



SEEDesign
Sharing Experience
on Design Support
for SMEs

SEEdesign Bulletin

Sharing experience on design support

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Design-related programmes that aim to support economic development would appear to be on the increase around the world as nations and regions realise the potential benefits that design can bring.

Despite a rich design heritage in Europe large sectors of industry, particularly small companies, have not easily adopted a design culture or principles. With fundamental changes in economic power taking place within and outside Europe design is being highlighted as a significant enabling factor in the quest to revitalise industry. The coming years will probably see many more nations adopting a design agenda to support their key strategies of increased innovation and entrepreneurship.

In almost all cases design programmes are conducted on a tiny scale in relation to the most common key economic development strategies of innovation and entrepreneurship. But without the effective design of products and services innovation and entrepreneurial spirit will never achieve their full potential.

In order to implement the most effective design support programmes suitable for each nation, region or industry sector we need to understand more about how best to implement these programmes. This is the main objective of SEEdesign, a project part-financed by the European Union (ERDF) within the INTERREG IIIC Programme.

SEEdesign provides a unique opportunity for seven diverse partners from around Europe to share their experiences of delivering design support programmes. As a consequence of developing constructive working relationships over the three years of the programme, the outcome will be the realisation of best practice models and the development of tools to measure the effectiveness of current and future projects.

Rather than being restricted to the members of the network many of the activities and outcomes will be made available to a wider audience via this bulletin, the website and workshops.

Over the next 3 years SEEdesign will publish examples of good practice in design support, interviews with people involved in design programmes in different countries, and also papers about the latest research in this area. The SEEdesign Bulletin will be published every six months and distributed to design organisations, regional governments, policy makers, universities and design practitioners worldwide. You can register with the database to become part of the SEEdesign Network – a database of design organisations willing to share their experiences with other design support schemes. Please log on to the website and get in touch if you would like to know more about the activities of the individual partners or the SEEdesign project itself.

Gavin Cawood and Gisele Raulik
Design Wales



SEE DESIGN PARTNERSHIP

7 European partners cooperating to improve the effectiveness of the design support provided for local companies:

Design Wales / PDR - National Centre for Product Design & Development Research

Cardiff, Wales, UK
www.designwales.org.uk
www.pdr-online.co.uk

Dylunio Cymru / Design Wales



Design Flanders

Brussels, Belgium
www.designflanders.be

design
flanders

The Design Centre of the Czech Republic

Prague, Czech Republic
www.designcentrum.cz



Design Centre Rhone-Alps

Lyon, France
www.cdra.asso.fr

CENTRE DU DESIGN
RHÔNE-ALPES

Experimental Centre for Furniture and Furnishing - CSM

Poggibonsi, Italy
www.csm.toscana.it



Danish Design Centre

Copenhagen, Denmark
www.ddc.dk

DDC®

University of Manchester (ESRC Centre for Research on Innovation and Competition - CRIC)

Manchester, UK
les1.man.ac.uk/cric/



www.seedesign.org

The “Four Powers of Design”

Dr. Brigitte Borja de Mozota



Organising design success and design leadership is a key issue for improving a country's regional and international competitive edge. In the past design promotion centres have been invaluable organisations for raising the design awareness of companies and educating the business community in the value of design and working with outside designers. Though these issues are still relevant at the present time, design promotion centres are facing other challenges. The pressure of raising funding from beyond government agencies has also greatly changed the context of design promotion centres.

These changes can be analysed both in terms of macro-economic and management science. However, it is our opinion that design promotion centres have often been driven in the past by a traditional craftsmanship culture that entails a strategy focused mainly on product design and on the performance of products in the market place. While at the same time the design profession was fundamentally changing with packaging design, corporate design and web design as driving forces.

This article investigates - on an exploratory basis - the economic and managerial context of “design added value” with regional or national design promotion centres acting as centres of resources for integrating design into SMEs. We shall argue that SMEs are a very interesting target for design promotion centres, who can help in improving an SMEs competitive edge and performance. It should not be forgotten that designers are often SMEs also.

A Value Through Design Model

The organisational culture of SMEs is based on key factors such as networking, devotion to service, quality and permanence – especially when they are family owned. Informal communication systems and above all a horizontal structure facilitate the decision process and access to top level management. Innovation, if wanted, is therefore easily managed. Finally, managers of SMEs are often the founders and as entrepreneurs they understand what the creative process is about and the necessity to look different from competitors.

Our previous research of 33 SMEs nominated for the European Design Prize competition showed that there are different solutions for design management and design strategy (Borja de Mozota 2002). Any SME can target its design strategy towards one specific design value:

- **Design as perception.** Design for differentiation in the market: brand and product originality of shape. Measure design value through economic value of brand image, profit increase, market share and price premium.
- **Design as performance.** Designers' coordination or integration value: building consensus between actors in project management through dialogue, user orientation and visualisation skills or improving the employees creative skills and challenging barriers between functions.
- **Design as vision.** Design for transformation or vision value: designers as facilitators for strategy formulation and for improving the company capability to adapt to change and to a continuous learning process.

For SMEs just as for any organisation, the objective is to work on deciding which value is needed in this trinity of possibilities, organising design management on operational, tactical and strategic decision levels (Chun 1992, Cooper & Press 1995). Used by design managers in their companies, it might be applied also in design support and design promotion, value creating process.

Introducing our Model

Two years ago I started working as a researcher with the Design Centre Rhone-Alps (Lyon, France) and the managing director Marie Marguerite Gabillard. The CDRA had changed its strategy in 1999 evolving away from being a design promotion centre to a design resources centre. Different long-term actions were developed such as a documentation centre, a website and the organisation of professional conferences. Simultaneously the context of the design profession was changing with the development of in-house design departments in various organisations challenging the issue of design promotion input.

During that two-year collaboration with CDRA, we worked first on creating a design management magazine and on organising seminars. But in order to choose the content relevant for these seminars I had to transform my research findings into methods and models that could be applied by designers in companies.

So the “four powers of design” model is really the result of the trust relationship between a design promotion centre and a researcher. The research context: a benchmark in design management methods bringing together the design managers of 6 companies all leaders in their field.

Working with those 6 experienced design managers, we arrived at the conclusion that a model was needed that would provide these design managers with evaluation tools for evaluating the performance of their design department. We summarise our research framework using the classic Balanced Scorecard Model (Kaplan & Norton 1996) into the “four powers of design model”:

- design as perception: creating client value through design;
- design as performance: creating performance value through design;
- design as vision: creating strategic value through design;
- design as “good business”: creating shareholders value through design.

<i>How should we appear through design to our customers in order to achieve our vision?</i>	<i>To satisfy our stakeholders how can design help in the business processes we excel at?</i>
Design as Perception	Design as performance
Market Value Client Value	Innovation Customer Orientation Company Performance Value
<i>How will we sustain through design our ability to change and improve?</i>	<i>To succeed financially, how should design appear to our shareholders?</i>
Design as Vision	“Good design is good business”
Strategic Value Vision Idea Change	Financial & Accounting Value Value for society

Figure 1: The “four powers of design” model

Applying the model to Design Promotion and Support issues

Considering the assets of SMEs and the fundamental issue of good design management, what should design promotion centres insist upon? Traditional tools are useful but insufficient. I would like to apply the model of the ‘four powers of design’ to organise the value created through the two segments in which design

centres work: design support (target market is designers and managers) and design promotion (target market is managers and society). This is suggested on the tables below, which follows each power of design, transforming them into macroeconomic design issues:

<i>Creating customer value through design</i>	
<i>Design Support</i>	<i>Design Promotion</i>
<ul style="list-style-type: none"> • Take a “brand design approach”: most design promotion relies mainly on product design but forgets graphic design and brand design. Brand design is as valuable as good product design. It improves marketing competency in SMEs and allows design protection. • “Designing the user experience” instead of thinking in design disciplines. • Create a “Design Made in...” national pride. • Educate designers in management and marketing. Provide tools and guidelines so designers can market their skills properly and protect themselves against the competition of branding and communication experts. (Holbrook & Hirschman and Bloch models). 	<ul style="list-style-type: none"> • Promote all design disciplines to all industries not just product design. Many SMEs are small services companies such as retail shop or management consultancy. • Think globally and holistically in any design project. But act locally (embedded in local cultures and skills). • Communicate on excellence in design research techniques: sourcing for market information, sociological trends, cognitive psychology, anthropology, ethno-design, video and digital customers’ observation techniques... • Educate managers and raise design awareness of the country. Most design associations forget to have this marketing approach.
<i>Creating performance value through design</i>	
<i>Design Support</i>	<i>Design Promotion</i>
<ul style="list-style-type: none"> • Run benchmark studies on NPD methods. Educate managers in the managerial value of design: how designers can foster success in innovation communication and NPD performance through the design process. • Foster the importance of networking in innovation: designers are “knowledge brokers” for technology transfer from various sectors and for “fashion and styling” transfer. 	<ul style="list-style-type: none"> • Help the design profession and design schools to go beyond their logic of activity based on the culture of design project (short term vision). • Because the Design profession is undergoing a major paradigm shift: from an activity base (project oriented) towards a knowledge base (process oriented). Long term vision. • Launch design projects targeted towards the crafts professions. Help them valorise their skills and defend cultural issues through design talents: ergonomics, web design, graphic design...

<i>Creating strategic value through design</i>	
<i>Design Support</i>	<i>Design Promotion</i>
<ul style="list-style-type: none"> • Communalise design tools such as CAD or digital resources. • Develop design competition to bring closer all actors of an industry: manufacturers, distributors, media... on a problem that can be improved through design. Hence improving the creativity of the whole profession through design stimulus. • Share trends information and creative techniques used in fashion industries towards other sectors. 	<ul style="list-style-type: none"> • Valorise advanced design research through exhibition, press release... • Launch national design competition on societal problems (e.g. aging population, sustainable development) • Develop case studies on specific design problems and design management that show how design participates in the management of change.
<i>Creating financial value through design</i>	
<i>Design Support</i>	<i>Design Promotion</i>
<ul style="list-style-type: none"> • Participate or organise design awards in order to set up design leadership but also to build barriers for entry and a national or regional pride in design quality. • Measure the Return on Investment in design supported by figures on SMEs' performance - rather than figures based on success of design projects in sales... 	<ul style="list-style-type: none"> • Develop "design fans" database in your region or country following a tribal marketing approach. • Foster design issues and presence in national statistics and national policies. • Develop specific tools and diffuse research findings on design to stakeholders. • Measure design promotion investment in deliverables such as: % design awareness in population or % export rates.

Figure 2: The "four powers of design" applied to design centres

It is important that design promotion centres work on objectives instead of actions. Whatever a design centre does for the building up of a design culture in its country, it should write it into deliverables and evaluation tools. Raising the design awareness of a population is an objective that can be measured and monitored.

As for concluding remarks, the model of the 'four powers of design' does give a

framework for choosing your own design centre strategy. Your objective should be geared to creating either customer value, performance value, strategic value, or financial value. Having chosen your strategy, it is easy afterwards to find the actions that are pertinent to achieve your intended goal. Some potentially efficient tools have been identified in this presentation but this list is not exhaustive. ■

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Dr Brigitte Borja de Mozota is professor - Maître de Conférences HDR - at the Université Paris X Nanterre (France) and member of research laboratory CEROS /CNRS. She has been awarded the Design Management Institute highest award DMI Life Fellow. Dr Brigitte is expert on design at OAMI (European trade marks and designs office in Alicante).

Arlene Gould



Arlene Gould is the Strategic Director for Ontario's Design Industry Advisory Committee, Coordinator and lecturer for Canada's first Design Management Certificate Program, at Ryerson University and an Adjunct Professor at York University in Toronto. She was invited to Cardiff (UK) in May 2004 to speak at the International Workshop on Design Support. At that time she was interviewed by Dr. Huw Millward, speaking about how design is structured in Canada and her views about the future of design programmes in this country:

Arlene, could you give us some idea about how design is organised in Canada?

The organisation of design begins with academia. We are graduating a large number of designers who are well trained at a technical level. Canada has very strong design education in architectural landscape, architecture, interior design, industrial design, graphic communications and fashion design.

In professional practice, the way in which design firms work, is pretty much similar to, I would say, US and Europe. My personal view is that in the twenty or so years I have been working in design consulting the business world has changed enormously and the method of delivering design services to business has changed very little.

How does it vary in terms of industry and government initiatives?

In industry, Canada has niche competencies in the things that we do really well. Some of it is technology driven, but also competencies in retail design, architecture, furniture design and medical and assistive devices.

And in government initiatives, we have had things in the past. We are looking at bringing back some kind of support, so I think now we are looking on building and really looking into some of the things being done in other countries and asking what we can do in Canada, we have this huge capability, but it is the idea of turning our critical mass of design competencies into a real design hub as the support for enhanced commercialization.

Are there specific mechanisms for design support, that help Canadian companies to use design more effectively?

In 2001, City of Toronto Economic Development started an ad hoc committee called the Design Industry Advisory Committee (DIAC) to explore new ways of expanding design use in industry. I am the Strategic Director for DIAC. We have so far completed a successful research study profiling Ontario's design workforce (www.dx.org/diac) and identifying skill gaps and challenges in design use in the business community. This research was supported by Human Resources and Skills Development Canada (HRSDC). DIAC has developed a four-step action plan to leverage design capability. One of the key steps we are planning to implement is the creation of a Design for Commercialization Program in Ontario.

Another research project is the current programme that I am coordinating with the Schulich School of Business at York University. It is documenting success stories; case studies and the main thrust is identifying SMEs that are using design to improve both environmental performance and competitiveness.

What about the Design Exchange? What is its role in Canada?

The Design Exchange was established as a design museum and outreach centre. But it has never had the funding support needed to fulfil its mandate. Currently, its focus is on education and building awareness of the value of design. It does not have the senior staff to deliver a hands-on design support program to the business community.

Have you had any experiences we could learn from?

Yes, a design advisory service that I tried to do with support from the City of Toronto when I was Senior Programme Director at the Design Exchange. The funding stopped after two years and we didn't really have the staffing to continue. It was really one person trying to do this with many other responsibilities. In theory it was a great programme, but we didn't have the model right to get out and reach the number of SME's that we wanted to with that programme.

In your opinion, how could the country improve its design support mechanisms?

Using design well is difficult. We need to help smaller companies to understand how to build ongoing relationships with designers to meet specific business goals. We certainly need more government initiatives. The government is now recognising that, yes, we have the design capability and that could be critical. We need an initiative to help educate the client base, to help industries realise that, yes, design is a strategic tool.

What are the barriers to raising the level of design awareness in Canada?

I think culture is the major one. We need to understand what we value in our culture as a nation, and how that relates to design.

What barriers have to be overcome in order to make design support more effective?

I think we are still living with the image of design as being something superficial. The first budget to get cut in hard times is the design budget. The idea that design is really a core competency, we're not there yet, so that's educating people and changing mentalities. Moreover, Canada is a big country, the idea of doing things collaboratively across the provinces that's a huge challenge for Canada. Geography is an issue.

Talking about culture, design and national identity, do you think that design programmes could be used as a tool to raise the country's image?

Absolutely! And that is something that is currently under way in Canada. Canadians are pre-occupied with their national identity. Canada is not known as a design-led nation. You have an image of Scandinavian design, Japanese design and American design. When you think of Canadian design, if there is an image there, it would be a stereotype and really not really what we are actually doing.

How do you see the future of design support in your country?

I think that the potential is high, again given the fact that we have a critical mass of designers. So the idea of connecting this design capability to support our key industries is high, if we can get that base funding in order to do it. One of the key opportunities is that most design firms are in fact SME's (or micro businesses) and share the same characteristics as other SMEs that could use design support. So we are working on new ways of connecting them.

Could you suggest an ideal scenario for design programmes in Canada?

The programme I coordinate and teach at Ryerson University is training mid career professionals to be Design Managers in industry. Hopefully, these graduates will soon be working in the field and helping the business community to use design more strategically. But we also need a sustainable government supported incentive programme to encourage companies to expand their use of design. Perhaps, a design tax credit to encourage companies to involve designers early on in the innovation process.

A sustainable model in place combined with the right sort of expertise to actually implement the programmes is also critical. Sustaining the initiatives over time is a challenge. ■



Jonathan Ball

Jonathan Ball is a product designer by training with many years experience within British industry in product development, design management and marketing related roles. For the last ten years he has been working in the field of design support. After working as a design advisor for Business Link, he set up as a design management consultant and has worked with the Design Council in London, with the Different by Design programme, established in Staffordshire (UK) and a number of other public funded and commercial organisations. In November 2004 he attended the Second International Workshop on Design Support in Cardiff, when he spoke to Andrew Walters about his experience in advising companies in the UK:

Jonathan, you have been working close to companies for very long time. How do you think they demand design support?

Very rarely have I actually had somebody referred to me where the MD says, "I want to do this product, I know exactly what I want just get me to the people who can help me do it." I feel very strongly that it is a case of design being used a solution for something that the company doesn't see as being a design problem.

What is the focus you adopt in advising companies?

I am very pragmatic – anything I do is focussed on business results. For all my passion about the magic of design and obsession with products and brand the work that I do has to be focussed on economic impact.

And what is a good way to deliver design support, from your point of view?

I feel very strongly that the best design support results from a company being able to work with somebody who is independent, who they see as being impartial and they trust as a sounding board; someone who has an understanding and experience of the wider business issues and can link design to business benefit without losing that bit of magic that good design will also bring.

I also think that a strong compact experienced group of designers/design managers in this intermediary role is good. Establish a strong peer group who will exchange knowledge and are flexible enough to customise their approach to suit the needs of the individual business.

What do you see as the barriers to be overcome with respect to the success of design support within companies?

I suppose that there are some pretty fundamental messages being missed by our community. I think there is still a danger to say we know and you don't, to use a language for design that is not the language of business. I think our design support community could take a little bit of its own medicine and be a little more user focussed. So I think there is a little bit of lack of innovation in the approach that has been taken with design support and if we are talking about design support helping to raise the level of design, then we just need to put a little bit our own methods in.

Moreover, I think that design support in England and the UK is piecemeal - it is ad hoc. The different initiatives can't all be as effective as each other – I think there is a job to do to really just to join it up. However, what I wouldn't want to see is just one way of doing design support. It would be good to have a common voice with better communication between the different parties, rather than homogenising the thing. I think that the fact that there is a great variety is a good thing, but the fundamental trick is that we haven't got one big common story to tell and that is probably a mistake.

Are there problems with the communication between companies and the design support schemes?

Yes, language is actually another barrier. I think there is a lingering ivory tower mentality in some quarters, a little bit of "we have got this message you have to listen to", particularly to small businesses, without recognition of how hard the people have fought to make their businesses work. I think we've got to be much

more sensitive to that and the way we present our message. In some of the projects that are a little more innovative at the moment, some of those messages are there to be consolidated and spread to wider design support, perhaps going further and more formally linking initiatives. I think there are a number of very competent individuals and organisations that can facilitate that change in thinking and are very much focussed on the right language, the right approach, the right way to work with the people we are trying to influence.

You have just mentioned the need for innovative and joined-up initiatives. Could design support run in parallel with knowledge transfer initiatives?

Probably. On the project I have been involved in, we take a team of three designers into a company for a day to go through a particular activity with the company, it is surprising how much knowledge transfer there is there that isn't actually contrived to happen.

So, let's suppose we have overcome the barriers. Can you then describe an ideal scenario for design support?

Well the ideal scenario would be for it to be redundant. I see my job as being to get to the point at which the company no longer needs to work with me, because they then embrace the message that they are giving and they are working on their own initiative. They'd employ a design manager, they have found and employed the designers they want to work with inside or outside the business; they maybe want to work with a professional design manager on a contractual basis, because there isn't a full time requirement there, but recognise the value of a design mentor. It is all about it being understood that this design thing is important and most businesses see its place just like they see that of accounts and sales.

In essence the whole knowledge transfer issue.

That's right! I hadn't thought of it in quite that way, but I hadn't particularly seen the design management stuff that I do as particularly being knowledge transfer, but you are probably right. There is probably now a hardcore of individuals involved in design support that totally underestimate the value of the knowledge they have and its transfer into business. They see the results, a strategic re-brand, a new product, an MD that's bought your message, a change in company culture but you don't particularly think of it in terms of being knowledge transfer.

And what about the future?

One of the things that struck me most strongly about the companies I have worked with through design support is that at the point I have met them they have been at some sort of watershed. They have had a problem to solve, a change in their business environment, maybe they've 'done lean'. They will almost certainly be being really tested by imports and the power of the buyer, like the high street retailers, they've cut costs but don't know how they are going to add value next. They've not asked a design question but it's a design answer that's made the difference. There is a massive latent need for design support and the current business commentary and political language is reinforcing that.

So I think the time for design support is right now. Whether it is going to be exploited is an interesting question. ■

design:PARTNER©

(Danish Design Centre – DDC, Denmark)



The aim of the Danish Design Centre (DDC) was recently redefined to turn Denmark into an international centre for design development and debate. To help do this it has developed the design and innovation vehicles design: PARTNER© and design: FORUM©. In 2004 DDC initiated the development of design: PARTNER© and involved eight of Denmark's leading companies as partners. They were all from the industry sector. With these companies DDC tested the use of design as a vehicle for innovation in the development of products, services and business processes. They also created a network among companies, enabling them to exchange experiences concerning their work with design and innovation.

On the basis of this successful pilot project, which ran between May 2004 and February 2005, the DDC now offers design:PARTNER© and design: FORUM© to a wider circle of companies. After 5 months, the project had already involved 10 companies. The mechanism is targeted at large companies that are interested in investing in the strategic use of design and who want to use design as an aid to innovation. The staff involved in the delivery of this project are the DDC Team's Knowledge Centre in which there are engineers, MBA's and sociologists, making a total of 6 people. Its budget is derived from external sponsors (Danish companies), the national government and participating companies.

The design: PARTNER© programme consists of three mechanisms: inspiration, networking and best practice. With this programme, the company will develop a method for working strategically and systematically with design-based innovation. It operates on an individual and a network level.

The individual level takes up an issue within the partner company and this level is concerned with understanding the design process as a route to innovation. This process begins with three workshop sessions. The company provides a resource

team of four to five employees from different sectors across the organisation; it is a prerequisite that top management motivate the company's participation. To facilitate the process DDC provides a team with strategy and design competencies that match the task at hand. The project at the individual level has to be led by the CEO and the project group consists of DDC employees, managers of the companies and other relevant design experts.

The network level of design: PARTNER© includes the following main elements: three conference events where you meet leaders of international companies, together with leading researchers within business development, innovation and design from universities around the world. The partner companies discuss the latest global knowledge about design and innovation in special workshop sessions and exclusive network events.

Design: PARTNER© is open to all the manufacturing companies in Denmark. To participate in the programme, the company applies for a partnership which is established for one year and costs DKK30,000 for up to five company employees.

Success is dependent on the degree of buy-in by the relevant CEO's and having a cross-functional team who are prepared for change and are prepared to take risks. Barriers to success include different perceptions of design and innovation that DDC's team try to overcome via network meetings. This mechanism for design support not only brings benefits to the DDC's clients of inspiration and systematic focus but also new concepts, networks and knowledge. ■

*For further information please contact
Christina Melander at the Danish Design Centre - cme@ddc.dk*

Trends, Style & Colour Event

(Design Wales, UK)

The UK design industry is by definition in a constant state of re-invention. If you are distant from the metropolitan focus of events then your problems are only compounded. To overcome this there is a colour and trend prediction programme operated by Design Wales (UK) which has seasonal presentations delivered free of charge to design and manufacturing industry in the region. The programme started in March 2002 in South Wales and now runs twice a year in March and October, delivering the trends for specific seasons (normally forecasting three seasons ahead). This enables companies to prepare and design effectively for their individual market niche.

Design Wales (DW) in conjunction with the Welsh Development Agency (WDA) have initiated a bi-annual trend prediction programme. This sets out to publicise style, colour and trend information to Welsh design businesses and give them access to up-to-date information relevant to their sector. The information provided is not aimed at specific companies but the group as a whole and comprises images, evocative colours and descriptive text. Armed with this, clients can then go away and with a confidence generated by an understanding of the key themes, apply them to their own product lines and target markets.

Lucy Richardson the Fashion and Textile Design Advisor organises each event and with the support of Malin Flynn graphic design advisor, the seasonal overview publication is developed in-house. Currently DW are using Promostyl to deliver the presentations, previous events have seen predictions companies such as The Mix, Kjeaar Global, De-cipher all deliver presentations, all of whom are internationally recognised prediction agencies. DW also promotes the event and sends invites to all sectors of the design industry in Wales. Such events are very useful not just because small businesses gain access to the expertise of a prediction and trend company, but because they represent important networking opportunities. After the event companies are free to access any books from the library free of charge on a 5-day loan basis. Alternatively DW will arrange a trend consultation deciphering trends with the client and helping companies to understand how to use the books.

The attraction of the colour and trend prediction programme revolves around such elements as the profile (and hence credibility) of the speakers involved and providing the event free of charge. Both are a powerful incentive for attendance. DW funds the events and the Welsh Development Agency funds the prediction library. The five annual events cost roughly £40k, the library and the DW trend publication is available to all attendees. The event is an expensive project to mount and the partnership for raising funds to buy trend books and to afford Promostyl's consultancy is crucial. As well as the colour and trend prediction programme DW also operates other sector-specific programmes as the CAD Network and Food events. One of the eight Design Wales advisors is a specialist in Fashion and Textiles and functions as the co-ordinator of the event. ■

For further information please contact
Lucy Richardson at Design Wales - lrichardson@designwales.org.uk





Evaluating the Impacts of Design and Design Support

Dr. Bruce Tether

An important element of the SEEdesign project is the development of techniques to evaluate, as rigorously as possible, the impact of design and design support services on the performance of businesses. There are several reasons for this. Firstly, this type of information is directly useful to design support agencies, as it should help inform them as to what types of support tend to be more or less effective, so that they might adjust their services accordingly. But a wider purpose is to try and show the economic significance of investments in design, firstly so that other businesses might be persuaded to become more 'design-led', and secondly to help persuade governments to invest more heavily in design and design support agencies.

Design appears to be something of a poor relation to science and R&D in the political economy of innovation. At the Lisbon European Council in 2000, the European heads of government set the goal that Europe would become 'the most competitive and dynamic knowledge based economy in the world'. What is striking about this ambition is how it relates very strongly to investments in research and development (R&D). R&D is perceived as the main driving force behind the creation of new knowledge, so boosting public and private investment in R&D is considered to be pivotal to the Lisbon strategy. Two years later, in 2002, at the Barcelona European Council, Europe agreed to target an overall commitment to R&D 'approaching' 3% GDP by 2010, of which two-thirds would be funded by the private sector.

But what role does design have in this vision for a 'dynamic, knowledge-based' Europe? Arguably, design is, or has the potential to be, a lot more widely used than R&D in small and medium sized enterprises (SMEs) and in the "low technology" manufacturing and service sectors like furniture, clothing, plastics, hotels, restaurants and shops. Yet the Lisbon and Barcelona Councils set no target for investments in design. Instead, European innovation policy has focused on some relatively small 'high-technology' sectors. It strikes me that design remains an outsider in the European political economy of innovation. It seems that design promotion and support receive relatively little funding in Europe compared with science and R&D.

In part, the lack of a standard definition of design makes it difficult to build a case for design in the political economy of innovation. For one consequence of a lack of definition is that there are very few official statistics on design and designers. By contrast, there is an official definition and large amounts of statistics on R&D.

Thus an aim of the SEEdesign project is to develop evaluation methodologies to show that design support 'works'. But what is "Evaluation"? Evaluation is the systematic investigation of the value or merit of an activity, which seeks to measure the change attributable to a programme or policy intervention. What is being sought is a measure of the "additionality" of the programme; that is the extent to which it has benefits that would not have arisen without it. Also important is the concept of "displacement". Displacement is the extent to which recipients of a scheme benefit at the expense of non-recipients. Imagine you have a group of designers to whom you provide money to work with industry. This design work may have considerable additionality – it might make the companies more profitable, and may raise their awareness of design. But it is also possible that by funding one set of designers the scheme is merely displacing another group who did not receive any support from the scheme. So by benefiting one group of designers the scheme might disbenefit another group, which would be a displacement effect, and there may be little if any net benefit. This said, displacements can be justified. For example, an industry in Europe or a region might be contracting over time and it might be right that by supporting some firms in the industry it is possible to revive the fortunes of the industry, even if an immediate impact is to accelerate the demise of other firms. So whilst some firms die, others survive. Displacement is not necessarily an absolute taboo.

There are many methods of evaluation. Indeed, people have written books on this exciting subject! But basically, economists, being a sceptical bunch, prefer quantitative to qualitative analysis. That is not because they don't want to be convinced; it is more that they start with a neutral point of view; that is with the view that design has no effect. Design is not alone in this. We could equally start with that view about training, for example. Whilst we might want to believe that investments in both design and training are 'good' for a company, we need to prove it. Economists also tend to dislike case studies. Case studies are subject to what economists call 'selection bias', which means you tend to pick the best cases to tell people about. The sceptical economist will be thinking about the other 90%+ of cases that perhaps did not do so well. This is not without reason, as experience has shown that payoffs from activities such as investing in design tend to be highly uneven. Whilst a few firms will typically do very well out of a support scheme, the scheme may have no impact on the majority of firms. Ultimately, we are interested in the overall portfolio effect.

Support schemes are easier to evaluate than promotional schemes, as the former have a more definite set of recipients. A support scheme that actually provides support for design, such as providing funding for a designer to work with a firm to improve its products, can in principle be evaluated in a relatively straightforward fashion, because we should be able to measure the direct effects. But straightforward does not mean easy, for ideally we would like a large number of cases (i.e., hundreds if not thousands, rather than tens). This is for statistical stability. We also want to follow the firms over a fairly long period of time (say 5 years) so the full economic effects are likely to occur. It doesn't really matter that in one firm the effects might occur mainly after five years and in another the benefit might occur earlier, because what we are looking for is an average, or portfolio effect.

So the SEEdesign partnership will provide the information for the analysis and development of evaluation tools which will seek to measure the effectiveness of design and design support. During the first stage of the project, the partner's activities are being studied as well as their experience in evaluation. This research will be developed through to 2007, and will be led by CRIC at the University of

Manchester in conjunction with Design Wales, the lead partner in the SEEdesign Project.

Over the three-year lifespan of the project, the partner organisations will develop and review a methodology to measure the effectiveness of their design support services. They will be involved in identifying appropriate indicators and in applying them in the evaluation of their performance. By the end of 2007, we intend to be able to provide tools which might enable local policy makers to focus design policies on those areas where they are most likely to be effective. This is an extremely valuable opportunity to create metrics that will review design support services in a variety of European countries and that will encourage a more professional and strategic approach in this field

So in this project the world of the economist and the worlds of the designer and design support agency intersect – this should make for an interesting experience! ■

Dr Bruce Tether is a Senior Research Fellow at CRIC (ESRC Centre for Research on Innovation and Competition) and a Senior Lecturer in Innovation and Technology Management at the Manchester Business School. He is the representative of the University of Manchester on the SEEdesign partnership.

SEEdesign Network

Now that the SEEdesign website has been launched, the partnership has started working to build a network of design support initiatives. The idea is to create a database that will facilitate the sharing of information during the project's lifespan.

Organisations registered on the Network will be informed about the Workshops and will receive the SEEdesign Bulletin every 6 months. No fees or membership is required. The network will be used as a tool to disseminate knowledge about the practice of design support within small companies and also about themes like promotion and development policies for design.

For more information or to register: www.seedesign.org



First European Workshop on Design Support takes place in Denmark



On the 9 and 10 May 2005, the SEEdesign partners gathered for the first European Workshop on Design Support (EWDS). The Danish Design Centre hosted the two-day event at its inspiring headquarters in Copenhagen.

Day one was dedicated to the 1st Steering Committee Meeting, which was chaired by Design Wales, as the Lead Partner. The Co-operation Agreement was also signed and partners were provided with details about the plan and reporting procedures required for the INTERREG IIIC Programme.

Day two began with the European Workshop on Design Support. Partners and invited participants presented their organisations and activities, sharing their experience on how to provide design advice to SMEs.

The third and last part of the meeting was the SMEs Seminar. This consisted of a presentation by 1508, a company based in Denmark, followed by a hands-on workshop about methods of involving users in the design process. Local companies and design consultancies joined the SEEdesign partners in this seminar, which was attended by 40 people.

The overall aim of the INTERREG IIIC programme is to improve the effectiveness of regional development policies through large-scale information exchange and the sharing of experience in a structured way. For this reason, the core activity of SEEdesign is this series of international workshops. The objective is to facilitate the exchange of experiences and information among design organisations, policy makers, representatives of the regional governments and the business sector. Meetings will take place every 6 months and be hosted by a different partner each time.

SEEdesign launched in Wales/UK

After hosting the International Workshop on Design Support (IWDS) in Cardiff in June 2004, Design Wales were inspired to develop more international alliances and share information about the practice of design support. The fourth feature of the EU programme INTERREG IIIC was the opportunity to continue this idea. Searching for partners, designing the project proposal, preparing an application, getting approval and setting up the partnership... The outcome of all this hard (but rewarding) work was the official launch of the SEEdesign project in Wales in May 2005. As lead partner, Design Wales/PDR hosted a business lunch which was attended by representatives of the Welsh Assembly Government, local companies, the media and the design profession.

On that day, Design Wales also celebrated the award of a further five-year contract for the delivery of its services by PDR – The National Centre for Product Design and Development Research. This is the tenth anniversary of the first award of that contract.

Six Welsh companies that have received advice from Design Wales joined the launch to showcase their products. The exhibition was opened by Andrew Davies, Minister for Economic Development and Transport, who said: "In funding Design Wales, the Welsh Assembly Government continues to demonstrate its commitment to the importance of good design, which is increasingly becoming a strategic tool in helping companies raise their competitiveness in the marketplace. I am delighted that Wales is to lead on this important initiative."



From left to right: Gordon Harrhy - Chairman of UWIC Board of Governors, Prof. Anthony Chapman - Vice-Chancellor of UWIC, Andrew Davies AM - Minister for Economic Development, Prof. Robert Brown - UWIC Pro-Vice-Chancellor Research & Enterprise and Director of PDR, and Gavin Cawood - Design Wales Senior Advisor (Photo by A.Skibinski)

The SEEdesign Bulletin is the communication vehicle of the SEEdesign partnership and is devoted to publishing material – articles, interviews, case studies - related to the practice of design support in different countries.

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Editors: Gisele Raulik, Gavin Cawood and Richard Porch

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PDR/Design Wales

Western Avenue – UWIC, Cardiff, CF5 2YB, UK.

Tel: +44 (0)29 20 417028

Fax: +44 (0)29 20 416970

e-mail: enquiries@designwales.org.uk

To receive the SEEdesign Bulletin please register with the SEEdesign Network: www.seedesign.org

