



SEE DESIGN
Sharing Experience
on Design Support
for SMEs

15 September 2005 (v2)

Dear Partners

Sharing information about design support and promotion schemes is the key activity of the SEEdesign partnership. For this reason the Design Flanders (previously VIZO) has provided a study to be circulated among the project partners.

The *Benchmarking of European Design Centres Study* was translated from the original report *Studie Benchmarking Europese Designcentra*, developed by the Deloitte & Touche Management Solutions.

We believe this “benchmarking study into legal, financial and management structure of foreign design centres or equivalent initiatives” will be a valuable source of information for you.

Kind regards

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Ministerie van de Vlaamse Gemeenschap

Ministry of Flanders - Administration for Economy &
Design Flanders

Benchmarking of European Design Centres Study FINAL REPORT

9 April 2003



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1. INTRODUCTION

1.1. Situation in relation to the commission

Nearly all industrialised countries based on the Western economic model have at least one design centre to which interested parties can address their questions. However, at present there is no central point of contact concerning design in Flanders for the consumer, business or designers. The federalisation of Belgium has brought in its wake the disappearance of the Belgium Design Centre.

In this respect, Flanders has not yet assumed responsibility by establishing such a centralised support centre in its own region. It is also difficult to obtain the required information. Nonetheless, it is evident from the field that there is a need for a well established point of contact for Design.

1.2. Objective of the commission

In this context the Ministry of Flanders (Administration for Economy) and Design Flanders have drawn up a commission the subject of which is "Benchmarking of European Design Centres Study".

This commission includes a benchmarking study into the *legal, financial and management structure* of foreign design centres or equivalent initiatives. Public, public-private and private organisations have been considered in the selection of the design centres surveyed. Professional associations, museums, design galleries and design publishers are not included in the target group of this benchmarking study.

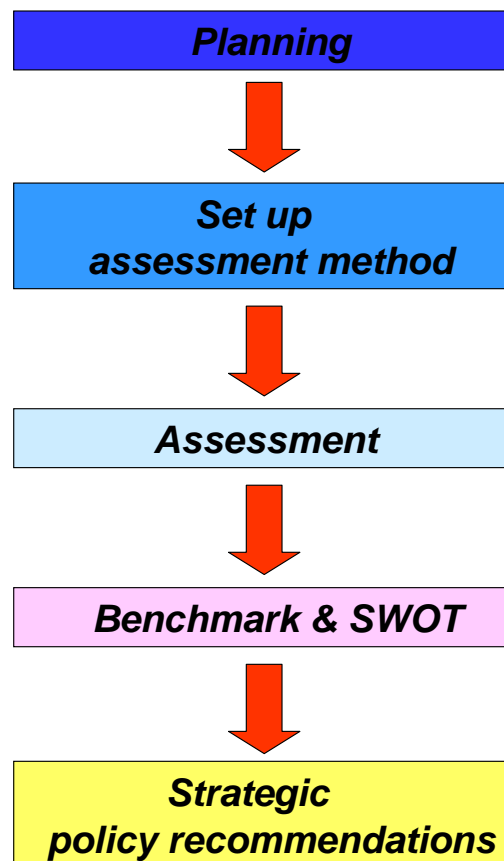
The purpose of this commission is to provide an initial approach to the Minister responsible for economic policy to develop a 'design policy' in Flanders. From the analysis of the collated benchmarking data, recommendations can be formulated for establishing a central point of contact relating to design in Flanders.



2. METHODOLOGY EMPLOYED

2.1. Introduction

For the performance of this commission, Deloitte & Touche has employed a methodology that is divided into 5 stages. The approach used and the activities carried out are set out below in detail.

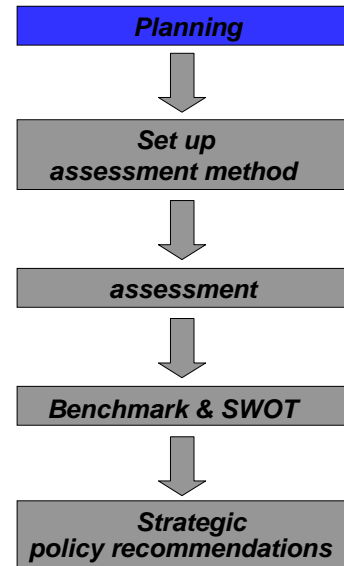




2.2. Stage 1: Planning

The project was started with a start-up meeting. Representatives from the Ministry of Flanders, from Design Flanders and from Deloitte & Touche were present at this start-up meeting. The project plan and the project charter were ratified during this start-up meeting.

Based upon the available information and in close consultation with employees of the Flemish Arts Council and of VIZO, the approach, the scope, the organisational structure and the completion time of the project was determined and validated in detail and the "milestones" were defined in the *project plan*. Specifically for this commission this means that the completion time of the various stages was recorded together with the results.





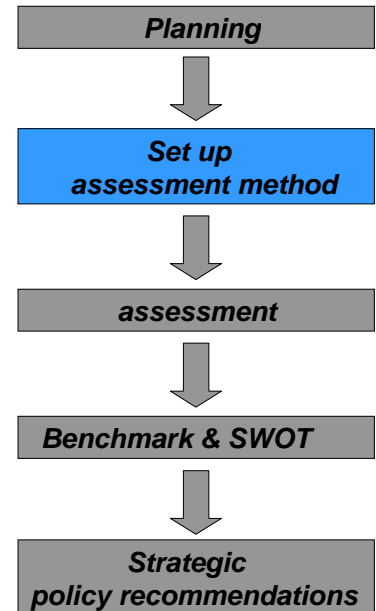
2.3. Stage 2: Setting up a method of assessment

Before starting on the actual data collection, a definite approach towards the assessment was defined. Even in the definition of this method of assessment, the design team from VIZO was closely consulted in order to ensure that the assessment of the information took place as efficiently as possible.

Three elements were of critical importance in defining the method of assessment:

- List of design centres being surveyed
- Questionnaire for determining the type classification of design centres
- Method of data collection

These elements will be discussed later.



2.3.1. LIST OF DESIGN CENTRES BEING SURVEYED

In close consultation with the Design team from VIZO a definitive selection was made from 55 existing design centres within Europe that were contacted. At the request of VIZO, only a few centres outside of Europe were instructed. Thus in total 8 design centres from Canada, Korea and Japan were included in the selection. Set out below is a summary of all the countries that were contacted:

- | | |
|---------------------------------------------|-------------------------|
| ▪ The Netherlands | ▪ Norway |
| ▪ Germany | ▪ Finland |
| ▪ France | ▪ The Czech Republic |
| ▪ The United Kingdom (England and Scotland) | ▪ Slovakia |
| ▪ Spain | ▪ Lithuania |
| ▪ Portugal | ▪ Japan |
| ▪ Italy | ▪ The Republic of Korea |
| ▪ Denmark | ▪ Canada |
| ▪ Sweden | |

A full list of the design centres contacted is included in the appendix 0.

It is evident from the figure below, in relation to Europe, that the design centres were carefully selected from different countries to obtain a sufficiently large and representative distribution from across (Western) Europe.



In order to increase the readiness to cooperate on the part of the design centres and the quality of the responses, we have proposed that we report the findings from the benchmark initiative to all design centres that have supplied information about the study in the form of an English language management summary.

In addition, the instructed parties have been given guarantees about the confidentiality of the data.



2.3.2. TYPE CLASSIFICATION OF A DESIGN CENTRE

After finalising the list of design centres to be contacted, a questionnaire was drawn up to determine the type classification of the design centre. The following elements were retained in the questionnaire:

A. Identification of the organisation

- Identification of the organisation
- Identification of the contact person
- Identification of the government body that is competent for industrial design, where applicable

B. Legal structure of the organisation

- Date of establishment
- Articles of association of the organisation
- Shareholder structure (where applicable)
- Managing Board and Administrative body (where applicable)
- Availability of an organisational chart

C. Financial structure

- Sources of financing (own revenue streams, grants, loans,...)
- Financial expenditure (staffing costs, operating costs, ...)
- Total budget
- Availability of financial annual reports
- Summary of the staff assignment

D. Management structure

- Mission
- Objectives
- Critical success factors
- Role of the government within industrial design
- Role of the organisation
- Activities
- Target groups
- Infrastructure
- Positioning in relation to competition

E. Information about the region

- Inhabitants and businesses within the region
- Design products in the region

F. SWOT

- Strengths
- Weaknesses
- Opportunities
- Threats

G. Required confidentiality of the information

A blank version of the accompanying letter and the questionnaire is included in the relevant appendix 0 and 0.



2.3.3. METHOD OF DATA COLLECTION:

After the list of design centres contacted and the questionnaire about their type classification had been validated, the method of data collection was determined.

Given the limited completion time for this task and given the initial level that was intended in the specification document – this is the first initiative in a new development on design – it was decided to adopt the following methods of data collection:

- **Internet and publications:** by making maximum use of the available information, particularly available via the internet, we can limit the number of questions. Experience gained from equivalent studies teaches us that the quality of the responses increases if you avoid asking too many questions about information that is generally available.
- **Surveys to design centres via e-mail and post:** after identifying a contact person within the design centre, the accompanying letter (including amongst other things the objective of the study) and the questionnaires were sent by e-mail and by post to the contact persons at the various design centres.
- **Telephone follow-up of the survey:** after sending the questionnaires, an intensive telephone follow-up was conducted. During the initial follow-up (with all design centres) the purpose of the study was once again clarified and the design centres were polled on their readiness to cooperate.

During the second contact the design centres were asked whether they had already made their decision about participating in this benchmarking study. In the event of a negative response then questions were asked about the motivation for this decision, and if they wanted to take part a deadline was agreed within which they could complete and return the questionnaire.

After this regular telephone contact was made with the design centres that had decided to take part in the benchmarking study but that had not yet returned their response.

Making telephone contact as set out above with the design centres was not always straightforward as the ‘managers’ in charge, who were being contacted, were very difficult to get hold of due to a variety of obligations at home and abroad.

This resulted in the fact that 54% (21 out of the 39) of the design centres surveyed that wanted to take part, were included in the results of the inquiry and its conclusions.

During this stage, setting up the method of assessment, there was increasingly close consultation with VIZO. All of the above elements for the method of assessment were validated by the customer.



2.4. Stage 3: Assessment

During this stage the type classification for each design centre was collected and incorporated into the database.

The way in which the assessment took place, has already been discussed in the previous stage.

During the assessment it quickly came to light that particularly an equally clear and objective response was not always given in relation to the open questions about management structures (mission, critical success factors, ...) and the SWOT analysis. This is not entirely illogical as these questions always allow the option of a different interpretation and what is more nobody will spontaneously answer a questionnaire providing an extended report.

To enhance the quality of these responses, frequent telephone contact was made on this subject. Two other initiatives were taken in addition to this:

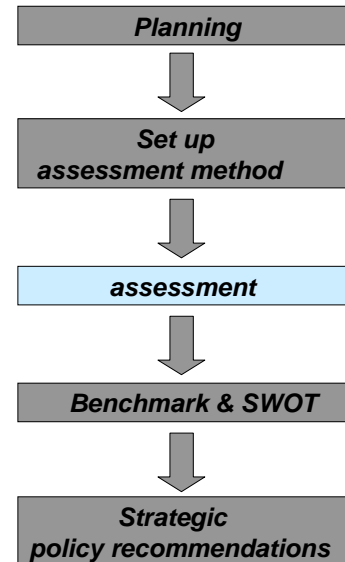
- Organisation of a conference call with four design centres;
- Meeting with the manager of a fifth design centre in Brussels.

Conference call

The purpose of this additional survey was focussed on obtaining additional information about the following topics:

- The financial resources of the organisation and the link with the Department for the Economy and/or Culture;
- The role of the government in the promotion of design;
- The position of design in general economic policy;
- The impact of design on the image of the region;
- The policy of the government as a weakness for the design centre.

During this session the opportunity was also given to Johan Valcke, the managing director of the design team for VIZO, to ask additional questions.





Personal meeting in Brussels

The purpose of this meeting was also to collect additional clarification in the aforementioned areas.

The combination of the written questions, supplemented by the telephone and personal contacts, then also increase the objectivity and the representativeness of this survey.

During this stage, at predetermined times (cf. milestones), a summary was passed on to the design team for VIZO with a status report on the progress of the assessment. This was usually accompanied by a discussion on the one hand of the responses already received and on the other of a status report on the other design centres contacted.

At the end of this stage it was also discussed in which form the database had to be produced. This database, created in MS Access, contains all of the data that has been received from the centres surveyed.



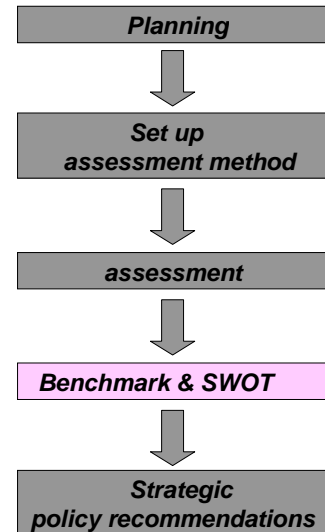
2.5. Stage 4: Benchmark & SWOT analysis

During this stage the collected data is graphically presented thus making it possible to draw relevant conclusions for the purpose of further defining a design policy in Flanders.

Not all data is analysed separately when completing the benchmark and the SWOT analysis. We endeavour to cluster some data into the following areas:

- Type of the organisation
- Financial resources excluding the staffing costs
- Staff assignment
- Activities
- Target groups
- Mission of the organisation
- Critical Success Factors
- Role of the government
- Strengths
- Weaknesses
- Opportunities
- Threats

Based upon the analysis of the above clusters, a number of results and conclusions were drawn that were used as a basis for the policy recommendations.



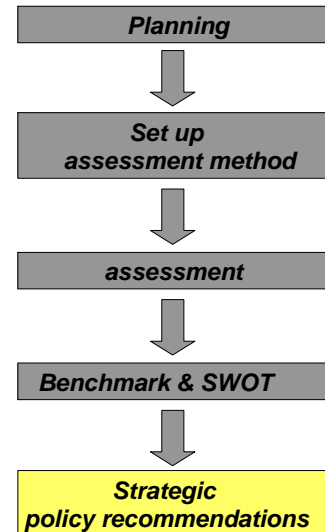


2.6. Stage 5: Policy recommendations

Based upon the conclusions from the analysis of the collected data, specific policy recommendations were formulated for the Flemish Minister competent for economic policy.

The necessary consideration is also given to fitting the design policy into the Better Administrative Policy reforms¹.

The policy recommendations are proposed and discussed at a concluding steering group. After validating the draft final report the database and all other additional data is submitted to the customer.



2.7. Completion time and timing

The benchmarking study, as had been stipulated in the original specification document, will be completed within a period of *3 months* (January to March).

This short completion time has a significant impact on the number of anticipated responses in this study. In total 39 centres were prepared to take part in the benchmark.

¹ Better Administrative Policy is re-allocating the landscape of the Flemish government. Certain tasks are being entrusted to internal and external independent agencies. A design centre that is to be established will have to fit into the new organisational model.



3. RESULTS OF THE INQUIRY

As was cited earlier a guarantee will be given to the participating centres that data will be treated as confidential. No names of design centres will be included in the results of the inquiry either. In specific instances, individual references will be made to the region.

All completed questionnaires and relevant information about the web sites of the design centres will be included in a separate gathering. As stipulated in the specification document, this information will then be provided to the customer, that may consider this to be its own property.

3.1. Participating design centres

In total 63 design centres will be contacted and asked to take part in the benchmarking study by completing the questionnaire. To date (26/03/2003) 21 design centres have already participated by returning a completed questionnaire. The participating design centres come from following countries:

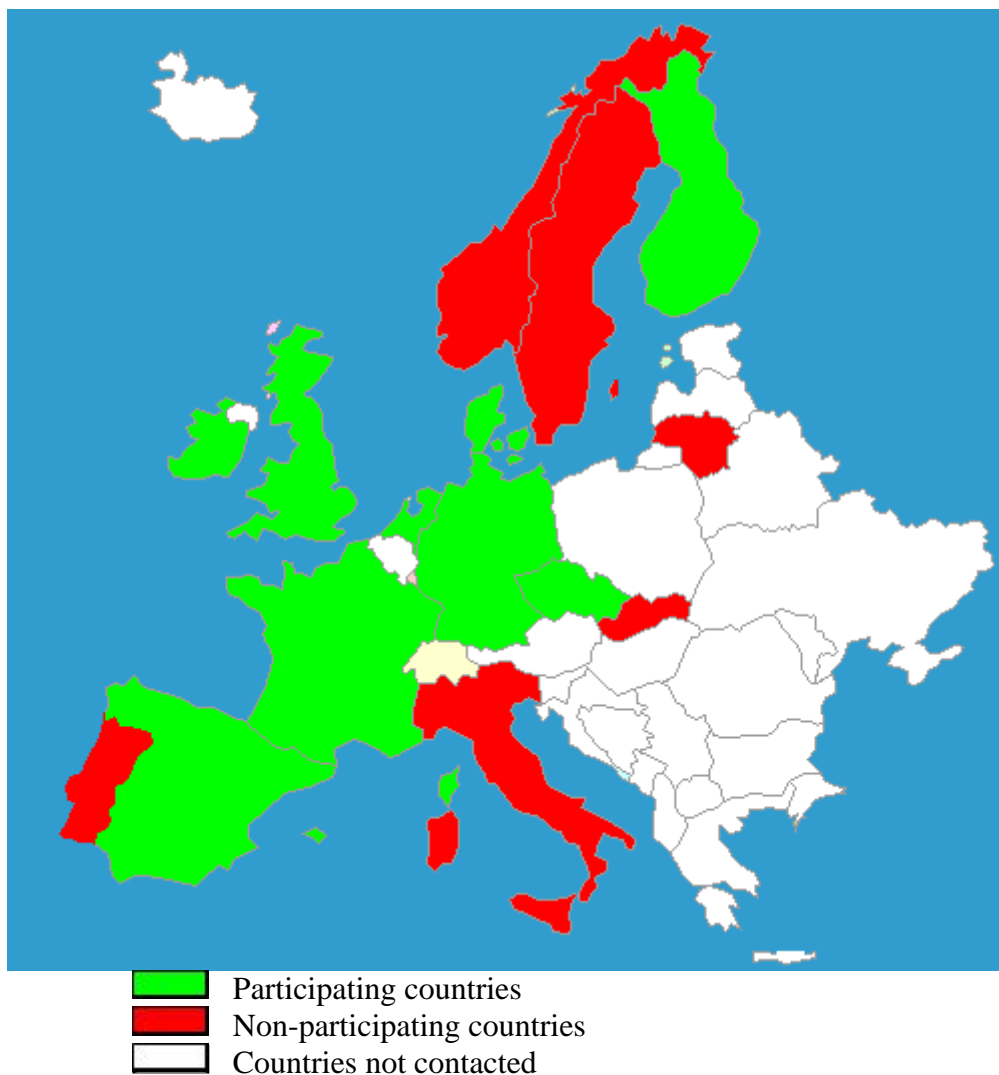
- the Netherlands (1 design centre)
- Germany (8 design centres)
- France (2 design centres)
- The United Kingdom (1 design centre from England and 1 from Scotland)
- Spain (1 design centre)
- Denmark (3 design centres)
- Finland (1 design centre)
- The Czech Republic (1 design centre)
- Japan (1 design centre)
- The Republic of Korea (1 design centre)

Of the other 42 design centres contacted, 24 design centres have decided definitely not to take part in the benchmarking study. Most design centres cited as their reason that they were not a suitable type of organisation to take part in this benchmarking study.

The other 18 design centres initially promised to take part in the benchmarking study but to date (26/03/2003) have not yet returned a completed questionnaire. If these design centres still return a completed questionnaire, they will be passed on to VIZO to be added to the

database. This last group will not be taken into account when making resolutions and formulating policy recommendations.

As illustrated in the figure below, as with the design centres contacted, there is a good spread of participating design centres throughout Europe. Also in terms of the type of organisation (public organisation, private organisation with government support or private organisation) a good distribution was also found amongst participants. Completed questionnaires will also be received from Japan and the Republic of Korea.



With a positive response rate of +/- 33% and the spread referred to above we can assume that the benchmark is representative for the objective that has been stipulated. This is a first, fresh initiative without any previous studies that could be used as a basis. The level attained also needs to be considered to be an initial level and the first step in a new development. In accordance with the specification document, it was also important to develop the methodology in order to fulfil the intention of repeating this study every three years.



3.2. Type of design centres

An initial cluster of information from which a definite conclusion can be drawn is the type of organisations surveyed. For this we recognise the following types:

- Public organisations
- Public organisations with structural private sponsoring
- Private organisations with government support and non-profit organisations
- Private organisations

From the results received it is evident that of the 22 participating organisations² it is possible to categorise into either public organisations (8) or private organisations with government support (9) or private organisations (5).

<i>Public organisations</i>	<i>Private organisations with government support³</i>	<i>Private organisations</i>
8	9	5

It is worthy of note that of all design centres that are financially supported by the government (both public organisations and private organisations with government support), the overwhelming majority is supported by the department for the Economy. Of the 15 organisations that provided information about this, there are 12 depending on the department for the Economy, only 1 on the department for Culture and there are two depending on both Economy and Culture.

<i>Economy</i>	<i>Economy and Culture</i>	<i>Culture</i>
12	2	1

During the conference call it was confirmed that the greatest support (and motivation) is linked to Economic Affairs. Additional support is always obtained on a project basis from a variety of areas such as Culture, Education, Research, ...

² One design centre is split into two legal entities

³ Including foundations and non-profit organisations



3.3. The financial resources of design centres

Assessing the financial resources of the design centres is made more difficult by the diversity in size and scope of the design centres. The size and scope of the organisation is the result of the factors set out below:

- The backing (the country or the region in which or from which the centre operates);
- The target public;
- The objectives and the linked financial resources.

In order to make a quantitative comparison, we have endeavoured to calculate a ratio that objectively makes a comparison of the financial resources for the various design centres.

The only ratio that could be calculated using the collected information was the weighted average of the financial resources that the design centre spends per 1000 inhabitants (of the public that the organisation wants to reach). Other and perhaps more relevant ratios based, for example, on the number of businesses in the region or more specifically the number engaged in design, are insufficiently complete in the questionnaires to be useful for a more in-depth and quantitative analysis.

Assumptions when calculating the ratio are:

- When studying the financial resources only the operating costs that are directly spent on design are taken into account, and consequently the staffing costs and infrastructure costs are not taken into account. The reason for this is the specific nature of these costs in the budget lines, particularly in the case of public organisations. In a number of areas these costs will actually be charged to other departments. For private organisations the infrastructure cost once again depends on being in possession of these fixed assets.
- The decision has been made in favour of calculating the weighted average. This then also means that the impact of the larger centres is higher than that of the smaller design centres.
- When analysing the financial resources, big differences can be identified between the various centres. A subsequent in-depth analysis of the data is then also recommended to be able to interpret these differences. This was not possible within the scope of this study mainly due to the restriction of completion time.
- When calculating the ratio, the response on the part of Korea was not taken into consideration because there is too much variation in the size (and the objectives) of the organisation. Both in terms of the number of staff and the other financial resources, in this case we are talking about a completely different organisation. For example, the budget is 10 times as high as the average organisation that was surveyed.



One outcome of the questionnaires is that the public organisations had an average of €175 of operating resources per 1000 inhabitants at their disposal, whilst private businesses with government support had €176 and private organisations €113.

<i>Public organisations</i>	<i>Private organisations with government support</i>	<i>Private organisations</i>
€175.1 / 1000 inhabitants	€176.5 / 1000 inhabitants.	€113.4 / 1000 inhabitants.⁴

The above figures are the weighted averages. It is, however, evident from analysis of the results that there are big differences between the various participants.

One element that should be taken into account for this is the economic situation. The current recession can have an impact on the available means for both public and private organisations. The above figures should also be taken into account then as a snapshot.

Another element that has an impact on the above figures is the relationship between the mission/objectives and the linked financial resources. Thus in all probability there will be a relationship between the role (number of areas) of the organisation and the total available resources.

It is also evident from the research that private organisations with government support on average are financially supported by the government by 40% to 45% in the form of grants.

⁴ Relevant data only available for two organisations



3.4. The most important activities of design centres

Next we shall examine which activities are most organised by the various design centres. In the questionnaire they are not only asked to designate the predefined activities that they organise. This survey works with predefined activities. In collaboration with VIZO a number of activities have been selected. This method of working means that some differences in interpretation are possible. Based upon the results obtained, we can however assume that these differences are minimal. They are also asked to assign a scale of importance to the activities that are organised.

Based upon this scale we can create a ranking of the various activities in order of importance. The scale that is illustrated in the table set out below is a scale of importance out of a total of 105. Each design centre (21 in total) that supplied this information, was able to assign a value to each activity of 0 to 5 (0 = not applicable, 1 = least important activity, 5 = most important activity). In the third column of the summary set out below the percentage ratio is assigned from the scale of importance calculated out of a total of 105.

It is evident from table set out below that, in particular, the organisation of **promotional activities** (study days, awards, workshops and other promotional activities) and **consulting** are the most important activities within the design centres.

<i>Activity</i>	<i>Ranking</i>	<i>Percentage</i>
<i>Organising study days, seminars or symposiums</i>	72	68.57%
<i>Organising prizes or awards</i>	67	63.81%
<i>Organising other promotional activities</i>	67	63.81%
<i>Organising workshops</i>	63	60.00%
<i>Consulting</i>	53	50.48%
<i>Giving lectures</i>	49	46.67%
<i>Issuing publications</i>	49	46.67%
<i>Image building abroad</i>	48	45.71%
<i>Organising internal exhibitions</i>	47	44.76%
<i>Organising external exhibitions</i>	47	44.76%
<i>Policy preparation</i>	39	37.14%
<i>Participating in or organising grants</i>	31	29.52%
<i>Completing studies</i>	28	26.67%
<i>Defending interests</i>	24	22.86%
<i>Other</i>	18	17.14%
<i>Organising commercial activities</i>	17	16.19%
<i>Subsidisation</i>	5	4.76%



If we then proceed to analyse the activities in more detail and split them up according to the type of organisation (public organisation, private organisations with government support and private organisations) we end up with the appraisal below for public organisations.

<i>Activities</i>	<i>Public organisations</i>	<i>Percentage⁵</i>
<i>Organising other promotional activities</i>	24	68.57%
<i>Organising study days, seminars or symposiums</i>	23	65.71%
<i>Consulting</i>	23	65.71%
<i>Organising workshops</i>	22	62.86%
<i>Policy preparation</i>	21	60.00%
<i>Giving lectures</i>	19	54.29%
<i>Organising prizes or awards</i>	18	51.43%
<i>Image building abroad</i>	18	51.43%
<i>Issuing publications</i>	15	42.86%
<i>Organising internal exhibitions</i>	14	40.00%
<i>Other</i>	13	37.14%
<i>Organising external exhibitions</i>	11	31.43%
<i>Completing studies</i>	11	31.43%
<i>Participating in or organising grants</i>	6	17.14%
<i>Defending interests</i>	2	5.71%
<i>Organising commercial activities</i>	0	0.00%
<i>Subsidisation</i>	0	0.00%

In the case of public organisations we notice that four of the five most important activities from the global summary, including on the one hand organising promotional activities, study days, seminars and workshops and on the other hand consulting and providing advice, are also the most important activities for public organisations. Less consideration is only given to organising prizes and awards in public organisations.

In addition, we are able to determine that public organisations attach greater importance to the policy preparation work. This is not entirely illogical given the type and often also the objectives of these organisations. Public organisations will quickly be asked by the authorities for some approach towards industrial design and its impact on policy.

⁵ Out of a total of a maximum of 35



Analysis of the most important activities for private organisations with government support.

<i>Activities</i>	<i>Private organisations with government support</i>	<i>Percentage⁶</i>
<i>Organising prizes or awards</i>	37	82.22%
<i>Organising study days, seminars or symposiums</i>	36	80.00%
<i>Organising other promotional activities</i>	29	64.44%
<i>Organising external exhibitions</i>	27	60.00%
<i>Organising workshops</i>	24	53.33%
<i>Organising internal exhibitions</i>	24	53.33%
<i>Issuing publications</i>	23	51.11%
<i>Participating in or organising grants</i>	22	48.89%
<i>Consulting</i>	20	44.44%
<i>Giving lectures</i>	18	40.00%
<i>Image building abroad</i>	15	33.33%
<i>Completing studies</i>	12	26.67%
<i>Defending interests</i>	12	26.67%
<i>Organising commercial activities</i>	9	20.00%
<i>Policy preparation</i>	7	15.56%
<i>Other</i>	5	11.11%
<i>Subsidisation</i>	4	8.89%

From the above table it is evident that promotional activities are the most important activities for private organisations with government support. In addition to organising prizes and awards, study days, seminars and symposiums, workshops and other promotional activities, much importance is also attached in these organisations to organising (both external and internal) exhibitions.

Providing advice and policy preparation, unlike the public organisations, are less important here. The reason for this is that these organisations, in spite of the government support that they receive, still need to generate a large part of their income themselves.

⁶ Out of a total of a maximum of 45



Analysis of the most important activities for private organisations.

<i>Activities</i>	<i>Private organisations</i>	<i>Percentage⁷</i>
<i>Organising workshops</i>	17	68.00%
<i>Image building abroad</i>	15	60.00%
<i>Organising other promotional activities</i>	14	56.00%
<i>Organising study days, seminars or symposiums</i>	13	52.00%
<i>Organising prizes or awards</i>	12	48.00%
<i>Giving lectures</i>	12	48.00%
<i>Issuing publications</i>	11	44.00%
<i>Policy preparation</i>	11	44.00%
<i>Consulting</i>	10	40.00%
<i>Defending interests</i>	10	40.00%
<i>Organising external exhibitions</i>	9	36.00%
<i>Organising internal exhibitions</i>	9	36.00%
<i>Organising commercial activities</i>	8	32.00%
<i>Completing studies</i>	5	20.00%
<i>Participating in or organising grants</i>	3	12.00%
<i>Subsidisation</i>	1	4.00%
<i>Other</i>	0	0.00%

As in the case of private organisations with government support, we can conclude from the above table that organising promotional activities is a priority for private organisations. Image building (abroad) is more predominant here than is the case for the other types of organisation.

In summary, we can assert that organising promotional activities (study days, seminars and symposiums, prizes and awards, workshops and other promotional activities) are the most important activities for each type of organisation. In addition, a specific emphasis is placed for the different types of organisation.

Thus policy preparation and providing advice is important for the public organisations, organising exhibitions is important for private organisations with government support and *image building abroad* is an important activity for private organisations.

⁷ Out of a total of a maximum of 25



3.5. The most important target groups for design centres

In addition to the analysis of activities, research was conducted into which target groups were important for the different design centres. Respondents were not only asked in the questionnaire to indicate the predefined target groups (government, businesses, consumers, designers, museums, universities, colleges and other), they are also asked to specify a scale of importance to the target groups.

Based upon this scale we can create a ranking of the various target groups in order of importance. The scale that is illustrated in the table set out below is a scale of importance out of a total of 105. Each design centre (21 in total) that supplied this information, was able to assign a value to each activity of 0 to 5 (0 = not applicable, 1 = least important activity, 5 = most important activity). In the third column of the summary below the percentage ratio is assigned from the scale of importance calculated out of a total of 105.

<i>Target group</i>	<i>Ranking</i>	<i>Percentage</i>
<i>Businesses</i>	91	86.67%
<i>Designers</i>	85	80.95%
<i>Consumers</i>	60	57.14%
<i>Universities and Colleges</i>	59	56.19%
<i>Government</i>	54	51.43%
<i>Other</i>	27	25.71%
<i>Museums</i>	13	12.38%

It is evident from the above table that businesses and designers in particular are the most important target groups for the design centres. Then in a second set, we find consumers, universities, colleges and the government. Finally museums are less important as target groups.



If we then proceed to analyse the target groups in more detail and split them up according to the type of organisation (public organisation, private organisations with government support and private organisations) we end up with the ranking below for public organisations.

<i>Target groups</i>	<i>Public organisations</i>	<i>Percentage⁸</i>
<i>Businesses</i>	32	91.43%
<i>Designers</i>	23	65.71%
<i>Consumers</i>	18	51.43%
<i>Government</i>	17	48.57%
<i>Universities and Colleges</i>	15	42.86%
<i>Other</i>	3	8.57%
<i>Museums</i>	3	8.57%

It is evident from this that, as in the global summary, businesses and designers represent the most important target groups for public organisations. Then in a second set, we also find the consumers, government, universities and colleges. We must nevertheless note that the government is more important for public organisations than the universities and the colleges. Finally museums are also less important as a target group in this case.

Analysis of the target groups for private organisations with government support

<i>Target groups</i>	<i>Private organisations with government support</i>	<i>Percentage⁹</i>
<i>Businesses</i>	40	88.89%
<i>Designers</i>	39	86.67%
<i>Consumers</i>	28	62.22%
<i>Universities and Colleges</i>	27	60.00%
<i>Government</i>	19	42.22%
<i>Other</i>	19	42.22%
<i>Museums</i>	5	11.11%

Just as in the global summary and as in the case of the public organisations we also note here that businesses and designers represent the most important target groups for private

⁸ Out of a total of a maximum of 35

⁹ Out of a total of a maximum of 45



organisations with government support. Then in a second group, we find consumers, universities, colleges and the government. The order matches the order for the global summary and unlike the public organisations the government here is less important than consumers, universities and colleges. Finally museums are less important as a target group.

Analysis of the target groups for private organisations

<i>Target groups</i>	<i>Private organisations</i>	<i>Percentage¹⁰</i>
<i>Designers</i>	23	92.00%
<i>Businesses</i>	19	76.00%
<i>Government</i>	18	72.00%
<i>Universities and Colleges</i>	17	68.00%
<i>Consumers</i>	14	56.00%
<i>Other</i>	5	20.00%
<i>Museums</i>	5	20.00%

Just as in the case of the analysis of the two preceding types of organisation, designers and businesses are the most important target groups for private organisations. Unlike for public organisations and private organisations with government support, for private organisations designers are the most important target groups before businesses.

The government, universities, colleges and consumers can be found in a second segment. It is noteworthy that the government is the most important target group for this second group, for universities, colleges and consumers. Finally once again the museums are the least important as a target group.

¹⁰ Out of a total of a maximum of 25



3.6. Mission of design centres

As has already been specified in the description of the method of assessment, in order to clarify the following areas additional information has been collected by means of a conference call and a personal meeting.

The design centres were asked to describe the mission of the organisation. From all missions that were described, we have created a summary in which most ideas have been illustrated.

“The creation of a network and a knowledge centre (liaison office) for all interested parties (target groups) for the purpose of promoting design to support economic activities”

In which case a network can be defined as putting all interested parties in the design process in contact with one another. Promoting collaboration between stakeholders is the final objective.

The design centre must also be a knowledge centre to which all parties can come for support and advice on design.

Another shared characteristic is the emphasis on stimulating economic activities. It ought be pointed out at this point that a number of centres highlight as secondary objectives both the social and cultural enrichment of society.



3.7. Critical Success Factors for design centres

Critical success factors are factors that are of decisive importance (referred to as critical) in attaining a particular objective (the success) of an organisation. Within the framework of this study the design centres were asked to specify what, in their perception, critical success factors are. The factors set out below are therefore the result of an organisation's 'self-assessment'. No validation in relation to content thereof was carried out during this study. An overall summary of the most frequently occurring factors is set out below.

- The first important critical success factor is the quality of the service provided. The quality provided is also made possible thanks to the skill, expertise and experience of the organisation's staff.
- The second critical success factor is the existence, the improvement and the expansion of a network. Whether it is a regional, national or international network depends on the type of organisation and the existing network.

As described in the previous chapter, in this context a network should be considered as the placing of all interested parties in the design process in contact with one another and the promotion of collaboration between the stakeholders in the final objective.

- The third critical success factor is the support that the design centres get from the government. Many design centres are public organisations or private organisations with government support. The capital brought in, and in particular the financial support, by the government is therefore of crucial importance for the effective operation of the design centres.

The consideration that is given to design as an instrument in the government policy that is implemented is of crucial importance for the effective operation and continuity of the design centres.

- The fourth critical success factor is the visibility of the design centres. Visibility is to do with the role (and therefore indirectly the skills) throughout the whole of the design process of the design centres. It is important that this recognition is clear for all stakeholders.

In addition, the physical visibility is important to the success of the organisation. It is evident from the analysis of the benchmark that the selection of the location of the design centres had always been properly considered. The choice of physical location was always based on the history, the architecture, the location within the town, ... The choice of the location seems to be an important factor in the image of the design centre



- The fifth critical success factor is the awareness amongst the public (businesses, consumers, ...) about the presence, the added value and the effects of design on society. Design is implicitly present in many aspects of our modern day society. Pointing out this presence and added value to businesses and governments, and displaying it to consumers is important for a design centre to be able to attain its objectives.



3.8. Role of the government

The design centres were asked to position the role of the government in relation to design. The results of this survey exhibit two trends.

In a number of countries the role of the government is limited to financial support in which case there is no impact on the policy of design centres.

In other countries, in addition to the provision of financial resources, design is considered to be an important instrument in the wider overall framework of economic policy implementation. Design here is considered to be an important instrument for stimulating economic activity within the region. Thus design is included in a long-term policy plan in Finland and the United Kingdom. It is no accident that these are also the regions where design already enjoys a long history.

Marketing instrument

In most European countries design is considered to be an important instrument in the wider overall framework of economic policy. Design is often also seen as promoting and improving the image of the region. In this respect we refer, amongst others, to Finland, the United Kingdom (Scotland and England), Germany, The Czech Republic and Denmark. Also outside Europe, in Korea, there is a broad consensus within the business world and within government about the importance of design as one of the driving forces in economic life.

The ways in which this role is fulfilled and supported by the government vary.

In a number of countries we can see a long term-design policy at government level. A number of points for consideration are examined within this design policy.

- Promotion of design development.
- Implementation of SME consulting programmes.
- Arranging (international design conferences).
- Training professional designers. Distribution of materials for colleges.
- Creating standards and evaluation criteria within the framework of a quality control system.
- Co-ordinating requirements from the business world in relation to design and innovation with the educational world.
- Increasing awareness about design to the public at large (in particular through prizes).



In a number of other countries the above elements are not explicitly recorded as part of a government policy programme, rather a flanking policy is implemented. The government provides the necessary financial resources for this to support² the aforementioned programme (and therefore design as a marketing tool). The programme and its implementation is carried out from a separate structure and organisation.

Education.

The relationship between design and education also came to the fore during the steering group. This aspect is not explicitly handled in the benchmark. Further examination of the web sites of some design centres, however, indicates the importance of design in education.

This is an area in which several initiatives are popular both in the United Kingdom, Denmark and also in Korea . The objective here is to provide quality training for future designers for which there is co-ordination with all innovative trends in the business world. Efficient and effective design and creativity trace their roots back to education. The way in which we learn has a tremendous impact on the way in which we later resolve problems. The way in which we introduce design is a source for the creativity needed to validate future opportunities.

If we look at the way in which the government plays its role, we can also identify two trends. Particularly in Germany, France and Spain, design is integrated at regional level (Federal 'Länder' and provincial 'départements'). In all other countries there is a national organisation that is responsible for the promotion of design.

The situation in Flanders

The Flemish government has made a priority of administrative reorganisation and optimising government administration. The challenge lies in continuously improving the service provided by the Flemish government to its citizens and of organising the way in which it operates so that it can flexibly meet new challenges.

'Better Administrative Policy' currently fully in progress.

The points of departure for Better Administrative Policy can be formulated as follows:

- Political primacy and political responsibility
- Transparency (through re-organisation of the government landscape)
- Good management
- Accurately setting core tasks - principle of subsidiarity
- New organisational structure and assignment of duties
- A new organisational culture
- Policy co-ordination across the policy spectrum



- Slimming down of the ministerial cabinets
- A new role for the heads of departments and agencies
- The role for horizontal policy areas re-defined

Within the policy area of the Economy, Employment and Tourism the future Design centre will be accommodated within the Houses of the Flemish Economy. These Houses are set up at a provincial level and are oriented towards promoting lasting socio-economic development in Flanders by achieving increased added value for the customer.

In terms of design the Houses of the Flemish Economy will fulfil the following tasks:

- to promote design as a product to the public;
- to make businesses aware of the quality-related added value of today's design for business;
- to support suppliers of training and coaching of (candidate) entrepreneurs to integrate design into their products.

The Design Centre will act as a specific and centrally organised point of contact (back-office) to ensure that the Houses forward all questions relating to design to the Design Centre.

As part of a flanking policy the Flemish government, as it has already done in the past and as is also happening at present in the Czech Republic and Scotland amongst other places, can provide grants to businesses to integrate design into their business strategy, in order to facilitate collaboration between business owners and designers, Design actually increases the competitiveness of Flemish industrial products and in that respect is an efficient and effective marketing tool for Flemish economic development.



3.9. SWOT analysis of design centres

To complete the SWOT analysis the design centres contacted were asked to report on the organisations' strengths, weaknesses, opportunities and threats.

An important element in this is the knowledge that the analysis set out below is an outline of the perception from one's own organisation. In other words it is the result of 'self-assessment'.

A summary is given below of the SWOT analysis of the design centres.

3.9.1. STRENGTHS

The first strength that was specified is *the knowledge and the experience* that (the staff of) the design centres have. Knowledge, expertise and experience are crucially important for the operation of the organisation, on the one hand, and for the attainment and preservation of a good name and reputation for the organisation (cf. visibility) on the other.

A second important strength of the design centres is *the flexibility and the adaptability* of the design centres. Thanks to this flexibility, design centres are able to offer advice quickly and efficiently to all interested parties. Adaptability relates to anticipating changing (market) conditions both on the demand and supply side.

A third strength of design centres is *the presence of a network* that can always be consulted. The centre is a medium where businesses, designers, consumers and where applicable universities and the government can be put into contact with one another.

3.9.2. WEAKNESSES

The first weakness or restriction that most design centres experience is the *limited size or scope of the organisation*. Limited scope means in particular that the design centres have too few (experienced and competent) staff. As a result it is also usually difficult to have sufficient impact on the industrial design sector.

Linked to the previous point, the design centres also experience the *restriction of financial resources and financial dependence* as a weakness. The financial dependence both on the public authorities and on private sponsors makes the organisation extremely vulnerable.

A third weakness of the design centres is *the policy* that is implemented *by government*. The weakness exists insofar as there is too little structured consideration given by the government



towards determining their policy. The absence of design as a recognised tool in the economic policy implementation makes clear profiling and strategy difficult. Moreover, this creates an atmosphere of uncertainty, particularly when certain priorities (have to) be reviewed by the government as part of cut backs.

3.9.3. OPPORTUNITIES

On the one hand the *extension and the internationalisation of the network* is considered to be an opportunity for the design centres. By extending the network (contacts), the design centres can place more and more parties (on a larger scale) in contact with one another.

On the other hand, *identifying new areas of know-how* is also experienced as an opportunity by the design centres. New areas of know-how in this context amongst other things means the introduction of design into the area of 'e-learning' or the extension of industrial design into education.

The last opportunity for design centres is *improving awareness in relation to the target public* (businesses, consumers, ...) about the presence and the importance of design. This increased awareness makes the 'sales process', i.e. designating added value, less time-intensive.

3.9.4. THREATS

The first serious threat for design centres is the *general economic situation*. In times of economic decline (recession) less attention will be paid by businesses, and possibly by government, to industrial design. Of course, this has a direct impact on the operation of the design centres.

A second threat for the design centres is the *commitment on the part of the government*. Because the majority of design centres are public organisations or private organisations with government support, these design centres are greatly dependent on the government. If the government should decide to pay less attention to industrial design, this represents a serious threat (no guarantee of continuity). This is not implausible during times of economic recession, where savings are required.



4. CONCLUSIONS AND POLICY RECOMMENDATIONS

Based upon the results of the inquiry that were set out in the previous chapter, a number of conclusions are drawn here and a number of policy recommendations have been formulated. Before examining these in more depth, let us summarise a few assumptions relating to the completion of this benchmarking study.

In the first instance we would again like to emphasise that the confidential handling of the data will be guaranteed to the participating centres. No names of design centres will be included in the results of the inquiry either. In specific instances, individual references will be made to the region.

Given the limited completion time for this commission and given the initial level that was intended in the specification document – it is a first initiative in a new development concerning design – it was decided to adopt the following methods of data collection:

- Consulting the internet and publications;
- Surveys to design centres by e-mail and post;
- Telephone follow-up of the survey.

The survey includes a mix of open and closed questions. Because it quickly came to light during the assessment that a consistently clear and objective response was not always given in response to the open questions relating to management structures (mission, critical success factors, ...) and to the SWOT analysis, frequent telephone contact was made about this with the design centres. Two other initiatives were taken in addition to this:

- Organisation of a conference call with four design centres;
- Meeting with the manager of a fifth design centre in Brussels.



4.1. Conclusions

In Europe we encounter a mix of public and private design centres. In the case of private organisations with government support the financial capital introduced is actually significant from this government (+/- 40% of the average).

It is evident from the results of the inquiry that the organisation of **promotional activities** (study days, awards, workshops and other promotional activities) and **consulting** are the most important activities within the design centres.

If we then just take a look at public organisations we will note that a director's role is mainly being assumed. In addition to the promotional activities, much importance is also attached to policy preparation.

The current points of emphasis for the design centre in Flanders do not fully coincide in this respect. In Flanders most resources are deployed by means of grants (25% of the total budget), in addition to this are promotional activities (organising internal exhibitions, issuing publications, participating in or organising grants, organising prizes and awards and organising workshops) and to a lesser extent consulting.

In relation to the target groups we can find two groups. Businesses and designers occur as the most important target groups. After this in order of importance come consumers, universities and colleges and the government. Museums are finally less important. These target groups are also encountered in the case of the design centres in Flanders. More importance is already attached to designers than to businesses.

The 'shared' mission of the design centres from the benchmark "*The creation of a network and a knowledge centre (liaison office) for all interested parties (target groups) for the purpose of promoting design to support economic activities*" (as described on page 26) is endorsed by the Design Service in Flanders (Design Flanders). In addition, the social aspect of design is also described.

In most European countries design is considered to be an important instrument in the wider overall framework of economic policy. Design is often also seen as promoting and improving the image of the region. In this respect we refer, amongst others, to Finland, the United Kingdom (Scotland and England), Germany and Denmark.

Most initiatives relating to industrial design are based upon a central (national) approach. Exceptions to this are Germany and Spain. Insufficient data is yet available in the case of France. One finding on this point is that this decentralised approach is usually dictated by a lack of a central (national) design policy.

The Ministry for Economic Affairs appears in this study as the most prominent source of financing for design centres. Additional financial support is usually given by the Ministries of Culture, Education and Research on a project basis .



Finally there is the positioning of the design centres within government structures. The results from the benchmarking relating to the situation in other countries indicate that the public design centres operate in about as many instances on the one hand as a direct entity for the competent authority and on the other as an independent (autonomous) organisation.

The conclusions that have been drawn on this are in fact a confirmation of the current situation in Flanders. The general conclusion then is that the current stance of the government towards design and the current positioning of design within the government (cf. positioning within the Houses of the Flemish Economy) correlates with the results and the conclusions of this benchmarking study.

4.2. Policy recommendations

- Given the limited history in relation to design in Belgium (Flanders) it seems obvious to us to opt in favour of a public organisation. The Belgian business community is characterised by the dominant presence of small and medium-sized businesses. These SMEs are considered to be the motor of economic activity. For the majority of these organisations they have insufficient market presence to approach design in a structured way. In the case of larger businesses, design is then viewed from a European dimension¹¹. Consequently, the promotion of design within these economic activities can best be organised by government in Flanders. Moreover, Flanders already has a recognised organisation, Design Flanders. Building on existing knowledge and the existing network of this centre therefore also seems to be logical.
- For Flanders the preference is in favour of one central organisation. Dividing into regions is not directly recommended in this case due to the lack of support, what is more we are living in more and more of a European (if not global) world. Further decentralisation, for example, down to the level of provinces results in an increase in the cost structure and a fragmentation of financial resources. Neither does this provide evidence within the framework of creating an image.

Moreover, the current organisation (9 people) is too limited to organise a decentralised model in quality terms. Extending consulting activities in either of the Houses of the Flemish Economy (antennae) is, however, an option for the future. As a result the Design Service (Design Flanders) should also be able to fulfil an important front-office function.

- Design should be considered to be an important tool within the wider framework of the overall economic policy. With its focus on industrial design, design is an excellent marketing tool for supporting and stimulating economic activities. As part of the administrative reorganisation and optimising the government administration of the Flemish Government (BBB), the Cabinet of Minister Gabriëls (Economy) has brought the future Design Centre within the Houses of the Flemish Economy.

¹¹ Cf. political debate ‘design@sfeer’ about design, the government and businesses



In so doing, the Flemish Government endorses its flanking policy on design. Sufficient resources must be released for the Design Centre, as a central point of contact in relation to design so that the specified tasks can be completed.

In terms of design the Houses of the Flemish Economy will fulfil the following tasks:

- to promote design as a product to the public;
 - to make businesses aware of the quality-related added value of today's design for business;
 - to support suppliers of training and coaching of (candidate) entrepreneurs to integrate design into their products.
-
- Within the countries included in the benchmark, education (schooling) is considered to be the source for the creativity needed to validate future opportunities. In Flanders too, initiatives must be undertaken, for example, to establish protocols for collaboration in a number of areas such as culture, education, tourism, sport, ...



5. APPENDICES

(Confidential)



Appendix 1: List of design centres contacted

(Confidential)



Appendix 2: Summary of results from the inquiry

(Confidential)



Appendix 3: Accompanying letter

(Confidential)



Appendix 4: Blank version of the questionnaire

(Confidential)