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Economic and Social Development

CeeD Membership Perception & Benefits Study

Final Report for Scottish Enterprise
November 2017

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Executive Summary

CeeD is a cross-sector peer to peer community and co-operative problem-solving and learning network, originally operating within the engineering sector but now operating across many key public and private sector organisations. The main aims of the research study were to provide a review and evaluation of CeeD's operations and services, and to understand the impact it has had on its membership.

The consultations with stakeholders, board members and CeeD members identified that, despite some areas for improvement, there is perceived value in the types of services delivered by CeeD. The main benefits identified by businesses as a result of engaging with CeeD were networking opportunities, increased information and provision of training. However, limited economic impacts were reported by member organisations which was as expected as the nature of the support provided by CeeD did not clearly focus on achieving economic outputs.

The cost of membership alone was not considered to be a barrier to renewal of membership – instead lapsed members identified other factors, including not finding the support provided by CeeD to be particularly appropriate to their needs (eg, they were focussed on the needs of larger organisations, rather than SMEs); and not enough local clinics/events being offered, forcing staff to take more time out the workplace than was appropriate. The research highlighted the potential opportunity for a more tiered membership approach that would better fit with the structure of existing members, and perhaps make CeeD more attractive to a wider range of new members.

Whilst CeeD was broadly perceived positively, a number of challenges and issues were raised, and the consultations highlighted some areas for improvement that could improve the effectiveness of the organisation. There were some concerns raised about being clear as to the core purpose of CeeD and the direction in which it is heading - specifically where those activities did not directly related to networking are concerned. Similarly, it was felt that the overall profile of CeeD could be enriched - both in terms of its branding and identity, and of its digital presence (i.e., website and social media activities). Other improvements included: developing and strengthening strategic linkages with wider stakeholders (for example, SE) to help CeeD support promotion and marketing activities; developing a more tailored approach to delivering events and clinics; and establishing a more robust Performance Monitoring Framework that measures the outputs, outcomes and

impacts of the service. The consultations with sponsoring members indicated that they are interested in receiving more data from CeeD in relation to what is being delivered across their region/area, and the benefits and impacts it is generating for the business base.

Finally, it was agreed, that some key actions for the CeeD Board and management would be to develop a new business plan for the organisation, and develop a financial sustainability plan that clearly shows how CeeD will develop and survive in the longer term. This could include partner output funding; service delivery; charging for some services; or reviewing the overall membership charging structures.

1. Introduction

This report presents the findings of a *Membership Perception & Benefits Study* of the Scottish Enterprise (SE) funded CeeD Project, which was undertaken between June and August 2017.

1.1 Background

CeeD is a cross-sector peer to peer community and co-operative problem-solving and learning network, originally operating within the wide engineering sector but now operating across many key public and private sector organisations.

Figure 1.1: CeeD Project Activities
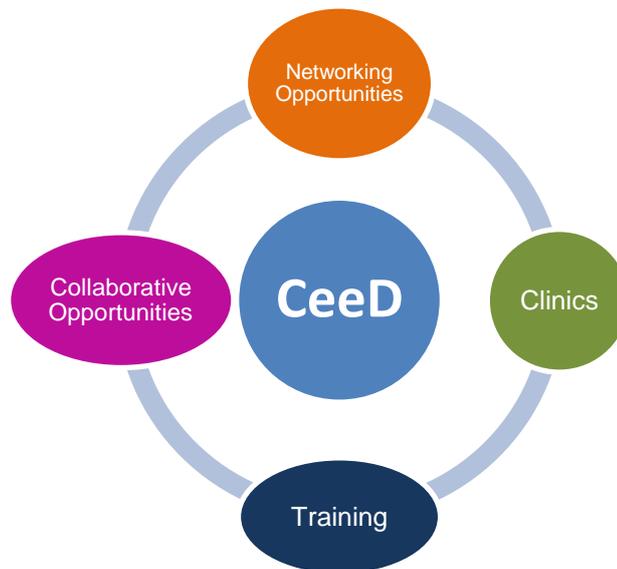
The organisation works to help address the operational issues raised by member companies through 'clinics' or events, and through individual support projects. It was established in 2004 and is a not-for-profit, limited by guarantee, private company with no share capital.

SE agreed to support the expansion plan and growth plans of CeeD by investing £360,000 over 5 years between 2012 and 2017 in order to achieve a set of objectives and operational targets.
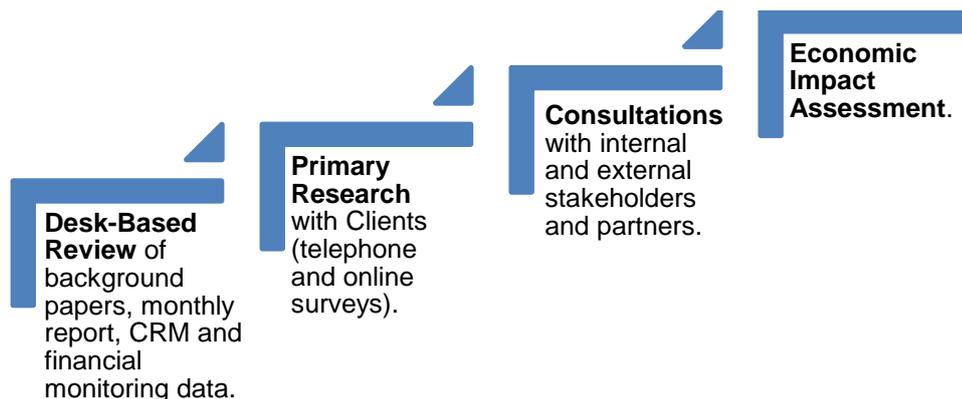
1.2 Study Aims and Objectives

The main aims of this study were to provide a review and evaluation of CeeD's operations and services, and to understand the impact it has had on its membership.

The detailed study objectives were to:

- assess how CeeD is perceived by its members, industry, and wider stakeholders;

- determine those factors that prompted initial membership, and inhibited new memberships and renewals;

- identify any areas for improvement across business functions;

- evaluate the outcomes and benefits resulting from the engagement between businesses & CeeD; and

- assess the influence and role of peer to peer membership organisations and offer strategic insight to support future appraisal of similar interventions.

1.3 Study Method

Figure 1.2 Study Method for CeeD Membership Perception & Benefits Study

Desk-Based Review of background papers, monthly report, CRM and financial monitoring data.

Primary Research with Clients (telephone and online surveys).

Consultations with internal and external stakeholders and partners.

Economic Impact Assessment.

The desk research findings are presented in **Chapters 2** and **3**; **Chapters 4** and **5** present key primary research findings and economic impact assessment, and **Chapters 6** and **7** summarises conclusions and provides recommendations for consideration. More detailed feedback from the various fieldwork components is presented in appendices to the main report.

2. Overview of CeeD

This Chapter provides an overview of CeeD, including the context to its development, its background, organisational structure, current activities, and fit with UK, national, and regional strategies and priorities.

2.1 Context

CeeD works across multiple sectors, allowing the transfer of expertise across different industries, to improve operational efficiency and effectiveness.

Unlike trade associations, conventional business networks or chambers of commerce, CeeD operates as a *peer to peer learning network*. This allows members to tap into each other's expertise, and facilitate continuous development by encouraging likeminded individuals to engage in knowledge exchange through collaboration, networking, discussion and information sharing, enabling them to enhance their industry knowledge beyond formal education.

Peer-to-peer learning and sharing is one of the keys to innovation, creativity and organisational success. Some other significant advantages to membership of a peer to peer learning network includes:

- flexible, cost-effective concept that doesn't require additional training or workshops;

- allows continual development – both of individuals and businesses; and

- peers can help each other to find solutions to specific industry problems.

Crucially, there are a number of industry bodies that, whilst having a different remit - and delivering different objectives - to CeeD, operate in a similar (membership) space to CeeD in Scotland. It is clear that there is competition for "members" and their (financial) support across the business support sector, and that to be sustainable, CeeD must and offer unique and added value services. We return to this later in the report.

To illustrate this, **Table 2.1** outlines the different types of industry bodies providing support to engineering businesses (and to those operating outwith this sector).

Table 2.1: Scottish Business Support Organisations

| Type	Examples	Definition
Sector/ market-specific trade associations/ employers' federations	•Scottish Engineering •Scotland IS	These organisations provide a mix of representative/lobbying services on behalf of the sector, services to member companies, and events, conferences and other formal and informal networking opportunities. In some cases membership is not restricted to businesses (for example the Scottish Optoelectronics Association) and can include academia and public sector organisations.
Generic business associations	•CBI Scotland •Scottish Chambers of Commerce	These organisations don't have any particular sectoral or market focus. They provide representative/lobbying services, some support services and networking opportunities at the Scottish and sub-Scottish levels.
Knowledge Transfer (KT) and Knowledge Exchange (KE) focused organisations	•KT Offices in Scotland's Universities •KT Partnerships (KTPs) •Interface and KT Networks (KTNs) •Scottish Funding Council (SFC) Innovation Centres	Primary role is to improve awareness and uptake of opportunities for RDI and collaboration.
Public sector economic development and other agencies	•SE •Scottish Development International (SDI) •Highlands and Islands Enterprise (HIE)	Main aim is to further the aims and objectives of the Government's Economic Strategy. Although this is quite a wide definition, these bodies provide both direct support (e.g. Account Management and their portfolios of support products) and indirect support (eg funding support interventions delivered by third parties) to businesses.
Professional institutions	•Institute of Mechanical Engineers	Mainly focused on accreditation of members qualifications, but also provide networking opportunities. Some also provide services direct to other organisations (mainly in relation to training and accreditation).
Virtual /physical business networks	•Enterprise Europe Network	In addition to generic networks (like Enterprise Europe Network), this category also includes thematic networks such as those associated with the KTNs and hosted on the "_connect" platform.

2.2 Background and Organisation Structure

CeeD is run by a Board of Directors comprising senior figures from the Scottish Engineering Community, including private companies and academic institutions. In 2016, the direction of the Board changed from one focused on operational issues to one with a more strategic focus with new Board members recruited to refocus this activity.

The current CeeD management team consists of a Managing Director (MD), three Business Development Directors (BDMs) and an IT consultant – **Figure 2.1**.

However, this team has recently undergone a transition, with a new MD joining the team in September 2017, and a BDM leaving his post around the same time.

Figure 2.1: Organisational Structure of CeeD
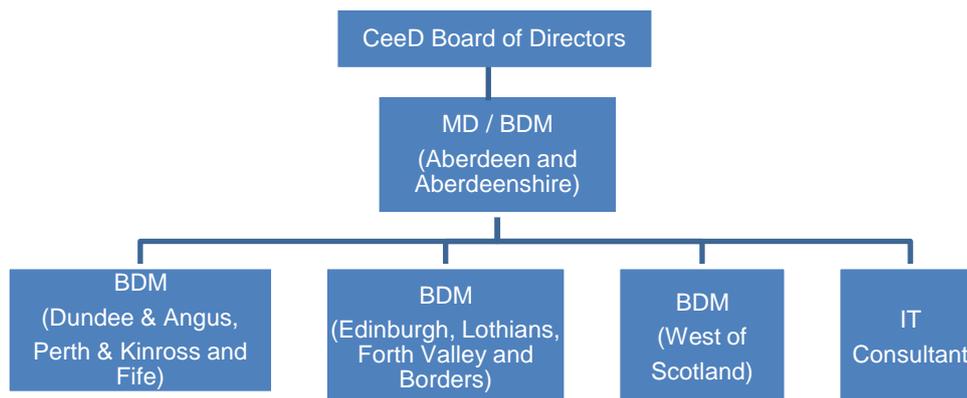
The key focus of CeeD is in the following key areas:

- wide cross-sector membership base of companies;

- the provision of a trusted environment in which members can share and learn from each other;

- facilitating access to specialised content; and

- providing access to meta-content: helping companies to understand what they need to know and where they can find this help.

2.3 Operational Activities

The organisation delivers a range of services and activities as detailed below.

Clinics

These tend to be the main mode of engagement for member organisations, and the service provides a forum for members to network on a regular basis. It provides a mix of client presentations, workshops, seminars, conferences, exhibitions, and group visits.

The topics for clinics tend to come from members, and range from a sectoral focus (Aerospace and Defence, Energy, Environment) to more general business themes (Health & Safety, Marketing and Human Resources) – **Table 2.1** illustrates the themes that have been covered by CeeD to date.

Table 2.1: Clinic Topics

CeeD Clinics		
Energy/Environment	Inter-Company Training	Procurement & Supply Chain
Health & Safety	Innovation	Sales Performance
Marketing	Business Systems	Design Engineering
Lean Manufacturing 5s	Project Management	Strategy
Leadership	Aerospace and Defence	Human Resources
Performance Management	Planned Maintenance	Exporting & Trade

Source: CeeD Website

However, it is worth highlighting that whilst a wide range of topics have been covered, many of these have not taken place in some time, and that an updated list of potential themes for events would be helpful for members planning future engagement.

We return to this issue later in the report.

Growth 500 Programme

This programme launched in January 2014 with the aim of 'guiding 500 ambitious Scottish businesses on a journey to growth'.

Growth 500
A blueprint for accelerated business improvement

The programme is available to CeeD members as part of their membership fee, and involves eight days training over the course of nine months, as well as optional mentoring. There are twice yearly intakes at each spoke. The topics are presented by academics and private practitioners.

Learning is focused on a number of different areas of business activity which have been identified as the key drivers of growth, developed with UWS Business School – see **Figure 2.2**.

Figure 2.2: Growth 500 Topics
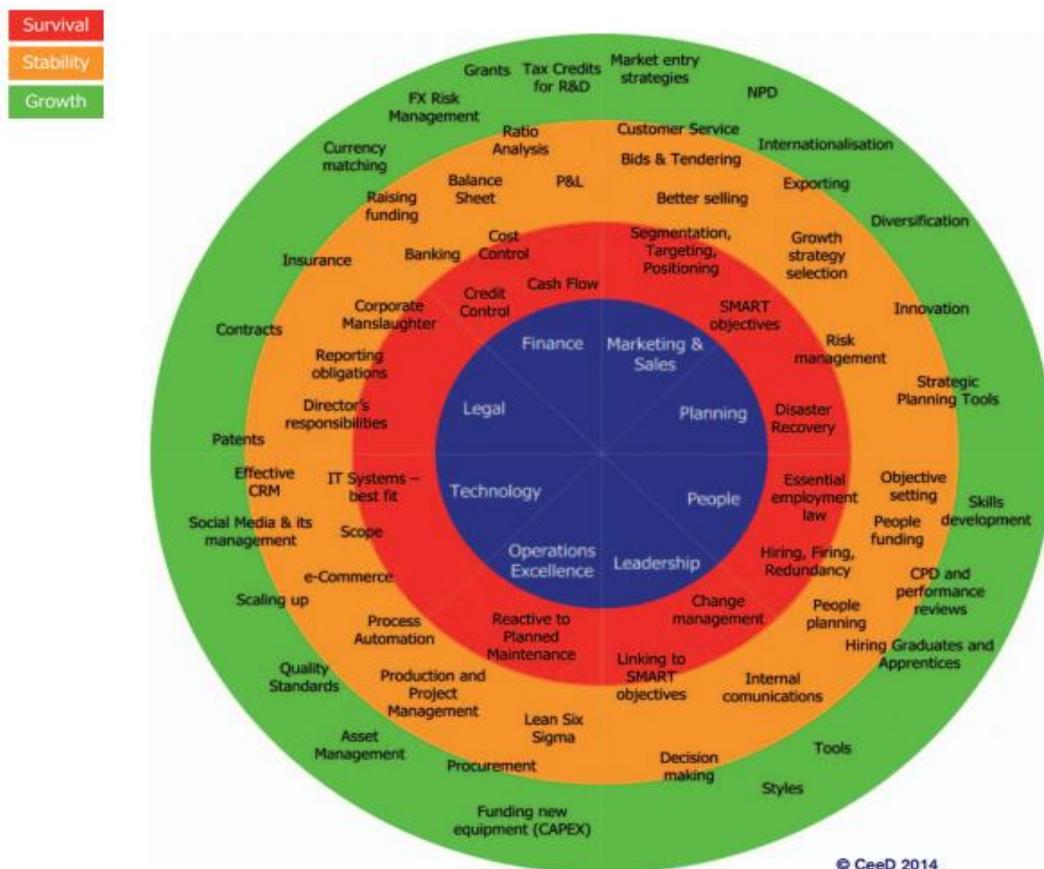
The G500 programme is currently operational in Glasgow, Edinburgh, Inverness and Dundee, with plans for Aberdeen currently on hold.

3. CeeD Business Plan

This Chapter examines the integrity of the original business plan and performance of CeeD in terms of activity and income and expenditure in relation to any targets that exist.

3.1 Review of [2012] CeeD Business Plan

The business plan [2012] has plenty of detail and has been written by an external consultancy without we believe <u>significant</u> input from the Board. It appears to be the kind of business plan more appropriate for a manufacturing company as opposed to a membership organisation.

There are some issues we would highlight:

- there is no clear strategic rationale or high level objectives;

- limited KPIs and few targets and no protocols for monitoring or reporting;

- while there is good market analysis of potential members, it is not clear how the 'target' numbers (penetration rates) were devised;

- it is also not clear how the target market (sectors) has been defined;

- not clear how cost structure has been determined - what is rationale for charging rates?;

- no real rationale as to costs model or assumptions made (eg salaries or running costs);

- there is a need to satisfy the value proposition - what is their sales pitch to companies? (i.e., why should they join, and what impact will they make on the members own performance?);

- the business plan shows growth but not clear how this will actually be achieved; and

- There is no mention of monitoring or reporting.

Overall, we consider there are a number of shortcomings in the plan and would suggest that a new business plan should be on the agenda of the Board at an early date.

3.2 Performance against Target

The proposal documents for CeeD set out three key targets to be achieved over the five year funding period:

- the establishing of hubs in five Scottish cities thereby giving national network coverage;

- an increase from 97 to 757 fee paying members actively participating in the CeeD community; and

- generate 192 from 757 additional businesses attributing additional jobs created, jobs safeguarded and profitability from their involvement with CeeD.

The ownership of each target lies with the Managing Director. There was a slight delay in appointing a new MD, who came into post in July 2013.

Based on the information provided, none of these targets has been fully achieved although progress has been made in all areas.

Other key points:

- From the project start date to November 2016 membership grew from 97 to 234 - against an original Year 4 target of 569 members;

- over 90% of total income over five years was expected to come from membership fees, with rising membership leading to a projected net profit from Year 2. However, the lower than anticipated membership has restricted budgets;

- in line with operational targets, five hubs were established by late 2015, although the Aberdeen hub struggled and was closed after around one year; and

- the full amount of £360,000 was drawn from SE by Year 5 on the basis of CeeD's expansion across Scotland.

Note: unfortunately no data on membership income - or the breakdown of CeeD spending - has been made available, therefore it has not been possible to provide an assessment of the extent to which the original income targets were achieved. However, as membership has lagged some way behind the initial targets, it is reasonable to conclude that CeeD's income has not kept up with this.

3.3 Financial Review

CeeD had an initial projected budget of £3.77m over five years, with just under 10% of this contributed by SE and the remainder to be raised through membership fees – **Table 3.1**.
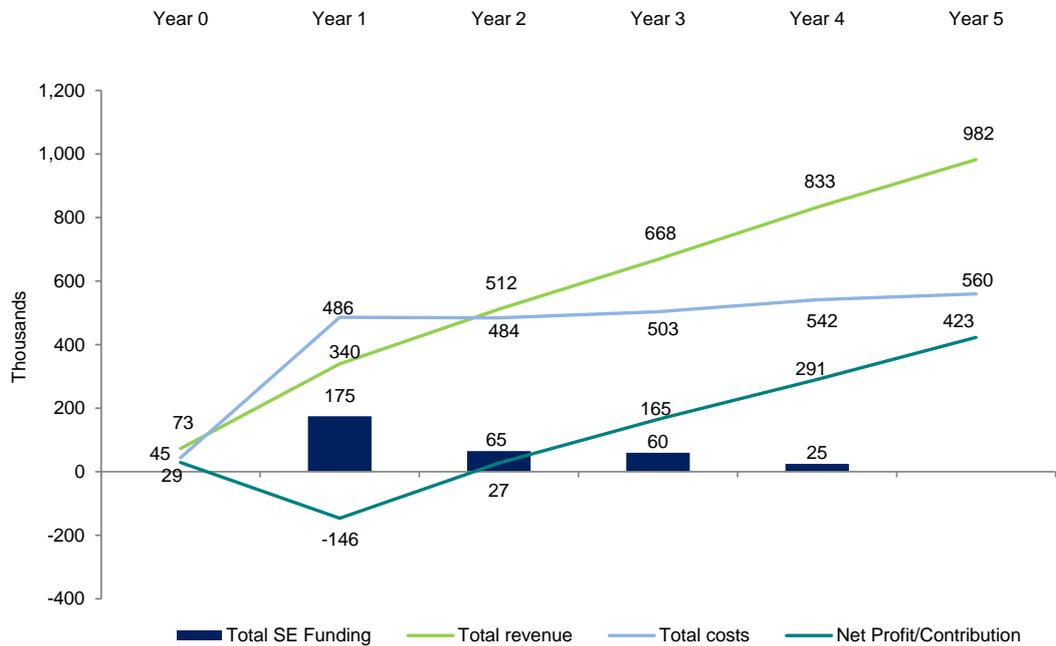
Table 3.1: Income Projections (from 2012 Business Plan)

	Year 1 2012-13	Year 2 2013-14	Year 3 2014-15	Year 4 2015-16	Year 5 2016-17	Total
Scottish Enterprise funding						
Development	35,000					35,000
Operational	145,000	35,000	30,000	25,000	-	235,000
Execution support	30,000	30,000	30,000	-	-	90,000
SE total	210,000	65,000	60,000	25,000	-	360,000
Membership revenue						
Multinationals	90,000	102,774	110,796	120,478	135,616	559,665
Large Corporates	198,000	187,422	182,085	192,110	198,040	957,657
Medium companies	40,000	152,522	217,660	271,857	328,038	1,010,076
Small companies	12,000	50,724	100,134	146,884	182,590	492,332
Micro companies		18,336	57,670	101,252	138,144	315,402
Membership total	340,000	511,778	668,346	832,580	982,429	3,408,533*
Total income						
Total	**515,000**	**576,778**	**728,346**	**857,580**	**982,429**	**3,768,533***

*Includes 'Year 0' starting membership revenue of £73,400 (from the existing spoke)
Source: SE CeeD Approval Paper (2012) Appendix 2B

It was anticipated that CeeD would make a net loss in Year 1. As the membership expanded, total revenue would overtake costs from Year 2 onwards. By Year 5, total revenue was forecast to be £982,000 per year, with costs of £560,000, leading to a net profit/contribution of £423,000 – see **Figure 3.1**.

Figure 3.1: Profit and Loss Projection (£, thousands)

However, as discussed in **Section 3.2**, membership has substantially lagged behind target, restricting the flow of income to the organisation.

Membership is paid at two rates: a £1,200 standard rate and a £3,000 sponsoring member rate, each payable in one annual payment.

The drawdown of payments from SE has varied slightly from the initial schedule proposed in the Approval Paper, and funding was released when agreed targets were met.

3.4 CeeD Development

In 2012, CeeD aspired to scale nationally but lacked funding and resources to undertake this growth within a reasonable timeframe, as their Business Plan at that time only enabled slow, steady growth focused on the West of Scotland.

SE were approached to fund this growth, and CeeD used its membership income to sustain existing operations, while using a small amount of retained earnings for slow incremental growth.

Figure 3.2 illustrates the phased approach to growth adopted by CeeD: Phase 1 targeting SMEs in the West of Scotland; Phase 2 focussing on gaining members in the Edinburgh, Lothians, Forth Valley and Borders regions; Phase 3 gaining member organisations in Dundee and Angus, Perth & Kinross and Fife; and Phase 4 looks at servicing the Aberdeen and Aberdeenshire regions.

Figure 3.2: CeeD Growth by Phase

| **Phase 1**
Targeting SMEs in the West of Scotland | **Phase 2**
Establish a hub in the East of Scotland | **Phase 3**
Establish a hub in Perth | **Phase 4**
Establish a hub in the North of Scotland |
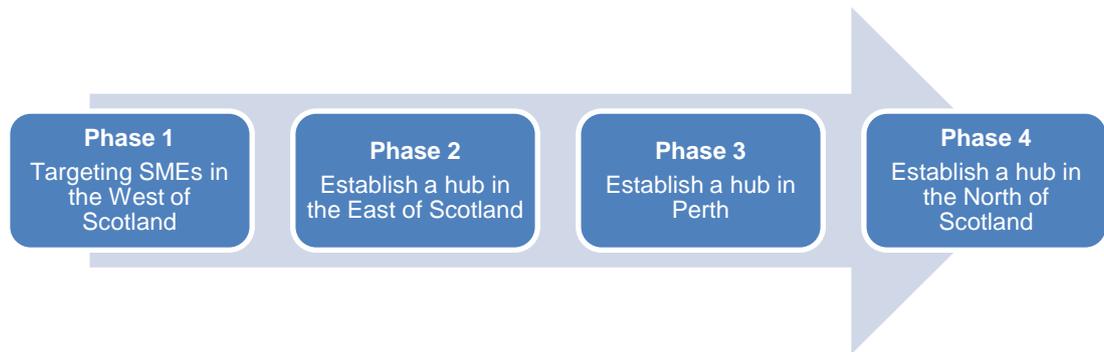
To date, the organisation has progressed to Phase 2 only.

3.5 Operational Activity

Hubs

The target of establishing five hubs across Scotland has remained in place. Spokes in Edinburgh, Dundee and Inverness were established in 2014, with recruitment of a BDM in each of these areas.

Each followed the model established in Glasgow and delivered on all of the operational activities developed at the original hub.

The Aberdeen spoke became operational in late 2015 and organised a series of open clinics. However, attendance was lower than anticipated and only one new member of CeeD was secured. It was felt that energy companies were generally reluctant to openly contribute to clinics, and the launch coincided with a period of downsizing/restraint in the oil and gas sector.

The Aberdeen BDM position was therefore ended in late 2016, with the intention of continuing to market and target activities to companies in the north east where possible, with responsibility passed to the Dundee spoke.

It was hoped this would lead to increased engagement in the region and allow implementation of the original plan to resume later in 2017, in order to meet the target of having five operational spokes.

Membership

From the project start date to November 2016, membership grew from 97 to 234.

This is against an original Year 4 target of 569 members, later revised to 497. Over this four year period, 120 companies did not renew their membership. However, even if these members had been sustained, total membership would still be some way behind the target – **Figure 3.3**.

Targets were revised on two occasions. From September 2015, an ambitious target was put in place to overcome the shortfall, with 4 new members per month per territory (total 20 new members per month). However, only a moderate increase was recorded over the following 12 months, with a net rise in membership of 20.

A number of reasons have been cited for the shortfall in membership:

- legacy employment issues that continued into the third year of the project, impacting on its overall effectiveness and member recruitment;

- a crowded support/trade body environment – i.e. competition with other trade bodies, sectoral membership organisations, chambers of commerce, employers federations and so on – with potential member companies having to prioritise what collaborative activity to engage with based on budget pressures and short term goals;

- engagement with local authorities, while useful, did not directly translate to new members; and

- a more aggressive approach could have been taken to securing new members/meeting annual growth targets. It is also felt that each geographic spoke should have been made financially sustainable prior to continuing the rollout elsewhere, allowing closer control of the organisation's cashflow.

Figure 3.3: CeeD Membership
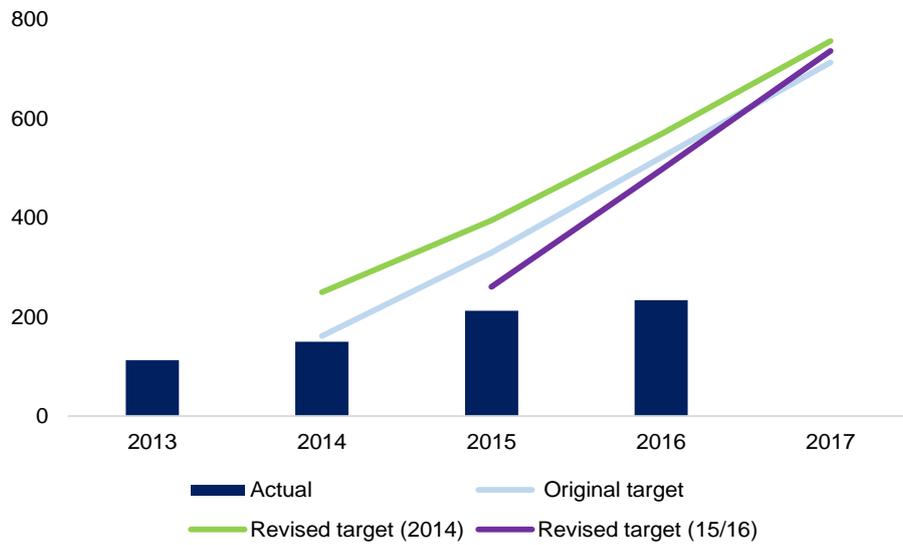
Source: CeeD Annual Reports

Membership has been concentrated in the West of Scotland (Glasgow) spoke, where CeeD was developed prior to project commencement and the initial 97 members were based – **Figure 3.4**.

This had increased to 121 by November 2016 – slower progress than expected, although it should be noted that the new BDM was not brought into post for West of Scotland until 2015.

Figure 3.4: Members by CeeD Spoke (2016)
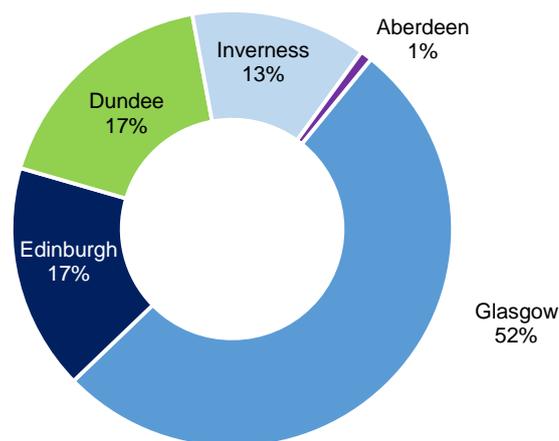
N=234. Source: CeeD Annual Report 2016

Economic Impacts

Information on businesses reporting additional jobs created, jobs safeguarded and profitability from their involvement with CeeD has not been recorded – this would rely on a reporting mechanism with individual companies.

As part of the business survey undertaken as part of this study, businesses were asked for information on any economic impacts generated as a result of their activity with CeeD – see **Section 5.4**.

3.6 Conclusions

The 2012 business plan requires to address a number of issues which were highlighted and need to be addressed.

Where data is available it appears that the organisation has fallen short of its aspirations, particularly in terms of membership numbers.

We would highlight that we had a sense in conducting this review that the organisation did not see themselves as focusing on addressing specific objectives or targets, and that the largely operational focus of the Board in its early years tended to underline this factor.

4. Perception of CeeD: Stakeholders

4.1 Introduction

This Chapter presents both the main findings of the broader face-to-face and telephone consultations undertaken with internal and external partners (9) – including Zero Waste Scotland, HIE, SDS, SMAS and CeeD staff/ Board members, and the feedback from the Organisational Health Check (OHC) survey, which was circulated to current and past CeeD Board members.

As might be expected, the various partners had different levels of knowledge of and engagement with CeeD, with some much closer than others to the detail of the support provided.

4.2 BDM Feedback

> Whilst there was a sense of pride in the achievements of CeeD and the recognition of its worth amongst members, the BDMs had some serious issues relating to the delivery of CeeD services (particularly around back-office support), the expectations made of them in terms of KPIs, and the lack of strategic direction provided from the Board.

The individuals within the CeeD delivery team felt stretched in terms of their resources. Each BDM is expected to recruit four new members, and deliver two to three clinics every month, in addition to running two Growth 500 programmes each year. Whilst these expectations can be considered to be reasonable within the scope of their roles, there was agreement that this can be a huge struggle without administrative support.

The BDMs felt that they would benefit from being given more flexibility in terms of how they develop their membership base, and, as discussed above, some type of administrative resource to help with the preparation and delivery of large events/seminars and other time consuming tasks – there was a consensus that their expertise would be better spent engaging with existing members, and developing relationships with potential members.

The BDMs were concerned that insufficient weight was given to membership retention – which is arguably of equal importance to gaining new members. However, their performance is currently measured in terms of numbers of new members they sign up each month (rather than expanding on the total membership base), which means more time and effort is placed on this activity.

In terms of the relationship between the BDMs and the Board of CeeD, historically there has been a lack of strategic direction provided from the Board – however, this situation is expected to improve with the appointment of new Board members within the last year, and with the recently appointed Chair.

4.3 Broader Feedback

Delivery of CeeD

> The general feedback from stakeholders was that CeeD provides a good service to its members and most felt that CeeD has a clearly defined and structured offer in place. However, there are fundamental problems that need to be addressed relating to service delivery, and the overall management of the organisation.

The delivery team is highly rated, with good general awareness about a range of industry sectors in Scotland, and very good industry connections. The CeeD team overall are perceived as very professional, proactive and easy to work with.

The events and clinics are highly regarded, always well attended and perceived as valuable for CeeD members. The regular site visits to member's premises facilitated by BDMs were mentioned by several stakeholders as being of particular significance, and considered to be far more useful to businesses than attending a more formal learning session in a lecture hall or similar environment.

The expansion of CeeD's remit to include sectors outwith the engineering industry was positively regarded by all stakeholders, as the business support they provide could be described as fairly generic.

> *"It's good to have a mixture of industries to contextualise operational issues that members may have"*
>
> Stakeholder comment

Sales and Marketing Activity

Stakeholders were clear that CeeD need to promote the value for money that their membership provides – and it is crucial that CeeD develop a robust sales pitch in terms of their value proposition, as the concept of sharing, or peer to peer learning can be intangible.

Many stakeholders felt that organisations were attracted to CeeD membership by the clinics – as these provide member organisations with unprecedented opportunities to collaborate with other companies on common challenges, and these learning opportunities are highly regarded amongst members. All stakeholders, though, highlighted that the Growth 500 programme delivers excellent value for money, and would justify membership on its own.

Opportunities for Joint Working

The stakeholders all agreed that the wider engineering market in Scotland is very well served in terms of industry bodies that can provide support. Whilst CeeD is the only organisation that provides networking opportunities and peer-to-peer learning activities, a few concerns were voiced over the number of support organisations and the resultant overlap and duplication in activity: events were provided as a specific example. This suggests that there could be benefits from encouraging more cooperation, even if this were limited to early sharing of plans to ensure better coordination, enhance joint working and reduce overlap and confusion among target participants.

As SE don't currently provide CeeD with direct access to account managed companies, the BDMs felt that this was perhaps a missed opportunity to develop new relationships. HIE provide access to account managed companies and this arrangement works well – this reciprocity could be mutually beneficial for SE and CeeD, and should perhaps be explored further.

Two of the stakeholders felt that CeeD could strengthen their relationships with those organisations that either operate in the same field, or support the same businesses, and that working more collaboratively with other stakeholders should not be regarded as lacking credibility.

Outcomes and Impacts of CeeD

Currently, feedback from CeeD members is not routinely gathered, and it was universally agreed that there is a strong need for gathering feedback from members. The rationale behind new members joining CeeD needs to be explored for the purpose of attracting new members, and currently, this question is not asked.

Some stakeholders commented that whilst some very good case studies have been developed, these are some years out of date.

It would be more beneficial to CeeD to review and update these for the purposes of marketing and attraction of new members.

Strengths and Areas for Improvement

Various strengths and areas for improvement within the CeeD Project were identified through the consultation process, many of which are highlighted throughout this Chapter – these are summarised in **Table 4.1**.

Table 4.1: Summary of CeeD Strengths and Weaknesses

Strengths	Areas for Improvement
- G500 training offer – widely believed to be an attractive 'hook' for new and existing members. - Well-structured and tailored events programme. - Mix of sectors/ industries is useful for contextualising operational issues for members. - Provides good value for members. - Depth of coverage of topics at clinics is very good. - Clear proposition – they're focussed on networking and peer-to-peer learning, with no political/campaigning involvement.	- Administration/back office support for CeeD staff. - Could be more formal structures for engaging with – and developing/ reviewing – member organisations. - Improved communication between CeeD Board and staff. - Collaboration between CeeD and other stakeholders working in same field – access to SE account management would be especially helpful. - Need formal monitoring/evaluation procedures and updating of case studies on website. - Retention is of equal importance to recruiting new members – is their value proposition clear, and could they do more?

Continuing Rationale

Stakeholders were broadly positive about the development of CeeD and progress made in the last few years, in particular the widening sectoral base and geographic scope.

There is a general and continued support for CeeD – it is considered to be providing a valuable service and providing the right types of support for members.

4.4 Feedback from CeeD Board

This Section provides a summary of the key points arising from the Organisational Health Check (OHC) which was circulated to the CeeD Board. The wider comments and feedback from the board can be found in **Appendix A**.

It is important to put the findings from the OHC in some kind of context. It has already been recognised that there are a number of challenges facing CeeD, and that there are a number of issues which required to be addressed (most of which have been confirmed through the research).

The additional comments provided by the Board members confirms that there is an interest in making CeeD a success - however, building on this for the future will be both an opportunity and a challenge.

Recognising that there are areas for improvement is a positive sign – the key is that now they are exposed they must be addressed to maintain credibility. Whilst there may seem to be a number of issues that require to be addressed, most of these fall into a small number of themes which can be manageably addressed.

It is unlikely that this section of the report has identified any issues of which the Board members were not already aware, but rather it is more likely that it has both confirmed and clarified some of the issues, and provided an understanding of the importance attached to the different issues.

Strategic Clarity

- Most Board members were clear about the vision for CeeD. However, there were some concerns raised about the core purpose of CeeD and the direction in which it is heading, specifically where those activities not directly related to networking are concerned (Growth 500 and business support services).

- A key issue was that it is not clear to prospective members – or indeed current members – how CeeD membership can be beneficial. The absence of a marketing strategy and systematic approach to developing CeeD needs to be addressed before this vision can translate into increased membership.

- Some Board members anticipated that the feedback provided from CeeD members as part of this study will provide an important insight to their views, and possibly inform the future direction of CeeD.

Project Leadership and Operations

- Most Board members agreed that there is a lack of clear and appropriate leadership in place, and the roles and responsibilities of the organisational structure were identified as being particularly uncertain. It was broadly agreed that the MD's role needs to incorporate a more strategic approach to developing the businesses, with a particular focus on brand and digital engagement, and marketing.

Roles and Responsibilities

- Whilst most respondents are clear about their own roles and responsibilities, those that were unclear about the Board's contribution to CeeD's success felt that Board membership should be better aligned to key operational and development priorities, and that perhaps there was a greater need for the Board to develop the strategy and set the direction of travel for CeeD.

- Board members were split in their opinions of their meetings, and most felt that the Board members themselves didn't work well together as a teams or add real value to CeeD. However, this situation is likely to improve, given the transitioning of the Board management team and more recent strategy focus (as opposed to focus on operational issues).

Progress to Date

- Whilst progress has been made by CeeD in some areas, the overall view is that that the project has not really delivered to date. There needs to be a better understanding about how CeeD activities (and engagement with CeeD) can have an impact on organisations, and why lapsed members are not renewing their membership.

Additionality

- The majority view is that whilst CeeD is not operating in a clear and distinct space, most respondents believe that no one else could deliver the peer to peer services that CeeD provides. Broadly, the responses showed that people thought CeeD was a good concept and delivers its services well. However, there are other support services working in the sectors that CeeD targets, which can be confusing to businesses.

Marketing and Promotion

- There was a very strong view that CeeD is not strongly marketed across the sectors of operation, and that many aspects of their marketing and promotional activity (both the level and content) must be developed further. A number of issues that could be addressed were suggested, including: reviewing CeeD branding/website; developing a digital marketing strategy; and using recommendations/ testimonial feedback from current members.

- Interestingly, the majority of the Board agreed with the expansion of CeeD to include non-engineering sectors, and did not feel this would dilute the CeeD value proposition.

Progress on Delivery

- There were some mixed messages on progress on delivery: whilst the Board respondents are reasonably satisfied with the metrics that are used to define CeeD's success and progress (and their reporting to the Board), they are not wholly satisfied with CeeD's achievements. Specifically, there appears to be an issue with the focus CeeD has on recruiting new members, without looking in more depth at member retention.

Priorities

- Most Board members thought that CeeD's priorities are clearly understood, and that service/ activity delivery are influenced by CeeD members, although the question was raised of whether CeeD members are actually consulted about potential gaps in service provision. Three respondents were not clear about delivery priorities, and identified that there should be a better understanding of whether the clinics, Growth 500 programme or sales activities (i.e., increasing the CeeD membership base) should be prioritised.

Monitoring

- The responses were fairly split - suggesting that more work should be done in terms of monitoring progress – and most Board members were in agreement that key performance measures would be beneficial. One Board member suggested that members should be provided with an annual report at the very least, and that this report could be posted on the CeeD website for maximum impact.

Project Learning

- There was unanimity in the view that there are definite opportunities to improve delivery but that there are no procedures in place to share learning. There is also a strong view that CeeD needs to adopt a much stronger approach to learning, and that fundamental areas of improvement need to be addressed.

Future Project Developments

- Some of the key issues identified included: Strategic Framework; Communications and Marketing; Project Resources; and Project Partnership

5. Perceptions of CeeD - Members

5.1 Introduction

This Chapter presents the key findings of the surveys undertaken with businesses that are both current and lapsed members of CeeD.

The names and details of 154 current members (which also included new members, those members whose membership was under review, and a late payment intervention) and 115 lapsed members (including those organisations that either cancelled their membership or their membership had expired) were provided by CeeD, and a sample list from both was created.

A bespoke set of questionnaires were developed and agreed with the study Steering Group.

5.2 Health Warning

At this point we would highlight a health warning. The sample of contacts we were provided with were provided by CeeD and were not based on any randomised sampling but were hand-picked by the organisation themselves. As such the findings cannot necessarily be taken as a fair representation of the views of the wider membership.

These sample lists were contacted by telephone initially, and an online version of the survey was later distributed to all contacts. The response rates for each are discussed in both sections.

However, it is worth noting at this stage that there were significant difficulties in terms of accessing member data – each BDM was contacted individually to provide contact details (names, telephone numbers and email addresses) to enable communication about the surveys to take place.

This process took many weeks, and in some cases, less than half of member details were provided.

The detailed analysis of the members' survey is presented in **Appendix B**.

5.3 Key Findings

Key messages from **current members**:

- Good engagement levels: more than half (55%) have regular contact with CeeD (i.e. at least once a month) and almost two thirds (62%) had engaged with CeeD within the past month;

- Good range of services: the most popular CeeD services accessed were clinics, Growth 500, and other events/seminars;

- High satisfaction levels: when reporting on their satisfaction levels with a range of aspects of engagement, the majority (over 80%) of members were very satisfied/satisfied – rating the experience and skills of CeeD staff, appropriateness and quality of services particularly highly;

- Whilst two thirds of members would definitely continue their membership in the future, considerably more - over four fifths (81%) - would recommend CeeD to others. It's worth noting that membership renewal can be inhibited by wider company policies, and may not be a reflection of satisfaction with CeeD;

- Key strengths of CeeD membership are networking opportunities (29%); learning around relevant topics; and the provision of a support network, where businesses can access advice from likeminded people; and

- Members made several suggestions around improving CeeD support and services, including better communications about current/planned events; increased promotional activity; surveying event attendees to allow feedback about experience; and providing a wider geographic range of activities (i.e., not just focussed on Central Belt).

Key messages from **lapsed members**:

- More than half had been members for 4 or more years;

- Two thirds had regular contact with CeeD (i.e. at least once a month) when they were still members, with a further third staying in contact with CeeD a few times a year;

- Lapsed members typically accessed clinics, events and seminars, and at least 70% were satisfied/highly satisfied with most aspects of CeeD engagement – appropriateness of services and value for money ranked lowest amongst lapsed members;

- The main reasons why lapsed members chose not to renew their CeeD membership were cost of the membership (40%); inappropriateness of CeeD services/support of CeeD to their business needs (20%); past experience of engagement was not useful (20%); and better networking opportunities elsewhere (20%);

- Half of lapsed members would consider renewing their membership in the future – in terms of encouraging renewal, all suggestions related to a focus on smaller businesses (i.e., more tailored support, and perhaps reviewing the pricing structure to reflect the smaller budgets of these businesses); and

- Some lapsed members identified the areas where CeeD performed better than other membership organisations: they deliver more focussed clinics; they make the effort to engage with members and try to ensure that members get good value from their membership; and aim to support businesses of all sizes.
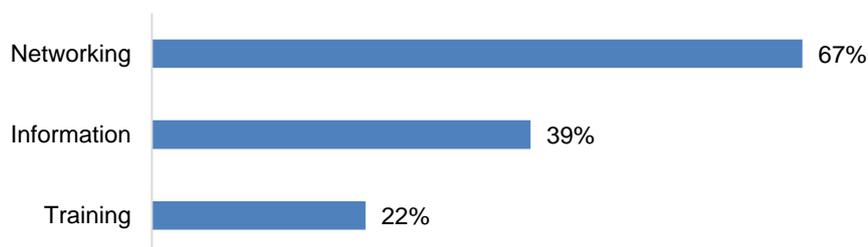
5.4 Benefits and Impacts

This Section presents a summary of the economic and business impacts generated through the CeeD Project.

5.4.1 Key Benefits

As **Figure 5.1** shows, the main benefit identified by businesses as a result of engaging with CeeD was networking opportunities (67%), followed by information and training.

Figure 5.1: Key benefits

N=49

> *"For us, it's less about the subject matter, and more about the business approach - in other words, it has been very useful to discuss with other businesses, people and sectors - these interactions provide a different perspective"*
>
> CeeD Member

Businesses reported a range of benefits from CeeD membership, with over half (53%, 34 responses) identifying that their organisation had improved its skills (through people receiving training) as a direct result of their engagement with CeeD, and 15% (10 responses) stating that they had obtained new contracts.

5.4.2 Key Impacts

Few members were able to identify or report any quantifiable economic impacts, with only three of the 64 (5%) respondents reporting an impact on turnover and employment, which were:

- an anticipated increase in turnover of £900,000;

- the creation of two jobs; and

- the anticipated safeguarding of two jobs.

The small number of reported economic impacts was expected as the nature of the support provided by CeeD (i.e. peer to peer learning, networking, and knowledge exchange)) means that any economic impact is likely to be diffuse and difficult to attribute to CeeD support.

In addition, CeeD was not set up as an economic development organisation with job creation objectives, albeit it must be able to demonstrate business benefits if it is to succeed.

This small number of reported impacts, and the likely under-reporting of impacts, make conducting a full economic impact assessment inappropriate. A full EIA would involve the grossing-up of impacts to the full population, in this case, the full CeeD membership.

Before this, outliers are removed and added after grossing-up to avoid skewing the sample. However, due to the small number of reported impacts, **all reported impacts are outliers**, and therefore grossing up is not possible.

We do not believe undertaking this step would be appropriate or generate new data.

6. Conclusions

This Chapter brings together the main findings from the desk-based review and primary research, and presents a series of conclusions for consideration – these have been set against the study objectives outlined in **Chapter 1.2**.

1. Assess how CeeD is perceived by its members, industry, and wider stakeholders

The consultations with wider stakeholders identified that CeeD is broadly perceived positively, however a number of issues/ improvements were identified and are highlighted in our recommendations.

The OHC findings confirmed that there are a number of challenges facing CeeD, and that there are a number of issues which required to be addressed. There were some concerns raised about the core purpose of CeeD and the direction in which it is heading, specifically where those activities not directly related to networking are concerned (Growth 500 and business support services). The additional comments provided by the Board members confirms that there is an interest in making CeeD a success – however, building on this for the future will be both an opportunity and a challenge.

The members' surveys highlighted that CeeD is valued by members and performs a useful service in the market.

> *"The title of the organisation makes it seem narrower than it actually is – because it has 'Engineering' in its title, people automatically assume it's just for engineers"*
>
> CeeD member

Our overall sense was that, despite some shortcomings, there is perceived value in the types of services delivered by CeeD.

2. Determine those factors that prompted initial membership, and inhibited new memberships and renewals

More than half of members (58%) were approached by CeeD staff to join the organisation, whilst only 17% of members became of aware of the benefits of CeeD membership through word of mouth. Those who indicated 'other' ways of initial contact were as follows:

- the previous company they had worked with had been a CeeD member, and so they urged their new company to join (8%); and

- they were CeeD founder members, and so had been involved with the organisation from the beginning (4%).

These figures would suggest that the BDMs have been proactive in recruiting new members, but that the overall profile of CeeD could be improved.

Membership renewal was inhibited for a range of reasons. Interestingly though, other than those members operating in the public sector (e.g. Chambers of Commerce, local authorities), membership cost was not considered to be a barrier – instead there were other factors inhibiting CeeD membership renewal, including:

- staff were not taking up the offer of attending clinics or training courses, so it was difficult to justify membership; and

- they didn't find the support provided by CeeD to be particularly appropriate to their needs (eg, more focussed on the needs of larger organisations, rather than SMEs); and

- not enough local clinics/events were being offered, forcing staff to take more time out the workplace than they would have liked.

3. Identify any areas for improvement across business functions

Section 7 discusses at length the improvements that could be made across CeeD's business functions – briefly these can be summarised as:

- developing and strengthening strategic linkages with wider stakeholders (for example, SE) to help CeeD support promotion and marketing activities;

- gather feedback from all CeeD events, clinics and training activities; and

- improving CeeD's digital presence, both in terms of its website and social media activities.

> *"No evaluation at events – this would be useful for speakers and those organising the event"*
>
> *"Should survey event attendees – helpful to know if / how people benefit from attending events"*
>
> *"Need some clarity on who G500 is aimed at – advertising suggests it is for future leaders. However, our organisation has sent junior members of staff and they didn't feel ready for it. Changed tactic and started sending managers who felt over-qualified"*
>
> CeeD members

4. Evaluate the outcomes and benefits resulting from the engagement between businesses & CeeD

The main benefit identified by businesses as a result of engaging with CeeD was networking opportunities (67%), followed by information and training.

Over half of current CeeD members felt that their organisation had improved its skills (through people receiving training) as a direct result of their engagement with CeeD, and 15% stated that they had obtained new contracts.

However, few economic impacts were reported by survey participants, with only 5% of respondents reporting and impact on turnover and employment. The small number of reported economic impacts was expected as the nature of the support provided by CeeD (i.e. peer to peer learning, networking, and knowledge exchange) means that any economic impact is likely to be diffuse and difficult to attribute to CeeD support.

5. **Assess the influence and role of peer to peer membership organisations and offer strategic insight to support future appraisal of similar interventions**

CeeD is a membership organisation that offer peer to peer learning to businesses. This main roles that this type of network facilitates include: allowing members to tap into each other's expertise; encouraging likeminded individuals to engage in knowledge exchange through collaboration, networking, discussion and information sharing; and enabling members to enhance their industry knowledge beyond formal education.

There are a number of industry bodies that, whilst having a different remit (and delivering different objectives) to CeeD, operate in a similar space to CeeD in Scotland. In terms of wider organisational appraisal the insights suggest the following approach:

- establish role and purpose of organisation;

- develop clear baseline of objectives and targets;

- identify and review inputs activities and outputs;

- review financial performance;

- engage with Board operational team and wider stakeholders and funders to obtain a range of qualitative data:

- engage with membership to obtain both qualitative (performance) and quantitative (output) data; and

- Key outputs - performance against objectives; outputs and impacts and key learning.

7. Recommendations

This Chapter presents a series of recommendations based specifically on the results and outputs form the primary research, together with the consultants' own professional experience in organisation development.

The Shape of a Future Organisation

While there appears to be a case for the continued delivery of CeeD services, this could be achieved in a number of ways. The options as to the form of a future organisation therefore needs to be considered, *viz*:

Option	Action
Organisation cessation	Other organisations pick up bits of the operation (possibly)
Business restructure	Fundamental changes to strategic and operational activity
Business (mostly) as usual	Make small incremental improvements/ changes
Strategic takeover	Negotiate with named other organisation to take over operations

The Board will need to consider these in some detail and make use of the review to guide their deliberations. Each of the options will have strengths and weakness and as usual there is no single "right answer" - it will be the Board's responsibility to contemplate these options at length. Consideration of scale, scope and services will be required, and therefore the kinds of questions the Board should consider are:

- What are we trying to achieve?
- What markets/sectors do we operate in?
- What services do we deliver?
- How big can we realistically become?
- How do we avoid duplication with other organisations?
- What services should we deliver?
- Where can we add most value for our members?
- What structure/ resources/ skills do we need to deliver it?
- Do we have appropriate skills/ experience across the Board?
- How will we be funded and be sustainable?
- How do we define success - and how will we know how we have progressed?

As part of any review, a number of key issues must be addressed, and these are highlighted in the remainder of this report.

Strategic Partnerships

The consultation feedback suggests that CeeD's engagement and relationships with stakeholders and other business support organisations is varied across Scotland. In particular it is not clear that CeeD are making the most of potential linkages and partnerships with organisations where there could be mutual benefits.

CeeD should review existing partnerships (and be clear on who they are) and linkages/synergy with other bodies in the business support and engineering landscape, and identify opportunities for greater engagement and the potential for funding.

For example, could CeeD deliver specific services or activities on behalf of strategic partners (for a price), or could they get access to wider market membership potential? There is also the opposite consideration – could other organisations deliver services on behalf of CeeD?

In this regard there may be a case to charge a named individual within the organisation to develop strategic partnerships with key industry organisations (which is different from membership).

Board Development

In any organisation, the role of the Board is crucial in overseeing the performance and direction of the organisation. At this point, there is no robust, clear or shared view as to the exact role of the board or of their overall effectiveness.

We believe that it will be essential for future operations as well as retaining the interest of the Board members (who provide their time at no cost) that this is addressed at an early date.

We would suggest the role of the Board should include:

- setting and monitoring performance against targets;

- monitoring financial performance and insuring ongoing solvency;

- securing new funding as and if required;

- developing new ideas/ new services; and

- acting as key salespeople for the company in recruiting new members/ ensuring existing ones continue.

In driving this forward we suggest that at an early date, a Board development day be set up with a detailed agenda and work programme. Whilst the Board has been more concerned in supporting the operational and delivery side of CeeD, it has been recognised through the consultations that moving forward, the Board should assume a more strategic focus.

We would recommend that a key early action would be for the Board working with the new MD to develop a new business plan for the organisations.

Marketing and Promotional Activity

In order to raise the profile of - and promote wider engagement with - CeeD, a clear and robust sales and marketing strategy needs to be developed, and this will require strong and well defined leadership from the Board and the operational staff.

This will have the additional effect of supporting the BDMs in their role, allowing them to increase the time spent engaging with current CeeD members, and focus on the highly successful clinics and other learning activities that are highly regarded and valued by members.

In addition to creating a new strategy, other activities could include a refresh of the CeeD brand, forging stronger links with partners (such as SMAS, SE, and ZWS), and developing their digital presence - the improvement of the CeeD website in terms of content, and integration with social media should be a priority.

One suggested improvement by a CeeD member was that CeeD could create an area on the website where members could pool their resources and share training costs (for example non-financial staff undertaking financial courses, which can be prohibitively expensive) in response to prohibitive training costs, particularly for smaller companies.

According to the 2017 Trends in Learning study[1], the importance of peer to peer learning is set to increase, and 'learning from the crowd' and 'learning through social media' were identified as two of six key trends in learning, both of which are integral to peer to peer learning.

A Regional focus

It's important to drive the progress of local initiatives and clinics – many organisations (especially SMEs and micro businesses) are not in a position to travel across Scotland to

> *"Clinic locations aren't always ideal – it can be a lot of travelling for a half-day session"*
>
> CeeD member

attend events, and would prefer to spend as little time as possible away from their business.

Whilst the expansion of CeeD – both into wider industry sectors, and geographically – is generally perceived positively by both stakeholders and members, there needs to be a more tailored approach to delivering events and services.

For example, SMEs account for a larger share of employment in more rural local authority areas, compared to the more urban areas in Scotland[2], so CeeD members located in the Highlands region are likely to be more interested in clinics that will appeal to small businesses.

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[1] Produced by the Open University's Institute of Educational Technology
[2] http://www.gov.scot/Topics/Statistics/Browse/Business/Corporate/KeyFacts

Membership Structure

Currently, there is a uniform approach to membership. The research has highlighted the potential and opportunity for a more tiered approach that would better suit the structure of existing members and perhaps make CeeD more attractive to new members.

While currently all members have equal access to all services, in practice they don't, largely due to geographical or scale issues. A structure that was able to better reflect the use of and access to services might be an approach to retain and increase membership.

One specific highlight would be to conduct formal exit interviews when members do not renew to understand the main rationale for approach.

We suggest this is a key issue which will require consideration by the Board at an early stage.

Member Relationships

While individual members engage with CeeD through their ongoing service delivery we believe there would be value in the BDMs being tasked with "client relationships" as par to their remit.

In our experience members value one to one regular contact and the BDMs should therefore seek to visit each member at their premises, at least once a year. These could be formal as well as informal and could cover:

- review service performance;

- future issues for service delivery;

- sales pitch for continued membership; and

- signposting for new member leads.

These visits should be formally recorded and over time will provide the organisation with a robust and extensive market information as well as building longer term member relationships.

Monitoring and Evaluation Framework

One of the points that was raised during the consultations was the KPIs that are used to measure BDM performance needs to be reviewed. The sole focus on gaining new members inhibits the amount of time that BDMs can spend on engaging in a meaningful fashion with existing members.

Whilst CeeD has focussed on organisational milestones (such as membership numbers and increased geographic coverage), there is now an opportunity to establish a more robust Performance Monitoring Framework that measures the outputs, outcomes and impacts of the service.

The type of outcomes and impacts that may be appropriate to measure include:

- membership (new and renewed);

- financial (costs and other income);

- membership (engagement and satisfaction); and

- business benefits (skills or business improvements).

The key benefits of developing a more outcome focused Framework are to improve the evidence base to capture the value and returns of CeeD; and develop this as a marketing and promotion tool – 'real world' examples to promote and market CeeD.

However, it should be noted that there will be a resource cost associated with both developing and gathering the data and evidence to populate a new monitoring Framework. This resource cost is both financial and staff resource. These additional costs should be borne in mind and accounted for in future business planning.

Regular Member Feedback

At present, CeeD doesn't formally gather feedback from members – this is a missed opportunity in terms of gathering (and reporting) satisfaction data, and also for planning and developing future clinics/ training events

- i.e. information on what clinics or events are well attended/most popular, satisfaction with the content, etc.

This feedback could also be a useful tool for engaging new members and providing performance data.

The survey feedback highlights that sponsoring members are interested in receiving more data from CeeD in relation to what is being delivered across their region/area, and the benefits and impacts it is generating for the business base.

CeeD should consider different methods for gathering client satisfaction feedback from both clinics and training events. This could take the form of a short online survey sent to all attendees, with the responses collected and loaded directly into a survey analysis software (e.g. SNAP or Survey Monkey).

This information should be routinely analysed and reported on to both the Board <u>and</u> all members.

Again this raises the issue of resource requirements.

Governance and Resources

There appears to be a need to develop and communicate clear roles and responsibilities for all participants in CeeD covering:

- CeeD Board
  o individual members
  o Chair
- Operational staff
  o MD
  o BDMs

It also may be worth considering the most appropriate structure in the longer term: given that CeeD is a small organisation, how can more be obtained from an MD in an operational (as opposed to management) sense? It is also important to consider how additional resources could be procured in order to support CeeD marketing and promotional activities.

However, any changes to structure would be dependent on the longer term strategic direction which the Board wish to pursue.

Financial Considerations

We believe that it will be crucial if CeeD is to have a longer term existence it must work to becoming financially sustainable in its own right – i.e., be sustainable without grant support.

The trend now is moving away from the public sector providing 'core funds' to organisations, and if at all, focus on output-based funding.

CeeD should therefore concentrate on developing a financial sustainability plan that clearly shows how it will develop and survive in the longer term. The ability to harness appropriate financial skills within the Board would be a great support in achieving this objective.

This could include:

- partner output funding;

- service delivery;

- charging for some services; or

- overall membership charging structures.

This aspect must be seen as the number one priority for the Board to address.

As a final point, it is also not clear how (or what) financial information is currently formally reported - again a subject for further consideration.

Appendix A – Organisational Health Check Responses

The OHC aimed to gather views about CeeD and its progress over the last few years, and was completed by 8 individuals. Whilst this is a small number of respondents, the feedback provides an overview of the 'mood' of the participants, and has identified a number of key issues. It is worth noting that the length of CeeD Board membership varies widely among respondents, which may explain the opposing views in some areas.

Strategic Clarity

Most Board members reported that CeeD has strategic clarity, suggesting that from an internal perspective, most people are clear about the vision for CeeD. However, there were some concerns raised about the core purpose of CeeD and the direction in which it is heading, specifically where those activities not directly related to networking are concerned (Growth 500 and business support services).

There is a split between those reporting that they have a clear understanding of what CeeD is trying to achieve and how the individual activities fit with the vision.

No of Responses	Strongly disagree	Tend to disagree	Tend to agree	Strongly agree
I have absolute clarity about CeeD's long term strategic goals	1	1	5	1
I have a clear view of what success for CeeD looks like and what it seeks to achieve	1	1	2	4
All members also have a clear and strong sense of why CeeD exists	1	0	6	1

A key issue is that it is not clear to prospective members – or indeed current members – how CeeD membership can be beneficial. The absence of a marketing strategy and systematic approach to developing CeeD needs to be addressed before this vision can translate into increased membership.

No of Responses	Strongly disagree	Tend to disagree	Tend to agree	Strongly agree
I have a clear understanding of what CeeD actually does, and what individual success will look like	0	2	3	3
It is easily understood how all CeeD's individual activities fit together to contribute to overall success	1	4	0	3
All of CeeD's services and offerings are fully understood by members	0	6	1	1

Some Board members anticipated that the feedback provided from CeeD members (both current and lapsed) as part of this study will provide an important insight to their views, and possibly inform the future direction of CeeD.

Project Leadership and Operations

Most Board members agreed that there is a lack of clear and appropriate leadership in place, and the roles and responsibilities of the organisational structure were identified as being particularly uncertain.

Of particular concern was the time spent by the MD on operational matters, rather than focussing on CeeD development and growth.

No of Responses	Strongly disagree	Tend to disagree	Tend to agree	Strongly agree
There is clear and appropriate leadership in place	2	3	3	0
The role and responsibility of the MD is clearly understood	2	1	4	1
The role and responsibility of the Business Development Managers is clearly understood	0	4	4	0

It was broadly agreed that the MD's role needs to incorporate a more strategic approach to developing the businesses, with a particular focus on brand and digital engagement, and marketing.

No of Responses	Strongly disagree	Tend to disagree	Tend to agree	Strongly agree
The role of the MD is clear, and well understood by all CeeD members	1	1	4	2
All our operational staff have made an excellent contribution to our performance	1	5	1	1
Our staff and structures are fully appropriate for what we are seeking to achieve	2	3	3	0

Roles and Responsibilities

> Whilst most respondents are clear about their own roles and responsibilities, some induction support would have been beneficial.

Those that were unclear about the Board's contribution to CeeD's success felt that Board membership should be better aligned to key operational and development priorities, and that perhaps there was a greater need for the Board to develop the strategy and set the direction of travel for CeeD.

No of Responses	Strongly disagree	Tend to disagree	Tend to agree	Strongly agree
I know exactly what and how the Board is supposed to contribute to achieving organisational success	0	3	3	2
I would have benefitted from initial Board induction support	1	2	1	3
I fully understand my roles and responsibilities as a Board Member of CeeD	0	1	3	3

Board members were split in their opinions of their meetings, and most felt that the Board members themselves didn't work well together as a teams or add real value to CeeD. However, this situation is likely to improve, given the transitioning of the Board management team and more recent strategy focus (as opposed to focus on operational issues).

Conversely, the majority thought that their Board membership was valued by other members.

No of Responses	Strongly disagree	Tend to disagree	Tend to agree	Strongly agree
Board meetings are well run and focus on a clear agenda	3	1	3	1
Board members work well together as a team and all are able to add real value	0	5	1	2
I feel my presence on the Board is valued by fellow Board members	0	1	3	3

Progress to Date

Whilst progress has been made by CeeD in some areas, the overall view is that that the project has not really delivered to date.

There needs to be a better understanding about how CeeD activities (and engagement with CeeD) can have an impact on organisations, and why lapsed members are not renewing their membership.

No of Responses	Strongly disagree	Tend to disagree	Tend to agree	Strongly agree
I feel I fully understand how well the organisation is progressing	0	2	3	3
Overall, I am pleased with the progress and success of CeeD	2	2	3	1
Not all services are delivering – there are weaknesses in some aspects	1	0	4	3

Additionality

The majority view is that whilst CeeD is not operating in a clear and distinct space, most respondents believe that no one else could deliver the peer to peer services that CeeD provides.

Broadly, the responses showed that people thought CeeD was a good concept and delivers its services well. However, there are other support services working in the sectors that CeeD targets, which can be confusing to businesses.

No of Responses	Strongly disagree	Tend to disagree	Tend to agree	Strongly agree
CeeD is operating in a clear and distinct space and is not duplicating other organisations	1	4	2	1
In the absence of CeeD, no one else would deliver these kinds of support services	1	1	4	2
There are no aspects of CeeD that could be better delivered elsewhere	1	3	4	0

Marketing and Promotion

There is a very strong view that CeeD is not strongly marketed across the sectors of operation, and that many aspects of their marketing and promotional activity (both the level and content) must be developed further.

A number of issues that could be addressed were suggested, including: reviewing CeeD branding/website; developing a digital marketing strategy; and using recommendations/ testimonial feedback from current members.

One respondent felt that by improving their marketing strategy, CeeD staff can focus on members rather than increasing sales.

Interestingly, the majority of the Board agreed with the expansion of CeeD to include non-engineering sectors, and did not feel this would dilute the CeeD value proposition.

No of Responses	Strongly disagree	Tend to disagree	Tend to agree	Strongly agree
CeeD is well marketed and understood right across our sector(s) of operation	5	2	1	0
It is not really appropriate that we market to non-engineering sectors and are perhaps too wide	3	4	1	0
There are areas of our marketing/promotion that must be improved	1	0	1	6

Progress on Delivery

There are some mixed messages on progress on delivery – whilst the Board respondents are reasonably satisfied with the metrics that are used to define CeeD's success and progress (and their reporting to the Board), they are not wholly satisfied with CeeD's achievements.

Specifically, there appears to be an issue with the focus CeeD has on recruiting new members, without looking in more depth at member retention.

No of Responses	Strongly disagree	Tend to disagree	Tend to agree	Strongly agree
CeeD has clear metrics that define and measure success and progress	0	2	5	1
We regularly collect data on our performance and that is reported to the Board	0	1	5	2
Overall, I am very pleased with what CeeD has achieved after five years	1	1	5	1

Priorities

Most Board members thought that CeeD's priorities are clearly understood, and that service/ activity delivery are influenced by CeeD members, although the question was raised of whether CeeD members are actually consulted about potential gaps in service provision.

Three respondents were not clear about delivery priorities, and identified that there should be a better understanding of whether the clinics, Growth 500 programme or sales activities (i.e., increasing the CeeD membership base) should be prioritised.

No of Responses	Strongly disagree	Tend to disagree	Tend to agree	Strongly agree
The operational and delivery priorities of CeeD are clearly understood	1	2	5	0
Our members are able to influence our delivery activities and services	0	3	5	0
There are some key gaps in our services that could be valuable to members	0	1	6	1

Monitoring

The responses are fairly split suggesting that more work should be done in terms of monitoring progress – and most Board members were in agreement that key performance measures would be beneficial.

One Board member suggested that members should be provided with an annual report at the very least, and that this report could be posted on the CeeD website for maximum impact.

Another member highlighted the lack of regular updates on progress: "I am not clear what we tell the members – therefore by default it is not sufficient".

No of Responses	Strongly disagree	Tend to disagree	Tend to agree	Strongly agree
There are appropriate monitoring processes in place to measure progress	0	4	3	1
Members are provided with regular updates/ monitoring information on progress	0	5	3	0
We would benefit from having agreed key performance measures as a basis of reporting	0	1	5	2

Project Learning

There was unanimity in the view that there are definite opportunities to improve delivery but that there are no procedures in place to share learning.

There is also a strong view that CeeD needs to adopt a much stronger approach to learning, and that fundamental areas of improvement need to be addressed.

No of Responses	Strongly disagree	Tend to disagree	Tend to agree	Strongly agree
There are definite opportunities for improving the effectiveness and efficiency of CeeD	0	0	2	6
There are procedures in place to determine and share learning with colleagues	1	6	1	0
We need to adopt a much stronger approach to learning through formal processes	0	1	6	1

Future Project Developments

The OHC also provided an opportunity for respondents to offer up their view of the key changes required to make CeeD more effective and efficient. Crucially, there was a 100% response rate to this section, with a wide range of suggestions and issues identified by respondents. This section focusses on identifying the key aspects that, based on the survey, would make a real difference, specifically:

- Strategic Framework - while there was and remains strong commitment to the overall vision for the project it is recognised that time has moved on and this should be refreshed to reflect changes:

  o CeeD direction - sell services (such as G500) into other sectors but on a licensed basis to avoid diluting the work; review and adjust current growth plan to more realistic targets

  o Performance measures - clearer tracking of metrics (trends vs quoting numbers); more feedback from people using services

  o Clear strategic and operational goals

- Communications and Marketing – this was highlighted as an area that needs improvement, both from the survey above, and the comments provided in this section. A '*bold and exciting marketing and promotion programme that articulates the value proposition of CeeD*' was recommended, and the following areas were identified as making a big difference to CeeD:

  o Online resources (to enable member companies to engage more with CeeD, but also to improve prospect development) including better use of social media

  o A stronger brand identity

  o Broader PR

- Project Resources - in moving forward, CeeD needs and should seek to identify and obtain:

  o Improved administrative and back office support

  o A MD for CeeD who will prove to be 'a valuable asset to the sector and ensure long term sustainability'

- o An evidence-based approach to strategic decision making system within CeeD

- o Board less involved in operational issues and more in strategic direction

  - • Project Partnership - several opportunities to improve the effectiveness of CeeD through working with others were identified:

- o A cash injection to allow focus on strategic planning and opportunities

- o better engagement – both with SE and the Scottish Government

Conclusions

It is important to put the findings from the OHC in some kind of context. It has already been recognised that there are a number of challenges facing CeeD, and that there are a number of issues which required to be addressed (most of which have been confirmed through the research). The additional comments provided by the Board members confirms that there is an interest in making CeeD a success - however, building on this for the future will be both an opportunity and a challenge.

Recognising that there are areas for improvement is a positive sign – the key is that now they are exposed they must be addressed to maintain credibility. Whilst there may seem to be a number of issues that require to be addressed, most of these fall into a small number of themes which can be manageably addressed.

It is unlikely that this section of the report has identified any issues of which the Board members were not already aware, but rather it is more likely that it has both confirmed and clarified some of the issues, and provided an understanding of the importance attached to the different issues.

Appendix B: Member's Survey Responses

Current Member Survey

A total of 64 responses were received from current members comprising 30 telephone interviews and 34 online responses, representing a response rate of 42%.

Background

The majority of respondent current members (73%) were Standard members, with a further 23% being Sponsoring members – **Table B.1**.
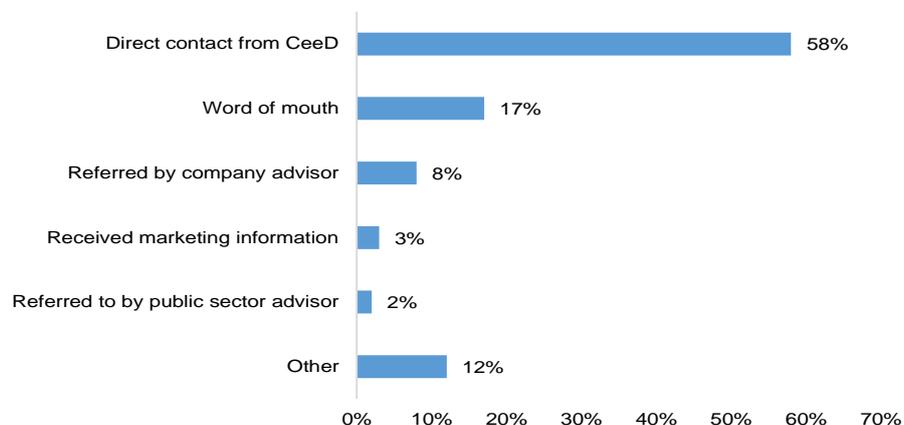
Table B.1: Relationship with CeeD

Membership	Number	%
Standard Member	47	73%
Sponsoring Member	15	23%
Associate Member	2	3%
Total	**64**	**100%**

Contact with CeeD

When asked what had prompted their initial contact with CeeD, 58% reported initial contact from CeeD themselves, with a further 17% citing word of mouth – **Figure B.1**.

Figure B.1: Initial CeeD contact prompt

N=64.

Those who indicated 'other' ways of initial contact were as follows:

- the previous company they had worked with had been a CeeD member, and so they urged their new company to join (8%); and

- they were CeeD founder members, and so had been involved with the organisation from the beginning (4%).

In terms of how often current members have contact with CeeD, businesses typically have contact regularly (i.e. at least once a month) (55%) or a few times a year (44%) – **Table B.2**.
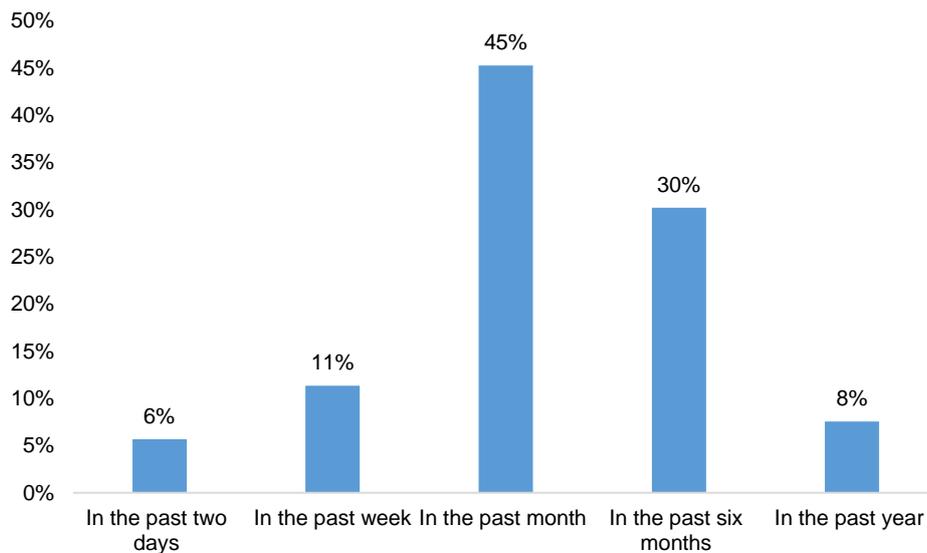
Table B.2: Regularity of contact with CeeD

	Number	%
Regularly, at least once a month	35	55%
A few times a year	27	42%
Very irregularly	2	3%
Total	**64**	**100%**

Current members were then asked when they had last engaged with CeeD, with a higher proportion having had contact in the past month (45%) or past six months (30%) – **Figure B.2**.
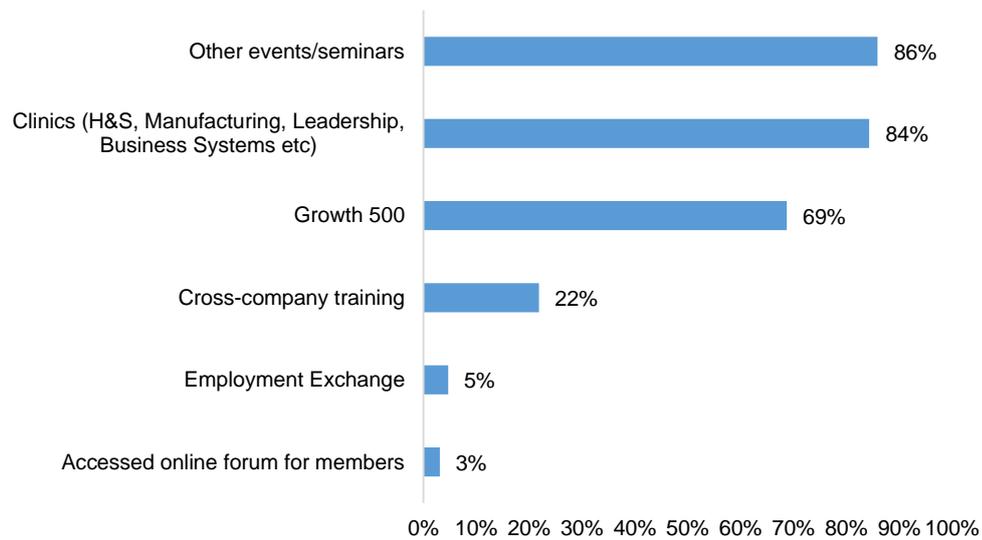
Figure B.2: Last engagement with CeeD

N=53.

The majority of current members indicated that they had accessed the following CeeD services: other events/seminars (86%), clinics (84%) and Growth 500 (69%) – **Figure B.3**.

Figure B.3: CeeD services accessed by current members

N=64. N.B. Multiple responses possible.

Current members were then asked to rate their satisfaction of a number of various aspects of CeeD's engagement – **Table B.3** provides a breakdown of results.

Table B.3: Satisfaction with CeeD engagement

	Very satisfied	Satisfied	Neither/Nor	Dissatisfied	Very dissatisfied
Experience and skills of CeeD staff	56%	41%	3%	0%	0%
Appropriateness of services	42%	53%	5%	0%	0%
Quality of services	39%	55%	6%	0%	0%
Regularity of contact	44%	42%	10%	2%	2%
Range of services offered	41%	42%	17%	0%	0%
Value for money	45%	34%	14%	7%	0%
Overall satisfaction with CeeD services	39%	55%	6%	0%	0%

N=64.

CeeD's member engagement efforts were highly thought of with the majority of current members (80% and over) being very satisfied/satisfied with each aspect:

- experience and skills of CeeD staff (97%);

- appropriateness of services (95%);

- quality of services (94%);

- regularity of contact (86%);

- range of services offered (83%); and

- value for money (80%).

As well as this, the majority of lapsed members (94%) reported that overall they were very satisfied/satisfied with CeeD services.

Future Development

The majority of current members (66%) indicated that they would definitely continue to use CeeD services in the future, with a further 28% indicating they possibly would – **Figure B.4**. This can be seen as the likely or potential level of member retention.
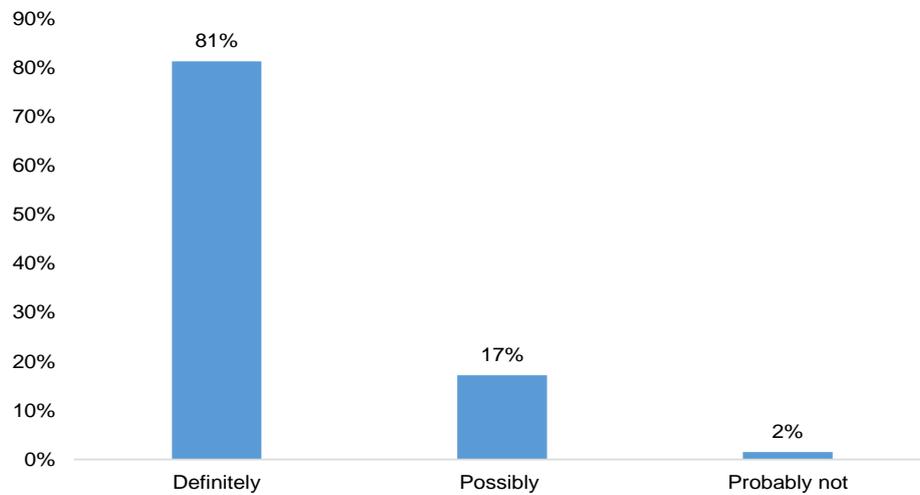
Figure B.4: Likelihood of continued CeeD service use
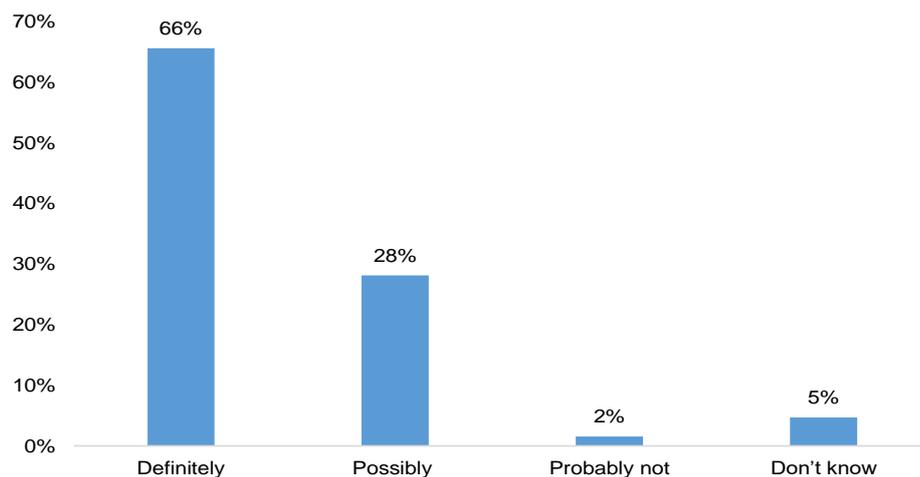
N=64.

Similarly, the majority (81%) of current members reported that they would definitely recommend CeeD to other businesses, with a further 17% indicating they possibly would – **Figure B.5**.

Figure B.5: Likelihood of recommending CeeD

N=64.

Current members were asked to identify the key strengths of CeeD membership (81% response rate). The most commonly reported strengths were:

- the networking opportunities a CeeD membership provides (29%);

- the opportunities for companies to educate themselves/learn about relevant topics (20%); and

- CeeD and its members act as a support network where businesses can access advice from likeminded people (12%).

Other benefits identified and reported by current members[3] were:

- the Clinics offered by CeeD as they cover a diverse range of topics and are easy to participate in (5%);

- CeeD draw on highly qualified experts in fields to give seminars and be speakers for events (5%);

- the staff ensure that CeeD is well organised/they have extensive industry knowledge (5%);

- they offer numerous opportunities for businesses to train/upskill their staff (3%); and

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[3] The number of responses in each instance was quite small and is not necessarily representative

- involvement with Growth 500 has been very valuable to member businesses (2%).

In terms of improvements which could be made to CeeD, 25% of current members chose to provide suggestions, which were as follows:

- more/better communication with members about the events which are on as well as the new events which are upcoming (6%);

- in future Growth 500 should be pitched at those in a managerial role, or have a separate Growth 500 for those at different levels of business (5%);

- better promotion of CeeD and its activities both to members and other businesses to encourage them to join (3%);

- have events placed all over the country so that businesses based outside the Central Belt don't have as far to travel in order to attend (3%);

- those who attend events/seminars could be surveyed, as it would be helpful to know if they are really benefitting from attending these (3%);

- more clinics at a variety of levels (3%); and

- due to the name of the organisation having 'engineering' in it, it makes it seem as though membership for the organisation is narrower than it is (2%).

Current members were then asked to suggest other services with CeeD could implement which it currently does not. Some of these included:

- encourage companies to get more involved themselves rather than relying on CeeD to remind them of the services on offer;

- more training courses available/a forum for members to advertise their own training opportunities for other members to take part in;

- clinics which focus on an even wider range of topics and sectors;

- provide mentoring opportunities for smaller businesses; and

- promote early career/apprenticeship opportunities to their members.

Lapsed Member Survey

A total of 11 responses were received from lapsed members comprising 7 telephone interviews and 3 online responses, representing a response rate of 9%. This rather low rate is perhaps unsurprising given that former members are less inclined to respond to survey requests.

Background

The majority of lapsed members (60%) indicated that their business was based in the Central Belt of Scotland, with a further 40% based in the Highlands. Lapsed members were from a variety of sectors, with the most common being food and drink and public sector – **Figure B.6**

Figure B.6: Associated sector of lapsed members
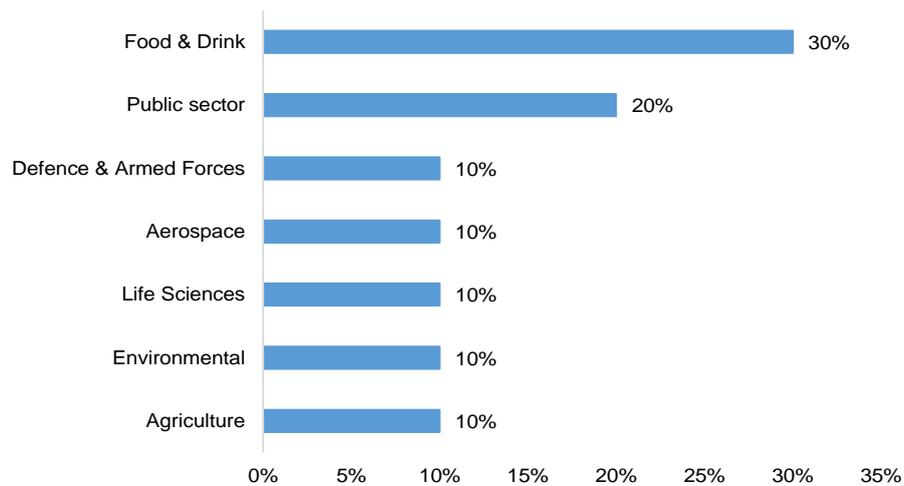
N=10.

Contact with CeeD

A higher proportion of lapsed members reported that they had been members for either four (44%) or two years (22%) – **Table B.4**.

Table B.4: Length of CeeD membership

Year(s)	Number	%
1	1	11%
2	2	22%
3	1	11%
4	4	44%
5	1	11%
Total	**9**	**100%**

When asked what had prompted their initial contact with CeeD, 60% reported direct contact from CeeD themselves, with others indicating word of mouth and being referred to the organisation by a public sector advisor (both 20%) – **Table B.5**.
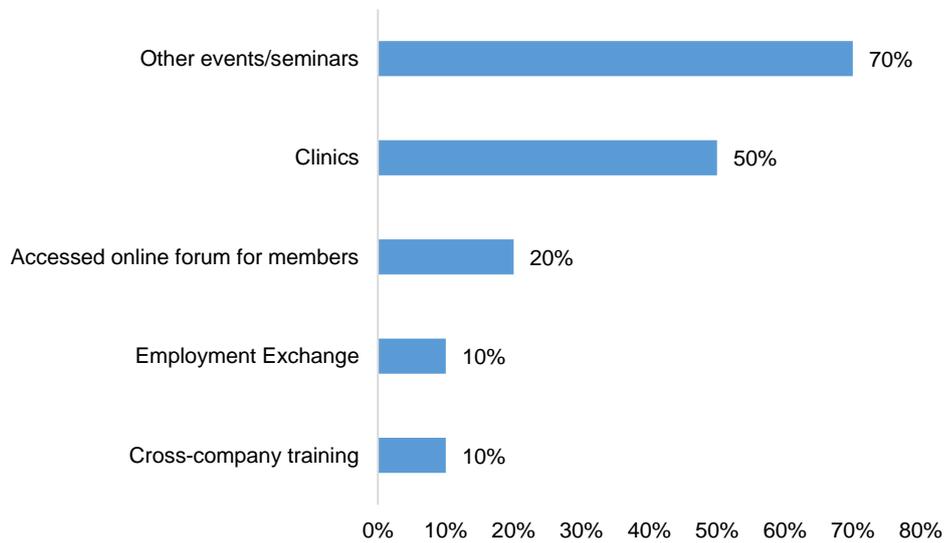
Table B.5: Initial CeeD contact prompt

Year(s)	Number	%
Direct contact from CeeD	6	60%
Referred to by public sector advisor	2	20%
Word of mouth	2	20%
Total	**10**	**100%**

The majority of lapsed members (67%) reported that when they were members they had regular contact with CeeD (i.e. at least once a month). A further 33% reported that they were in contact with CeeD a few times a year.

Lapsed members typically accessed the following services whilst involved with CeeD: other topical events and seminars (70%) and clinics (50%) – **Figure B.7**.

Figure B.7: CeeD services accessed by lapsed members

Service	Percentage
Other events/seminars	70%
Clinics	50%
Accessed online forum for members	20%
Employment Exchange	10%
Cross-company training	10%

N=10. N.B. Multiple responses possible.

Lapsed members were then asked to rate their satisfaction of a number of various aspects of CeeD's engagement – **Table B.6** provides a breakdown of results.

Table B.6: Satisfaction with CeeD engagement

	Very satisfied	Satisfied	Neither/Nor	Dissatisfied	Very dissatisfied
Experience and skills of CeeD staff	50%	30%	20%	0%	0%
Regularity of contact	40%	30%	20%	0%	10%
Quality of services	20%	70%	10%	0%	0%
Range of services offered	20%	50%	10%	20%	0%
Appropriateness of services	20%	40%	30%	10%	0%
Value for money	11%	44%	33%	0%	11%
Overall satisfaction with CeeD services	10%	60%	10%	20%	0%

N=10, except value for money, where N=9.

CeeD's member engagement efforts were highly thought of with the majority of lapsed members being very satisfied/satisfied with each aspect. Those with the highest proportions of very satisfied/satisfied were:

- quality of service (90%);

- experience and skills of CeeD staff (80%);

- regularity of contact (70%); and

- range of services offered (70%).

As well as this, the majority of lapsed members (70%) reported that overall they were very satisfied/satisfied with CeeD services.

A total of 70% of lapsed members provided comments on how effective they felt CeeD was in terms of business engagement, which included:

- very effective – they try to cater for all members/take the time to develop clinics which will be of relevance and interest to them (30%);

- very effective – they are always in contact with their members/encouraging them to take part in the services they offer (20%);

- not very effective as they focus on larger businesses which is not relevant to all (10%); and

- engagement with the services of CeeD is a situation where the onus lies with the member businesses to take the initiative and take part (10%).

Reasons for Not Renewing Membership

The most common reasons cited by lapsed members as to why they chose not to renew their CeeD membership were as follows:

- they could not justify the cost of the membership (40%);

- the services/support of CeeD was not appropriate to their business needs (20%);

- their past experience of engagement was not useful (20%); and

- they felt there were better networking opportunities elsewhere (20%).

Figure B.8: Reasons for not renewing membership
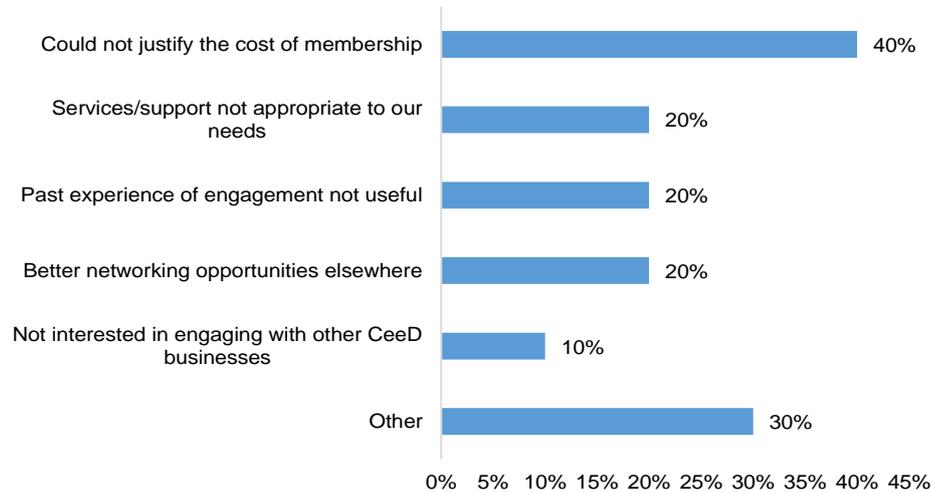
N=10. N.B. Multiple responses possible.

Of those who indicated 'other' reasons they had not renewed, these were as follows:

- their business and its employees were not making use of the membership (i.e. not attending clinics/events) (10%);

- they felt CeeD services aim to benefit larger companies within the Central Belt of Scotland, and as a result they felt side-lined (10%); and

- they had moved to a role outside the Glasgow area (10%).

Future Membership

Of lapsed members, half indicated that they would possibly renew their CeeD membership in the future, with a further 30% indicating that they probably wouldn't – **Figure B.9**.

Figure B.9: Possibility of renewing CeeD membership

N=10.
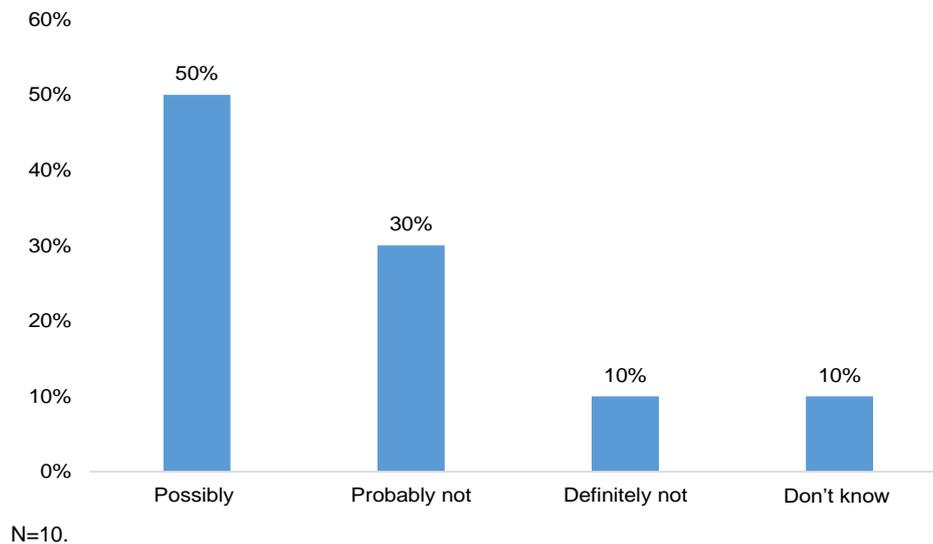
Of the lapsed members, 30% provided suggestions as to how a renewal of their CeeD membership could be encouraged, these were as follows:

- services and events that would appeal to/fulfil the needs of members who are smaller businesses (20%); and

- the price of memberships should be reflective of the fact that some members are small businesses with small budgets (10%).

When asked how CeeD compared to other membership organisations, 50% of respondents reported the following comments:

- CeeD is better as their clinics focus on more specific topics which is beneficial for members/something other organisations don't do (30%);

- CeeD ensures that it fulfils its remit without being too corporate like other organisations (10%);

- unlike others it tries hard to ensures that its members engage with services/ get something out of their membership (10%); and

- it aims to support businesses of all sizes (10%).

None of the lapsed members suggested other services that CeeD could deliver in the future, with two businesses commenting that CeeD already provides a generous variety of services for their members.

If CeeD has increased their cost structures whilst they were members, 40% of lapsed members indicated that this would have made no difference to how they used CeeD's services, with a further 30% reporting that they would have ceased use altogether – **Figure B.10**.

Figure B.10: Use of CeeD services under increase of cost structures
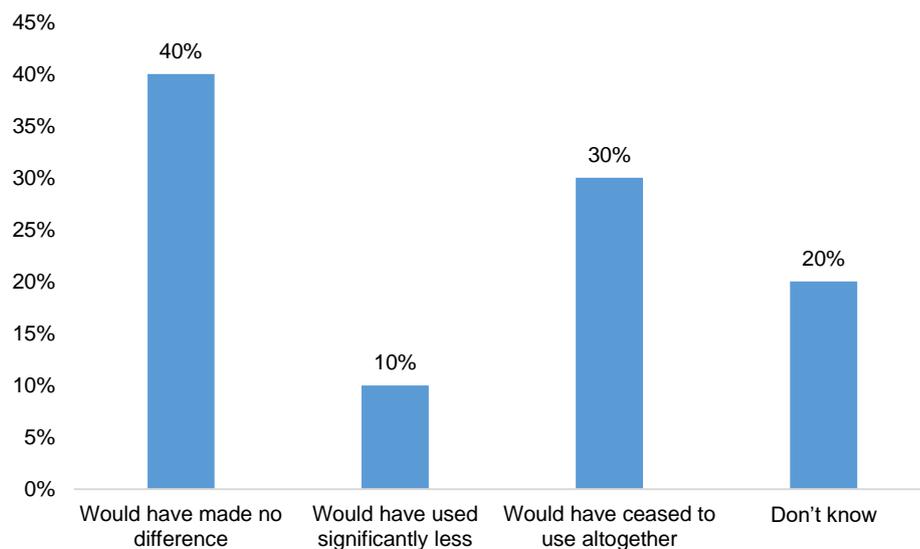
N=10.

A total of 20% of lapsed members chose to make further comments which were as follows:

- the membership is already expensive, so if it were to increase it would be unlikely that they renew their membership with CeeD (10%); and

- had their business used the services of CeeD as much as they had planned to then their membership would have been of good value, however, this was not the case (10%).