. awareness, investigation, application and use), allowing for the interviewer to pursue particular points of interest relating to individual aspects of the journey. The questionnaire is shown in Appendix 1. Analysis was based on in-depth analysis of the qualitative interviews, supplemented by relevant quotations illustrating good practice or areas needing improvement.

1.4 Report structure

Section 2 provides an overview of the achieved sample. Sections 3-7 analyse the individual services in more depth. Section 8 collates points about customer journeys which applied in the case of several different services, and general recommendations for improving customer experiences. It also examines the SME support landscape in general, how services interact, and whether and how users would like to see changes in this landscape and interaction. Section 8 contains suggestions for developing policy.

2 Profile of achieved sample

The sample of 100 interviewed businesses was drawn from an extract of 13,197 records from the Inter Departmental Business Register (IDBR). This sample consisted of businesses which fell into the standard SME definition during the last three years (although some had subsequently grown larger) and had been flagged by BIS as having used during that period one of the studied services: Growth Accelerator (GA), UKTI Trade Advisers, Manufacturing Advisory Service (MAS), and Knowledge Transfer Partnership (KTP) and other Technology Strategy Board services (TSB). Although a sample of 100 can never aim to be entirely representative, the sampling strategy aimed for approximate representativeness by sector and micro/small/medium sizebands, with at least 25 interviews from each service (counting KTP and 'other' TSB together), for a total of 100 interviews. The original proposal for 50 of those interviews to be with users of multiple services was scaled down somewhat, in light of the fact that fewer than 300 businesses fit this criteria (2 per cent of the provided database), with the aim being to contact as many multiple users as feasible. The fact that some interviews covered use of more than one service means that the number of interviews for each service is higher than 25.

Table 2.1 shows the interviews conducted by product. UKTI was the most used service by a high margin (over 8,000 of the 13,000 in the database had accessed UKTI), and the most commonly used in combination with other services, and therefore included in the greatest number of interviews (43).

Table 2.1 Interviews by service used (including multiple uses)

	KTP	TSB	GA	UKTI	MAS
KTP	6				
TSB	1	12			
GA	0	5	15		
UKTI	5	5	9	16	
MAS	1	2	6	14	15
Total	12	25	30	43	32

Note: this table counts multiple uses under all the services which apply, so rows/columns sum to more than the totals. The bottom row shows the total number of interviews which covered each service.

Given the services selected for study, and that both MAS and TSB are more oriented towards manufacturing and related industries, manufacturing was over-represented both in the IDBR extract and in the achieved interviews, compared to the business population as a whole. In total, 46 per cent of businesses classified themselves as manufacturing (although this falls to 30 per cent if the original IDBR SIC is used). Otherwise, there is a reasonably good representation of sectors.

In terms of sizeband, in order to achieve a broad sample of perceptions, it was decided to under sample micro businesses (29 per cent, compared with 57 per cent in the original extract) and over sample small (51 per cent compared with 32 per cent) and medium (20 per cent, compared with 11 per cent). A spread of sizebands was achieved for each service.

Table 2.2 Interviews by sizeband and sector

	Micro	Small	Medium	Total	IDBR extract
Agriculture, Forestry and Fishing					0.6%
Mining and Quarrying					0.1%
Manufacturing	6%	14%	10%	30%	27.0%
Electricity, Gas, Steam and Air Conditioning Supply					0.1%
Water Supply; Sewerage, Waste Management and Remediation Activities					0.4%
Construction		1%		1%	2.9%
Wholesale and Retail Trade; Repair Of Motor Vehicles and Motorcycles	7%	7%		14%	18.7%
Transportation and Storage					1.1%
Accommodation and Food Service Activities		1%		1%	1.1%
Information and Communication	4%	6%	3%	13%	11.0%
Financial and Insurance Activities		1%	1%	2%	2.4%
Real Estate Activities					0.7%
Professional, Scientific and Technical Activities	9%	15%	3%	27%	19.9%
Administrative and Support Service Activities		2%	2%	4%	6.4%
Public Administration and Defence; Compulsory Social Security					0.1%
Education	1%	1%		2%	2.0%
Human Health and Social Work Activities			1%	1%	1.1%
Arts, Entertainment and Recreation	2%	1%		3%	1.5%
Other Service Activities		2%		2%	2.8%
Total	29%	51%	20%		

Note: sectors assigned to businesses are drawn from the original IDBR database (unless obviously misclassified); in several cases, the business covered two or more sectors (in most such cases, Manufacturing and one of Professional, Scientific and Technical Activities or Wholesale). Using the IDBR sector allows comparison to the original sampling strategy.

Among the achieved interviews, there was also representation from all English regions, and by a range of different ages of business, from recent start-ups (18 per cent under 5 years old) to older businesses (37 per cent aged over 20 years) (Table 2.3). The oldest business interviewed was approximately 45 years old, and the youngest two businesses started in 2012. Younger businesses were more likely to use GA and/or TSB, while older businesses were more likely to use UKTI and/or MAS.

Table 2.3 Interviews by region and age of business

Region	1-4 yrs	5-9 yrs	10-19 yrs	20+yrs	Total
East	1	3	1		5
East Midlands	2	2	4	5	13
London	2	5	4	3	14
North East	2	2	1	4	9
North West	1	3	6	6	16
South East	3	1	4	5	13
South West	2		3	6	11
West Midlands	2		4	5	11
Yorkshire & the Humber	2	1	1	4	8
Total	18	17	28	37	100

3 Manufacturing Advisory Service

This chapter and the following chapters investigate each of the studied services in more depth, tracing the customer journey through a number of stages. Most are common to all services, but some services have additional stages stemming from the way they have been designed. The main aim of these sections, in addition to describing the interactions between the users of each service and the service itself (and other organisation which contribute to the journey) is to highlight areas of good practice, and areas for improvement, with potential lessons applying to both the particular service itself and – where appropriate – more generally across all services.

3.1 Sample

Interviews were conducted with 32 users of MAS: nine micro, 17 small and six medium, with representation from all regions bar the East of England. All except five were from the manufacturing sector, with two being in professional, scientific and technical activities, and three in wholesale.¹ Just under half of the sample had undertaken MAS but none of the other services studied in this report. Repeat usage of the service was relatively common, with 12 firms noting that they had returned to use the services over the years, for various purposes. Approximately half had received Level 4 consultancy support, in addition to the Level 2 Manufacturing Review.

In early 2012, a new, national MAS was launched with an enhanced remit encompassing more strategic and technical advice on business planning, developing new products, entering new markets and improving use of new technology. In addition, industry specialists have been recruited to engage with more sophisticated sector audiences on supply chain development in support of Industrial Strategy. This contrasts with the previous RDA delivered MAS, which could only provide firms with a more generic, much narrower and less sophisticated offer around 'lean manufacturing' and improving process efficiency.

The sample covers users of both the 'old' and the 'new' MAS.

3.2 Awareness

Amongst users, there were three main routes by which they had become aware of MAS, each about as common as the others. First, users may have attended an event (a trade fair, sector event, local or national business representative organisation meeting etc.) at which they met a MAS representative. It was clear that MAS was perceived as being fairly well networked with such organisations, and this form of encounter was generally well-received, in particular as it allowed a brief discussion of the services offered by MAS. Businesses were then added to mailing lists, or simply kept MAS in mind for an appropriate project.

¹ These classifications are drawn from the IDBR. MAS can only support manufacturers, but all the businesses listed as being in other sectors undertook some manufacturing-related activity as part of their business; e.g. modifying/customising imported goods; bespoke cutting of stone; R&D on composites which involved some small-scale manufacturing; designing and installing displays.

Second, businesses may have received a marketing email, as the business was already on a mailing list (in several cases, the respondent was unsure of how they were on the list in the first place). Although this may be dismissed as spam, it can also function as an effective introduction to, or reminder about, MAS and prompt action either immediately or to be borne in mind when the business has an appropriate piece of work.

Finally, businesses may be referred to MAS by a consultant they have already engaged for a specific task. Here, the consultant usually mentioned that they could get match funding to undertake the project, prompting an inquiry to MAS by either the business or (frequently) the consultant, formally arranging a meeting.

3.3 Investigation/trigger

When consultants were the source of awareness, this could often result in the manager having a more limited view of MAS than the other two routes, seeing it purely as a source of matched funding. Interviewees in this case often did not investigate beyond this, or, probably more accurately, were not interested in the wider services that MAS could provide beyond the provision of finance – although a well-handled initial discussion with MAS advisers can rectify this.

In the other two cases, the business themselves usually contacted MAS when they felt ready i.e. when they had an idea for developing the business which they thought MAS may be able to support. Most users had at least browsed the MAS website, generally rating it as providing good but basic information, but it tended to leave them with a limited and fragmented overview of the service:

‘What would be handy is, there needs to be a central place to summarise what is available. It is all very piecemeal.’ (manufacturing, South West)

More useful, however, were discussions with MAS personnel, either by telephone or, usually, a visit to the business. This gave a fuller overview of the service, and was generally praised as effective and useful, providing relevant information. However, in a minority of cases the discussion did not provide a wide-ranging picture of MAS offerings. With hindsight, this may have contributed to businesses accepting a service which did not meet their needs precisely or forming unrealistic expectations of the service MAS delivers. This particularly applied to more sophisticated businesses with unrealistically high expectations of support, especially under the ‘old’ MAS; as will be shown in subsequent sections, some managers were disappointed by support which was perceived to be too basic.

However, it should be noted that the changes to the service undertaken in early 2012 appear to have reduced the likelihood of this scenario, with a new diagnostic tool, sector specialists and an increased range of options available. While it is not possible to entirely divide users into ‘new’ and ‘old’ MAS, given the approximate dates supplied for use, it is possible to examine how perceptions have changed among longer-term users. Thus, those who first used the service some time ago noted that the initial impressions of the service currently offered by both the website and the overview were much improved; the service was less ‘haphazard’ (as one put it) and more planned now; several had been surprised (and impressed) by the range of services now offered by MAS. However, repeat users did report a caveat, that it could be hard to find out how things had changed, suggesting that they had not updated their knowledge in some time and had fallen out of touch with the service. This indicates that many owners will only approach or investigate

MAS when they are seeking a service that past experience has shown MAS can provide effectively, but out-of-date knowledge would limit both their own use and the recommendations they provide to other businesses. One user suggested making the support experience less 'episodic' through MAS making greater proactive efforts to stay in touch with past users.

3.4 Application

Application is generally very straightforward, often accomplished at an initial meeting with help from MAS personnel. For the most part, there were very few delays at this stage. However, there remained a degree of ignorance about the full range of services MAS offers, reiterating that in some cases the initial (and subsequent) discussions may have been narrowly focused. Thus, the investigative and application discussions (which may actually be the same meeting) did prove useful in terms of diagnosis of needs and offering support, but may have hindered some businesses from taking up the full range of services or accessing others in the future. However, users were generally satisfied with this stage, and regarded the information provided as useful and appropriate.

The involvement of consultants in the manner noted above raises the question of deadweight loss – i.e. would the project have gone ahead anyway without MAS funding? – and how effective the application is at identifying cases of genuine need. In most cases, however, there was little evidence of such a loss. Only a handful of users indicated that the project would not have gone ahead at all; most in this situation indicated that the project would have gone ahead at a smaller scale, or with the start being delayed until they had secured sufficient funds. Only one reported an absolute deadweight loss (i.e. the project would have gone ahead with no changes, in the absence of funding).

It may also be the case that choice of MAS services may depend on the culture of the business, for example, whether they wish to strategically develop the business or are simply seeking funding for consultancy advice. Thus, while many noted that the MAS advisers did attempt to steer them towards more strategic uses of the service, others resisted this and simply sought funding or instrumental help towards improving processes, regarding this as the main benefit of MAS.

3.5 Use

All businesses interviewed had undergone a Level 2 Manufacturing Review by a MAS Advisor, and had received recommendations for progress. A smaller number had gone on to receive Level 4 funding towards consultancy support to implement a business improvement project identified during the L2 Review. There was also some confusion, with some not being able to remember the terms under which they accessed this latter support, or having used MAS multiple times and making more general comments, as they could not remember the precise process undertaken each time. This includes comments relating to the RDA-delivered MAS which had a more generic, narrower and less sophisticated 'lean manufacturing' offer.

The majority of businesses were satisfied with the MAS process and outcomes, and totally negative opinions were rare. In particular, the majority of businesses rated their advisers and consultants very highly, indicating that they had been initially well-advised and well-matched, and the consultant, if used, had the appropriate skillset at an appropriate level to advise them. Often (in the context of a small business running to tight margins), the recommendations offered by MAS could lead to high opportunity costs (e.g. in

management time, or taking staff off the shopfloor to allow for training), but this is usually seen as worthwhile, given the likely return in efficiency or skill development terms and the subsidised funding available. The advisers and consultants also usually demonstrated the soft skills necessary to engage the workforce:

'[the adviser] used role play to get everyone involved and to be on board with the project – created a light bulb moment for everyone about the importance of efficiencies in production' (fluid engineering, South West)

'internal gap analysis about quality assessment was presented to an open meeting of the staff, and the advisers facilitated a discussion really well. Helped get everyone involved and to understand what had to be done and why' (automotive manufacturing, North East)

In only a handful of cases were these communication skills deemed to be insufficient, such that the workforce resisted the proposed course of action.

With the 'new' offer, MAS advisers frequently tried to raise ambitions at the review stage among less demanding businesses, often encouraging those who initially only asked for basic, instrumental support to make more strategic use of the service. This usually happened once the company discovered the full range of support offered by MAS, and/or from 'picking the brains' of the advisers and (later) consultants in a more informal way while actually receiving the support. As a North West engineering business noted, *'motivations always become more strategic, as the advisors make you think 'big picture' not just 'oh let's just get some money to help with this' for what we see as the problem or the need, but [actually receiving support] makes you analyse and look at it more carefully.'* Consultants can perform a similar role, even if they were engaged to undertake a simple task: *'we had [practical] assistance [making equipment more energy efficient], but took some lessons from the consultant as well'* (plastics business, North West). Most of those businesses which simply used match funding were at least aware that MAS could offer more strategic support.

In addition, several interviewees stated that simply having an external pair of eyes was useful in and of itself:

'[MAS support was] very useful for strategic planning. We invest in developing new products regularly and using an external consultant gets us good results. We are learning too how to do this for ourselves. We can shorten the process using the tools the consultants have bought to us. They have presented credible research, reports and recommendations to the Board. We can be too emotional!' (food manufacturer, South West)

This factor contributed to several businesses changing their original plans. This group had installed the 'right' equipment thanks to the support from MAS, rather than what they thought they originally needed and had initially requested from MAS. This provides strong evidence of effective diagnosis of need, appropriate response from advisers and consultants and an appreciation of bespoke support among business owners:

*'[MAS support] really opened our eyes, well, **everyone's** eyes as to what we could do to be more efficient and that this would impact on increased turnover and create greater job security for staff... We feel supported at last. Someone who understood us and the business.* (precision engineering, South West)

In terms of the perception of the outcome and process by the business, MAS seems to be most effective for less sophisticated businesses, or where more sophisticated businesses have realistic expectations (as opposed to low expectations) of the service. For both types there needs to be a clear vision of the MAS process: how, when, where and what kind of intervention will be provided; and the outputs and outcomes expected (although there equally should be scope for this to alter as the support progresses, as users acknowledged).

For several more sophisticated businesses (e.g. those using higher levels of technology, or with a more experienced and skilled management team), or those in a particular niche sector, expectations could be relatively poorly managed, such that the owners expected more out of the service than they received. This seems to be particularly the case for sophisticated businesses using the 'old' MAS. Interestingly, this group were far more likely than others to discuss the diagnostic tool and/or an analysis matrix, indicating that they had paid greater attention to the mechanics of diagnosis.

In these cases, the solutions suggested by the manufacturing review were perceived to be more generic, basic, or even patronising and thus less welcomed by the business (which was therefore unlikely to access matched funding to implement solutions). It is important to note that the changes to the service undertaken in early 2012 have reduced the likelihood of this happening, with a new diagnostic tool, sector specialists and an increased range of options available. This divide between groups of business can be illustrated by sharply contrasting opinions. First, a positive view from a relatively unsophisticated business:

'[The advisor] told me not to hoard fabrics, but also demonstrated why it had a negative impact on efficiency... good stock control works because space can be more valuable; simple economics of energy efficiency – turn off the lights. May not seem much in itself but you can get into bad habits or good habits. We all feel responsible now. We have had him back again since. He told us to tidy up the stockroom on his first visit and we are still following his rules!' (manufacturing, North East)

This highly positive opinion of a straightforward and simple recommendation can be contrasted with the following negative opinion:

'[The adviser] did an analysis test, marks out of 5 how things were going but the only thing he could come up with to help was that when we were running out of sizes of zips, the guy who does the zips could put a piece of coloured paper in to say we're running out, and we should reorder them now – very, very basic. Instead, I got a stock control program, to book in what we get, and each time we get a docket it takes that off - much more automated, more efficient.' (manufacturing, North East)

Less drastically, a few businesses reported that they had received support which in itself was high quality, but that it had been insufficiently tailored to their situation. As one put it after using a lean manufacturing consultant:

'they'd come in with an agenda and that agenda was lean manufacturing. ... they did bring in knowledge... it didn't all stick but left us in a better place... but to get real sustainable change, the support needs to be more protracted, even if that requires more funding from the company – and we'd be happy to support that'. (manufacturing, Yorkshire & the Humber)

This is a good example of a sophisticated consumer; she would like to engage on a deeper level with support, and tailor the high quality support which they received to their situation, even if this means paying more. However, she is frustrated that flexibility in the service is insufficient to allow that. Furthermore, it should be noted that this use dated from a period when lean manufacturing was a key offering; today, it is less likely she would have felt pushed down this particular route, and the service does offer a greater degree of flexibility.

It is clear, therefore, that MAS advisers not only need to manage expectations but judge the current situation of their client and their needs extremely carefully, in a nuanced way. In the above examples, businesses were disappointed with the inappropriate or limited advice they received, and were likely to pass on this negative opinion to their contacts.

In a very small number of cases, businesses have received poor service from MAS-funded consultants which has actively hindered their growth. For example, one business had waited ten months to receive designs and prototypes, which were entirely inappropriate. He blamed the consultant; but, interestingly, would be willing to use MAS in the future; he had considered the offer of part-funding to be useful and valuable, and, crucially, partly blamed himself for his role in choosing the consultant.

However, this business, like others in a similar position, questioned the level of vetting of the consultant list. In this situation, whether the business is willing to work with MAS in the future, depends on the delicacy with which the situation is handled by MAS, which is usually satisfactory.

3.6 Impact

The majority of users reported that they had their needs met, whether that involved installing new equipment, tightening up processes or simply receiving recommendations to improve practice incrementally. A smaller number also noted a culture change, as the workforce 'bought in' to new ways of working. A small minority had achieved very little, as the recommendations did not fit their situation, and, in only a handful of cases, there had been a financial loss due to problems with consultants. Most found it difficult to quantify any employment or sales gains, or attribute it to MAS in isolation.

3.7 Follow-up support

Looking at those who had used multiple services, MAS is most often used in conjunction with UKTI, although there was no obvious pattern to the order in which they were used. However, five users had subsequently gone on to access GA; in three cases, because of a direct recommendation from their MAS adviser. One of these users had been dissatisfied, because she felt GA offered them very little that they were not already doing, but the others had been very satisfied with the recommendation. In addition, advisers and consultants had recommended a wide range of local support, suppliers or sources of finance, but mostly through their own personal knowledge or specialism, rather than through any structured referral. The majority of users also felt confident that they could return to MAS and ask an adviser further questions about support as the need arose, indicating that most had received a good service and trusted their advisers to supply useful recommendations in future.

4 UKTI

4.1 Sample

Interviews were conducted with 43 users of UKTI: 10 micro, 22 small and 11 medium, with representation from all regions. Just over half (25) were in the manufacturing sector, with the remainder from a broad range of services sectors. Some 16 of the businesses had used *only* UKTI, the smallest proportion of single-service use among the services studied. Long-term use was common, with 16 businesses reporting that they had first used UKTI services before the study period (i.e. in 2010 or earlier); virtually all of these had accessed UKTI on several occasions. The results reported below relate to their most recent usage(s), although with comparisons to previous use taken into account where relevant (e.g. if the service was perceived to have changed over the years). The most common service used² was the Overseas Market Introduction Service (OMIS) (accessed by 19 businesses, just under half of the sample), followed by funding for overseas visits to events and trade fairs (11 businesses), Passport to Export (7 businesses), Export Market Research Scheme (9 businesses), UK workshops/seminars (6 businesses) and Gateway to Global Growth (1 business).

4.2 Awareness

Users reported two main routes to awareness of UKTI:

- Being introduced to UKTI representatives at a UK event (or, more rarely, an overseas event) such as a trade fair or exhibition, and contacting UKTI when an opportunity for support arises
- Learning of services through networks of business contacts, local Chamber of Commerce meetings etc

More rarely (in one or two cases each), the user learned of UKTI through speculative web searches, articles in the media or attending a UKTI-organised event in the UK. Most serial users were initially referred from Business Link offices.

4.3 Investigation/trigger

On the UKTI website, there is a relatively clear overview of the services which are available. However, users generally reported that it is difficult to identify specific services in depth, given the volume of information available and the time that is needed to search through all of it.

² Most but not all interviewees could recall the name of the specific service they had received, and many had received multiple services over the years. The list here refers to the most recent use or uses of the service (depending on how many they had accessed in the last three years). Where the user could not recall the name of the service(s), the research team attributed the use to a particular service based on the description of the support received.

Therefore, more detailed information is most often obtained through talking to UKTI advisers (usually through their visiting the business), requested by the business at a point when they felt that UKTI can offer them relevant support. The majority are satisfied, but a relatively small number report feel directed a certain way, rather than having an overview of the support available – especially if simply seeking match funding. Many of this minority noted that the advisor’s knowledge and skills were crucial but were perceived to be variable. Smaller businesses, in particular, were more likely to report being offered a limited range of ‘out-of-the-box’ products, corresponding to an initial diagnosis based on company request.

For the majority of users, that proved to be sufficient, especially if they preferred a relatively hands-off service – for example, if they knew their market well and simply desired part-funding or a market report.

The regional trade advisors were generally praised for their professionalism and knowledge, and the wide range of support they could offer:

They came out really quickly and spent a long time talking to us. No fuss or pressure. (manufacturing, North East)

For the minority, however, it became clear with hindsight that this initial phase represented something of a missed opportunity to explain in depth the UKTI offer and perhaps steer the user to more strategic support.

A small minority had experienced some variability in the quality of the advisers. These difficulties are usually fairly minor and resolved fairly quickly through a request to change adviser.

4.4 Application

Application is very easy and straightforward, in most cases. For more experienced exporters with a relatively sophisticated knowledge of their worldwide markets, the application phase can be very short, often simply consisting of a request to UKTI for a specific and detailed service, such as a market report for a particular country. Such experienced users of UKTI have realistic expectations of free, part-funded and paid for services, are aware of what they are asking for during application and their expectations are generally met. UKTI is seen as a straightforward resource to be drawn on when needed, with little need for bespoke diagnosis.

Among less experienced users, those who simply seek funds (e.g. matched funding for trade event visits) often report little intensive discussion of the appropriateness of the visit. Most report no problems at all, especially if they have an appreciation of the risk involved in entering a new market. However, a small minority had no financial return from the visit and a high financial and opportunity cost, which they attributed to not receiving an initial diagnosis of whether it was the right market for them. A very small number expressed a desire, with hindsight, that they had received a more intensive service but that they not asked for this. Arguably, however, it should not have been the responsibility of the business to ask. This again points to some variability among advisers, albeit only in a small number of cases.

Among a small number of users, there was also a perception, with hindsight, that their adviser tried to 'upsell' to paid for or more expensive packages, and there was some scepticism among this group about the value of paid services.

4.5 Use

Support from both UK-based and overseas advisors was highly praised by the majority, with the advisers' professionalism, knowledge and contacts often cited as good or excellent.

It's a really good way of doing things, that's what companies benefit from – just someone on the ground over there (travel, East Midlands)

they had links to Silicon Valley through USA based contacts. They gave us info on local salaries, employment law. Really useful stuff. really speeded up our understanding (software, North West)

From those who had received it, support and advice from embassy staff was also highly praised. Only two users reported serious dissatisfaction with the quality and relevance of contacts, distributors etc. signposted by overseas teams, although they still praised the overall quality of the overseas service they received.

Trade missions, similarly, were seen as being professionally arranged and well-supported in terms of UKTI advisers accompanying the group, as were funded market visits. In most cases, the trip was worthwhile – either generating returns or enabling users to investigate a market further:

We had lots of £1-2k grants to go to places we couldn't get to overseas (manufacturing, East Midlands)

It would have been impossible to go to the States without [the funding] (marine engineering, South West)

'we didn't really have a market research budget – there was clearly an opportunity to be exploited [involving trade with India], but we can't run in half-blind, we needed to talk to key people, understand the marketplace... as cheaply as we could. Cashflow is tight, and [UKTI support] was worthwhile'. (management consultancy, East of England)

However, a small minority felt frustration, either because they felt the basis of the trip should have been analysed in more depth by advisors than it had been (e.g. the country was entirely the wrong market for the product), and/or they felt they could have put the funding to better use. This illustrates the importance of a mutual understanding of needs and ensuring that the customer is a sophisticated and involved user of support. In the majority of cases, this process did indeed occur.

In terms of workshops and seminars, there is no expectation of intensive support, low or no costs, and the training is usually well-regarded if sometimes basic. Only two users asserted that the course itself was good quality, but they already knew more than the trainer – in which case, it could be argued that needs have been somewhat misdiagnosed. In fact, several of those disappointed by intensive support or the results obtained from matched funding said they would be happy attending seminars but would no longer use

other services, unless (a) their strategy changed and (b) they could be more sure that they were receiving a tailored product:

The highest levels of dissatisfaction with use of services generally arose in the small number of businesses which saw themselves as operating in a very specialist or niche area. Several perceived UKTI as not understanding them or not catering to their needs as effectively as for more 'mainstream' businesses, by offering what they perceived to be a standardised product. A minority of small businesses also expressed concern about UKTI services being more suited to larger businesses.

The majority felt differently, highlighting the importance of a partnership based on trust and understanding to reap benefits:

'[Overseas advisors] seemed to appreciate [us giving them] an insight to our business model and products so they can identify appropriate distributors ... you get out what you put in to this. We work closely with UKTI' (medical products, South East)

'we were taken very seriously even though we are only a small business'; (manufacturing, North East)

In general, therefore, the more bespoke the service (e.g. support for setting up a new office in a specific country), the greater the level of satisfaction, even if that may involve greater investment of time and monetary resources

*'UKTI... are very good at making you look at the bigger picture and push you to develop your business and your working practices, it becomes a lot easier to spot weak links and chinks in the armour when you have that level of **targeted** support'. [original emphasis] (heavy engineering, North West)*

Thus, for intensive/paid for OMIS, users were generally very satisfied with the support they received in terms of the details of actually doing business overseas. However, for those simply seeking initial advice, advisors were perceived as less effective at providing details (or, more relevantly, signposting to appropriate organisations or even to other UKTI services) of this 'nitty gritty': regulations, pitfalls, visa complications, IP law, safety standards etc

4.6 Impact

The perceived impact is usually positive, but highly variable, depending on the service used, and crucially, the expectations of the business – for example, whether they embarked on an overseas visit with the expectation that it would generate orders, or appreciated that it could be a more risky proposition.

Furthermore, a 'negative' outcome (such as opting *not* to pursue a market) can be as important as positive ones:

We can see the results in terms of orders – not always immediate and sometimes what we find out means we don't pursue – but it is good to know why we are not pursuing or select another region (manufacturing, North East)

It was a good process for exploring what we could achieve through exporting. We decided to focus on other ways to grow rather than exporting (education and training, London)

4.7 Follow-up support

While a fairly high proportion of users had used UKTI repeatedly over many years (usually of their own volition rather than repeat contact by advisers), there is relatively little referral to/from UKTI to other services. The exception noted by several respondents was a joint trade mission organised with TSB, which was judged a great success. Only one respondent noted that their advisers from MAS and UKTI were actually in touch with one another and were aware what the other was doing – although that was more to do with the proactive attitude of the business in pushing them to do this, than the services themselves – *‘when faced with a problem, I put it under both their noses. Between them, 9 times out of 10 they come up with a solution’* – and this co-operation was highly appreciated. Other users had similarly made their own connections and worked out a strategy to jointly exploit services from their own perspective, with no explicit involvement as such from the advisers – for example, one manufacturer had TSB funding to develop a product, and had made preliminary contact with UKTI (and was attending seminars and workshops) in order to be ready to go to them with a full proposal to demonstrate the product abroad when the prototype was finished. He would have appreciated greater facilitation of this strategy.

One user did note that they would like UKTI to keep in touch, and remind him that there are services available for users at different stages of the export journey, and even if they had rejected exports as a growth strategy for the time being (*‘I’m not ready for OMIS yet, but I might be in the future’*).

5 Growth Accelerator

5.1 Sample

Interviews were conducted with 30 users of GA: 10 micro and 20 small, with representation from all regions. The sectoral range was the most diverse of any of the studied services, with the lowest proportion of manufacturing (six businesses) and the highest of professional, scientific and technical businesses (12). Half of the sample had not used any of the other studied services, and none had used the service on more than one occasion. Of those GA users who had used multiple services, GA was always the latest to be used – unsurprisingly, given that it is the most recently introduced of the services. On this last point, it is worth noting that (a) some interviewees were part of the first tranche of users, and that teething problems were inevitable; (b) it is generally too early to assess impact; and (c) aspects of the customer journey may now be somewhat different; for example, there is now a GA alumni programme (which was alluded to by only one interviewee) and the rate of take-up of matched funding for management and leadership development has increased substantially (the offer is now taken up by approximately a quarter of users). Where possible, these points have been noted below where relevant.

5.2 Awareness

Routes to awareness of GA were the most varied of the services studied in this report. In particular, GA received the highest number of direct referrals, originating from a range of sources e.g. MAS and local support providers both public and private sector (e.g. Science City, management consultants). A higher number of users gained awareness through speculative web searches than for the other services. Other sources of awareness included network contacts (other businesses, the local Chamber etc), mailshots; articles in the media; serendipity (with one business becoming aware of GA through being located upstairs from GA providers), and (in two cases) actually delivering part of GA support before using it themselves. Thus, there is no single entry route which stands out as the most important, although the volume of referrals is noteworthy.

5.3 Investigation/trigger

Most users initially investigated GA through the website, which attracted the highest ratings of the services among users. They often commented on its simplicity and clarity, and the clear overview it gave of the services available, how the process worked and how to access it. Thus, the website not only ensured that eligibility criteria were clear, but also encouraged application through its clarity. This may be partly because GA is the most straightforward of the services studied in terms of the route through the process (i.e. the Growthmapper stage, followed by a choice of three areas on which to focus in the second stage, and an optional third stage of part-funded management training).

Discussions between users and GA personnel were effective in laying out the structure of interventions, whether or not the website had been accessed. In fact, several users made a point of contrasting GA favourably with other services in terms of this clarity and

simplicity. Only one business owner thought it was hard to find information about GA online.

Interestingly, one thought that the way GA was marketed meant that it would not appeal to 'unsophisticated purchasers' of support because of the outlay involved:

We are knowledgeable purchasers of support services so we could see the value in the GA product. If you had no experience of purchasing business support it could be hard to see the value as there are fees attached' (hotels, East Midlands)

If correct, this may actually limit the potential market of users to the targeted market of those businesses with the potential to grow. In this light, the fact that the payment involved is stated in a very upfront manner, both on the website and by GA personnel in initial discussions (only one user got the impression that it was going to be free) may be seen as being useful as a signal to limit applicants to 'serious' potential users. This may, in turn, have an influence on the feedback reported here: if the users are well-targeted in the first place, feedback is likely to be more positive (and criticism more constructive) than for other services.

Further supporting this hypothesis, the reported trigger for applying to GA was usually well-aligned with GA's rationale: a desire to develop the business or make processes more effective and efficient. Several applicants were in the middle of restructuring their business, and desired the degree of rigour that GA could provide:

'We were looking at the whole structure, growth was part of it but it was a wider picture, we wanted the coaching, get an outside view'. (plastics manufacturer, East Midlands)

'We knew that they needed more rigour – and GA fit the bill.' (wholesaler, North West)

5.4 Application

Application was generally considered to be extremely easy and straightforward, The required information about the business, revenue forecasts etc were not regarded as onerous, especially given the level of support expected to be received, while the GA advisers gave effective support in helping to complete the form. Only one business made any complaint about this stage at all, as being 'a bit cumbersome, too many iterations of forms and lots of signing'.

5.5 Use

Although GA is not free, there were no major complaints about the costs. The overwhelming majority of users regard the support received as worth the outlay³, which was regarded as good value, especially compared to the costs of private consultancy. Indeed, for some, the costs ensured that they extracted as much value as possible, as the outlay implied they would get high quality support for a low price:

³ £600 for businesses with 1-4 employees, £1,500 for 5-49 employees and £3,000 for 50-249 employees

*'A bargain – if it was entirely free, you might not go for it, but a nominal £600 fee makes you want to get the most out of it. Made us engage more'.
(software development, London)*

There was relatively little comment specifically about the Growthmapper stage of the process. It was well-regarded, but mainly as a stepping stone to get to the consultancy support, which was seen as the most important and useful stage. Typical of the praise for Growthmapper was:

'I liked that someone came to me to talk about my needs and put the conversation together in a report itemising our needs. It was a useful process, we built a good rapport and they took the time to understand our business, get a good feel for how we work.' (hotel operator, East Midlands)

Although there was a substantial time commitment from management (in the context of running a small business), the vast majority regarded it as a necessary investment to build the business:

'It was mainly time and effort in tweaking the business plan, a 3 year projection with financials was a bit tricky but really worth the effort. We are now working to that plan and reviewing it regularly, there's value in that' (sports consultancy, Yorkshire & the Humber)

Only one user commented negatively about the time commitment – he thought the amount of time needed was in line with expectation, but would have preferred to see it spread over a longer period (e.g. 4 days spread over 6 months, rather than over 3 months). This may indicate a slight desire for greater flexibility, but in virtually all other cases, either the business had no difficulty with the time commitment, or the support was sympathetic to and fitted in with the business's timescale. As such, it may simply be worth making it clearer that there is flexibility in the support delivery if needed.

The bespoke nature of support was the most common aspect to be singled out for praise by the vast majority of users. It is worth noting that while GA refers to the support providers as 'coaches' (on the basis that the focus of the programme is on business coaching), businesses not only used that term but also 'mentor' or 'consultant'. To some extent, this depended on how they perceived and classified the support they actually received, and emphasises the bespoke and business-focused nature of the support.

Praise for the coaches, the methods used for matching and selection, and the hands-on, business-wide nature of the help (i.e. not necessarily just focussing on management) was common:

'we weren't spending thousands of pounds on consultancy for advice... it didn't feel there was someone at the end trying to gain from it, they were there to help us grow... - it can be easy to forget about your staff and their skills [but] GA encouraged involvement at all levels- made it easy to send them all on a half day training courses'. (translators, London)

The matching process generally worked well, although it seemed to vary between businesses and regions, with some more involved in the choice than others. Several businesses speculated that there was a limited number of suitable coaches available in their area (away from big towns), especially those from niche sectors, which they perceived as limiting their choice. The regional representation of the survey does not allow

investigation of this in any detail. However, the vast majority were satisfied with the coach chosen, and this did extend to niche businesses and non-mainstream business models, such as social enterprises:

'he was very professional, understood us and was able to articulate our needs. Got it about us being a community resource, how we may choose to apply alternative values to maximising profit.' (sports consultancy, Yorkshire & the Humber)

Indeed, several praised GA for (as one put it) filling a 'big void in terms of strategy' support. The lack of support in this area had been noticeable from their interactions with the support system, which – to them – had been perceived to concentrate on processes, skills and operational issues. Confirming this, only a small minority mentioned that their main motivation for applying to GA was not the coaching support, but to obtain grants for training. However, they did generally also come to appreciate the other parts of the process.

On the whole, those who approached GA as purely an instrumental means to an end, rather than a strategic review of the business, tended to be encouraged to make more of it.

'GA started as straightforward – to put a marketing plan together – but along the way we've put in other objectives. Any sort of areas we're struggling, we'll drop him an email, ask if he knows anyone, he'll always have something to say.' (manufacturer, London)

In this context, the most commonly mentioned positive aspect was that GA gave the business a 'fresh pair of eyes', an external perspective on needs and solutions, with businesses welcoming the variety of approaches used, especially where they had used two or more different coaches.

'We developed aspirations to be much larger, not going through the motions. It was an opportunity to [be asked] some challenging questions, and for him to point us in areas we hadn't thought of, refresh our thinking' (management consultancy, East of England)

'being a family business, we were used to coasting along, but not pushing growth boundaries and not sure how to do that... GA was very good at looking at our history, setting up the next few years... he had an eye for detail and was able to suggest how businesses worked which was good. All very bespoke, all a discussion – where do we want to go, how can you help us?' (manufacturer, London)

This need for a new perspective can be illustrated by the negative experience of an East Midlands construction business. It was already using an external consultant to manage their marketing. He referred them to GA, and subsequently became their appointed coach. The manager regretted this, as he gained no new insights from the GA-funded relationship, which is precisely what he had hoped and expected to gain from GA. He considered the GA personnel should have been more proactive in preventing that scenario, and has been deterred from seeking further government-funded support without a stronger guarantee of a return on investment.

It is worth noting that a similar endorsement about a 'fresh pair of eyes' was also reported by some users of MAS, but it was far more widespread in the case of GA. Indeed, one

user directly contrasted the two schemes, concluding that they provided similar support and that her perception was that the difference between the two lay entirely in which coach you worked with, rather than any inherent distinction between the two services in terms of their rationale or processes.

The workshops and masterclasses were also generally praised, both for the content and as a networking opportunity:

'They showed there were others grappling with the same issues – we're not alone out here!' (hotel operator, East Midlands)

Indeed, networking could be seen as their main benefit if the topics were not relevant to the business or if, as in a minority of cases, the masterclasses were judged to be too basic or generalised. This may be expected as these are the least bespoke part of the programme, confirming that the main appeal of GA lies in the most bespoke aspects of the schemes. For some, therefore, the masterclasses may be either not accessed or seen as a 'refresher' of basic management techniques:

'to check your processes - do they still serve your needs? Do they need to change to make your business more efficient, can staff input to the ideas?' (hotel operator, East Midlands)

Even if these parts are not accessed, however, GA is still perceived as good value for money.

A minority also felt there were problems with the scheduling and organisation of workshops and masterclasses, as there needed to be a minimum number to make them worthwhile in each area, which could lead to delays in attendance.

However, these cases occurred in the early days of GA and, given comments from other users that organisation is now much improved, this poor organisation can likely be chalked up to teething troubles. Nonetheless, the situation did create frustration for the users at the time, and was seen as unacceptable, to the point that they considered dropping out.

Bureaucracy was also generally regarded as unproblematic. Only a small number had minor concerns, and the situation was reported to have improved as time went on:

'We have got stuck in claiming money back. The documentation changes. Our records are pretty good. But arcane rules apply. Recently got better because GA set up a membership arrangement where we pay a fee to be a member and then GA pays the consultant.' (manufacturer, North East)

Finally, as noted above, GA seems to appeal more to businesses which are willing to train and invest time and financial resources, but are not so sophisticated as to 'know it all already'. There were a small number of cases where the latter situation seemed to apply (i.e. the coach essentially recommended the business continue their current practices). Users acknowledged that the support was of good quality, and provided by an expert, but either they should have been advised against GA in the first place, or in the Growthmapper phase; were provided with a coach which did not match well with their needs; or were accessing the wrong support specialism in Stage 2.

The three cases where this situation applied all suggested that a misdiagnosis of need had occurred. Interestingly, in one case, GA was the third support service used in a row (after MAS and UKTI, in one of the only cases where there was an explicit chain of referral between services). It may have been more effective to have more co-ordinated, holistic and concurrent support from all three, as support from the initial two services seemed to have largely led the business to a more effective operating position, to the point where GA was no longer needed. This suggests that indiscriminate 'over-use' of support, or a simple referral between services without additional diagnosis, can also lead to dissatisfaction, and that a diagnosis of need independent of the services may lead to a better outcome in certain circumstances.

5.6 Impact

The majority found impact difficult to quantify, at least in part because most had only just finished or had not actually completed the support at the time of interview, and recognised that the actual impact on employment, sales and/or productivity (the main target for most users) would take some time to be realised. However, the vast majority reported that they were now better-placed in order to try to achieve growth. The most common reported impacts were (i) an improvement in skills, either in terms of general managerial ability or more specifically in particular areas, and/or (ii) that the rigour of processes had been improved and management tasks were being carried out more effectively and efficiently.

In some cases, there were more specific impacts, such as new business plan to support a funding application; greater networking; or use of software systems to motivate staff more effectively. Crucially, however, such impacts were thought to depend on the individual consultant, and the business's specific relationship with them. Thus, it is hard to generalise about these impacts, given the highly bespoke nature of this relationship.

5.7 Follow up support

In terms of follow-up support, a large minority of interviewees were still using GA or had only recently finished at the time of the interview. This group had generally not yet had an opportunity to access any other support, and questioning concentrated more on willingness to use support and signposts which might be followed up in the future. Users who had ended GA some time ago were questioned about both these topics and their actual subsequent use of support, which was usually relatively low.

A majority of users of GA reported that they felt that their ability to use support had been enhanced by the support, as had their willingness to seek support in the future. As one put it, not only had their knowledge of the support landscape been improved, but *'we know how to ask – we will look at [using support in] future projects'* (advertising, North West). Another noted that they *'know a lot more about support both directly and through contacts made'* but they would also *'go back and ask the coach if we needed support'* (plastics, East Midlands), indicating the importance of a strong trust relationship in encouraging further take-up of support. Reiterating this:

'We would look for support if we thought we needed it – we trust the public sector on the basis of our experience so far.. but I'm not sure I know more [about support]'. (management consultancy, East of England)

I'm not sure if I feels more confident accessing business support and knowing where to look for relevant business support and funding.[But] I trust public sector support more now' (software, East of England)

However, in common with the other services, referral to specific schemes was rarer, and often depended on the personal knowledge of the coach, and more general awareness of the type of support available had not been enhanced:

'We won a cyber security grant. Without GA we wouldn't have done these, without our mentor going and talking to these businesses we wouldn't have known about it. We're looking at Innovation Vouchers as well... I feel like I know what I'm looking for now, and what support works for our business [but] I still don't know a lot about entry points, I would probably just use the internet still' (translation, London)

'We know more; with IT systems, a chance conversation [with the coach] suggested that funding was available, I had no idea about this. Our coach had worked with a company which worked in this sector, and that proved useful at planning and sourcing IT systems' (manufacturing, London)

Equally, while businesses could connect well with the coach in terms of encouraging future support use, the importance of tailoring more specific recommendations to the business situation was stressed, and – again- the importance of getting the right individual:

I probably would go for more in the future but it's how you connect with the individuals you're dealing with. [The advisor] did mention other schemes, but I can't remember which – they were not particularly applicable at the time. So he basically gave us pointers, where to go, but I never really followed up on it.' (leisure, Yorkshire & the Humber)

The exceptions to these points tended to be in the cases where businesses had received coaching and masterclasses on Access to Finance:

'There were discussions about other funding that may be available from other schemes to support what we learned in second phase. We now do have a better understanding of what's out there, what we might be eligible for, and how we might put the funding to use. We were encouraged to look for more than we've had before' (design consultancy, North West)

However, this is clearly one of the specific aims of Access to Finance, and these businesses still did not usually receive referrals or signposting to services other than finance providers or related support (e.g. training).

6 Knowledge Transfer Partnership (KTP)

6.1 Sample

Interviews were conducted with 12 users of KTP: one micro, six small and five medium, with representation from six regions (with none in the North East, East or North West). Half were in the manufacturing sector, three in information and communication, with one each in education, wholesale and other services. Half of the KTP sample had undertaken only KTP (of the services studied here), and repeat usage of the service was common, with eight having undertaken (or in the process of applying for) more than one KTP.

The sample is quite small and in one particular respect, the sample did not reflect the wider KTP population: of the 12 businesses, 3 reported that they had prematurely ended their KTP because of difficulties encountered. This is a far higher failure rate than the scheme as a whole, and was not a deliberate sampling strategy – in all cases, the interviewer did not know about the failure of the KTP before undertaking the interview. This sample is therefore extremely useful in giving an insight into areas for possible improvement, but it should be borne in mind that the vast majority of KTP projects do not collapse or fail.

Of the 12, four were currently in the middle of a KTP programme; four had finished earlier this year, and the remainder had finished in 2011. As such, users will have had slightly different experiences of the scheme, given the evolution of KTP in response to the Regeneris Review (February 2010) and the Council for Industry and Higher Education study (August 2012)⁴.

6.2 Awareness

The main routes to businesses becoming aware of KTPs were (i) through established relationships with universities (including one where the relationship dated back to the Teaching Company Scheme, the forerunner of KTP); and (ii) in three cases, through taking on an employee with experience of KTPs in a previous job (a former KTP associate in two cases, a Business Link adviser in the other). The remaining two users became aware of KTP through a speculative online search, and through previous contact with the TSB and joining a Knowledge Transfer Network.

6.3 Investigation/trigger

As with the other services, most businesses were not actively looking for support, when they became aware of the existence of KTP it was either serendipitous, or the business waited for an appropriate project which could fit KTP. For those who used multiple KTPs, the first experience had been positive, so they ensured that they took into account whether future internal projects would be suitable.

⁴ Information on these studies is available at: <http://www.ktponline.org.uk/the-strategy>

Those who initially became aware of KTP through routes other than a pre-existing relationship with a university generally contacted either their local KTP advisers or a local university and asked to be put in touch with relevant personnel. Only one of this group directly contacted an academic without going through the university first.

In all cases, subsequent investigation was undertaken in conjunction with (i) an academic or academics; (ii) the university liaison office or designated liaison personnel; and (iii) local KTP advisers. Little additional research on the website was undertaken, with the majority of investigation and discussion being face-to-face, with a view towards building a mutual understanding of need and an effective partnership. By the stage where they felt ready to progress to application, all users had been in contact and discussion with all relevant partners (KTP Adviser, university and the individual academic), with little use made of documentation and information on the website.

At the time of investigation, the initial information provided is seen as clear, initial meetings were seen as helpful and productive, and all the relevant information was assumed to have been passed on. However, with hindsight, it became clear that this was not the case, and a number of subsequent areas of difficulty and frustration could have been ameliorated by better expectation management at this initial stage of investigation. Most commonly, businesses reported that they were not fully prepared for either the length of time or the amount of work needed to complete the application form. This applied to all first-time KTP users.

'There was a long gap here. None of [the process] was in line with our expectations!' (manufacturing, South East)

In addition, a smaller number of businesses felt that they had not informed about the mechanics of operation of the actual KTP, including possible pitfalls and areas of frustration e.g. the possible time spent and other potential difficulties in recruiting the associate; and the high potential burden in terms of management time. A minority of businesses indicated that if they had been fully informed about possible delays and burdens, they would have seriously considered pulling out of the process.

Finally, in one case, the project did not appear to be a good candidate for a KTP in the first place. Given that the project subsequently collapsed after months of delays and frustrations on the part of the user, the business may well have been better off being referred to another, more appropriate source of public sector support or, indeed, the private sector (as did indeed happen eventually).

A division could also be detected by businesses which are more research-oriented and especially those which had prior experience of working with universities, and other businesses, which tended to report that they regarded KTP more as an instrumental means to a specific business objective.

6.4 Application

Application is generally seen as lengthy and bureaucratic by most businesses, even those which have applied for a KTP previously. The actual level of frustration experienced by managers during application depends on

- (a) Experience of similar applications:

'I don't think we could have or would have proceeded without guidance from our colleague [ex-Business Link adviser]. It would have been too painful without his expertise' (manufacturer, Yorkshire & the Humber)

(b) Help received from the university administration. If no or little help is received, businesses can become very frustrated. In the positive examples of application (covering the majority of users), a typical scenario would be:

'[The university] has a very good department which did most of the grunt work – they advertised for the graduate, filled out applications... the academic and KTP office [at the university] drafted most things.' (manufacturer, Yorkshire & the Humber)

However, several users, while still noting that it was a lengthy experience, reported that they appreciated the rigour, to an extent:

'I had hoped for better. I know universities and government departments can be bureaucratic. And this experience confirmed it! Our resources in getting the project proposal together felt significant –but I can see the value in that level of detail' (manufacturer, Yorkshire & the Humber)

It should be noted that the application process is regarded by KTP as key to the ultimate success of the project, and guidance on how to best complete the form is seen as highly important. The report from the Council for Industry and Higher Education will lead to a series of summaries to communicate this message more effectively, and processes are being substantially overhauled as part of moving online.

Interactions with KTP Advisers could prove variable in terms of the level and type of support provided. In most cases, officers acted as an effective source of support, in particularly in terms of 'pre-screening' i.e. indicating the chance of success and providing guidance to improve the application:

'We work with KTP advisers [on the application form] – they know about eligibility and do assessing for us.' (education, London)

More rarely, Advisers took a more hands-off approach, indicating some unevenness in support by individual advisers during application. However, this may also indicate a lack of willingness to engage and fully commit by the business – to be a success, a KTP needs full engagement and understanding from all partners, rather than the business assuming the other partners will take care of the 'hard' parts of the application (as could be interpreted to have happened in some cases). As such, the problem here may not be that the university and KTP Adviser do not provide adequate support, but that the business is not fully engaged with the process, and has not had the unique support provided by a KTP fully and adequately explained.

There can also be delays at this stage which were perceived to be caused by internal KTP bureaucracy. Those looking for rapid exploitation of a commercial process, or realisation of a project, could become frustrated and consider dropping out.

For most users however, the process, while lengthy, was not *overly* lengthy and could even compare favourably to other bidding processes:

'It didn't feel like a long process to us. We are used to long lead times. Our Big Lottery Fund application was bid for 3 months ago and process is not complete until 2015! It took about 6-9 months from investigation to start of [associate] including the interviewing process.' (volunteer co-ordination, South West)

Equally, some appreciated not being forced into a hasty decision which could compromise the quality of the KTP and its outcomes. For one user, from starting the application to recruitment of associate:

'It took 6-9 months [roughly average among interviewees]. It was good to have the time to plan, organise and integrate. No need to rush this.' (wholesaler, Yorkshire & the Humber)

The speed of completing the application is, it should be noted, not driven by KTP, but is entirely dependent on the effort put in by the partnership.

6.5 Recruitment of associate

As with application, recruitment is often perceived to be a fairly lengthy and bureaucratic process, and projects in more specialist topic areas may attract few applicants:

'a bigger issue was advertising for the candidate – that was where our problems started – only with a couple of candidates left at the end and only one showed up for interview – lucky that it was an excellent candidate!' (IT, East Midlands)

'The recruitment process is too long. Asking jobseekers to wait 6 weeks for an answer about an appointment is too long. The good ones will find alternatives.' (manufacturer, South West)

Again, however, the level of frustration of users can depend largely on support from their partners:

'[Recruitment was] reasonably straightforward as university took care of all the paperwork, I just worked with the academic on description – we did all the interviews in a day – shortlisted six and four came'. (software, South East)

It should also be noted that most users did not want to rush into recruitment, and that the process usually delivered the right calibre of associate. Thus, there was some frustration, but it was generally limited, and the process usually delivered good results. Drop out at this point was relatively unlikely – unless a suitable associate could not be found, which in some cases was very close to being the case. It is also the case that, while recruitment is outside of the TSB's control, they are encouraging academic partners to adopt a faster approach to recruitment and share best practice as they tend to follow academic recruitment procedures and timelines.

In two cases, with hindsight, the wrong associate was chosen, as the recruitment process was flawed. Oversight by the university was thought to be lacking (and, in one case, the business also pointed to lack of oversight by the Adviser in not spotting that they were recruiting an associate in the wrong discipline). Flaws in the recruitment processes thus contributed in large part to the collapse of both projects. This again points to large

variations in the quality of support by individual officers and educational institutions; while most support is rated very highly, the complex and multi-dimensional nature of a KTP project means that consistently high quality support is required.

6.6 Use

For businesses engaging in high-level technical research on a routine basis, which also usually involves an extensive history of engaging with universities and academics, KTP use is relatively unproblematic, albeit with some minor inflexibilities and frustrations. Associates were usually highly regarded, and were often taken on as employees after a successful KTP.

A typical view in these ‘sophisticated’ KTP users would be that:

‘support from [the university] and KTP Advisers was first class – very good at arranging things, reminders, nudges. All LMCs [Local Management Committees] were on time, everyone turned up... Amount of my time was fine, no issue, the KTP adviser chaired LMCs, as guy from my side was technical advisor, and he wouldn’t do it.’ (software, South East)

Similarly, the rigour and organisation of the process was praised:

‘Management overall between business and academic side of the associate was not left to choice – there were compulsory modules as part of the training, budget allocations were beneficial to all of us, and we got good support from KTP office [at the university] – we were not just left to get on with it’ (software, South East)

However, there remain concerns among both some of the sophisticated users, and among other users, that the academic, the university or both are insufficiently business-focused, more concerned with following procedures than working to fit in with commercial pressures. In several cases, the businesses regarded them as actual obstacles to success:

‘[The University] promised access to facilities but they seemed to be broken down much of the time. We wanted to talk to the academics about technical issues but we only seemed to talk about form filling for KTP. We did too many reports. The KTP [associate] had to do reports in the time he should have been working for us... the LMCs [Local Management Committees] are a waste of time. They don’t help the business in any way. It is for the university, not for the businesses. ... it all took too long,... universities don’t understand this business. We want action and access to equipment and expertise in a timely way.... We pay a third of the costs and the universities get the other two thirds – for doing what?!’ (manufacturer, South West)

‘Academic assistance was not as good as it might have been. He was very busy and had own teaching overhead and never fully aligned with what we wanted for the business. We wanted to get ahead of the game, get some IP, our business imperative was very clear. For him it was another academic exercise... but not having him too hands on may have been a blessing in disguise! And to be fair, support to KTP associate was very good’ (IT, East Midlands)

On the other hand, while the above view is shared by several respondents, it is by no means universal:

'It's really encouraging that the university wants us in there to talk about industry and commerce. They have made us feel part of the university and we have been welcomed. You get a sense that they are really trying to integrate the 'real world' into their courses.' (wholesaler, Yorkshire & the Humber)

Once more, this points to inconsistency in the level and quality of support provided by different institutions and KTP advisers, rather than necessarily an endemic problem.

KTP Advisers and universities can also be perceived to be slow, inflexible or ineffective in responding when problems arise. Sometimes, this may be the only area of concern in an otherwise excellent KTP:

'Our first associate left for another job. [The University] were not proactive in finding a replacement so we looked and found one who the university would not accept. But we wanted him because he was keen and had the right skills. We didn't realise the university would be so relaxed. We needed them to be proactive.' (manufacturer, South West)

'The Project Officer at KTP is insisting we move the associate to [our factory in the South East] as it says in the plan. But we believe we are deriving more benefit right now from the associate being in [a university in Yorkshire] where they have access to data and facilities. Not sure why the KTP Adviser cannot be more accommodating.' (manufacturer, South East)

Detailed oversight can also sometimes be lacking, with the KTP Adviser not proactively stepping in to solve problems or even – in some cases – being aware of them. For example, one business was recommended a graphic design associate by the university and academic (who was a graphic design specialist) when – in fact – they needed a web design graduate. The KTP Adviser did not query this, and the error was not picked up until a year later when a new KTP Adviser took over in reaction to multiple complaints of delays and poor service. The KTP collapsed, blamed by the business on the lack of strong oversight. However, to be fair, at least some of this collapse may be attributed to inadequate oversight by the *business* in managing the associate. This emphasises the need for clear progression and targets, explanation of processes, and ongoing mutual discussions between all partners.

In another business,

'the candidate was not strong enough – too young and their first job – needed more commercial experience and the deficit was not made up for by university. They told us the associate would have been OK as part of a team in large company, but we were relying on them to play a big part in a small company. Simply the wrong person – quite fundamental. We were also concerned that the spec was beyond a new graduate and believed the KTP Adviser and university should have realised this earlier on.' (manufacturer, South East)

6.7 Impact

Given the small sample, and the unusual situation where three of the KTPs studied collapsed, it is difficult to generalise regarding impacts. In the failures, impact was clearly negligible, or even negative (in terms of management time, or delays to projects).

Of the nine successful KTPs, impact was usually large in terms of Intellectual Property and – in some cases - turnover, but varied according to the nature of the KTP. For one business, the KTP was:

*‘Very fundamental – the idea was to get away from product related sales, but we could not make it cost effective as we needed a lot upfront to develop [the software] before we could show it to a customer. We needed to convince hardware manufacturers that you could do it, and that was what KTP was all about. It **over**-delivered, we had the software up and running in six months, it kickstarted a whole new side of the business, enabled us to deliver at least cost, with lots of IP [Intellectual Property], added value to the company and increased capability’* (software, East Midlands)

For others, it was more incremental, allowing the business to develop new knowledge or skills, remain ahead of the competition, and, in some cases, to attract or retain customers as a direct result:

‘We got 40 new routines in an area needed by our main customers, we expanded the products we can offer, so we got more sales and retention as well, as we work on an annual licence, so new functionality keeps customers there’ (software, North West)

‘I don’t see the knowledge as ‘transferred’. In our case it is about origination from the associate (using knowledge from academe and within the company) and is a slow process in itself. We see a market opportunity and there is only a 2 year time horizon before the opportunity is gone. We want to get in there fast... [But the KTP] has brought us a different way of looking at things. The Associates are more reflective and curious. We are so concerned about speed. KTP 1 earned us money (which we were not expecting!). We won a contract that we could not have bid for without Associate’s knowledge’ (wholesaler, Yorkshire & the Humber)

‘We got £100,000 of works from an environmental agency; a better understanding of motivation and success factors in volunteering and how we can support frontline agencies.... We are able to articulate positive benefits [of volunteering] on health with credibility and confidence. The conference organised for high level policy makers has enhanced our profile and reputation.. (volunteer co-ordination, South West)

For several, the KTP was a case of building the foundations for future growth, or in creating opportunities to strengthen the business (in one case, to make it more attractive to a potential purchaser):

‘[The KTP] dramatically improved our understanding of what we are able to produce. We currently use a product that has only one supplier. There are risks to this we want to mitigate against as a business. This [new] product

would be an improvement on what they supply so not only reducing our risk but also giving us new sales opportunities' (manufacturer, South East)

'We think this project had great appeal to the acquiring company and has potential for steering future growth. We have also had the experience of developing, testing and getting a new product to market which we will be able to iron out the wrinkles in the process and integrate into our business model' (manufacturer, Yorkshire & the Humber)

One of the most common impacts was that the business took on the KTP Associate:

'KTP provided two of our most useful staff. Both KTPs have stayed on with us as quality engineers' (engineering, South West)

'I like the idea of helping someone in their career although I look for people who are going to stay in the business' (wholesaler, Yorkshire & the Humber)

'We employed the first KTP guy – he had good technical ability and very commercial as well. That's what we're looking for, but it can be hard to find' (manufacturer, Yorkshire & the Humber)

6.8 Follow up support

Most successful users noted that they were thinking of undertaking another KTP, were in the process of applying or had already undertaken more than one, with serial use of the service being the norm among the sample. However, specific referral to another scheme was rare, from either Advisers or universities; only one business noted that this had occurred, with TSB support having been suggested as worth exploring, and another reporting that there had been networking opportunities which had given access to discussions with TSB personnel.

'We are keen to develop this knowledge in-house - we would apply for a KTP again now we know the process' (manufacturer, Yorkshire & the Humber)

Also commonly, the KTP process made businesses aware of the possibilities of collaborating with universities (although a small number were also deterred from this idea by bad experiences):

*'One of the things direct from KTP was a greater willingness among management to engage with and use academia as external third party consultancy. So, we contracted one department to undertake a feasibility study on some video processing, that would **never** have happened before KTP, it made clear that universities now were making themselves more commercially focused'* (software, East Midlands)

'We have a closer working relationship with [the university partner]. We are still working with them now. And we will look at other schemes now to help us develop the business aspects [related to the KTP]: the advisers pleasantly surprised us with their insight and sensitivity to our [social enterprise] business model, they did not try to question it, so we are more confident to work with other advisers' (volunteer co-ordination, South West)

7 Technology Strategy Board

7.1 Sample

Interviews were conducted with 25 users of TSB support, nine micro, 14 small and two medium, with representation from six regions (with none from the North East, South West or Yorkshire & the Humber). Just over half (13) were in the professional, scientific and technical sector, with eight in information and communication. Just under half of the sample received only TSB R&D grants as opposed to the KTP service covered above, and repeat usage of the service was extremely common: approximately half of the sample had been accessing TSB services for some years. All bar three of the sample had undertaken a Smart award (a programme providing part funding for R & D projects carried out by SMEs) under the current arrangements. The remainder were all heavy serial users, and had accessed a wide range of other R & D grants (including a variety of competitions, collaborative R&D and collaborative feasibility). Eight others had accessed other R&D grants in addition to Smart awards, including Retrofit for the Future (2), Biomedical Catalyst (2), Ecobuild (2), and other collaborative R&D or feasibility studies (4). Five also noted that they had taken part in European programmes (e.g. FP7 bids), in which TSB had a co-ordinating role, and one had taken part in the Advanced Manufacturing Supply Chain Initiative, which is not a TSB initiative *per se* but TSB handles some administrative processes. Only one had used an Innovation Voucher (which provides funding of up to £5000 to enable a SME to work with an external expert for the first time on a challenge that requires specialist help), which is a more recent initiative.

Unless otherwise noted, comments below relate to the current version of Smart awards.

7.2 Awareness

As noted above, many interviewees (either in the current business and/or in their previous employment) were serial users of TSB or other related innovation support and can no longer remember how they first became aware of the service. Indeed, many had a history of use stretching back to the early 2000s. Most of this group had maintained awareness of TSB through a variety of routes: networking, Knowledge Transfer Networks (KTNs), personal relationships with TSB personnel, working as technical assessors etc. This group can be seen as highly sophisticated consumers of TSB services, with a good all-round knowledge of offerings and processes and extensive experience of applying for Smart awards and/or competitions. Two had been recruited as an assessor before they had actually used TSB services themselves. As such, their experience may alleviate difficulties faced by less experienced users.

Among less experienced users of TSB, there were a variety of routes to awareness. Several had hired consultants either for a specific R&D project or more generally to find pots of money to apply for. Others learned of TSB through work with universities, publicity for competitions in their sector, sector networks or business contacts.

7.3 Investigation/trigger

In most cases, there was no real private sector alternative identified. External investment (e.g. from business angels) was regarded with suspicion or unworkable, especially at the early stages of research typically funded by TSB, and particularly in the current climate:

'it takes a long time to commercialise research, venture capital is only interested when it's proven' (software, East Midlands)

Given that TSB largely delivers funding, rather than more qualitative support, the trigger for further investigation was usually a specific project which required funds, for which a particular TSB product appeared to be appropriate. The motives for entering competitions varied; it is difficult to generalise, given the wide variety TSB runs.

The investment is usually both instrumental (in that it is specific funding for a specific project) and strategic, in that the typical research project often involves an entirely new product or market area, rather than incremental improvements to an existing product. In four cases, the business was pre-revenue when it first used Smart awards (and still was in three cases). Most users had not contacted TSB directly for guidance before applying, preferring to use the documents on the website (or the knowledge of the consultant, where relevant), before starting to fill in the application form and contacting TSB when necessary. Experience with the documents on the website is mixed; given that investigation and application phases for Smart often overlapped, this is dealt with in more detail in the next section.

7.4 Application

For experienced users of TSB, Smart application forms are fit-for-purpose, albeit with minor inconveniences. These varied by interviewee (e.g. compatibility with different word processors or operating systems, word limits), and there were no concerns which affected all or even most users. All experienced users acknowledge that application can be lengthy, but also noted that it was worth the effort for the amount of funding received, especially as it was public money.

'Evidence took time to compile – but so it should! You shouldn't just be handed money! You have to have a good technical argument, and the time spent versus the return we got was about right, and constructive, as we looked in more detail at what we proposed to do' (aeronautic research, London)

Several compared TSB forms and bureaucracy favourably with European schemes, at both national and supra-national level. Of those which had used European programmes, only one had undertaken any of the administration (with the rest leaving it to partners), which he regarded as extremely onerous.

However, there is a steep learning curve for the first application; virtually all experienced users reported that second and subsequent applications would be far more straightforward. This applied whether the first application was to a competition or to a Smart award – simply going through the process of completing a TSB application was a learning experience.

For those less experienced, therefore, the form was almost universally regarded as lengthy and onerous. Furthermore, guidance is lengthy and could be confusing, particularly about eligibility criteria for different types of award:

'I didn't feel I understood the process... the website had 30-page documents, so questions are bound to arise... it was very unclear who could help.' (aerial technology, London)

'[The documents] are too long – you need someone with a Plain English Award to go through them'. (software, London)

Several requested clearer guidance, in particular concentrating on how the application will be assessed:

'It's like an exam, I'd like to know the mark scheme! There's guidance on how to answer but if there are some more objective criteria it would help'. (manufacturing, South East)

Similarly, a company which had failed largely on questions about human rights queried the weighting given to each section, which is not revealed.

However, it should be noted that serial users generally reported that documentation and guidance on the website has improved a great deal in recent years, and continues to improve. In addition, TSB are carrying out work on the Smart application forms to keep them as simple as possible and so that the process of completing the form helps applicants to think the project through in a manner which will hopefully help them proceed even if they are unsuccessful in their application for funding. This links with the view of a small number of users – both experienced and less experienced – that the main virtue of the form being so lengthy is that it does lead to the user thinking more seriously about the project, and especially how the business and technical case work together. In several cases this led to the original idea for the project being improved, simply because the applier was forced to think in a different, more detailed manner about it.

It was typical that first-time appliers also became frustrated with the administrative side of applying:

'It's too bureaucratic, with too many deadlines and strict timeframes. The paperwork isn't very clear as to exactly how the system works, a lot of minute details that don't answer the critical questions.' (nanotechnology, North West)

Use of consultants to help complete forms is not uncommon among inexperienced users. However, several noted they felt that they had received poor value for money from consultants, at least partially due to their own ignorance of the processes; now they knew more, they would not be averse to using consultants again, and would be able to use them more effectively. Others, however, felt that they had learned enough from the consultants to complete the form unaided in the future.

Given the concerns reported above, the majority of first time users of Smart had contacted TSB to seek clarity. However, most found the response unhelpful. More experienced users confirmed that they found the helpdesk of value, but with the considerable caveat that the user needed to know both the right questions to ask, and how to frame them to extract useful guidance – in particular, users noted that

the questions had to be specific and detailed about the information sought. Those less experienced, however, had a largely negative experience.

This attitude towards the Smart helpdesk persisted throughout the process for inexperienced TSB users. This can cause difficulties in using the funding, especially if the user is under a deadline and the helpline do not know to whom to refer a question, but recent users of telephone support continued to report a poor customer experience.

7.5 Assessment

Serial users reported that feedback on Smart applications (both accepted and, more pertinently, rejected) has been variable in the past, but generally reasonable. The quality was reported to have improved steadily in recent years. Thus, for the most part, applicants were satisfied with the feedback. However, a substantial minority also mentioned that opinions of assessors could vary widely, and could often be contradictory. Experienced users usually took this in their stride, on the basis that some disagreement was inevitable, as there would never be unanimity about new technology.

However, a wide divergence of opinion could cause larger concerns for others, especially less experienced users, and where the assessment was perceived not to be constructive. Several questioned the competence of the assessors assigned to their application – less in technical terms, but more their all round competence to examine *both* the technical and business cases. Two users expressed an interest in having a ‘right of reply’ to criticisms, but most felt that would make the process more complicated and bureaucratic, and it was more straightforward to submit another application if they felt they could improve on the original.

As with the documentation, serial users noted that feedback (on both Smart awards and competitions) was perceived to have improved in recent years, and has become more constructive in its nature. Indeed, TSB has been retraining assessors to help address these points, in particular to ensure feedback is more constructive.

All competitions were generally extremely well regarded in administrative terms, as generally the SME would let larger partners in the collaboration deal with that. A typical comment was:

‘TSB is exemplary. If more organisations followed suit, I’d be overjoyed –it’s an example of how to run competitions’ (aeronautic research, London)

7.6 Use

Users did not greatly distinguish between the role of monitoring officers in Smart awards against competition-based funding programmes, and generally reported that their comments were applicable to both. Monitoring officers in general received praise, although there were differences between individual officers in the support offered, which led to variations in the customer experience. In the majority of cases, users reported officers to have undertaken the job in an exemplary manner, and often that they ‘went the extra mile’ in providing insights and suggestions. A typical comment was:

‘[The monitoring officer] gets 5 out of 5. And she stuck with us, helped us through sometimes obscure forms and rules of funding, such as virements.’
(software, South East)

It is also worth noting that a small minority of users seemed to be excessively demanding, and made requests which monitoring officers could or should not fulfil: one business owner, for example, requested guidance on how to run the research project. The monitoring officer (reasonably) said he could not offer that sort of detailed guidance, and that it was up to the business to decide that. This points to a requirement for a slightly better management of expectations providing clarity as to the monitoring officers' precise role.

In particular, the evidence suggests that the greatest variability in support from monitoring officers occurred when the project did not go precisely according to plan. Despite this being an inherent possibility in this type of research, users reported that it could be more difficult and lengthier than expected to change plans (and spending plans in particular) when circumstances changed:

'We did not want to change the overall budget, just move it between headings... This was not easy to get changed. We had to invest lots of people [time] and expertise'. (software, South East)

Halfway through became clear that I didn't need to spend one part of the budget and wanted to vire £1,800. I requested in May 2013, still no response in September. I'll probably lose that money now because the project will finish'. (software, East Midlands)

'the deliverables are inflexible, but you cannot predict everything and need help to review and adjust as projects progress... You have to be well informed about 'costs' that can be put to project and the cost of accessing support. You have to do a lot yourself. You have to know what questions to ask'. (software, East Midlands)

The small number which required significant changes usually achieved them, albeit often after a long period of uncertainty, with much appreciated help from the monitoring officer:

The Monitoring Officer was really professional and helped a lot in renegotiating the project plan... Our expectation was that we could actually produce a product but we were funded to achieve a proof of concept. And we did achieve that.' (software, South East)

For projects which proceeded mostly according to the original plan, though, the majority of users had few complaints about bureaucracy and red tape during usage of the funds.

A number did specifically note though that the bureaucratic process could actually lend projects more structure than they otherwise may have had, which largely negated any complaints about excessive demands for information.

'Although I complained bitterly about the red tape, reporting every quarter gave a structure to the project that did keep attention on progress' (software, South East)

Most users had experienced few, if any, significant delays in receiving approval to begin the project, or in claiming funds. Where there are longer delays, they tend to occur in collaborative competitive projects, where the process of forming a partnership, working out legal issues (e.g. about IP) etc. may take longer than initially assumed.

Users who had worked with universities on collaborative projects were also dissatisfied with the high cost of university time (because of the full economic costing model used by academia), which could lead to the SME effectively subsidising the academic partner in some cases. However, the rules in this area have now changed: since, autumn 2012, academics are funded at full cost and businesses still receive the appropriate rate of match funding regardless of academic costs. Nonetheless, most of the small number of users which had undertaken such projects in the past were unaware of this change, and indicated that they would be unwilling or reluctant to work with universities in the future because of the perceived funding imbalance. Thus, it may be worth making attempts to publicise the rule changes more widely.

The website used for tracking progress and submitting claims is reported to have substantially improved (e.g. there are now automatic notifications, and it is generally more user-friendly). Concerns expressed by those using the site some years ago appear to have been effectively addressed by this revamp. The _Connect interface was singled out for praise by all those who had used it (despite some teething troubles and minor downtime issues):

'They must have spent a fortune. But it did work for uploading information and getting paid'. (software, South East)

7.7 Impact

The actual impact of receiving TSB funding was reported to be variable, with much depending on the type of grant, the product involved, stage of research etc. The greatest impact, in fact, is that the research was undertaken at all, given the lack of other sources of funding. In that respect, the deadweight loss from the scheme is relatively low, as the overwhelming majority of users reported that it was unlikely that the research would have gone ahead at all, or in significantly altered form, without the funding.

7.8 Follow-up support

As noted above, many users return for further grants, or reported that they would be more than willing to when they have an appropriate project, or the current project progresses to its next phase. Most had a good knowledge of TSB schemes in general, or were aware of where they could make investigations or network (e.g. KTNs) in order to be able to find out more. A small minority were deterred from returning to TSB by the application process, and what they perceived to be unconstructive (or simply wrong) criticism by the assessors.

However, a substantial minority of users identified a specific gap: a lack of follow up support, either financial or non-financial, provided by either TSB or another service, and a lack of signposting to other possibly relevant support outside the service. TSB was seen by many as a 'hands-off' service, providing funding and support on how to use that funding, but with little referral to other support, apart from where an individual monitoring office had suggested routes to pursue. In most of the small number of such cases, the latter simply consisted of suggestions to investigate finance options, rather than necessarily explicit referrals or recommendations. Only in one case was the user signposted to specific financial training.

In particular, a number of users reported that they felt like they had 'fallen off a cliff' (as one put it) when the funding finished.

More recently, several respondents have noted that they have received an email from TSB inviting them to consider Growth Accelerator, and welcomed this as a suggestion for other support to potentially use. Indeed, since June 2012, TSB has been systematically linking Smart award receipts to Growth Accelerator where the support offered to access finance and commercialise new products and services is likely to be beneficial to them. In terms of links with other services, several users praised a trade mission to Boston jointly organised by UKTI and TSB, but noted that most other links mentioned revolved around support similar to TSB (e.g. European programmes).

8 All services

Across all services studied, there were a number of themes which emerged as common. This section outlines these themes, and examines how interviewees perceived (a) the support landscape for SMEs; (b) how the services fit into that landscape; and (c) how the services interacted with each other and with other public and private sector support providers.

8.1 Prior awareness and use of business support

Businesses were scored according to their prior use and knowledge/awareness of business support (the latter making use of both their own self-assessment and any relevant comments made during the interview, using the judgment of the interviewer), in terms of low (or no), moderate and high usage/awareness. As shown in Table 8.1, the largest group – just under one-third – were placed in the ‘low’ category for both use and awareness, with very few scoring ‘high’ on both scales. Overall, approximately half of interviewees reported a generally low awareness of available business support.

Table 8.1 Usage and awareness of business support prior to most recent experiences of studied services

	Use	Low	Moderate	High	Total
Awareness					
Low		28	15	4	47
Moderate		10	15	6	34
High		0	5	7	12
Total		38	38	17	93

Note: seven interviewees declined to answer these questions. Includes usage of one of the studied services prior to study period, if relevant; takes into account previous experience of interviewee as well as business.

High proportions of interviewees reported a long history of involvement with the studied services. Some 40% of UKTI interviewees reported having first used the service before 2011, with most of them using it on a repeat basis on a long term basis. The same proportion of MAS interviewees reported a similar situation (including those which had used MAS sparingly but had maintained a relationship with their adviser). However, the highest proportion of serial use was found in TSB: over half of the 25 TSB interviewees fell into this category, with virtually all having accessed multiple products over the years.

Other than these, the most commonly reported forms of support used were Business Link (16 users) and support for apprenticeships (12 users). A similar number reported using sector networks or consultants (in some cases, to aid access to one of the services under investigation). A small number had used local or sectoral grant schemes; local business hubs; or energy saving grants and schemes. Only one specifically mentioned direct.gov. (The user was probably referring to the gov.uk web site which provides access to all government provided services, including for business).

Examining the evidence around support usage and experience suggests a broad fourfold typology. The following sections develop some stylised facts about these groups.

8.1.1 ‘Sophisticated’/experienced users

These users regard themselves and their businesses as highly aware of the availability of support schemes at national and local level, as ‘plugged in’ to local and/or sectoral networks, and able to make good use of their previous experience or their current or past relationship with advisers in sourcing and using support. Many would also try to use their own employees’ skills in the first instance, with support only being sourced in the case of a clearly identifiable gap, or where funding is available in order to subsidise a project. As a result, their use of support can be sparing or, to be more accurate, discriminating – seeking support or funding which they know will fill a particular gap. Often, the knowledge of support rests with an individual by virtue of their past experience. Typical comments by this group were:

‘[Our knowledge is] pretty good as we are well networked. Advisers keep us up to date with email and phone contact. We belong to the [local] Chamber, [a local] Aerospace Forum, and lots of other networks... We use external support regularly. We know what the eligibility rules are and we know we will have to pay’ (manufacturer, South West)

‘I’m confident using support and accessing support schemes due to my personal career history, I’m aware of different support schemes, I’m well versed in the landscape of support, and a lot of it is down to who you know; asking the right questions to the right people in order to see results’ (nanotechnology, North West)

We’re reasonably clued up; we use the local business press to stay up to date, a member of [local sectoral organisation], relevant sector forums, the CBI, the Chamber, we go to local university events. But we would always use internal expertise first and then look who we know to help us. (manufacturing, North East)

‘We have used a range of services under various administrations. Our chairman is well networked and sits on many boards or groups concerned with business support so we are kept aware. We don’t tend to scan the environment as we have long standing relationships with people we trust at UKTI and MAS and who understand our business and needs. We would go to them if we have an issue...’

The latter interviewee was clearly confident about using support and had achieved good results using MAS and UKTI, as well as local support schemes. However, he went on to note that there were limits to the knowledge embodied in the staff, and to what could be achieved by asking existing advisers:

‘...but it would be good if there was a clear central are on a website to scan – we might find things we did not know about!’ (manufacturer, North East)

This was echoed by a number of other experienced users:

‘We know a lot where we’ve used it, I’m sure there’s more we don’t know about’ (high technology manufacturer, South East)

‘My main job is as a technical recruitment specialist so knows what is out there through his networks - Chamber of Commerce, LEPS, ERDF teams.

But my overall opinion is still that business support is a minefield. Great when you can find someone to speak to who is clued up. No central source of information, ... you need a navigator. If you started hunting for support products it could be a full time job! (sports consultancy, Yorkshire & the Humber)

It is clear that this group is well-disposed towards using business support, and are reasonably aware of the extent available. Some believe they would be easily able to find relevant support easily (e.g. *'if I need something, I'd just Google it'*), but many would like to have access to some central source of information – probably online – which disseminates information about support in an easily digestible manner, in case they identify an internal problem for which they are not aware of possible solutions. In particular, users noted that while their knowledge of long-existing schemes with which they have engaged is very good, they regard support as having become more fragmented and less easy to find, particularly by what they perceive to be a general lack of engagement at the individual business level about support in general.

This was made clear by a user who has tried to engage with recent changes in business support, and clearly is aware of the agencies and organisations to approach, but has been frustrated in his efforts:

'We had a reasonable understanding - then everything changed with the new coalition government. The LEP say they want to invest in local business, they send people out to promote the fact, but when it comes down to it there are no staff to talk to and you are told to send in an email or register on a website. We want to talk to someone to help shape up a proposal or tell us if we 'fit' with the latest 'priorities'... We are willing to put effort in to frame something but don't want to spend time doing that if there is nothing available to us. We have tried to link to the LEP but not clear what the offer is... MAS tells us if something is relevant but it all seems a bit random. Things change all the time. Business Link was always a good place to start before if you wanted to know what was out there, the LEP is not the same set up.'
(manufacturing, South West)

This feeling was intensified by the pressures of running a small business, particularly in a time when demand is low, and businesses are moving towards leaner models. A number of users in all groups made reference to the fact that they would like to use more support, but they lack the time to either look for it, or to be able to afford the opportunity cost of using it:

'I used to be a grants co-ordinator so I'm used to using government bodies to source funding... I feel very confident with accessing and using the schemes the business has used but I'm not really sure now about what's out there... I just don't have the time to research and look into other support that may apply to the business... the information available online and in person through meetings with advisers is easy to access and understand and the processes are easy to follow, but they're time consuming and resource heavy [in terms of person-hours]' (heavy engineering, North West).

8.1.2 Experienced users with a narrower outlook

A second group consisted of users who regarded themselves as reasonably knowledgeable and experienced about support, but probing revealed that this was largely limited to a single area or topic, with broader use and awareness somewhat lacking, and – often – a blinkered outlook. In particular, this applied to businesses in which ‘support’ was interpreted as mainly a case of obtaining funding, rather than more developmental or strategic support. For example, a number of technology-oriented businesses knew about funding available for their specialisms (e.g. specific government schemes) or sources of more general technology funding (e.g. research councils, the full range of TSB services), but their awareness of other types of support was more limited or the schemes were seen as not relevant (often asserted without detailed investigation):

‘We’re good at being successful in schemes, we’re good at winning money. That’s quite narrow, and it probably needs widening, but we need time – I’m sure there’s other areas we know nothing about’ (software, London)

A user who had accessed TSB funding many times over a decade, and (justifiably) regarded himself as an expert in that area noted that

‘Business management support – I wouldn’t know where to look (other than asking for a favour from Goldman Sachs) and actually I wouldn’t look for it – it’s hard to justify the money [I would spend looking or paying for it]’ (high technology manufacturing, London)

However, he made clear that the reason for this is, at least partially, a lack of joined up and clear information sources:

‘There’s space for a nice clear foldout map. I can just see a life-cycle map – all the things available at various points, like going for exports or the stock market, when you should be thinking of going for them and what’s available to help at each stage. But that’s never really happened. Occasionally people will say you need to talk to these people, but it’s never a structured handover, you have to start from the beginning again – unless they actually know each other personally, that’s good.’

If support of this nature was available, he would be more encouraged to access support outside his ‘comfort zone’. A similar outlook was found among many users of TSB – when asked about ‘support’, the focus was heavily on grants and subsidies. When asked a general question about their previous use of UK support, one user responded:

‘We got a US grant as part of consortium, but no UK ones. No EU ones either, we would need to be in consortium, and it’s never 100% funded so why would other company pay for developing our IP. [Our knowledge and awareness of support is] reasonable but not totally up to speed. So many different pots... When we started, we relied on equity investment, but that’s been in a slump - TSB awards have been very good for the industry in general... We are not looking for advice on strategy – we have a board which are experienced, so getting someone else in who’s not an expert in the area is not ideal’ (pharmaceuticals, South East)

Similar attitudes were found in questions on how accessing the support has affected their knowledge of business support in general and willingness to use it, with TSB users

focusing on finance and, to a slightly lesser extent, accessing networking opportunities with other high technology businesses, rather than broadening their horizons about other types of support. Many of this group of users noted that their knowledge of additional support may not have changed much, but the skills or confidence in use which would help them apply for additional support have been enhanced by using the support.

'I log on to TSB find out what grants are available. I'm on mailing lists, and the emails are good, but we are very narrowly focused, so 90% is pointless, I need to find the things which might help' (IT, East Midlands)

'Our knowledge is moderately good – we're quite good in areas we're interested in, which is technology ones. [The TSB support] gave us a much better understanding of whether a project is suitable for a grant, but not necessarily an increased knowledge of other things being available' (medical technology, East of England)

'I was quite good at accessing commercial support advice for defence and aerospace defence companies... [but I] had very little understanding of what was on offer in the 'civilian' sector, I was not aware of funding or mentor schemes and wouldn't have known how to access these... but the business is now thinking along those lines and feel that it is a great benefit having applied for and been successful in securing a Smart Award, both in terms of our skills as a business to bid for funding and as a credibility thing as much as anything else.' (aerial technology, London)

It was also the case that (with the exception of GA), services most often referred users to repeat use of the same product, or another product offered by the same service, thereby reinforcing the limited outlook of users. There are signs that this is changing (e.g. the most recent TSB users noted that they had received an e-mail specifically suggesting GA) and referrals to GA are now being offered to Smart award recipients (in place since June 2012). One user, referred to a KTP from earlier Grant for Research and Development use, when asked if he had been referred to other support services, answered:

'Not really (or at least not outside TSB). They all recommended going back to TSB – they were keen about us taking another KTP, partly because we took on their associate, and TSB saw that as their flagship [scheme]... but it's never possible to know what the total support landscape is – different sectors have different grants, and in an ideal world, there would be someone in the business, all they did was be in touch with stuff like this. You can hire consultancies to do that for you, as it is a minefield, but you can spend a lot of time to try and get money, then find you haven't got it, that's a cost. So all SMEs rely heavily on someone contacting you from outside – Medilink told us about European grant funding and what we need to get it, who we could partner with. All this needs external input, almost an SME liaison' (IT, East Midlands)

However, the same user did note that the KTP process led to a greater willingness to engage with universities as a resource for support, albeit mainly still related to technology development. This was not a direct referral, but a side-benefit stemming from exposure to the university.

Other TSB users noted that their monitoring officers had put pressure on them to seek out finance, or even referred them to training about finance options, in order to prepare them

for launching a prototype into the market, but not into – for example – support which may have more directly developed marketing skills.

A similar outlook, limiting support to funding, could be found among a smaller number of MAS and UKTI users, where their main focus had been on sourcing subsidies for consultancy, overseas visits etc. For example:

'We know that day rates for this kind of strategic review are about £600 per day. We get 50% towards the cost and we appreciate that – it is a few thousand pound all told. We have the opportunity cost of 5/6 managers who are involved in this strategic review process to cover too.. We are always looking for ways to 'de-risk' new ventures, ideas, products and so look for 'free' money to support this.' (manufacturing, South West, MAS user)

'We've been referred to other schemes which have provided funding – mostly towards the UKTI activities – some UK based, some European based. Can't remember names – but they were all about the funding.' (engineering, West Midlands)

It is worth reiterating (see Section 8.1.1) that, as implied in the last quotation above, the extent to which businesses are encouraged to look for a greater range of support depends to an extent on the individual advisor. One user, whose only experience of support (to date) was UKTI funding to attend trade events overseas, noted:

'Support is very limited, and hard to find unless you search for it; the main reason we know about things is we have a UKTI advisor... but it depends on the trade advisor, the current one is very active, the previous guy was a bit of a flake... but [in terms of recommending support] these guys are very constrained... their brief and indicators are very different to ours. They did get us in touch with local bodies who help to fund companies to go to trade exhibitions in UK which UKTI can't, and they did point towards non-monetary support; a lot of it we were doing already in-house, but they were encouraging us to head in that direction' (manufacturing, North East)

As implied by the user above, the adviser needs to ensure that the services are mentioned at an appropriate juncture, and that essential information about the service is conveyed, including exactly what they might offer the business. Otherwise, there is a risk that the user will ignore or forget the information:

'[The advisor] did mention other schemes, but I can't remember which – they were not particularly applicable at the time. So he basically gave us pointers, where to go, but I never really followed up on it.' (leisure, Yorkshire & the Humber)

8.1.3 Returning or lapsed users

A third group had typically used support some years ago – for example, when they had established their business, were in the process of actively growing and/or developing their strategy to grow. At this point, they reported that they had been confident in their knowledge about what support was available, their ability to seek it out and use it. Many sought help from Business Link, which may well have led to their first referral into the business support landscape. Now, however, they have lost touch with available support,

and are confused about where to start looking. Finding the support they recently accessed was often attributed to ‘chance’ or ‘networks’. Typical comments would be:

‘I knew about some support schemes, but my knowledge wasn’t up to date, what I knew about the support on offer, and the ways it was delivered were old fashioned. I wasn’t aware of Growth Accelerator and wouldn’t have known how to search for it or know whether it was relevant to me. Plus the company is very small, only four people- so I presumed government funded support was for bigger businesses and I wouldn’t qualify.’ (software, East of England)

*‘I started to research different options online but it was just window shopping, I hadn’t explored the effects on our business financially, the benefits... you have to really go looking for it if you want help. You have to ask for it, but knowing **where** to ask is important’* (translation, London)

‘[My knowledge] is reasonably good, I’m on mailing lists, reasonably well informed – but I get bombarded with stuff, plenty of information out there so it can get a bit confused about which is which. And I hadn’t used [MAS] for years, so it was all about re-establishing contact, a tip off on the grapevine that [MAS] had changed and that funding was available for training. One of the contacts passed on a referral – a person to actually ring there’ (manufacturing, North West)

‘Business Link was a loss – a good name that people knew about – usually my first stop, but now I wouldn’t know where to go. I only went to Growth Accelerator because it was pointed out to me, I wouldn’t know where to start to find support. Even if Business Link didn’t know, they would know where to point of me... The website has been really useful, but I would like some sort of flowchart or something to signpost where to go, I would still like diagnosis’ (translation, East Midlands)

They are well-disposed towards using further support; however, despite the fact they had recently accessed a support – often for the first time in years – many would avoid it in the future unless they had a clearer starting point to seek advice. In a number of these cases, though, their use of the support had created a trust relationship with their adviser, who acted as that entry point, and encouraged further use. Where that relationship had not been established, users were more resistant to continuing to seek support.

‘[My knowledge was] generally OK [years ago] but poor now as things change and I have not kept up. I use networks and trusted members of the support network.’ (training, North East)

‘[My knowledge] used to be good. I don’t look for support now, I have networks of other businesses and ask around for good people if we need them. And I will talk to the MAS consultant we had, he was great’ (manufacturing, North East)

Some of those who have tried to investigate further have been frustrated in their attempts:

‘I’ve got limited knowledge now. It’s all very confusing, since every government tries to simplify it. I can remember most [of these changes], but on the ground it’s difficult to work through. Take financing, there’s a plethora

of government and quasi government initiatives – but not one coherent source to put it all together. Locally, there is a newish business growth hub which tries to [do that], run by local end-user providers – but I don't know how good they are, as a lot of it is accessed through individuals coming from one of suppliers which make it up, so they only know really about their own field. I've been to a couple of presentations organised by the growth hub and it's all still very confusing.' (plastics, North West)

'I know a bit more [after using MAS], but if something came up that [I didn't know about], I'd just Google it. Overall, though, it's not clear what's available. When Business Link was there, it was one phone call, you got signposted. It was so helpful having the Business Link consultant come round, make suggestions about what they could use, but at the moment I'd have to look that up myself on Google. And I'd probably get it wrong!' (manufacturing, Yorkshire & the Humber)

In several cases, these feelings were exacerbated by the pressure to simply do business in a downturn (as also noted in the sections above):

'I knew a fair bit back then about support, but not now, I used to know where to go, but I don't know anymore, just not kept up with it. No idea if it would be easy or not, simply haven't tried. And we're shrinking – there are fewer people to do the same amount of work, so there's not time; we're completely tied up in things, I'm doing far more things than I ever used to... there's not the luxury of looking into something to see if it's worth it. When Business Link was around, it was a lot more localised and personal, but now...' (manufacturer, Yorkshire & the Humber)

8.1.4 Inexperienced users

As well as the experiences of serial or returning users, the research included some businesses which had accessed support for the first time (including both new businesses and older businesses which had not used it before), or had very limited past experience with support. In most cases, as with the returning users, their initial awareness was through their networks, or 'chance'. Again, a number emphasised the lean nature of their business, and how it was difficult to devote time to searching for support with an uncertain return.

'I didn't feel confident in researching or accessing support, wasn't aware of what was out there' (music production, South East)

'We are too busy to look at what is out there. We are building this business without borrowing - so cash is king.' (wholesale, Yorkshire & the Humber)

'[My knowledge is] limited – it's very hard to obtain and understand what's available for specific businesses. We're trying to focus on that through the local Chamber, to communicate this [to government], so that it's more easily accessible and interpreted as to how things available for individual businesses. We're told there's funding available but trying to find out how it applies to individual businesses is not always easy' (construction, East Midlands)

'I don't really know where to look, and it would be useful to have more information about what's out there, some sort of place to look for it. The general opinion and assumption from directors is that there's nothing out there.' (manufacturing, West Midlands)

'Not very good – most knowledge comes from contacts, and fairly low.' (software, London)

Most entered with a fairly open mind, but a substantial minority were somewhat sceptical about business support (in terms of bureaucracy, return on costs/opportunity costs etc).

'[My knowledge is] fairly limited – I don't think there's an awful lot out there, not a lot of free of charge business support, there's always a cost associated. We're trying to keep costs to a minimum and it would be nice to have help from people who supposedly know a lot about what we do here, how we can do it better – and it would be much better if it was free of charge!' (precision engineering, North West)

'[My prior knowledge was] very poor. They are poorly advertised to the target group of small firms. I don't bother to look anymore. Have to dig for them. Hard to put in place. Often have to claim within six months or funds are gone or you have to spend money in short space of time that does not fit with the business seasons. It is usually match funding so you have to be a certain size to be able to use it. I am sure if you are a start up it could send you in the wrong direction and use cashflow – then you'd wish you had never done it. I don't research it, but I might listen to someone who approached me.' (hotels, East Midlands)

A small number had become aware of the scheme through the users accessing other types of support, and valued the services of an expert passing on only relevant information. A recent start-up noted:

'It was difficult to start with, you needed a navigator – being in a University space with an incubation manager was invaluable. There is too much information on the internet and it's hard to judge value of it all' (software, East Midlands)

Similarly, a micro artisan manufacturer reported:

'Our own knowledge is poor. We use a consultant we trust as a conduit for information, and use him and general word of mouth as the main means to hear about what's going on. Trust is important here, we don't have to do the legwork ourselves, screening through the consultant keeps unwanted 'noise' at bay.' (manufacturing, West Midlands)

A fairly small number in this group were encouraged to remain involved with support through the relationship which developed with their adviser, or developed the skills to be able to source other support and use it more effectively.

'[Our knowledge is] very limited – it's hard to find information unless you search for it. The main reason we know about things is we have a UKTI adviser' (manufacturing, North East)

'There could have been more continuity – the MAS coach left and got a job elsewhere, we lost a bit of contact with MAS, it would nice to have follow up – he left us with all these ideas and a lot of energy, but still in a little bit of deep end.. would have been good for someone to have been in touch with new projects... [But the] MAS [adviser, in a personal capacity] did keep in touch about using Growth Accelerator –he advised when a good time to start would be, gave us contacts' (manufacturer, London)

'I might well try other [schemes], but my knowledge is low. I use _Connect a lot and our technical manager went to the Innovate 2013 conference, which was useful, gave us lots of contacts. I'm personally not aware of any funding opportunities, but know where to look for them.' (software developer, London)

In terms of encouraging further user of support, or signposting to other schemes, many users are not encouraged to broaden their horizons or even to return to the same service:

'TSB represented our 'gateway' to this type of advice and we are now much more conversant. This was the first time they were required, and we had no reason to have views, prejudices or otherwise. But we felt we had no need for further support, so we did not ask for it, but nor was it offered.' (manufacturing, South East)

'I'm not really aware of support for businesses available, public or private; the referral into UKTI was 'chance' rather than through research... I'm more confident with UKTI, it's a piece of cake now. I don't feel as confident with any other support scheme but some of the skills developed with UKTI might be transferable, like applying for funding... UKTI has not referred the business or suggested any other supports... I don't feel I know any more about entry points or how to go about researching them effectively.' (software development, West Midlands)

'I had not explored options for business support prior or been approached by support schemes... I'm still not aware of what other services UKTI offer and not confident in sourcing business support. Because we had strong ideas about what they wanted, in hindsight [the consultant] maybe wasn't as hands on or as forthcoming with ideas as to what support we might benefit from... I would still feel unsure about searching for and using support in the future- in hindsight this is another negative of both [UKTI and MAS], neither have increased my skills in using business support which seems disappointing... I wouldn't know how to go about finding out which support services would be worth exploring... I've only used funding within UKTI, so did not attend any courses or training or development, maybe this would be beneficial but was not offered.' (manufacturing, London)

'We've not really used anything before. UKTI is only one we've used or even looked at, and I presume that since we've done well the past year, there'll be nothing there for us. There were no referrals to anything else from UKTI [and, on probing, he was not aware of the other services]' (leisure, East Midlands)

'Not sure I know more, apart from the schemes [we've used], I wouldn't know what else is out there. Don't know anything specific to look for – don't know

that I need more government support to do what we need to do at the moment.' (management consultancy, East of England)

'I still don't know much about it. I won't spend any time finding out, we'll continue to focus on growing the business as we are doing.' (wholesale, South West)

Suggestions for improvement from this group were limited, perhaps because they were not aware of the ways in which support could be delivered other than through the current regime. Although many mentioned that it was hard to find support, only one user volunteered his opinion on how it could be changed:

'I would like a website with everything on there. Direct.gov is great from a personal point of view, you just tap in what you need, it'll be there. You should be able to go a funding website, tap in health and safety and find what's available for me, what I'm entitled to: free first aid, cheap defibrillators. Put in your circumstances; find out what you can get. Sometimes they don't want you to find the funding!' (precision engineering, North West)

[Note: interviewee probably meant gov.uk rather than direct.gov as the latter has not existed for over a year]

8.2 Awareness

While there are distinct differences between the four groups in how they access support, develop a relationship with their advisers and continue using support, there are a number of themes which recur across users in all four, and which are drawn out in this and the following sections.

First, while entry points to the system are somewhat mixed, the most common routes are (a) business contacts; (b) meeting a service representative at an event; (c) a marketing email from the service; (d) participation in dedicated networks or (e) from service advisers (in the case of more experienced users becoming aware of a new or changed product or opportunity for use, rather than becoming aware of the service as a whole). The first route is emphasised heavily by new and returning users, who prefer to get a recommendation from a contact they trust, relating to a service the contact has used themselves or has been recommended by one of their contacts. A contact with a service representative is also highly regarded, as it gives the user an opportunity to ask questions about how the service can best serve their individual circumstances, and facilitates a follow-up face-to-face meeting, at which more can be explained. Equally, from more experienced users, a recommendation from an adviser or other contact with whom they have worked before and with whom they have a trust relationship is effective in making them aware of a new product.

Alternatively, the most experienced users may simply re-contact the service when they perceive that they need to fill a gap in skills or funding, and whether or not they go ahead and re-use it depends on how effectively the adviser communicates what is on offer.

However, also common was a perception that there was no common entry point for support. For new users, this resulted in their perceiving their entry point as haphazard or serendipitous (although it should be acknowledged that the services make great efforts at outreach through networking organisations and events, so that the entry may not be as

haphazard as the user perceives it to be). Among more experienced users, there is some desire for a more comprehensive collation of national, regional and/or local support schemes, so that they can check if there is something which they have overlooked, or to make checking for new products more straightforward. This would also aid users in the common situation where they are recommended a scheme, but it is not currently applicable to their situation (i.e. somewhere which allows them to check contact details, eligibility etc. in a straightforward way when their circumstances are more suitable).

Among older businesses, this desire was most commonly expressed as a 'nostalgia' for the Business Link model, in particular for the service provided by the local offices. Although not universally popular (four interviewees specifically referred to it in strongly negative terms), the underlying premise of the service's Information Diagnostic and Brokerage (IDB) model was widely endorsed:

- Easily accessible information about services
- Diagnosis about the correct support for the business
- Brokerage (or signposting, as most commonly expressed) to relevant organisations which can provide the support

The evidence suggests that only a small proportion of users received information about other sources of support from the services themselves, unless the individual adviser volunteered information, based either on their assessment of business needs or on a direct question from the business. This was most likely when a longer-term trust relationship had developed, and usually did not constitute a structured referral or diagnosis, but relied on the individual adviser's knowledge. This meant that businesses were referred most often to other products from the same service, or to sources of finance to investigate, rather than, for example, broadening their use of support to a complementary service. Users found these referrals useful but were aware that they were limited and partial. A minority were surprised that the possibility was raised, indicating that they did not think it was part of the service's remit to undertake such signposting; rather, they would prefer each service to undertake its designated task as well as possible. Among those which had used two or more services, explicit referral was rare. More common was the user stating that the multiple services had very little to do with each other as they applied to different parts of the business, or forging a link themselves, using the service where it best fitted into the overall strategy for the business (e.g. several users noted that they developed products or processes with the help of TSB or MAS, then approached UKTI to better sell those products abroad).

As such, it was rare that awareness of a service, and the entry point, derived from advice received from previous use of a different service. Only in four cases was there an explicit chain of referral between the services studied in recent years, although it should be noted that those who had been using the service over a longer term could no longer remember how they had initially become aware of, and possibly been referred to, the service.

A number of interviewees thus expressed a desire for a simple device to identify available support; in most cases, allowing the business to specify the type of support sought, or, alternatively, to use a flowchart or questionnaire to narrow down support based on the answers to a few simple questions (size, sector, stage of life cycle etc). This would complement the existing situation, where referrals between services were perceived to rely on the knowledge of individual advisors, or on businesses being aware of the 'right' person to ask (as one put it, *'I feel well versed in the landscape of business support, but a lot of it is down to who you know - asking the right questions to the right people in order to see results'*).

However, word of mouth remains the preferred method of recommendation to lead users to a service – while awareness can be raised by advisers or a website, many will still canvass opinion among their networks, or only make further investigations based on an initial recommendation of good service from a contact (i.e. a Business Link substitute as an aid to investigation, rather than to initial awareness). This implies that providing that good service is crucial in expanding the user base, as a negative recommendation will deter potential users, just as a positive one will encourage them. This applies to not only the actual support provided, but also customer service, responsiveness, bureaucracy etc. Indeed, some respondents noted that while they may have received poor support (for example, from outside consultants or because of their own lack of experience in dealing with support), their opinion of the core service and its personnel remained positive, and they would be willing to use the service and recommend it, regarding their bad experience more as a learning experience.

It is also worth noting that those attending events (trade fairs, networking events) could be said to be relatively sophisticated businesses, who are already likely to be interested in developing their business and well disposed towards the idea of using business support for that purpose. Reaching out to 'less sophisticated' businesses may well be more difficult.

8.3 Investigation

As can be inferred from Section 8.2, few participants researched business support in any depth before meeting advisers, or made a speculative attempt to investigate possible support which they could use. It should also be noted that, in general, and across all the schemes, the ratings given to ease of access to information before actually contacting the service were usually the lowest.

Therefore, the majority of recent users had become aware of support in the manner outlined above (i.e. serendipitously or randomly), or had kept in touch with a support organisation with whom they had a long relationship, and waited until they had a specific project which fit the support e.g.

- *'[the support] sort of landed in my lap at the right time'*
- *'I went to a free seminar 18 months before I accessed UKTI. I was waiting for something relevant to me'*
- *'there hadn't really been any motivation to seek support as such, it was a happy coincidence, we wanted to know more about the market in the US and it was just a bonus that this seminar we attended enabled us to understand what it was UKTI could offer our business'*
- *The timing of the email was perfect, the business had initially started off doing [a series of one-off, in-depth] projects in the defence industry... but we were interested in how to mould all the know how into a product. Then we got the email from TSB saying 'look if you are at the stage where you want to take some R&D and develop a product or prototype we will support you' so I thought this is fantastic.*

Virtually nobody asserted that they operated the other way around i.e. the majority of users fit support to the projects they wanted to do, rather than base projects around the support available. Where support was limited to funding, deadweight loss was asserted to be relatively small – it was reported that very few TSB-funded projects would have been undertaken without the funds, for example. The deadweight loss in UKTI projects was

slightly higher, although even then, many respondents noted that they would not have made a visit or undertaken market research, or it would have been at a smaller scale, without the support.

Once a tentative decision has been made to access support, investigation in all the services becomes more detailed, focussing on what exactly the service can do for the business. Even the more experienced users would tend to (re-)approach the service for discussions, unless they were simply applying for support similar to that they have used previously (e.g. a UKTI trade visit, a TSB application for a Smart award).

These face-to-face meetings are usually productive and informative for all services, although there are weaknesses specific to each (outlined in the individual service sections). However, a more general weakness across the services is that the usefulness of this initial meeting can depend on the route to the service and, in particular, on the individual adviser. For example, one user said: *'it took a while to understand what we could access. [Our second advisor] was very much more proactive in helping us... Some advisers are willing to give guidance, some are more focused on 'selling' the product'. A more consistent approach would lead to a better overview of services that the business could access, and aid in the diagnosis of initial need – the appropriateness and depth of which can also be variable in some cases. The service where investigation proved to be the clearest and most complete, with hindsight, was GA, probably because that has the simplest and most straightforward route, and did not offer the multiple products of other services.*

As this implies, several participants noted that they had sometimes found it difficult to grasp the full extent of the possible offerings, conditions, eligibility etc *within* each service. One noted that *'there could there be a better visual representation – a map, a flowchart – rather than lots of wordy explanations. Internal communications and consistency of could be better.'*

8.4 Application

There were substantial differences between the application processes of the different services. However, a recurrent theme was that businesses did not mind being made to 'jump through some hoops' (within reason) in order to win public funding. This functioned as a sorting tool to determine if the business was worth investing in, and if they would make good use of the support. This principle held even in the case of longer and more complicated application processes, as long as the business was warned in advance that the application might well involve substantial investments of management time on their part.

It should be noted that a small minority felt they had been misdiagnosed, and the service they received did not meet their needs. An even smaller minority asserted that they felt they had only been recommended a product because the service had targets to meet (e.g. a certain number on UKTI trade missions, a certain number of KTPs started). While there is clearly no evidence to support this, it is nonetheless a damaging perception which can cause harm to the reputation of the service. A lesson to be learned here is to ensure that users are not left cynically assuming that they have been 'used' in this way, by accurately diagnosing needs and recommending support appropriate to their situation.

8.5 Use

Although the actual use of the schemes varied substantially, there are several common points which applied generally. First, most businesses welcomed the opportunity to network with others who are in a similar position: *'[It would be better if they could] help companies to network with each other – for introductions and potential collaborations... and we would like a way to share what we discovered – both from our own research and from talking to others. It might be useful to other people. This is not captured and could be a valuable resource.'*

In some larger businesses, use of business support is siloed internally – in several cases of multiple uses of support schemes, the responsible personnel did not liaise, nor see if any links or synergy could be forged.

The most common side-benefit reported as a result of using the support is growing familiarity with how support functions, and how it can be harnessed for the benefit of the business. As one manager put it, *'at the beginning, you're on a massive learning curve. It's all new and you don't really know what you're doing, so an advisor tells you what they think you need, then as you settle into the support and become more familiar with the options for funding and the different support available, you begin to do your own diagnosis and say what it is you feel the business needs rather than just going along with what someone else has said'*. Similarly, a North West plastics business reported that, *'you can learn from all the people who are attending courses as well, the people are very interested to be there, you pick up a lot from them and the case studies'*.

8.6 Follow up support

For the most part, users identified very few explicit connections between services, and little cross-referral. Where the services had directly connected in some way, it was more often on the initiative of the user, or they had used the services in a combination which suited their own business plan – i.e. an implicit, indirect connection rather than formal co-operation or cross-referral. For example, a business which accessed both UKTI and MAS and had a continuing relationship with both their advisers reported: *'they have worked well together; when faced with a problem I tend to put it under both their noses. Between them, 9 times out of 10 they come up with a solution that is applicable or they are honest about coming up empty handed. There is a dialogue between the advisors and they are aware of the others involvement'* This has been well organised as *'nothing has been duplicated, but I realise the services are separate and different and in the main offer different supports, but the advisors have utilised each other's areas of expertise to best support the business and this has been a positive experience'*. Similarly: *'when we went to Brazil with UKTI the MAS adviser was part of the visit. This was initiated by us, not the agencies. We would bring services together where appropriate - not sure in what circumstances they would initiate'*. In one of the few examples of services working proactively together, several users commented positively on a joint UKTI/TSB trade mission to America.

Thus, a significant minority of businesses felt as if they 'had fallen off a cliff' (as one put it) when the support ended i.e. they were left 'dangling' with little idea where to look for subsequent support, if needed. One user felt that *'I received very different support from both services and couldn't as a customer [at the time] think of a way the two services linked or could have worked together. In hindsight, though, [linkages] may have been beneficial, I can see how having a more joined up service would have improved the experience for me, with one service taking account of the other support schemes plans'*

and actions, but in reality they felt worlds apart'. Similarly: *'taking UKTI as an example, we could have continuing assistance. It feels like the project just ends and does not built to another level. I suppose we could ask them for support more often!'*. In the latter case, it could be argued that the business should not have to ask for ongoing support: the service should assess their needs and redirect them if possible to other support.

Some mentioned that they had received an email following support from TSB suggesting that they might think about accessing GA, but this was not specifically targeted on need, and appeared to be essentially making use of the TSB database to send a marketing email. Nonetheless, users appreciated the communication, and it had proved an effective way of building awareness that GA could be accessed when needed – i.e. it was sent at the right time to pique users' interest.

Only in a small minority of cases had advisers mentioned other schemes during the course of support – or, to be more accurate, users could *remember* other schemes being mentioned in only a minority of cases. This is a crucial distinction. It may well have been the case, as several users admitted, that a scheme was mentioned in passing but they had already heard of it vaguely or it was not relevant at the time, and thus it did not fully register, and they did not follow it up at a more appropriate time. As one put it, although the adviser may have mentioned that there were other schemes, *'the onus was on me to look into alternative support and its relevance to the business, and there just wasn't time. No representatives contacted me, no one shared information directly about other support available'*.

However, it should be reiterated, as noted in the sections above, some users were provided with contact names and details of services, particularly relating to sources of finance or local schemes that the adviser was personally aware of. Rarely, the adviser more actively forged links. Users did not mention a formal diagnosis of 'next steps', nor a formal process of referral. Additionally, a significant minority felt that it was not the job of the advisers from the service (as opposed to advisers from elsewhere) to undertake such a task – it was more down to the business to seek support.

The above points raise the question of the appropriate time and method to inform businesses of the existence and potential use of other business support. Most businesses did not expect this to form part of the support they had accessed, and were not seeking to improve their knowledge of the business support landscape. This again leads to the question of 'entry points', as explored in Section 8.2. While a fairly substantial minority of user discussed the possibility of an independent IDB service or detailed online presence, a small number advocated a more personal approach, similar to a business being assigned a specific Business Link adviser. As one put it: *'It would be good if MAS gave you an 'account manager' who keeps the relationship going on a more permanent basis. [Our use] tends to be more episodic – we go for funding assistance, they supply someone, that finishes; then we go back and asked for more, got that - but there's not much continuity. It would be better if there was more continuity, and we could build a relationship, and they became a regular supplier –that builds them a revenue stream, and we're more likely to pay for it in those circumstances. Maybe even if all public services had a shared account manager – the most effective way of promulgating services is if they can become semi-revenue generating – that's what industry wants, not subsidies or grants, you need access to tech smarts and some forum to access that'*.

8.7 Public vs private sector

Users were asked why they chose public rather than private sector support. It is worth noting that all but three were aware that the scheme was public sector. These three were early users of GA, and it is likely that changes to branding and marketing mean that this is no longer likely to be the case.

The majority of users reported one or more of three main reasons for choosing public over private sector support:

- (a) no suitable private sector alternative was available (e.g. funding was not available for the sort of research supported by TSB or KTP);
- (b) the cost of a private sector alternative was too high; e.g. management consultants; export experts; the cost of specialist training courses; the financial and non-financial costs of research funding, which could include interest repayments, loss of control of the business through equity investments or giving up some IP rights.
- (c) the public sector is seen as more 'neutral' and not trying to push their own agenda. One business summed up the general feeling very well: *'there are so many sharks out there and so many horrendous contracts, you sign into some sort of contract for a service and it isn't what you think it's going to be. We just have lost total trust in the private sector for support so now we go to UKTI or MAS first every time. MAS haven't always delivered and it's frustrating but I have trust in them as a scheme and as a resource'*. Another said: *'it's good that it's from an independent public body, not someone selling something like an energy efficient motor – it's more unbiased'*

Against this, while most users approached public sector support with a reasonably open mind, and trusted the public support to be effective (or as effective as the private sector), a significant minority stated they had been concerned before applying about the potential bureaucratic burden. In some cases, this proved to be entirely correct, while others were pleasantly surprised at the lack of red tape. It is difficult to generalise here, as each user's perception of 'excessive' red tape is different. Equally, though, many took account of this, noting that they were prepared to 'go through hoops' as they were receiving public sector money, and it should not be overly easy to obtain and use, and there should be checks that it is being spent correctly.

A small number expressed the opinion that they were wary of the small scale of support which they believed would be offered by the public sector (e.g. only small pots of funding, the support would not be as in-depth as required etc). However, the majority recognised that they were using public money and expected it to be only part of the solution they required.

9 Service Delivery considerations

The evidence described above suggests that the majority of users of each of the services are satisfied, on the whole, with the service which they have received and with the impacts on their business. Nonetheless, there are some areas in each of the services where improvements could be made – and, indeed, in many cases the services themselves are already aware of these areas for improvement and are taking steps to remedy the concerns. This section concentrates on the aspects of how the services fit together, and how users perceive the SME business support landscape in general, as described in the previous chapter.

It is worth reiterating that these conclusions are based on users of the service, with no representation from non-users. However, the evidence does point towards how different types of business entered the support landscape in the first place, and the reasons behind that decision, suggesting ways in which non-users could be targeted.

9.1.1 Awareness

The evidence suggests that, once users have entered the system, and received at least partial satisfaction from the initial service used, they are likely to use support again, or at least to improve their attitude towards support and their skills in finding and accessing it. As such, initial entry routes cited appear to be working reasonably well in many cases. Attracting users through services presenting at networking events, or attending trade conferences/fairs etc appears to work well in terms of communicating the service's message and at least making users aware of a basic offer, even if they do not use the service immediately. Nonetheless, word of mouth through business contacts who had used the service remains the most effective way of attracting first time users to investigate the service further.

However, there were a number of areas where potential areas for improvement were identified. Many first-time users and returning users both reported that it was difficult to find support online, or even to investigate the possibility. Awareness of the gov.uk web site and the information that it provides on business support was very low. If they had not heard about the support they ended up using from 'haphazard' methods such as through contacts or attending an event and meeting a service representative, they would not have heard of it. It is also the case that most reported that they were not actively looking for support at the time of this initial contact, and that it was only the contact that had made them think of the support when an appropriate project arose in the business. However, a high number also said they had not bothered to look for support because they knew little or nothing about it, did not know where to start online, and there was no local organisation (which they knew of) which would direct them to relevant support.

It is arguable, therefore, that if there was an obvious starting point for finding support – either online (such as through gov.uk) or in local areas, or both – a higher number of businesses may try to find support when an appropriate project arises. This would be in addition to continued awareness raising through attendance at events, marketing e-mails and media presence. The most common requests were either for a 'passive' provision of information (e.g. a diagram of possible support routes) or more active signposting based on an initial brief diagnosis of business need (e.g. a flowchart). A minority of users

indicated that they regretted the loss of Business Link local offices, although opinions in this area were mixed, and most simply wanted a way to locate available support more easily, without necessarily specifying the precise way to achieve this. These tended to be the users who advocated an 'account manager' or similar, such that the experience of business support is less episodic.

Such a resource would also help experienced users and those with a heavy but narrow experience of support, as a first point of call facilitating their exploration of other types of support they could use.

9.1.2 Investigation

The majority of users stated that they preferred to investigate services through face-to-face discussions with advisers. However, in many cases, this was at least partially because the website did not provide the information they sought – either because it was not there at all, or because they found it difficult to navigate the site. It cannot be determined from this sample how many dropped out at this stage, since only users were interviewed. However, the website which attracted the highest level of satisfaction, which gave the clearest information, and seemed the most likely to encourage (suitable) users to go on to apply was Growth Accelerator; although, admittedly, GA is aided in this by having the most straightforward offering of the services examined. This implies that websites could be redesigned to be more effective at imparting information in a clear and effective manner about the products provided by each service.

9.1.3 Use/referral

In order to engage the user more fully in the business support landscape, the most effective method across the services was suggested to be forging a close, trusted partnership between advisers (and/or other partners, such as universities in KTP) and the business. Here, the adviser understands the business's needs and can signpost to relevant support, and the business trusts that the recommendations from the adviser are useful and relevant. A substantial number of experienced users reported that they trusted advisers they had worked with to steer them in the right direction when they needed additional support. This route would depend on the adviser being aware of the full range of support, knowing where to find the information or being able to signpost the user to an appropriate organisation which could in turn signpost the user on to additional support.

Other businesses, it should be noted, were less keen on this idea, and did not regard it as the job of support organisations to refer them to other support – they would prefer to investigate and source it themselves, although most would be happy to return to the original support service on the recommendation of a trusted adviser who had delivered good service. These are businesses which may be more satisfied building their own links between support services in terms of a specific strategy for the business which calls on relevant support when needed. In this context, one benefit of using support which was frequently mentioned was that it builds up the business's capacity to make good use of support schemes, to extract the best value from them. Combining this benefit with easier access to information about available support may be an effective solution here.

Equally, some businesses did not see that they had any need for support in areas beyond funding (grants, subsidies etc.), and would be resistant to suggestions that they should broaden their horizons. Again, a trusted adviser may be able to signpost them to an

appropriate source, but this would depend on there being a closer relationship between adviser and business than is currently typically the case when all that is sought is funding.

It is also the case that referral should not be limited to national support schemes – of those referred to other support, the majority have been referred to local or sectoral schemes (e.g. funds deriving from RGF schemes or earmarked for particular types of business) or private providers (e.g. local training or marketing providers) which may be more suitable for their needs than central government funded support. This relies on there being a mapping of such schemes at local/regional level.

A minority had experienced joint working between services – either in terms of organised activities (e.g. joint UKTI/TSB missions) or in terms of ‘forcing’ the issue themselves (e.g. asking advisers from two different services to work together). In the former case, the joint working was very appreciated, but it was for a very specific purpose. Those who participated (and several others who had heard about it) would welcome similar working, as long as it was equally carefully planned and targeted. The latter case suggests that joint working in a more structured way is feasible, but very few businesses mentioned that they would necessarily welcome this, not least because they regard the different support services as differing in their remit and skills, and to be accessed when there is need of specialist skills.

Appendix 1 Questionnaire

Customer Journey Mapping

Interviewee:

Company:

Interview date: _____

Interviewer: _____

THE INTERVIEW 'CONTRACT'

Introduction: Thank you for taking the time to meet with us.

Objectives: Durham University have been asked by the Department for Business, Innovation and Skills to better understand the experiences of businesses in applying for and using a selection of business support schemes, and their understanding of the business support landscape for SMEs in more general terms. We will use these interviews to produce a map of the 'journey' taken by customers in order to make recommendations to improve the experience of applying for and using support schemes in the future, and also to improve how schemes connect with each other to deliver a more joined up service to users.

Objectives of the interviews:

- To gather information and obtain your personal views of:
 - your experience and perception of exploring the options to receive outside business support
 - how you subsequently gathered information, made the initial enquiry and applied for support
 - how useful the service was, whether it met your needs and expectations, how straightforward it was to use, and how positive or negative the experience was
 - how the support service fitted with other public and private sources of support, how referrals between services worked, and how 'joined up' you perceive the business support system to be

Confidentiality:

The feedback, which you provide during this interview, is confidential and will not be attributed.

Time contract:

The interview is designed to last around 30-45 minutes.

Note taking and questions:

Although we are using a list of questions to enable us to draw out common themes, please feel free to input as appropriate.

- I will be recording the discussion in order to ensure we capture your thoughts accurately. If you would rather the session not be recorded, please tell me, and I will only take written notes.

- Are there any points you would like me to clarify before we proceed further?

Recap the service(s) in question used by the interviewee (based on the sample data) and emphasise that the questions relate to that product/those products (be appreciative that it is not always easy to separate out different support strands), although we are interested in the interactions between that product and others in application, use and referral. Ensure interviewee is clear about what they have received, and what the interviews is about.

THE INTERVIEW GUIDE

About you and your business

[check against data from sample, if available]

1. What is your role in the business:
2. Turnover :
3. How has that changed in the past 3 years? (+/- %) Do you anticipate growth in the next 12 months?
4. Number of employees:
5. How has that changed in the past 3 years? (+/- %) Do you anticipate growth in the next 12 months?
6. Industry:
7. Age of business
8. Do you aim to grow the business in the next three years?
9. You used x government service(s) [either MAS, TSB, GA, UKTI or a combination of these] in [2012 or other year] [check against sample data]

Awareness and experience of key providers for business support

10. What business support provided by a third party – either public or private sector - have you used or applied for in the past? [i.e. before using this service]
11. Prior to accessing this service/services, how would you rate your knowledge and awareness of public or private support for small and medium businesses - including your trust in these services/ the likely costs and benefits to your business of using these services?
12. Thinking back to when your business first started to consider looking for outside business support, what encouraged you to explore this option? *Probe: What was the trigger point? Did you have a specific problem/issue that you needed help with or did you want more general advice on how to grow your business? Did your motivation change at all during the process – say from wanting help to resolve a specific problem to receiving more strategic assistance?*

13. When identifying the need to seek external business support, what were your key **expectations and concerns?**

Expectations:

Concerns

14. INITIAL RESEARCH PROCESS: How did you research the support available for small and medium businesses? *Prompts: Online, phone, in person. How clear was the information? How could it be improved? How difficult was it to find support which met your needs? How did you use the information? Was it clear how different support services worked together – was there a single entry point which was clear?*

15. REFERRAL: Did your first awareness of the service come through a referral? *Prompts: If so, from which organisation/agency? Prompts: accountant, bank, finance provider/adviser, business organisation Did you seek them out, or was the initial contact through a marketing email or telephone marketing call? Had you used this organisation in the past? Probe for whether referral or previous contact helped increase trust in the organisation.*

16. [for multiple users] You've used x of the services we are investigating – how did they work together? *Prompts: Did you access the services concurrently or consecutively? Probe for order, and how referrals between services worked. Did the user take the lead in referring themselves to another service – what role was played by the deliverers of the first service, or the referrers into that service? How effectively did the deliverers of the services diagnose the user's needs? Did they have a comprehensive knowledge of other services, or did they only know about their own? Did you access all the services through a single access point, or apply/were referred to each separately?*

17. Why were multiple services used? Did it build on a positive experience of the first service, or was it that the first service did not meet your needs? Or in practice, did you feel that the first service met your key needs and that the second service you accessed was of less or marginal benefit?

18. If the government support schemes you used had not been available, were there private sector alternatives that you would/could have used? If so, why did you choose the public sector offerings? *Probe about issues of costs and trust.*

[for single users] You used one of the government business support services we are looking at.

19. At any stage during that process, were you given info about other services (public or private) that might meet your needs?

20. If so, was the info about the other services (public or private) clear, helpful and easy to understand? And did you feel it was provided impartially in a way that enabled an informed choice between options?

21. If the government support scheme you used had not been available, was there a private sector alternative that you would/could have used? If so, why did you choose the public sector offering? *Probe about issues of costs and trust.*

22. After you had accessed the service [or while you were accessing it?], did you feel that you had any further needs? If so, were these considered and were you assisted into/pointed towards other (public or private) sources of assistance?
23. Did you actually use any other business support services [i.e. other than the ones we are looking at] at a similar time or shortly after you were using [service]? *Probe for why they accessed the other service(s) and how they fitted with the one we are looking at.*

Perception of each step of the customer experience

For each stage ask a general question first, and then probe as necessary according to the topics on the left. For example: How did you become aware of the support? How did you go about investigating the scheme? etc. Some of these questions will likely arise naturally out of the above – integrate probes where relevant.

Not every stage may be relevant to every product or company, and not every topic may be relevant to each stage. Some of these may already have been answered – probe only as necessary.

‘Use’ can be disaggregated further for each product:

MAS: consultation/recommendations/action taken (including possible offer of funding)

GA: Growthmapper/action plan/consultation/use of growth coach – and possible funding offer

UKTI: initial consultation/recommendations/referral to or use of other UKTI services

TSB: depends on product used

For multiple users – can they disentangle the products? Were things different for different products? Can they only give an overall rating?

For both single and multiple: How did use of other products (*not* part of the study) complicate things?

	Aware	Investigate	Apply	Offer/ Decision	Start	Use
Who in your business was involved ?						
Which external organisations were involved, and how? <i>Did you consult anyone for advice (e.g. accountant, solicitor)?</i>						
How much elapsed time (as opposed to management time) did you spend at this stage? <i>Probe for delays and reasons for delays</i>						
What degree of resource did your business invest?						
Was this in line with your expectations ?						
If you complete an application form , how long did you have to wait for a response to find out if your application was successful? Was this in line with your expectations? Were the eligibility criteria obvious?						

RANK BELOW FROM 1 – 5 (5 = highest score) – and record any additional information relevant to that broad topic, in particular what was lacking, how stressed they felt, and any recommendations for improvement.

For each of the below – need to look at both the specific service, and the wider support landscape/joined-upness of services. Again, may have already been answered above – probe as necessary.

	Aware	Investigate	Apply	Offer/Decision	Start	Use/Impact
Ease of access to information <i>How difficult was it to find information? How long did it take to investigate?</i>						
Quality of the advice, support and information received <i>Was it clear? Easy to understand? Trusted source?</i>						
Comprehensiveness of the advice, support and information received						
Helpfulness with which the advice, support and information was delivered <i>Was it all relevant and appropriate?</i>						
Was the actual offer (of funds or other support) in line with your expectations?						
Your ' emotional ' experience of the key points along the journey – namely how you were treated and how you felt at each stage.						

Think back over your experience of being made aware, enquiring, applying for and using this scheme/these schemes. Take into account other services which you may have used, and in particular, how all the services worked together, and how straightforward the processes of research, application and use were:

24. What would you say were the **three most important moments**? Why do you say so?

25. We're interested in identifying good practice in business support. Could you give me the **one part of the process which most impressed you**? Why do you say so?
Probe

26. We're interested in identifying recommendations for improvements in business support. Could you give me the **one part of the process which could have been done better**? Why do you say so? Probe on basis of answers to this point,

27. Please can you tell us about your **experience of USING** the support you successfully applied for (only if support has been awarded and used). *Including BRIEF details of the outputs and outcomes (skill development, increase or anticipated increase in turnover and employment, new products/processes, new export orders etc). Probe for effects and consequences of support, especially related to purpose of each service. Probe for services working synergistically, if relevant. What were the unanticipated benefits?*

28. How has your knowledge of the business support landscape for SMEs changed since you used the service? *Are you more confident about applying for and using support? Are you more aware of what is available and potential entry points? Probe for effects and consequences of support.*

29. Reasons for withdrawing from the process, point at which it happened, and what happened subsequently (*use other support? Turned off entirely from engaging?*) *What did they learn – about the process, their needs, the support requirements?*

© Crown copyright 2013

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. Visit www.nationalarchives.gov.uk/doc/open-government-licence, write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

This publication available from <https://www.gov.uk/government/organisations/department-for-business-innovation-skills>

Any enquiries regarding this publication should be sent to:

Department for Business, Innovation and Skills
1 Victoria Street
London SW1H 0ET
Tel: 020 7215 5000

If you require this publication in an alternative format, email enquiries@bis.gsi.gov.uk, or call 020 7215 5000.

BIS/13/1296