BUSINESS PRODUCT REVIEW

General Strategy Workshop

Final Review Report

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A   EXECUTIVE SUMMARY

The report records the conduct and findings of a **Review of the General Strategic Workshop (GSW) Product** delivered to both Direct Relationship Managed (DRM) and non-DRM businesses within the Strategy Development (OD) Intervention Framework.

The Review was conducted by MWC (the Consultants) in accordance with SE guidance on the management and development of Products and was designed to:

- Validate the delivery of the Product against specification; and
- Identify potential for improvement of service and effectiveness of the Product.

The Review process consisted of:

- An initial briefing meeting between the Consultants and the Product Owner.

- Consultation with SE Appraisal and Evaluation Team.

- A review of relevant information consisting of:

  o The GSW Product User Guide (PUG).
  o The GSW Product Approval Paper
  o Management Information relating to GSW spend and activity over the period up to from 2010 to January 2013.

- The conduct of a facilitated discussion amongst Account Managers of DRM users of the Product.

- A telephone consultation with the Product Manager

- The preparation of this report.

The SE executives attending the facilitated session are listed at **Appendix 1**. Comments made in the course of the discussion are recorded on a non-attributable basis in accordance with good practice in securing meaningful contributions.

The Product Review confirmed increasing and high levels of usage and satisfaction with the General Strategy Workshop (GSW) Product amongst the Account Mangers who attended.

The particular **strengths** of the Product and its application which were identified included:

- The flexibility of the Product allowing it to be applied to a wide range of strategic issues and choices facing businesses of varying sizes operating across all sectors,

- The capacity of the Product to assist in establishing and building the AM relationship, highlighting issues to be addressed and assisting in the gathering of information on the business, its markets, performance and aspirations.

- The production of a tangible output in the form of an Action Plan which provided focus for a follow up session and provided an agenda for further development assistance from the Account Manager.

- Generally high levels of satisfaction with the Suppliers known to and regularly selected by the AMs and Businesses to deliver the Product.

The main **weaknesses** of the Product and its application identified were:

- The use of the Product with businesses which were less likely to benefit from its application – in particular through BG advisors who were not resourced to monitor the Product implementation or follow up the Action Plan..

- Inconsistencies in the format and scope of the Action Plans produced by different Suppliers.

- Lack of consistent and independent assessment of the Suppliers of the Product and the analysis and sharing of this feedback.

- Restricted use in some cases and areas of the whole panel of Suppliers.

As a direct consequence of the completion of the Review the Consultants suggest that the **following actions** be implemented:

- The rationale for making the Product available to Non-DRM businesses is revisited given the scale of resource being absorbed by these businesses, subject to evidence becoming available of significant levels of progression.

- Consideration is given to rationalising the GSW and ISW into a single Strategy Development Product.

- The procurement process takes into consideration the opinions of AMs on the performance of those suppliers they have used to deliver the GSW.

- Consideration is given to a second stage summary tender process for each workshop offered to a business from a minimum of three suppliers – unless the procurement process generates a narrower range of costs for Product delivery.

- A process is put in place for the consistent, independent and objective assessment of supplier performance based on the experience of the attending AM and the business. This should be collated and analysed by the Product Manager(s) to identify any trends or concerns over supplier performance.

1   INTRODUCTION

This report records the conduct and findings of a Review of the General Strategy Workshop (GSW) Product delivered to both Direct Relationship Managed (DRM) and non-DRM businesses within the Strategy Intervention Framework.

The Review was conducted by MWC (the Consultants) in accordance with SE guidance on the management and development of Products and was designed to:

- Validate the delivery of the Product against specification; and

- Identify potential for improvement of service and effectiveness of the Product.

The objectives of all Product Reviews are to assess the Product's continuing fitness for purpose by considering:

- The market failure being addressed and its continued relevance;
- The strategic rationale for the product and its continued relevance, in particular the fit with the Government Economic Strategy, Scottish Enterprise's Business Plan and emerging Scottish Enterprise policies in such areas as Commercialisation as appropriate;
- Product performance/usage;
- Performance against objectives;
- Contribution to key sector priorities;
- The product's continued relevance;
- An assessment of delivery against the specification contained in the User Guide;
- The quality of delivery by any suppliers, to the agreed specification;
- Benefits to the company and outputs achieved;
- Length of time for the product to have an economic impact on the company and an assessment of the persistence of the intervention (short, medium or long term);
- Identifying any improvements to product delivery;
- Other product dependencies within the delivery pipeline;
- The appropriateness, relevance and quality of the management information being collected; and
- Evidence, both qualitative and quantitative as to impacts and the extent to which management information enables impacts to be assessed, however tentatively.

The Review process consisted of:

- An initial briefing meeting between the Consultants and the Product Owner.

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- o Management Information relating to GSW spend and activity over the period up to from 2010 to January 2013.

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2   PRODUCT RATIONALE, DESCRIPTION & DELIVERY

2.1   RATIONALE &DESCRIPTION

RATIONALE

The rationale for the GSW is identified in the Strategy Development Intervention Framework approval paper (31/08/2009). Whilst this paper does not directly align the rationale with HM Treasury classification of market failures[1], it is clearly grounded in the concept of "information asymmetry". The information available to SMEs on the costs and benefits of Strategy Development causes them to over-estimate its cost and under-estimate the medium to long term benefits of its implementation. The resulting risk-aversion to investment in Strategy Development means that SMEs fail to plan activity and investment to maximise their business performance and GVA.

In addition, there are potential barriers to entry for smaller firms seeking to derive and apply strategic thinking to their business development. These relate to the resource gaps faced by smaller companies in gaining access to the strategic planning advice and expertise which larger companies can absorb through economies of scale.

The Product's are designed to address these failures by providing intensive support through a workshop session, provided at no cost to the businesses, and designed to identify the key strategic choices and assist in reaching informed decisions on future strategic direction for the business.

Improved business performance in the SME sector is an essential requirement for the sustainable increase in GDP growth which lies at the heart of the Government Economic Strategy (GES). Strategic Planning amongst SMEs is central to facilitating growth in turnover, accessing new markets and securing finance for expansion. Many SMEs lack the skills, resources and opportunity to consider and resolve the issues which will define their future performance. The GSW Product offers the resources and input required to evolve a strategy for participating businesses.

Long term market adjustment would see SMEs investing directly in strategy development, with reducing levels of public sector support to a point where the benefits were valued by SMEs at a level which made provision by the market viable.

DESCRIPTION

GSW

GSW is available to selected Account Managed Growth, BG Growth Pipeline and SE Growth Prospect clients. Exceptionally, the product can also be delivered to Business Base companies but requires robust appraisal to demonstrate significant economic benefits from participation.

The product comprises a workshop session facilitated by a consultant and delivered to the senior management team of an eligible business. Businesses are identified by Account/Client Managers and Business Gateway/Region staff dealing with growth pipeline companies.

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[1] The Green Book. Appraisal and Evaluation in Central Government. HM Treasury. London 2003. http://www.hm-treasury.gov.uk/d/Green_Book2_03.pdf

Following identification of an eligible business the delivery process consists of:

- A pre-workshop meeting with the business to identify and agree issues and objectives for the facilitated session
- Presentation of issues to and facilitation of the workshop by the consultant to:

  o Explore the identified issues;
  o Consider and appraise options to address these issues; and
  o Identify a preferred option and derive a summary action plan for implementation.

- The key output from the workshop session is the summary action plan which is circulated to all participants.

- A post workshop meeting is then arranged to debrief the business and confirm commitment to the Action Plan.

A post-workshop evaluation questionnaire is provided in the Product User Guide for use by the participating business representatives. The SE/BG executive is responsible for ensuring submission of these within three weeks of the completion of the workshop session. The GSW PUG is included at **Appendix 2**.

2.2 DELIVERY

We were provided with available data for Product delivery over the period between April 2010 and end December 2012. This relates to the delivery of a single GSW Product to a Business. Over this period a total of 375 applications of the Product were delivered to 360 businesses – there being 15 recorded instances of the Product being delivered twice to a single business.

The monthly delivery profile for the Product, based on workshops recorded as delivered in the CRM System is shown in **Figure 2.1**.

Fig 2.1: GSW Delivery Profile
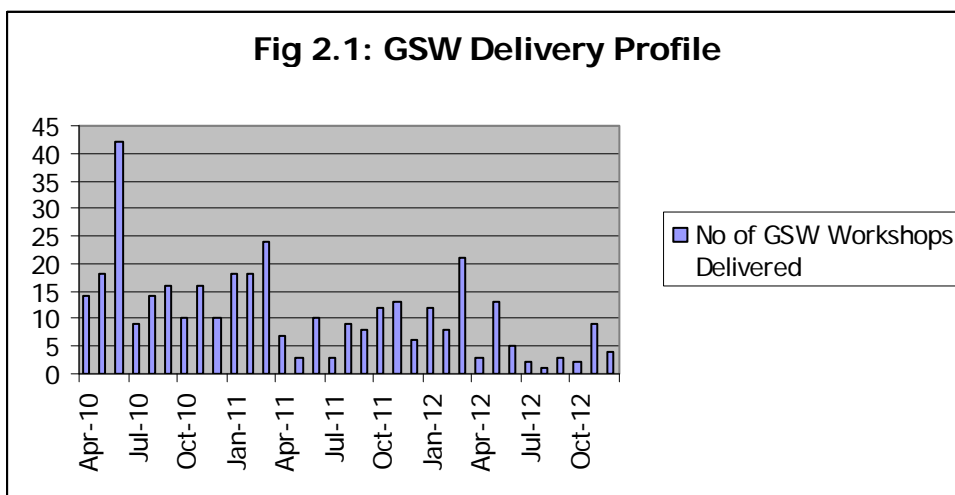
This analysis demonstrates an overall trend of reduction in the number of workshops delivered across the period with some propensity for the number of workshops to

peak in the first quarter of each year. An average of 11 GSW workshops per month were delivered over this period.

We were also provided with data on the monthly expenditure on the Product. This was for the period between April 2011 and January 2012 (note this is a shorter period than that for Product delivery analysed in Figure 2.1 above). The analysis is illustrated in **Figure 2.2**.

Figure 2.2: Monthly Expenditure on GSW: April 2011 - Dec 2012
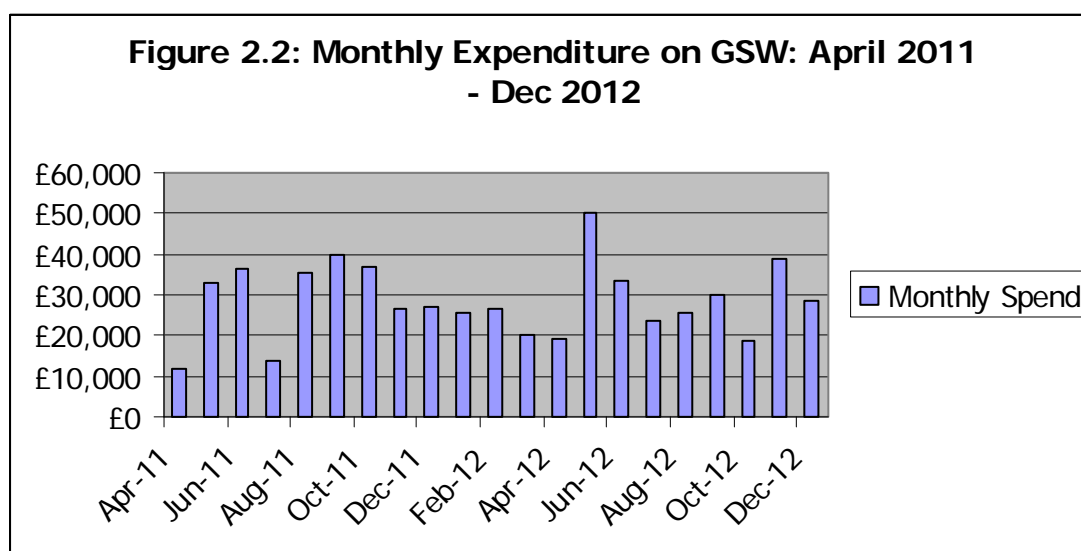
The average monthly expenditure on GSW over this period was £28,677.

Analysis of the relationship management status of the businesses using the Product is presented in **Table 2.1**

Table 2.1: Segmentation of GSW Delivery			
Designated Relationship Managed	No.	% of DRM	% of Total
Account Managed Growth	217	91%	58%
Early Stage Growth	9	4%	2%
Important to Economy	13	5%	3%
Total DRM	**239**	100%	64%
Non Relationship Managed	No.	% of NRM	% of Total
BG - Growth Pipeline	31	23%	8%
BG - Other	8	6%	2%
Business Base	97	71%	26%
Total NRM	**136**	100%	36%
Grand Total - All Categories	**375**		**100%**

Of the 375 applications of the Product two-thirds were with a DRM business and the remaining third were with NRM businesses. Notably over a quarter of the products applied in this period were delivered to the Business Base. It should, however, be noted that these businesses were most likely to have been designated as Growth Pipeline at the point of using the Product and subsequently not selected for AM. At this point they would have been re-designated as Business Base. The PUG states that such applications were to be an exception and subject to robust appraisal. It is also of note that a number of the workshops have been delivered to companies

classified as "important to the economy" where it might be expected that Strategic Planning was a core function of the business.

Whilst this Product is available to all businesses across all sectors, almost two thirds (64%) of the applications of the Product are with DRM businesses. This emphasises the, importance of Account Managers in generating referrals for the Product.

The data also provides for analysis of take up of the Product by sector which is illustrated in **Figure 2.3**.

Figure 2.3: Sectoral Analysis of GSWs Delivered
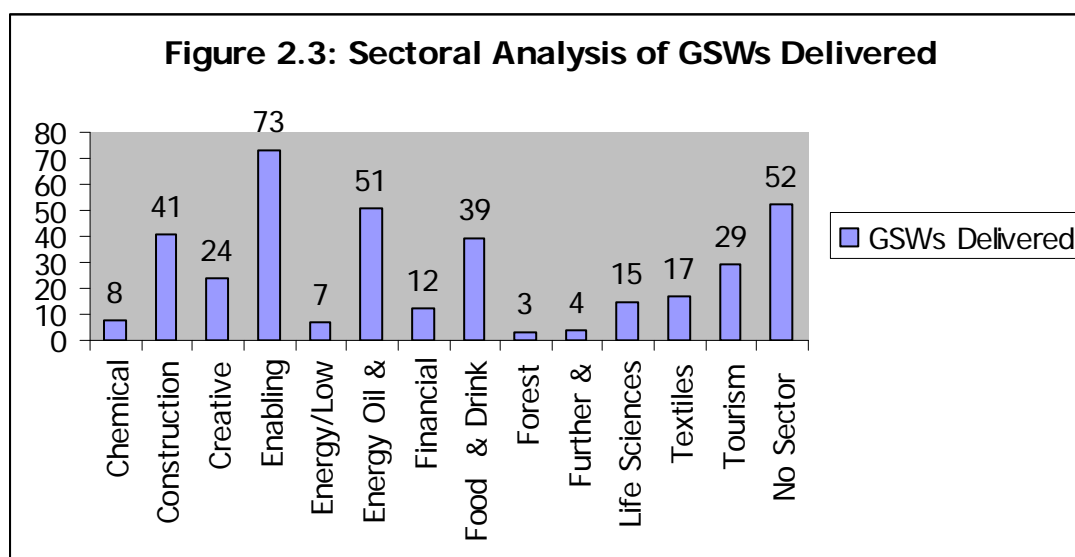
This analysis identifies the greatest numbers of Product users in the Enabling Technologies/ICT (19.5%), Oil & Gas (13.6%), Construction (10.9%) and Food and Drink (10.4%) sectors.

The Product is delivered by a panel of 6 suppliers who successfully tendered for provision. Data on supplier costs for the Product is summarised in **Table 2.2** (Supplier names have been removed to preserve commercial confidentiality)

Table 2.2 Supplier Costs	
Supplier	**Worksop Delivery Cost**
Supplier 1	£1,848
Supplier 2	£1,908
Supplier 3	£2,160
Supplier 4	£1,680
Supplier 5	£2,400
Supplier 6	£1,656
All Supplier Average	**£1,942**

This analysis demonstrates a broad range of costs with the most expensive supplier charging 45% more to deliver a workshop than the least expensive.

We were also provided with data on the total value of workshops commissioned from each supplier over two periods - April 2011 to January 2012, and April 2012 to January 2013. This data is presented in **Table 2 .3**.

Table 2.3: Analysis of GSW Commissions by Supplier					
April 2011 to 24 January 2012					
	No. of Workshops	Total Cost	Cost per Workshop	% of Total Commissions by No.	% of Total Commissions by Value
Supplier 1	28	£49,432	£1,765	18.1%	17.3%
Supplier 2	13	£23,278	£1,791	8.4%	8.2%
Supplier 3	14	£27,288	£1,949	9.0%	9.6%
Supplier 4	35	£53,676	£1,534	22.6%	18.8%
Supplier 5	47	£103,200	£2,196	30.3%	36.2%
Supplier 6	18	£28,123	£1,562	11.6%	9.9%
Total	**155**	**£284,997**			
April 2012 to 24 January 2013					
	No. of Workshops	Total Cost	Cost per Workshop	% of Total Commissions by No.	% of Total Commissions by Value
Supplier 1	12	£21,868	£1,822	7.7%	7.4%
Supplier 2	15	£29,002	£1,933	9.6%	9.8%
Supplier 3	19	£41,472	£2,183	12.2%	14.0%
Supplier 4	21	£35,280	£1,680	13.5%	11.9%
Supplier 5	33	£77,400	£2,345	21.2%	26.2%
Supplier 6	56	£90,749	£1,621	35.9%	30.7%
Total	**156**	**£295,771**			

This analysis confirms that an almost identical number of workshops were commissioned in the two periods, at a broadly similar cost. Of particular note is the proportion of workshops being commissioned from the most expensive supplier (supplier 5).

For the second of these periods we were also provided with data on the proportions of workshops delivered to DRM and non-DRM businesses. This is summarised in **Table 2.4**.

Table 2.4: DRM and NRM GSW Commissions by Supplier								
April 2012 to 24 January 2013								
	DRM		NRM		DRM %		NRM %	
Supplier	**Value**	**No.**	**Value**	**No.**	**Value**	**No.**	**Value**	**No.**
Supplier 1	£9,240	5	£12,628	7	42.3%	41.7%	57.7%	58.3%
Supplier 2	£15,646	8	£13,356	7	53.9%	53.3%	46.1%	46.7%
Supplier 3	£22,032	10	£19,440	9	53.1%	52.6%	46.9%	47.4%
Supplier 4	£13,440	8	£21,840	13	38.1%	38.1%	61.9%	61.9%
Supplier 5	£60,600	26	£16,800	7	78.3%	78.8%	21.7%	21.2%
Supplier 6	£22,853	15	£67,896	41	25.2%	26.8%	74.8%	73.2%
Grand Total	**£143,810**	**72**	**£151,960**	**84**	**48.6%**	**46.2%**	**51.4%**	**53.8%**

This analysis identifies 51.4% of workshops by value and 53.8% of workshops by number as being delivered to non-relationship managed businesses in this period. Also of note is:

- the higher proportion of DRM workshops being conducted by the most expensive Supplier (Supplier 5); and

- the higher proportion of NRM workshops being conducted by the lowest cost Suppliers (Suppliers 1,4 and 6).

This might suggest that there is some pre-selection of suppliers based on cost – with the higher cost Suppliers being predominantly used for delivering workshops to DRM businesses.

We have also been supplied with data from SE which provides some insight into the progression of NRM businesses into DRM businesses. **Table 2.5** summarises the number of businesses converting to DRM which have had a GSW Product when a NRM business.

Table 2.5: Businesses Accessing GSW and Converting to DRM				
		2011/12	**2012/13 YTD**	**Totals**
From BG Pipeline		19	10	**29**
From Prospect		20	10	**30**
Totals		**39**	**20**	**59**

There are difficulties in comparing this data with the commission data in Table 2.4. due to the potential for time lags between delivery of the workshop and progression to DRM status.

3 REVIEW PROCESS AND TOPICS

3.1 PROCESS

Following discussions with the Products Team a series of topics was prepared for discussion in the course of a two hour workshop session conducted on 15th February 2013. A brief introductory presentation was provided by the Consultants, which also identified seven core topics around which to frame discussion. A series of questions were provided to stimulate discussion of each theme.

A copy of this presentation is included at **Appendix 4**. A record of the session was prepared by the Consultants.

3.2 TOPICS

The topics presented for facilitated discussion in the course of the workshop were:

- Participating Businesses
- Product Content and Application
- Delivery and Suppliers
- Management Information Provision
- Impact on Participating Businesses
- Rationale and Market Adjustment
- Evolution in Design and Delivery

In the following section of this report we summarise the discussion and any consensus of opinion under each of the topics.

Suggestions for improvement in the performance of the Product were sought under each topic and by way of summary and conclusion the participants were also asked towards the end of the session to identify priorities for evolution of the design and delivery of the Product.

NOTE: The Product Manger was unable to attend the session on the arranged date and provided additional comments, having reviewed a draft of the discussion proceedings. Their comments have been incorporated in this final version of the Report for completeness and are attributed to allow for distinction from the general discussion.

4 REVIEW DISCUSSION

4.1 INTRODUCTION

In the following sections we summarise the discussion and any consensus of opinion amongst the participants in the workshop session. As previously noted, comments made in the course of the session are not attributed to participants.

4.2 TOPIC 1: PARTICIPATING BUSINESSES

Participant Business Profile

Attendees agreed that whilst there was no such thing as a "typical" client business, there tended to be more smaller SMEs using the Product. Users in the HIE are were considered to be mostly SMEs. However there were several instances of non SMEs accessing the Product to assist in planning to secure mobile intra-organisational investment. This had led to some difficulties for these non-SMEs in authorising their contribution to the Product.

A number of Reviewers noted that they often used the Product with new entrant businesses to the AM process as it allowed them to gain an insight to the business, its management team and potential for growth. It was also noted that the Product could be used to accelerate engagement with the business and assist in the process of populating the Company Review Workbook (CRW).

All the Reviewers welcomed the current flexibility of the Product which allowed it to be used for the whole spectrum of businesses to address a range of issues. It also was unique in providing for collective consideration of the business by the full management team. This could not be achieved in one to one sessions and scheduled Senior Management Team (SMT) meetings were structured around a set agenda with restrictions on time for decisions.

Several reviewers questioned the nomination of the Product as a "General" Strategy workshop and suggested it might be more appropriately titled as a "Strategic Workshop". In discussion it was suggested that many businesses which were evolving a growth strategy would as a matter of necessity consider the internationalisation of the business. This tended to call into question the requirement for a separate "International" Strategy Workshop.

There was concern expressed over the application of the GSW by Business Gateway (BG) advisors. Several reviewers reported instances of businesses graduating to AM status from Growth Pipeline where the GSW had previously been ineffectively applied when the business was in Growth Pipeline.. The AMs had in these instances initiated a second GSW to better understand the business and identify priorities for action to grow the business. Reviewers also doubted that BG advisors had the time available to dedicate to the GSW, and were unlikely to be able to attend the workshop session. GSW has not been used by BG advisors in the HIE area.

The expectations of businesses were generally managed by the AM to underplay the outcomes from the Strategy. AMs tended to emphasise the role of the Product in giving the SMT the time, space to consider the future course of their business with objective challenge from a third party.

Crucial to the success of the Product application was a willing client business. Some

AM businesses were probably not appropriate for the application of the Product and it was not productive to "force" a business to engage in strategy development.

This is not unexpected given the open access provided to the Product for both DRM and non-DRM businesses. However it might have been expected that, whilst the issues covered by the Product would be common to most businesses they might present a greater constraint to younger, faster growing businesses.

There was no appetite amongst the participants for a more focused approach to delivery which might target businesses in certain sectors or at certain stages in their development.

4.3   TOPIC 2: PRODUCT CONTENT AND APPLICATION

The Reviewers agreed that the content of the Product was not tightly specified and that much of the content was developed by the individual suppliers. This was not considered to be a particular problem and there was a desire to retain the inherent flexibility of the Product. There were no concerns expressed over the potential for inconsistency in delivery across the suppliers. It was considered that there was no single solution and that the process should retain flexibility to deal with the specific needs for each business engaging with the Product. It was further suggested that once the Workshop supplier had been selected the form and content of the session was clearer (based on the AMs past experience of that supplier).

One Reviewer advised that a single supplier undertook a greater proportion of preparatory work in advance of the workshop – including preparing the SWOT analysis in advance. Whilst this was considered to release more time on the day for discussion and strategy development other Reviewers suggested that doing the SWOT analysis on the day was useful as it could flush out important issues.

In addition it was confirmed that there were variations in the form and content of the main outcome from the Product application – the Action Plan. The Action Plan was considered to vary between cases reflecting:

- Progress made during the day of the workshop

- The maturity of the business being assisted

- The particular Consultant being used to deliver the Product.

Reviewers stressed the importance of the business taking ownership of the Action Plan and using it to guide their key business investment and development decisions. The Action Plan was also important in guiding the AM in how they worked with the business in the short to medium term. However AMs were keen to point out that the Action Plan was not used to prescribe specific Product applications – rather it identified the developmental needs of the business – where certain Products might be required.

All of the Reviewers considered the final meeting, post workshop to be an important part of the Product. This provided an opportunity for the AM and Supplier to again meet with the SMT to review the Action Plan contents, confirm what has been agreed and progress towards implementation.

There was a suggestion that there could be opportunities for a second workshop event after the Action Plan has had an opportunity to bed down with the business.

This potentially might be part funded by the business. Users in the HIE area have also discussed the introduction of a follow up day or half day.

4.4 TOPIC 3: DELIVERY AND SUPPLIERS

There was an extended and broad ranging discussion over the delivery of the Product and the suppliers engaged for delivery. This perhaps reflects the fact that the content of the Product is largely determined by the supplier – and that the process of delivering the Product using the skills and experience of the suppliers is inherent to its success.

When asked if the current panel of Product suppliers had sufficient breadth and depth of experience one Reviewer suggested that there was no specific sector experience in creative industries. This led to a debate on whether sector-specific skills were necessary in the context of facilitating a SMT towards a strategy for business growth. Opinions were divided but it was agreed that:

- Sector-specific experience was useful when persuading sceptical businesses to engage with the process;

- Facilitators with less insight to a sector could challenge conventional wisdom to generate more creative thinking and evolve new ways to address developmental issues.

The Reviewers were asked to describe the process they used to select a supplier to deliver the Product within a business. Several stated that they actively sought to match the Supplier with the business – taking into account:

- The approach and personality of the Supplier

- The business and its SMT dynamic

- The developmental requirements of the business and any specific issues needing to be addressed.

This approach emphasised the importance of knowing the suppliers well and having witnessed them in the process of conducting a workshop and raised two issues

- How AMs assessed the suitability of suppliers they had not used; and

- How new AMs were inducted to the process of applying the Product and selecting suppliers.

The Product Manager advised that the Business Support had organised 2 GSW showcases (one in Bellshill and one in Dundee) in October 2011, which were an opportunity for the AMs and BG advisers to see what the suppliers can offer and for them to meet with the individual consultants. This was attended by approximately 70 people over both showcases.

AMs advised that they shared their experience of supplier approach and effectiveness informally and that new AMs were invited to sit in on Product delivery as part of their induction process.

Other AMs reported situations where the business had asked to be provided with a list of potential suppliers to allow them to decide on the one they wished to use.

One AM commented that the selection of an appropriate and effective supplier was essential to maintaining the AM relationship with the business. For that reason they became actively involved in selecting a supplier who would best meet their assessment of the needs of the business. The failure of a supplier to deliver for a business would reflect badly on SE and undermine the effectiveness of the AM relationship.

There was some evidence of AMs only using a sub-set of the 7 suppliers on the list because the AM had seen them in action and was confident in their ability to deliver. This led to a discussion on how feedback was shared on supplier performance between the AMs. It was clear from this discussion that there was a process of informal feedback between AMs. However there was no objective, consistent or structured process in place to feedback on the performance of all suppliers. It was pointed out by the Products team that the process of procuring suppliers for the next iteration of the Product was due to commence and that feedback on current performance was important to this.

The Reviewers were asked whether the performance of the suppliers was formally assessed by the businesses attending the workshop. Whilst some suppliers were observed taking feedback from participants on their own performance it was confirmed that there was again no consistent, objective and comprehensive process for recording the assessment of the suppliers by the business. One reviewer commented that because the AMs attended the workshops they were in a position to act as a quality controller on the suppliers. It was further suggested that the businesses always had the option to feedback to their AM on the quality and effectiveness of the suppliers if this was considered to be an issue.

Discussions confirmed that the supplier payments were authorised only when the post-workshop meeting had been completed. The Product was priced and contracted as a package at a fixed price – so on rare occasions where the post-workshop meeting had not taken place – perhaps at the request of the business – this had still been charged for as part of the fixed price.

The Product Manager noted that some suppliers invoiced after each part of the workshop is complete - i.e. the introductory meeting, the workshop, the final meeting - although it is in the contract that they should only invoice on completion of the activity. This, was un-necessarily resource intensive. It should be emphasised in the contract that completion means once the final action plan is agreed with the AM and business, that it has been received by the AM and business, prior to the invoice being issued.

The Product Manager also pointed out that due to the popularity of some suppliers, as well as other factors such as company availability, illness etc, the GSW can drag on and a PO is sometimes open for 6 months or more. We would like a timeframe of a maximum of 4 months to be set to deliver these workshops.

There was a brief discussion over the summary assessment of supplier performance which could be made through the POP system in advance of authorising payment. It transpired that this was not widely used and that, if an issue with the supplier was flagged, payment could not be processed.

The Reviewers were asked to consider if AMs could deliver the GSW Product in lieu of suppliers. Several AMs reported that they had in the past delivered the Product directly but generally AMs considered it would be difficult for AMs to deliver the necessary volume of Products because:

▪ They had limited time to dedicate to each of the AM businesses in their portfolio.

- They could jeopardise their relationship with the business if they sought to actively challenge the business about issues which might be constraining the business

- Businesses valued the independence and objectivity of the supplier and their experience from going through the process with businesses facing the same issues

One AM considered that conducting the workshop might allow then to get closer to their business – but this was countered by another who commented that attending and being able to observe and interpret the SMT dynamic under facilitation gave a more valuable insight to the business.

There was a general consensus that generally AMs would be interested in delivering the workshops but only if they had the time and training to allow them to deliver them to a standard equivalent to the suppliers. However it was stated that not all AMs may have the aptitude or experience to do so.

AMs, when asked how the delivery of the Product might be improved, made a series of suggestions:

- Extending the duration of the Product to 4 days on a discretionary basis to provide for additional follow up and assistance in implementing the Action Plan.
- Refreshing the Supplier list whilst retaining the best suppliers on the current panel

- Removing the payment requirement for non-SME applications to avoid delay and potential non use of the Product where these businesses experience organisational barriers to authorising payments locally.

4.5   TOPIC 4: MANAGEMENT INFORMATION PROVISION

Reviewers were asked to describe how they monitored and recorded the completion of the Product delivery and any associated outcomes.

AMs advised that the completion of the Workshop was recorded on the CRW and that in some instances this filtered through to CRM. Any further information on CRW had to be input on CRW at the discretion of the AM. It was confirmed that there was no specific requirement to record that the business had been satisfied with the Product and its delivery.

In relation to Outcomes, AMs confirmed that the Product was classified as having zero outcomes – reflecting the fact that the business is preparing a plan, which when implemented will deliver business and economic outcomes.

The Product was incorporated by some of the AMs present in a Development Project. When this Project was closed the AM was required to liaise with the business to capture the business and economic outcomes. As part of this process it was expected that the information required to assess turnover and GVA effects would be collected. Businesses were also asked what they would have done, and how their business would have performed in the absence of the project.

All of the AMs stated that the attribution of business benefits and associated economic outcomes *specifically to the GSW Product* was problematic if not impossible.

4.6   TOPIC 5: IMPACT ON PARTICIPATING BUSINESSES

Reviewers suggested that one of the most valuable aspects of the Product was the time it afforded the participating businesses to take a strategic perspective on their business.   Too often businesses were swamped by operational issues and the Product offered the SMT the time to consider future direction and priorities in the context of objective challenge from an independent facilitator.

Several reviewers commented that they had never had any negative feedback from participating businesses.

Reviewers were asked to comment on how the Action Plan impacted on the future development of the business and in particular if it identified other Products which would be beneficial to the development of the business. Several commented that the Action Plan was not viewed as prescribing specific Products but as identifying key issues for the business to address in order to progress. Where there were major issues these would be flushed out by the GSW process and, if products were appropriate in addressing these issues they would be applied. One AM commented that they did not seek to shoehorn Products into the business but identified priorities and selected Products to address these only if they were the most appropriate solution.   There were other discretionary solutions available to AMs to assist businesses where a specific Product was not appropriate.

4.7   TOPIC 6: RATIONALE & MARKET ADJUSTMENT

The Reviewers were unanimous in confirming that the Product users all valued the Product once they had been through the GSW process. They were asked, therefore, why businesses would not translate this value into a partial or full contribution to the cost of its provision.

The main reason businesses were unwilling to pay for the Product at the outset related to their lack of understanding or appreciation of the potential benefits in advance of committing to the process. This information asymmetry would lead to businesses not engaging in strategic planning with consequences for their growth and economic impact.

Several AMs also commented that some of the businesses they were working with were either small or pre-revenue or had recently spun out from an institution. These businesses were constrained in the amounts they could contribute to the delivery of the GSW .Product. (Whilst such businesses might have been expected to have been placed with Business Gateway they were AM because of their particular needs and potential).

It was suggested that if the Product were to be used on a second occasion by a business then there might be greater potential for contribution (given that the benefits of the process had already been demonstrated to the business). It was agreed that by some this was potentially achievable – at least to secure a partial contribution. However, several reviewers were reluctant to introduce charging for the Product at any stage as they considered this might restrict usage and potentially lead to missed opportunities for business development.

One Reviewer commented that the GSW was also a protector of SE investment in the business as it directed activity and investment to optimise the potential of the business to grow.

It was apparent from the discussion that the demand for the Product is fairly constant and is driven in the main by the identification of its requirement through AM activity.

Reviewers also pointed out that the participating businesses did dedicate significant amounts of senior management time to the implementation of the Product and the Action Plan which demonstrated the value they placed on the process.

Several Reviewers also considered that the Product had value to SE in providing an "in" to the business and its SMT operations, which could pay dividends in better understanding the business and building a strong working relationship with the business. This could also provide for savings in time for both the business and AM as it could short-circuit relationship-building and highlight issues which might otherwise take time to uncover.

4.5   TOPIC 7: EVOLUTION IN DESIGN AND DELIVERY

The attendees were asked to suggest any specific improvements they would like to see applied to the Product or its delivery. These were made as "like to have" suggestions irrespective of any wider organisational constraints on their implementation.

The suggestions made related to the following issues:

- The capacity to seek suppliers outside the panel to suit the requirements of particular sectors or businesses.

- Extending the range of delivery suppliers available through the panel.

- Merging the GSW Product and ISW Product to remove duplication and create a single Strategy Development Product.

5   CONCLUSIONS AND SUGGESTED ACTIONS

5.1   OVERVIEW

The Product Review confirmed increasing and high levels of usage and satisfaction with the General Strategy Workshop (GSW) Product amongst the Account Mangers who attended.

The particular **strengths** of the Product and its application which were identified included:

- The flexibility of the Product allowing it to be applied to a wide range of strategic issues and choices facing businesses of varying sizes operating across all sectors,

- The capacity of the Product to assist in establishing and building the AM relationship, highlighting issues to be addressed and assisting in the gathering of information on the business, its markets, performance and aspirations.

- The production of a tangible output in the form of an Action Plan which provided focus for a follow up session and provided an agenda for further development assistance from the Account Manager.

- Generally high levels of satisfaction with the Suppliers known to and regularly selected by the AMs and Businesses to deliver the Product.

The main **weaknesses** of the Product and its application identified were:

- The use of the Product with businesses which were less likely to benefit from its application – in particular through BG advisors who were not resourced to monitor the Product implementation or follow up the Action Plan..

- Inconsistencies in the format and scope of the Action Plans produced by different Suppliers.

- Lack of consistent and independent assessment of the Suppliers of the Product and the analysis and sharing of this feedback.

- Restricted use in some cases and areas of the whole panel of Suppliers.

5.2   KEY ISSUES FOR CONSIDERATION

The issues arising in the course of the Review have been considered and interpreted by the Consultants to produce a series of observations on the following:

- Use by Non – DRM Businesses
- Suppliers, Delivery and Procurement
- Market Adjustment.
- GSW and ISW

5.2.1 Non DRM Business Use

Our analysis in Section 2 of this Review demonstrated that almost 50% of the application of the GSW Product was with non-DRM businesses.

Our discussion also revealed concerns over the capacity of advisors to non-DRM businesses to provide the levels of support during implementation and aftercare considered necessary for successful application.

We would anticipate that non-DRM applications of the Product would lead to growth in these businesses which would in time be reflected in the promotion of these businesses to growth pipeline and AM status. Some evidence of this progression was provided by analysis undertaken by SE and presented in Section 2, Table 2.5 of this report.

The Consultants assisted in the preparation of a questionnaire for distribution to BG Advisors to further investigate the progression of businesses using the GSW Product. A Summary of the findings from this survey is included at **Appendix 3**. The Survey largely confirmed the low proportion (15%) of non DRM businesses using GSW and subsequently progressing to DRM staus.

In the absence of evidence of significant levels of progression from Non-DRM to DRM businesses we would expect a significant reduction in the Non-DRM application of the Product given:

- The significant amounts of total Product costs absorbed in non-DRM application of the Product.

- The limited support available to Non-DRM businesses in the application and follow up actions required for successful implementation.
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5.2.2 Suppliers, Delivery and Procurement

The current method of delivery through commercial specialist service providers was confirmed as most appropriate. There was some suggestion that the panel of suppliers was too restricted, but also evidence elsewhere of use of a restricted number of suppliers.

There was an appetite amongst several reviewers for direct delivery of the Product, by Account Managers but this would be dependent upon:

- Time being made available for the AMs to do so through a reduction in their case load

- Training being provided where required on the Product and facilitated delivery.

It was also clear that not all AMs would have the aptitude for delivery and there was also some concern that the Product effectiveness and ongoing AM relationship might be impaired if AMs delivered the Product directly.

Whilst there were overall levels of satisfaction with the delivery by Suppliers the desire for a refreshment of the Panel was aired in discussion. The assessment of the performance of the current suppliers is however impaired by the absence of a consistent, objective and universal assessment method.

Given the informal nature of the feedback sharing between AMs we consider it important that their opinions on the performance of the suppliers *they have worked with* are recorded and that their preferences on supplier attributes are reflected in the procurement process.

We noted several requests for sector specialists to be included on the supplier panel. This was considered to add credibility when AMs suggested suppliers for businesses in certain sectors. We would however, emphasise the importance of engaging suppliers with skills and experience in *strategy development* across a range of sectors and with businesses at various stages in their development.

Finally we would anticipate that a properly functioning panel of experienced suppliers would charge broadly similar amounts for the delivery of a workshop and would secure similar proportions of the total volume of workshops procured. Where this is not happening then it might be appropriate to instigate a min-tender process to ensure best value.

5.2.3   Market Adjustment

The Product does not currently incur a charge for SMEs choosing to use it – although there is a significant investment of SMT time by the business in its application. Non SMEs are required to make a 30% contribution to the Product costs and this has been viewed as a potential barrier to some applications where the business needs to secure approval for discretionary expenditure.

We note that businesses may need to be persuaded as to the benefits of the Product and that these might not be evident in advance of implementation. However, there is an expectation of market adjustment and this should manifest itself in businesses beginning to understand and value the benefits of adopting a strategic approach. We also note that a number of the Product suppliers market "strategy development" to businesses in general on their websites.

We would suggest that the process of market adjustment might be assisted by:

- Preparation of case studies for use as testimonials to businesses considering the use of the GSW Product.

- Introducing a contribution for subsequent applications of the Product.

5.2.4   GSW & ISW

The Review discussion raised the issue of differentiation between GSW and ISW. This was particularly the case as many strategic choices for growing businesses involved the potential for overseas market development. As a result internationalisation was often considered in the course of a GSW.

We consider that the GSW and ISW are both concerned with the process of making shared and informed strategic choices based on the businesses comparative advantage and market opportunities. This often involves internationalisation as, increasingly, growing businesses need to compete in global markets to cover the costs of product development.

In addition it is apparent from the Supplier panel lists that there is a degree of commonality in those engaged to deliver both the ISW and GSW.

There are also potential administrative benefits to SE in procuring and managing a single Product which is focused on Strategy Development across all DRM businesses.

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5.3   SUGGESTED ACTIONS

As a direct consequence of the completion of the Review the Consultants suggest that the following actions be implemented:

- The rationale for making the Product available to Non-DRM businesses is revisited given the scale of resource being absorbed by these businesses, subject to evidence becoming available of significant levels of progression.

- Consideration is given to rationalising the GSW and ISW into a single Strategy Development Product.

- The procurement process takes into consideration the opinions of AMs on the performance of those suppliers they have used to deliver the GSW.

- Consideration is given to a second stage summary tender process for each workshop offered to a business from a minimum of three suppliers – unless the procurement process generates a narrower range of costs for Product delivery.

- A process is put in place for the consistent, independent and objective assessment of supplier performance based on the experience of the attending AM and the business. This should be collated and analysed by the Product Manager(s) to identify any trends or concerns over supplier performance.

APPENDIX 1

REVIEW ATTENDEES

Name	Job Title	Role
Ray Calder	Account Manager	Participant
Raey Currie	Account Manager	Participant
Peter Grey	Account Manager	Participant
David Keirs	Account Manager	Participant
Gerry McCarron	Account Manager	Participant
Angela Rankin	SE Product Team	Participant
Nikki Wyness	SE Product Team	Participant
Sara Lambard	MWC	Recorder
Malcolm Watson	MWC	Facilitator

APPENDIX 2

General Strategy Workshop

Product User Guide

SCOTTISH ENTERPRISE CONSISTENT PRODUCTS

Product Name:	General Strategy Workshop
Document Type:	Product User Guide

Release Version No:	7.1	Product Team Lead:	Angela Rankin
Date Issued:	05/08/2011	Product Delivery Lead:	Dawn Florence
File Name:	NPT_PUG_General Strategy Workshop		

Revision History

Revision Date	Previous Name and Version	Summary of Changes
31/10/2012	7.0 General Strategy Workshop	Updated product lead, level & definition

Approval

This document requires the following approval. Signed approval forms are filed with the SE Product Team.

Name	Title	Date

Note Version control for this document is managed by the SE Product Team. All changes should be discussed and agreed with the Product Team who will then be responsible for communication to SE.

Budget Code	CRM Product ID	Product T-Code
PS7102	2113	T256

Relationship to Intervention Framework(s)
The General Strategy Workshop (GSW) is a Capability Building Product:

Capability Building

➢ Relatively low cost, medium volume, mostly 1:1 & 1:some

➢ Preference for DRM, SE Growth Prospect & BG Growth Pipeline - Open to all segments subject to qualifications
➢ Diagnostic reviews
➢ Feasibility studies
➢ Support for action plans/business case building
➢ Basic support for project implementation (workshop-based) - Learning new skills on a sustainable basis
➢ **Best if your client wants to review existing skills/ability to create an action plan and/or embed new skills into the organisation**
➢ Outputs - short timescale measurable outputs for company and SE

The General Strategy Workshop (GSW) forms a key part of the Strategy Development Intervention Framework. Products within the Strategy Development Framework do not support any implementation activities. The GSW is principally targeted at DRM companies. However, the product can be delivered to client companies in all segments subject to robust appraisal demonstrating a significant economic benefit from participation.

Companies requiring assistance with strategy, specifically aimed at building their international business, should use the complementary product – 'International Strategy Workshop'. For companies with a minimum turnover of £2 million, strong growth potential and ambitions to exploit international markets, the International Strategy Development Programme should be considered in the first instance.

Only use the Strategy Development Support Product for the development of a company's strategy, when the General Strategy Workshop, International Strategy Workshop and International Strategy Development Programme cannot be used, or are clearly inappropriate.

The GSW is anticipated to act as a lead into many of the SE's portfolio of products, in a planned, strategic manner with obvious demonstrable outputs. As such, it must be seen as an enabling product and a means for us as an organisation to then deliver other products/services that directly feed the achievement of our goals.

Description of the Product

The product is essentially a workshop session, facilitated by a consultant and delivered to the senior management team of an eligible company. It is designed to assist companies to develop a coherent strategy and associated action plan for implementation. Target customers are typically smaller SMEs whose management team have some experience of trading, but are without a clear strategic approach to further developing their business.

It aims to leave the management of each client company with a clear and shared understanding of the direction they are taking the business, plus a mechanism to re-visit their strategy in the future.

The Workshop will be delivered to eligible companies – need being identified through use of existing diagnostic tools and subsequent action plans making it a targeted product. The workshop is designed to enable a business to develop a strategic plan as a platform for future activity.

The product consists of:

1) Pre-workshop 'brainstorming' meeting with the company to agree key issues

and objectives

- Relationship Manager identifies issues and communicates them to the consultant who
  meets with the company to clarify the issues, to ensure that all parties are in agreement.

- These agreed issues will be used as the basis for the preparation of a presentation by
  the consultant who in turn will facilitate the workshop itself.

Throughout the process it is imperative that the company understands that the purpose of the workshop is to focus on the strategic direction of their business, to reach a consensus on this, and provide an action plan for future implementation.

2) One-day interactive workshop. It is imperative that the key decision makers from the company are
present for the full duration of the workshop and therefore this is a requirement of this product.

The one-day workshop is designed to progress through the following topics:

- Flesh out and explore the issues;
- Identify the options;
- Explore the strengths and weaknesses of the options;
- Choose the best fit option;
- List an action plan for the immediate way forward and capture in bullet point format as
  an aide memoir and circulate to all participants as the key output.

3) Post-workshop meeting to debrief and confirm commitment to the action plan. This meeting will be held with key individuals from the company, who were present during the workshop.

The customer accesses the product through their Relationship Manager (who should also participate in the workshop and pre / post workshop meetings).

The GSW workshop is delivered to companies individually; The costs include two days of one-to-one time with the client company, with up to a maximum of three days in total (including project management time).

Objectives and Outcomes

The GSW is an enabling product and it is therefore very difficult to directly attribute economic outputs to it. For the purpose of setting targets it is therefore necessary to set these in terms of activity and quality measures:

Activity Measures: Delivery can be classed as an activity against the relevant performance Measurement Framework target.

Companies: Identify strategic objectives for their business.

People: Achieve a good degree of knowledge transfer to those going through the process. GSW product provides companies with the internal knowledge and expertise

to overcome barriers and reduce the difficulties associated with developing a Strategy.

Eligibility Criteria

In order to ensure that our assistance is proportionate to the potential economic return, GSW should be available to selected Account Managed Growth, BG Growth Pipeline and SE Growth Prospect clients. However, the product can be delivered to Business Base companies subject to robust appraisal demonstrating a significant economic benefit from participation.

In all cases the Relationship Manager should agree that the company is ready for and will benefit from participation. Larger Account Managed companies seeking international strategy support should first be considered for the International Strategy Development Programme prior to being considered for the General or International Strategy Workshop.

Supplier Details & Commissioning (Not applicable to Support Products)

A 31 month procurement framework agreement is in place for the GSW expiring 31 October 2013.

The Strategy Workshops have been procured on a national basis and 6 suppliers have been awarded framework contracts on a call off basis with no guarantee of any commissions. The Suppliers are:

- Company Growth Team
- The Laurel Group
- The Leadership Factory
- Matrix Management
- Russell Mcleod
- UXL

Suppliers must be evaluated in every instance of delivery to assess their suitability in terms of experience and expertise, capacity to deliver and in the instance of more than one supplier fulfilling the preceding criteria, price must be the determining factor in deciding which supplier to commission. Full supplier information and the supplier evaluation template are supplied in the supporting documents and CRM Product Record.

Template commissioning letters can be found on the Company Growth Documents Intranet pages.

The Procurement Framework for the General Strategy Workshop will be co-ordinated by Product Specialists and contracts may include delivery to an individual client company or by exception a group of client companies.

Customer Application, Appraisal, Approval & Offer

An email requesting the GSW from the company, a completed, signed Appraisal Form, a completed evaluation template and offer letter will be required for all companies.

Once the company has sent the email, the Account/Relationship manager must complete the evaluation template.   When the email, appraisal and evaluation template have been uploaded to CRM assign the opportunity to the Product Approval group (Approval,Product), for verification and approval of the project by a Product Specialist. Once it has been approved it will then be sent to the Admin group to raise the contract.

Claim Procedure

The GSW is paid for by SE, directly to the facilitating consultant.

The standard customer evaluation form must be completed by the company within 3 weeks of completion of the post workshop meeting.

The table below provides charging out rates and De-Minimis rates for companies.

	SE % Charge to Company	De-Minimis Value
SME	0%	100%
Non-SME	70%	30%

An Activity Measure can be claimed on KMIS once the product is marked as delivered on CRM.

State Aid and Legal

When offering 100% funding towards the cost of the facilitator to an SME, the total cost must be set against the SME's De-Minimis allowance. As a result the standard de-minimis clause should be included in the offer letter, which must include a value.

Where delivery is to a non-SME, a 70% contribution from them will be required, with SE's contribution (30%) being under De-Minimis powers.

If delivered on company premises any external venue/catering costs will be met by company. This is not a benefit to them as they are expending their own resources, and not receiving public funding towards these items, so costs do not count towards De-Minimis.

Staff should ensure that they adhere to State Aid rules and that the appropriate procedures and documentation are used when offering assistance to companies and in keeping records of the type and value of assistance for the appropriate length of time.

Support Materials

- A one page product descriptor can be found in the product manual inxight tool on the intranet
- Supplier Information Appendix 1
- Supplier Evaluation Template attached to CRM Product Record
- [Company Growth Documents Intranet Page](link) (For appraisal)

Product Delivery, Management and Monitoring

Customers are recruited through their Relationship Manager. In all cases a detailed e-mail from the company stating why they need this particular intervention at the time requested and the intended outcomes from the intervention should be included as part of the appraisal process and attached as a note on the relevant CRM Opportunity.

DRM Account Managed The overall rationale for supporting strategy development for DRM AM companies must be captured in the relevant companies' Company Review Workbook under the Company Strategy section and if appropriate referenced as part of a Development Project in the Account Development Plan.

NRM (Growth Prospect , Business Gateway Growth Pipeline and Business Base) If being delivered as part of a Development Project the rationale for this intervention must be recorded on the appraisal.

The GSW will usually be delivered face-to-face to client companies, by contractors on behalf of SE. It is envisaged that on occasion, SE staff could deliver the GSW to client companies directly.

Attending every workshop will be the appropriate relationship manager. This not only helps them to build their relationship with the customer as well as to understand the direction that their customer is planning to go in. Their attendance also provides a further quality check on the consultant being used and the quality of their delivery to the customer. Issues can then be addressed at the time or with the product specialist if of sufficient concern.

The core GSW product is offered to appropriate SMEs free of charge. Non-SMEs will contribute 70% of the cost of participation in this product and the remaining 30% (net of VAT) will be paid as a grant by SE on receipt of confirmation of delivery. If a client company decides to hire a venue, or purchase catering associated with the delivery of a GSW, then the client company is responsible for paying 100% of those costs. It may be appropriate, to use SE offices, if a client company wishes to undertake a GSW off-site.

Invoices will be paid to suppliers once the final action plan has been received. Expenses claimed by suppliers should be itemised and evidence of expenditure provided prior to paying the invoices.

Health & Safety

No health & safety issues with this product.

Product Lead

The SE Products Team is responsible for the overall product. Any queries relating to the product policy, design or maintenance should be directed to the Product Team. The Product Team will liaise with Policy Teams. No change should be made to an approved product without discussions taking place with the Product Team.

The Business Support Team is responsible for operational delivery and day to day management of the product. Any queries relating to this should be directed to the Business Support Team.

Contact names are on the front page of this Product Guide.

APPENDIX 3

Business Gateway Advisor Survey

Business Gateway Advisor Survey – General/International Strategy Workshops

This survey was issued to 25 Business Gateway Advisors that had used General & International Strategy Workshops over the last 3 years.

44% (11) of BG Advisors responded to the survey with experience of arranging/participating in workshops for clients ranging from 2 up to 34, across both types of workshops and across a variety of suppliers.

The total number of GSWs completed across the respondent sample was 125, with 22 moving into Account Management (Fig. 1.1).   The total number of ISWs completed across the respondent sample was 48, with 9 moving into Account Management (Fig. 1.2).
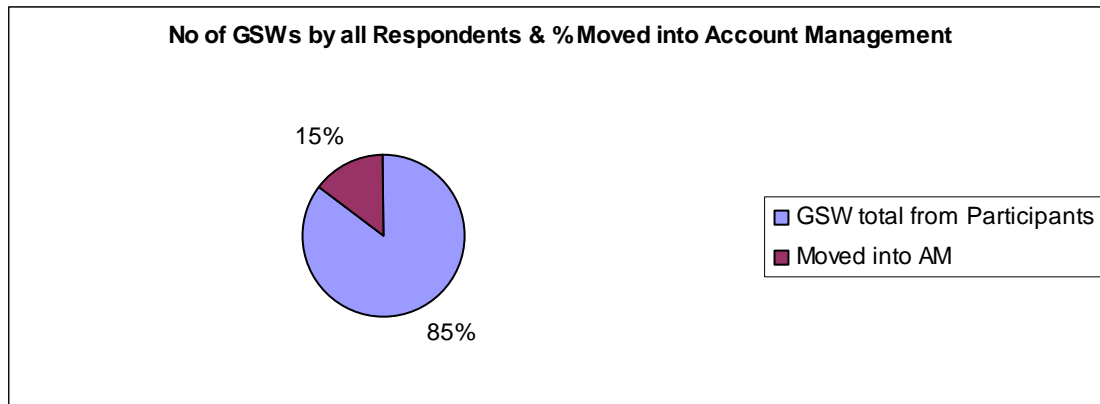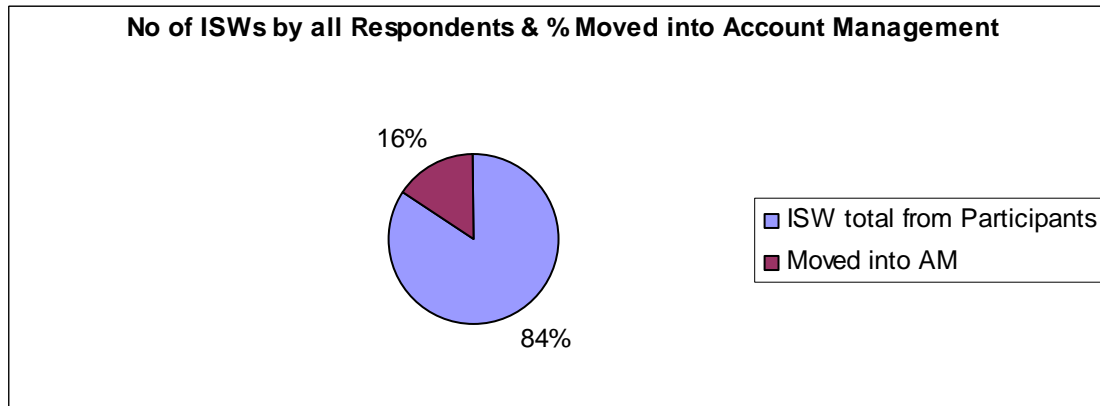
Fig. 1.1

No of GSWs by all Respondents & % Moved into Account Management

15%

85%

■ GSW total from Participants
■ Moved into AM

Fig. 1.2

No of ISWs by all Respondents & % Moved into Account Management

16%

84%

■ ISW total from Participants
■ Moved into AM

This shows that fewer than 20% of companies undertaking a General or International Strategy workshop move into Account Management, which is consistent with information provided by Scottish Enterprise Prospecting team and management information recorded by Scottish Enterprise. However, the table below shows that there are often a variety of reasons companies do not move forward, which are reflected in Table 1 below.

Table 1 – Reasons for not moving into Account Management from Growth Pipeline

Less than 12 months since completing workshop and still in planning stage	80.0%	8
Insufficient demand in product or service market	20.0%	2
Technical issues in developing product or service	30.0%	3
Technical issues in introducing new product or service delivery process	10.0%	1
Access to Business Development Finance	30.0%	3
Business has ceased trading	0.0%	0
N/A	0.0%	0
Other (please specify)		4

Advisors commented that companies can be in the pipeline for 18-24 months, trying to raise finance and develop prototypes.

Advisors were also asked about which 3 products they accessed most to support Growth pipeline clients, with Innovation Support, General Strategy Workshops & Domestic Market Development coming out on top.

Most accessed Products rated by Respondent BG Advisors	No of votes
Innovation	**7**
GSW	**7**
Domestic market development	**6**
Financial	5
ICT	5
Recruiting Temp Specialist (Project Support)	1
International Suite	2

Positive Changes in business following participation in General/International Workshops

- Clear Action Plan with ownership through participation
- Cohesive management team - Shared objectives/goals
- Improved focus on strategic direction of the business – taking time out from day to day tasks
- Better understanding of
  - Market opportunity
  - Market segmentation
  - Business Strategy
- Solid foundations for growth – resulting in quicker implementation
- Undertaking OD review and accessing leadership/management training
- Rebranding of business
- Entering International Markets
- New Product Development
- Increased turnover & Profit

Other comments

- General Strategy workshops are generally more relevant to participants
- ISWs used inappropriately on businesses that are too small
- Advisors feel that tool is excellent to support growth pipeline companies

APPENDIX 4

Introductory Presentation

Business Product Review
General Strategic Workshops

15th February 2013

malcolm watson consulting
knowledge management and development

Scottish Enterprise

Session Structure

➢Introductions
➢Review Purpose and Process
➢Review Topics
➢Summary and Close

Review Purpose and Process

➢**Purpose**
  ➢Validate product delivery against specification
  ➢Identify potential for improvement of service and effectiveness of the product

➢**Process** – supportive, constructive analysis, focus on improvement. Here to enhance – not de-construct the Product

➢**Facilitation**
  ➢Promote (or provoke!) discussion
  ➢Keep to issues
  ➢Unbiased
  ➢Identify and record findings and learning

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Review Topics

➢ We will address the following topics, in turn, for both products:

➢ Participating Businesses
➢ Product Content and Application
➢ Delivery and Suppliers
➢ Management Information Provision
➢ Impact on Participating Businesses
➢ Rationale, Market Adjustment
➢ Evolution in Design and Delivery

Participating Businesses

➤Is there a "typical" client business?

➤Are there patterns in terms of scale, sector, age, growth rates?

➤How are businesses identified which have *greatest potential* to benefit from the Product?

➤Has the Product been used by businesses with *limited potential* to generate growth and net economic impact?

➤How are *non DRM users* identified and referred to the Product?

➤What expectations do participating businesses have?

➤Are these usually met or exceeded?

➤What suggestions do you have to improve the targeting of users?

Product Content and Application

➢Do you have any concerns about the content of the GSW Product as delivered to client businesses?

➢Should the content be updated in any ways?

➢Are you aware of any variations in materials used by different providers?

➢How valuable do you consider the final meeting to be to the business?

➢In what ways and to what extent is the Action Plan used following completion?

➢Does the Action Plan guide the selection and use of other SE Products?

Delivery and Suppliers

➢Does the current contractor panel offer the breadth and depth of skills required to deliver the product to every potential participant?
➢Do you have adequate knowledge of the skills and experience of contractors and individual facilitators assigned to companies?
➢At what point is payment to suppliers authorised by AM?
➢Do suppliers charge for final meeting in all cases?
➢Do you receive, and share, feedback on supplier performance?
➢Do you have concerns over the ability of any contractors to deliver?
➢Are suppliers always required – could SE not deliver this directly?
➢What suggestions would you have to improve the delivery of the products?

Supplier Performance

Can we rank the performance of <u>each</u> supplier on **Content** & **Delivery**: Ranking from **1-10**: where

1 = Poor

10 = Excellent

Supplier	Content	Delivery
Company Growth Team		
The Laurel Group		
The Leadership Factory		
Matrix Management		
Russell Mcleod		
UXL		

Management Information

➤What information do you generate and receive to enable the efficient management of the products:
- ➤Financial progress
- ➤Skills and Performance of Contractors
- ➤Participant Feedback
- ➤Integration with other SE Assistance
- ➤Tracking performance of assisted businesses

➤Who collates and analyses MI to refine and improve the product?
➤Are there any gaps in MI which constrain your use of the product?
➤Is MI sufficient to capture the effects of the product on participants and attribute changes in business performance to it?
➤What improvements in MI would you suggest?

Impact on Participating Businesses

➢What is the intended impact on the performance of businesses?
➢Is this reflected in actual impact reported by participants?
➢How long does it takes for the product to impact on performance?
➢Are there businesses using the Product who do not have the scale, capacity or market focus to generate net economic impact?
➢How and when is the impact on the business currently assessed?
➢How is further assistance specified and provided to non DRM businesses?
➢What other assistance best integrates with the product?
➢What improvements would you suggest to better assess impact?

Scottish Enterprise

Rationale and Market Adjustment

➢Why should SE continue to deliver this product?

➢Why could SE not deliver this directly as part of the DRM process?

➢What would participants do in the absence of SE provision?

➢Is demand for the product as decreasing, static or increasing?

➢Why would participants not contribute to the cost of provision?

➢Does the Product represent VfM for:

▪The Businesses using the Product

▪For SE

➢What is the rationale for providing this Product to non-DRM businesses and how is this provision appraised by SE?

➢How are achievements demonstrated – and could this be used to encourage partial funding of provision in the future?

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Evolution

➢We have discussed and recorded suggestions for improvement throughout the session.
➢If you could instantly apply **a single improvement** to the product what would this be………………?

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Summary

➢The proceedings of today will be written up and circulated to Products Team and Appraisal and Evaluation Team
➢Priorities for action (where appropriate) will be identified
➢The Product Guides will be amended where appropriate