PRODUCTIVITY THROUGH PEOPLE

Evaluation Report

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Executive Summary

Productivity through People (PtP) is a management training programme launched in 2017 which aims to drive up productivity among small businesses by embedding people-centred management practices through training, support and extensive peer to peer engagement.

Originally developed through an Industry-led alliance, the Programme is underpinned by a collaborative approach, bringing together four UK Delivery Partners and a number of Industry Partners. Through combining classroom-based study with experiential learning and the establishment of deep peer trust networks, the Programme aims to provide a distinctive offer to small and mid-sized businesses.

This report outlines findings from the evaluation of PtP, covering the period from Programme launch in 2017 through to 2019. This involved an evaluation survey, data matching and interviews with participants, Delivery Partners delivering the programme and Industry Partners.

PtP has driven clear improvements in management practices

The evaluation has found that PtP participants have already started implementing learning from the course in practice. Participants interviewed reported they have become much more proactive in their engagement with staff, which had resulted in a greater sense of openness and trust among their workforce.

In addition, data from a benchmarking (guided self-assessment) exercise indicates that participants feel they have made progress across all aspects of people-centred management around which the

Programme is based. Participants felt that they had seen the greatest improvements through their approach to great leadership, enabling culture and customer innovation.

This was reinforced by findings from the evaluation survey, with participants reporting they had become more engaged with their staff as a result of taking part in the Programme, communicating more regularly with their teams and reviewing their approach to worker reward and recognition. Over 90% of the participant survey sample reported they had enhanced employee engagement over the last financial year.

Participant firms were more likely to use a range of people-centred management practices than Comparison Groups, including creating teams of people who don't normally work together, conducting training needs assessments, and maintaining ISO 9000 standards. Participants surveyed were also more likely than the Comparison Groups to use pay and incentive schemes, identify high potential individuals and allow employees to have discretion over the work.

As well as enabling them to become better leaders within their organisation, participants feel the programme has supported them to become more engaged in their local business community. 57% reported that the Programme had influenced their approach to networking. PtP participants surveyed are more external facing than Comparison Groups, and show a greater propensity to network with others to share ideas; and obtain advice on business improvements. The Programme also delivered an observable influence on other leadership behaviours, including increased use of performance data in making decisions, and delivering more business overseas.

This is leading to positive business outcomes

Encouragingly, a high proportion of respondents reported that not only was the Programme driving improvements to their approach to leadership, but also that this in turn was already starting to drive improvements in the performance of their business.

Among participants interviewed, several reported that greater employee engagement and improved organisational culture had translated into improvements in efficiency and productivity, in turn driving up business performance. Some had already implemented PtP tools such as key performance indicators, daily visual representation of output and competitor analysis tools within their business, and reported these had helped to provide focus and increase efficiency.

Improved business outcomes were also reported through the survey. Since participating in PtP, more than three quarters (78%) of participants had created additional jobs within their business. In addition, 80% had made a profit after completing the programme, and 70% had increased their turnover over the last financial year, in comparison with just under 62% of the main Comparison Group and 57% of the training Comparison Group. In addition, initial findings from data matching indicate that PtP participants have seen a 5% increase in their productivity.

The Programme is highly valued by participants, as well as those involved in delivery

Participants clearly value the Programme - the fact that the majority of respondents became aware of PtP through a personal recommendation is a strong indicator of this. Feedback on the experience of the course was consistently positive across cohorts and Delivery Partners. 74% of participant survey respondents felt that the Programme offers "a unique support package that is not available from other sources".

Participants interviewed for the evaluation reported that the Programme provided an engaging and welcoming learning environment which fostered the establishment of strong peer networks. Interviewees enjoyed working alongside fellow participants, and this collegiate environment was seen as particularly important in cementing learning through application to real world scenarios. For several participants, this peer support has continued beyond participation in the Programme through ongoing informal contact with fellow participants to share ideas and advice.

Similarly, participants found the site visits offered through the Programme often illustrated good practice examples that had been discussed through the class based session. The visits offered access to insights about how large multinational businesses have grown, approached transformation or overcome challenges, which participicipants found to be particularly motivating.

In addition, the universities responsible for delivering the Programme, and the large Industry Partners who supported local delivery through sponsorship, site visits and mentoring, also valued the Programme. Delivery Partners delivering PtP feel it represents a distinct offer of support compared with other SME programmes they deliver, with the intensive approach, industry engagement and coordination from Be the Business (BtB) offering participants a unique learning experience. Industry Partners reported they were motivated to support the programme both to drive improvements within their local supply chains and to fulfil a sense of responsibility to their local community.

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1. Introduction

Before COVID-19 hit the UK in 2020, the economy had been contending with a long-standing productivity challenge[1]. UK productivity levels have compared unfavourably with other G7 and OECD countries for several years now, remaining largely stagnant since the 2008 financial downturn[2].

The nature and scale of challenges facing the UK economy have shifted dramatically since the onset of the pandemic. The COVID-19 crisis has sparked the deepest recession the UK has experienced in 300 years[3] with GDP and business activity falling sharply between February and June 2020[4] and remaining volatile throughout the remainder of the year. Further disruption has continued throughout 2021 as the pandemic continues to unfold, and following the UK's departure from the European Union. The Office for Budget Responsibility has predicted that Brexit alone will lead to a drop in UK productivity of 1.4% by 2022[5].

And yet it is important to recognise that international studies[6] have demonstrated that lasting improvements in productivity require employer-led action on the ground and targeted work in local business communities, rather than an exclusive focus on macroeconomic trends. In fact, this evidence base indicates that management practices are one of the primary influences on firm productivity.

The quality of management practices has been found to vary widely within and between countries. In comparison with other advanced industrial economies, the UK has a deficit in the application of quality management practice within firms[7]. Despite a strong correlation between the adoption of new management practices and productivity gains, take-up among UK firms has been limited in comparison with France, Germany and the US[8].

This has significant implications for the UK economy, which prior to the pandemic was characterised by a small group of innovative businesses performing well, and a long tail of less productive businesses. It is estimated that at least 55 per cent of labour productivity growth in developed economies will come from firms adopting existing leading-edge technologies from the best performers[9]. As a result, a focus on embedding strong management practices across the UK is likely to be fundamental not only to tackling the productivity puzzle but also 'building back better' through the recovery.

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[1] HM Government. (2017) Industrial Strategy. Building a Britain fit for the future.

[2] ONS. (2015) What is the productivity puzzle?:
https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/labourproductivity/articles/whatistheproductivitypuzzle/2015-07-07

[3] BBC Bank of England Warns of sharpest recession on record
https://www.bbc.co.uk/news/business-52566030

[4] ONS (July 2020) Coronavirus and the impact on output in the UK economy: May 2020
https://www.ons.gov.uk/economy/grossdomesticproductgdp/articles/coronavirusandtheimpactonoutputintheukeconomy/may2020

[5] Office for Budget Responsibility (2020) The effect on productivity of leaving the EU
https://obr.uk/box/the-effect-on-productivity-of-leaving-the-eu/

[6] For example, see OECD (2015) The future of productivity.

[7] Bloom, N. et al. (2017) Management as Technology? Available at: https://www.nber.org/papers/w22327

[8] Ibid

[9] https://www.cbi.org.uk/articles/from-ostrich-to-magpie-increasing-business-take-up-of-proven-ideas-and-technologies/

1.1 The Productivity through People Programme

The Productivity through People (PtP) programme was developed in 2016 to tackle the long-standing productivity problem facing the UK economy. The Programme was designed to support senior business leaders to implement High Performance Working practices (HPW) within their businesses through a combination of bespoke training, mentoring and deep engagement with the local business community.

Through the development of more confident business leaders, equipped with state-of-the-art management practices, the Programme aims to provide a framework for driving up competitiveness and productivity. Through the empowerment of their workforce, programme participants are assisted to increase the productivity of their businesses.

So far, PtP has been a collaboration between large, well-known businesses, smaller businesses and four leading business schools as outlined in Figure 1.

The programme was originally developed from a pilot undertaken in the North West of England involving leading manufacturing businesses including BAE Systems, Siemens and Rolls-Royce as well as Lancaster University Management School, the Northwest Aerospace Alliance and the Lancashire Local Enterprise Partnership. This initial pilot was intended to support adoption of High Performance Working practices among SMEs in manufacturing. Since then, the scope of the programme has widened to include companies beyond the manufacturing sector[10].

Figure 1: List of Delivery Partners and Industry Partners

Delivery Partners:

Aston University Business School

University of Bath School of Management

Lancaster University Management School

University of Strathclyde Business School

Industry Partners:

Babcock International

BAE Systems

Centre for Growth

EDF Energy

EY

GSK

John Lewis Partnership

Leonardo

Lloyds Banking Group

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[10] Aston, Strathclyde and Bath Delivery Partners were the additional Delivery Partners added to the programme with Lancaster as the original partner.

1.2 Programme Rationale and Design

The UK business community suffers from low levels of knowledge diffusion among small businesses in particular[11], a challenge that the PtP Programme sought to directly address. Previous Be the Business research found that most businesses do not actively seek business advice to improve. But for those that do, trusted advisers and/or other businesses are seen as the most valuable sources of support, expertise and information. Informed by this evidence, PtP was designed to provide a programme in which learning could be generated and shared between business peers.

PtP is therefore anchored in the notion of peer-led learning, both between participants on the programme, as well as with firms that collaborate with Delivery Partners to deliver the practical elements of the course.

The core objectives of the PtP programme are to:

- Provide a framework to improve the competitiveness and productivity of businesses by developing leadership and management attributes and capability to in turn transform working practices.

- Give access to the latest management techniques, thinking and research that could optimise high performance working and employee engagement.

The Programme is based around a set of core components, seven main drivers and common delivery activities which are depicted in figure 2 below.

Figure 2: PtP programme structure

Core Programme	- An introduction module to help establish the community for learning; - Anchor modules established for the core themes: Empowering Leadership; Strategy and Change; and Culture, Employee Engagement and Communications; - Plan for the Future: a reflection and review phase complted as
Programme Drivers	- Great leadership - Enabling Culture - Customer innovation - Best people - Recognising performance - Effective skill utilisation
Common Delivery Activities	- Business Benchmarking and Action Planning - Masterclasses and Workshops - Industrial Visits - Mentoring - Action learning sets

[11] Institute of Directors. (2018) Lifting the long tail: The productivity challenges through the eyes of small business leaders. Available at: https://www.iod.com/Portals/0/PDFs/Campaigns%20and%20Reports/Economy/Lifting-the-long-tail.pdf?ver=2018-10-11-124501-460

1.3 Evaluation Methodology

The PtP evaluation seeks to understand the effectiveness of the Programme over the period 2017-2019, drawing on engagement with participants, Delivery Partners and Industry Partners to identify aspects of design and delivery that have worked well, as well as potential areas for improvement. The Programme's evaluation has been guided by a Theory of Change model and associated logic chain, developed by Be the Business. The logic chain sets out the Programme's structure and delivery, and the results that would be expected for PtP participants following completion of the Programme.

Figure 3: Logic chain

Inputs	Activities	Outputs 12 months	Outcomes 18 months+	Impacts 2-3 years
PtP marketing/ delivery materials	Marketing and recruitment	Increase collaboration	Improved high performance working	Employment growth
Staff resources: Industry Partners, Delivery Partners, etc.	Benchmarking assessment	Changed management practices	Improved/deeper partnerships	Revenue growth
	Workshops and masterclasses	More innovation	Enhanced staff engagement	
Industry contributions	Industrial visits and case studies	More staff trained e.g. mentored	Increased staff skills	Improved productivity
	Reflection: Action learning, shadowing/exchange	More investment	Reduced staff absence	
	Modules		Improved staff retention	
			Increase manager capability	

As the logic chain outlines, the programme is expected to deliver a series of results over the short, medium and longer term:

- outputs (shorter term - usually delivered within a year),
- outcomes (medium term - delivered with 18 months to 2 years) and
- impacts (longer term – expected around at least 2 to 3 years after the Programme has completed).

Given the timeframes within which this stage of the evaluation has been delivered, the focus is primarily on the successful delivery of outputs and outcomes, with some early indications regarding the types of impacts one may expect to see over the longer term.

The first stage of the evaluation explored early lessons from the design and delivery of the Programme, as well as initial benefits for PtP participants and their businesses, by drawing on local evaluations of the Programme, stakeholder interviews and analysis of programme data. The stakeholder interviews, conducted with staff working on the Programme across the Delivery Partners, covered aspects of programme delivery such as participant recruitment, programme structure and overall delivery.

1.4 This report

This report distils findings from the second and final stage of the initial PtP programme evaluation. The focus of this stage was to review the Programme's effectiveness, identifying the specific aspects of design and delivery that participants, Delivery Partners and Industry Partners felt were working well, as well as potential areas for future improvement. It also aimed to develop early evidence on the emerging impact of the Programme as a basis from which subsequent evaluations can build.

1.4.1 Stakeholder Interviews

Qualitative interviews were held with staff at each of the four universities involved in delivering the programme (Delivery Partners) as well as a representatives of the large corporate businesses involved in sponsoring the programme, hosting site visits and providing mentors to programme participants (Industry Partners). These interviews explored stakeholder perspectives on programme effectiveness and identified areas of focus ahead of further scaling up of the Programme.

1.4.2 Participant Interviews

To supplement the survey analysis, 12 qualitative interviews were conducted with PtP participants to explore their experience of the Programme. The interviews explored participants' perceptions of the Programme's effectiveness, getting beneath the survey results to understand the factors associated with different experiences of PtP. The interviews also explored participants' underlying motivations for taking part in the Programme and considered the ways that learning from the course has been applied in practice.

1.4.3 Evaluation Survey

Between January and March 2020, a telephone survey was conducted among participants of the Programme, to gauge insights regarding its effectiveness. Of the 124 participants included in the survey sample, 61 interviews were completed. This is a 49% response rate.

The survey sample unfortunately excluded a number of PtP participants due to challenges in sharing data between Delivery Partners and the evaluation team. With each Delivery Partner following different data management procedures, there was inconsistency in the proportion of the sample that was provided for the evaluation. The sample sizes for Lancaster and Strathclyde are significantly higher than those of Aston, which has just one complete cohort, or Bath. As a result, more in-depth analysis has been limited to Lancaster and Strathclyde.

The survey included three sections which were asked of both participants and Comparison Groups, as well as a fourth section which was limited to participants only.

For most survey questions, the full 61 PtP participants are compared against the baseline Comparison Group and training Comparison Group (see below). However, some companies had more than one member of staff who took part in PtP. As such, among the interview sample, there were four PtP interviewees who came from two businesses. This has the small, but important implication that comparisons pertaining to business characteristics or performance take account of the 59 businesses in the sample, rather than the 61 interviewees, in order to avoid double counting those two businesses and skewing the analysis[12]. Comparisons that look at individual characteristics or questions that pertain to individuals' perceptions of the PtP programme employ the answers of the 61 interviewees.

1.4.4 Benchmarking analysis

All PtP participants complete a guided benchmarking exercise at the beginning and end of the course. They self-assess their aptitude across the seven drivers of people-centred management around which the Programme is based. This is a core component of programme delivery and aims to provide insight into the skills development of individuals over the course of their participation in the Programme.

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[12] In effect, this means the answers of two individuals for business characteristics and performance questions must be suppressed. To choose which one among the four would be suppressed and which counted, the answers of two individuals of the same company were carefully considered. For both companies, the individual with the longest tenure offered more granular answers, for example in terms of expected growth of the company. Overall, the differences between individuals from the same company were very small and when tested one by one, they did not change the percentage outcomes when one was counted over another.

For this reason, data from benchmarking at both the start and end of the programme is required to conduct analysis. For the purposes of this evaluation, where data was missing for either the entry or exit benchmarking, all associated participant data with that was removed. As a result, participant feedback included here is based on answers provided across 54 questions, with cohorts compared and aggregated to provide overall scores for 109 completed data points across nine cohorts.

The table below provides an overview of the distribution of data points by Delivery Partner.

Figure 4: Benchmarking returns by Delivery Partner

Delivery Partner			
Bath (1-3)	**Lancaster (1-3)**	**Aston**	**Strathclyde (1-2)**
35	37	15	22

1.4.5 Comparison Groups used within this report

To understand the business and management performance of PtP participants in relation to the wider landscape, they were compared with a carefully selected sample of similar firms.

When comparing businesses that have undergone training to businesses which did not take part in this same programme, there is a risk that self-selection bias may skew the analysis. Firms that have taken part in PtP may fundamentally differ from those that haven't in unobservable ways, such as openness to challenge and change and a drive to make improvements within their organisation.

In order to try and account for this, the evaluation identified a sample of businesses through a study conducted for Be the Business in 2018. From this original study, 206 respondents were identified which resemble the PtP participant group in terms of organisation size, industry and location and had stated they were interested in leadership and development training. This forms the 'Comparison Group' used throughout this report to benchmark the findings of the evaluation survey. From this group, a sample subset was identified through identifying 114 Business Executives which

confirmed they had participated in training or education related to their role during the year prior to completing the survey. This sub-group, termed the **'Comparison Group - Training'** for the purposes of this report, is slightly closer to the PtP beneficiary sample in their propensity to undertake training and development than the Comparison Group.

Using these two Comparison Groups together through analysis of the evaluation survey results allows for a better understanding of the influence of PtP compared with other programmes, or with undertaking no training at all. In general, the results appear to show a gradient in outcomes across the three groups, with PtP participants surveyed seeing the greatest changes, followed by the Comparison Group - Training and then the overall Comparison Group.

Other comparison groups considered

Given the complexity of finding a sufficiently similar group of firms, the evaluation team identified two other potential Comparison Groups at the outset and recruited from each of these for the evaluation survey.

Among these, two groups yielded an insufficient response rate for comparison with the sample of PtP participants.

Participants within the RTC North Programme – an online business and employee development programme with similar aims to PtP – were considered as a potential Comparison Group.

Alongside this, the evaluation team explored the possibility of constructing a Comparison Group from 'near misses' – businesses that had expressed initial interest in undertaking PtP but had decided not to undertake the Programme.

While both of these groups were recruited to the evaluation survey, unfortunately the response rate was too low for either of them to form a Comparison Group for the purposes of the analysis required.

1.4.6 Data Matching

An ONS data matching exercise using the Business Structure Database was conducted to complement this research activity and provide further insight into the Programme's impact on participant firms.

This entailed matching businesses from the Business Structure Database (BSD) to current delegates on the PtP programme to capture data on selected variables including turnover, employment and productivity. The process involved BSD snapshots for consecutive years from 2015 to 2019. A number of businesses within the larger Comparison Group created for survey analysis were also matched for comparative purposes. Changes were tracked from the the year prior to starting the programme and after completion.

1.4.7 Mitigating limitations of the evaluation

Potential for self-selection bias

Business leaders who put themselves forward for an intensive training programme will already be inclined towards making business improvements. The selection of Comparison Groups has been designed to try and mitigate this possibility, as they were chosen for characteristics that made them highly similar to the PtP cohorts.

Low sample size

The extent to which sub-categories of the participant sample can be compared with one another is limited by the size of the survey sample. This means that although it is possible to compare results between Lancaster and Strathclyde Universities, the sample sizes for Bath and Aston
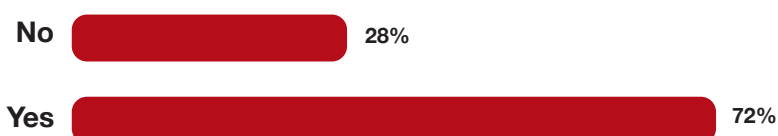
were too small (<10) to conduct a meaningful comparative analysis. As a result, cross tabulations and comparisons have been made where possible and excluded where the sample sizes are too low to allow for robust analysis and interpretation.
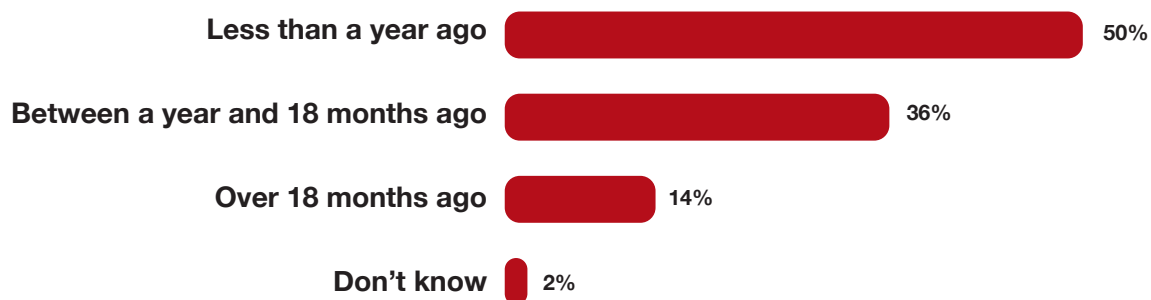
Sample composition

Due to the relatively small Productivity through People population the survey sample was drawn from a mixture of cohorts across the four Delivery Partners. As a result, it includes individuals who were part-way through the PtP programme at the point they completed the survey, as well as individuals who completed different cohorts since the programme began in 2016. Composition of the sample by completion rate and cohort year is specified in figures 4 and 5.

As outlined within the logic chain, the programme is expected to deliver a series of longer term effects, including increased productivity, employment growth and revenue growth. The benefits of these effects will accrue over time, and so will be best understood through further evaluation. While it is possible to monitor change year on year, productivity and output data is known to be volatile, and is likely to be particularly volatile during the economic crisis caused by COVID-19. As a result, a robust view of performance change must take account of average performance over the longer term. As a result, the survey results included within this report will form a basis for understanding changes in performance over time. This is a further factor that necessitates caution when interpreting the survey results.

Figure 5: Have you completed the Programme?

No — 28%

Yes — 72%

N= 61 PtP participants surveyed.

Figure 6: When did you complete the Programme?

Less than a year ago 50%

Between a year and 18 months ago 36%

Over 18 months ago 14%

Don't know 2%

N= 41 PtP participants surveyed.

* NB one of the respondents selected 'don't know' meaning the percentages do not total to 100%

Figure 7: Key terms

Key terms used in this report

Participant: Individuals who have taken part in Productivity through People

Delivery Partner: Delivery Partners delivering Productivity through People

Industry Partner: Large businesses involved in sponsorship and delivery of the programme

Comparison Group: A sample of Business Executives taken from the Be the Business Baseline study comprising 206 firms which resemble PtP participant firms and had expressed an interest in workforce training and development.

Comparison Group – Training: A subset of the Comparison Group comprising 114 Business Executives which confirmed they had participated in workforce training and development connected to their role over the previous year when surveyed for this evaluation.

2. Experiences of Productivity through People

The perspectives of participants, Industry Partners and Delivery Partners

Key findings

Across all four Delivery Partners, PtP participants surveyed gave consistently positive feedback regarding both the content and approach of the Programme. Significantly, three quarters (74%) of participant survey respondents agreed that the Programme offers a unique support package that is not available through other sources. Overall, the survey found that participants valued the core components of the course:

- 97% of participants surveyed considered the Learning modules and Review and Reflection components of the programme to be effective or highly effective.

- 87% considered the Site visits to be effective or highly effective.

- 82% considered the Action planning to be effective or highly effective.

This was reinforced through interviews with participants, who underlined the importance of peer learning, the value placed on access to industry insights through site visits and the content of learning modules, which was felt to align well with their business needs. Alongside this, interviews with Industry Partners found that they too valued engagement with PtP, considering it to offer a route to influence and support businesses within their own supply chains.

Within this broadly positive picture, two areas for improvement were identified. Participants are offered a mentor, but the survey found satisfaction with this element of the Programme to be much lower than with others, with a small number of key challenges identified through the participant interviews. In addition, the online forums are under-utilised, with awareness and engagement both low among participants surveyed, with interviews finding that participants tended to prefer more informal routes of communication. Recommendations have been proposed to drive improvements within these aspects of the programme specifically.

In addition, interviews with Delivery Partners highlighted a high degree of variation in the approach to engagement with Industry Partners, potentially indicating the need for a more standardised approach.

2.1 Introduction

This section explores perceptions of the Programme's effectiveness among participants, Delivery Partners and Industry Partners. The Programme is delivered in a practical manner, not only through classroom teaching but also through industrial visits in which participants are provided a first-hand account of relevant business issues and learning, by an Industry Partner.

Participant feedback captured through the evaluation survey spans the range of learning activities that are included in the Programme's delivery, and results suggest a high degree of consensus around both course components that were well-received as well as areas for improvement. This evidence is important in determining the extent to which participants value different components of the Programme, to help inform any future modifications to its content. Qualitative interviews with Industry Partners also shed light on their experience of involvement in the

programme, for example through Site visits or cohort sponsorship.

While Delivery Partners follow a core curriculum, some degree of local tailoring of the Programme is permitted as long as it is agreed with the PtP Programme Lead at BtB in advance of implementation. Potential areas for variation include: modules and curriculum; cohorts; delivery tools; Delivery Partners; costings, scheduling and timing.

2.2 Productivity through People course structure

2.2.1 Learning modules

The core elements of the Programme are structured around learning blocks which provide clear cycles of learning. These include an introductory module, a series of anchor modules addressing: Empowering Leadership; Strategy and Change; and Culture, Employee Engagement and Communications, and a final reflection and review phase.

The first phase of the Programme is the induction delivered within the first month. This is a core part of the Programme, not only because it aims to excite participants about "formal" aspects to come, such as the approach to work-based learning. Another essential purpose is to begin to build trust between the participants and facilitators, to enable them to get to know eachother and to establish the community for learning. The introduction and social activities break the ice, and establish the conditions to develop a peer network group. During the introduction, participants are also required to undertake the Benchmark Assessment (fuller details below). This is the first mandatory element of the Programme providing a diagnostic for the individual leader to understand themselves and their organisation. This then forms the basis to start developing their own personal action plan to guide them through the subsequent phases of the Programme and to start demonstrating priorities for action.

The introductory module is followed by four anchor modules, which each embrace one of the core themes[13]. The aim is to help participants carry out a more intensive examination of their organisation as they continue to progress. Each module evolves the participants' action plans. The delivery activities for these modules have common "linked" components (see below) to enhance learning including: masterclass workshops; case studies; and industrial visits. Participants are also encouraged to undertake purposeful reflection throughout, supporting experiential learning and advancing thinking and deliberative action planning, using S.M.A.R.T[14] objectives.

The final part of the Programme is the reflection and review phase. It begins with the participants revisiting the Benchmark Assessment results from the start of the Programme and updating them. The aim is to enable each participant to assess the distance travelled and progress made during the Programme. In addition, participants share progress they have made, reflect on broader learning, and develop a future action plan to shape what they do after the Programme. This collaborative focus on continuous improvement is key to encouraging ongoing networking and to reinforce enduring partnerships and connections that will last beyond the duration of the Programme.

2.2.2 Delivery Activities

1. Business Benchmarking and Action Planning for the future. A Benchmarking Assessment is conducted at the beginning of the Programme to enable participants to assess their businesses' practices against the "best in class". It is then repeated at the end of the Programme to track progress and the distance travelled by participants. This creates a personal agenda for change which is used to tailor aspects of the Programme to the individual participant. For example, the results are used to prioritise different business activities and/or delivery activities (e.g. a focus on coaching, action learning, mentoring etc. as set out below). The assessment covers 14 critical areas which are compressed into 7 dimensions. At some Delivery Partners, the results collected by the participants are compared to feedback collected from a benchmarking tool given to the participants' employees (e.g. Lancaster asks participants to administer an employee perception survey).

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[13] Empowering Leadership; Strategy and Change; and Culture, Employee Engagement and Communications

[14] S.M.A.R.T. stands for specific, measurable, actionable, realistic and time-based objectives.

2. Masterclasses and workshops are conducted to stimulate and challenge participants through the latest thinking and leading-edge techniques around the different themes. Some are run by experienced senior leaders, business practitioners and/or Industry Partners involved in the Programme, drawing on their day to day and career experience. Others are supported by academics. Some sessions introduce business models and management techniques and tools and others elaborate around case studies as examples of "world class" practices.

3. Industrial visits are deployed to anchor each of the four modules in real businesses and their operating facilities. The objective is to build on the theoretical element of the modules, and to bring them to life with practical illustrations from different company perspectives. Practical sessions encourage learning through group work where participants collaboratively prepare for the visits. This supports a more detailed investigation of the areas and issues they want to cover in their action plans, what they need to interrogate whilst on the visit, and thus enhances what they finally observe and learn. As such, participants can test their business priorities and evolve their personal action plans.

4. Mentoring. Personal mentors are used throughout the Programme to coach participants on a one to one basis to help them work out and evolve their own strategy for improving their performance. This involves encouraging them to learn from their own experiences and to find their own solutions to challenges, rather than dispensing advice or simply "teaching". In some cases, mentors include industry representatives from sponsor firms, while in others, mentors have included professional business advisers, consultants and/or academic staff. Whatever the area of expertise of the mentor, their primary role is to help participants to develop ways of learning for themselves and to encourage reflection and review.

5. Action learning sets are used to help participants address business issues by discussing and sharing thoughts and ideas confidentially amongst like-minded people within a facilitated group. Working together in non-competitive environment, members of the set provide each other with the support and challenge necessary to explore issues and come up with actions for resolving them. Participants are encouraged to meet in the action learning sets regularly, at least every second month.

6. Shadowing and exchange activities are deployed as part of the last module again to provide wider opportunities for participants to learn from eachother and draw out fresh insights and ideas by working together. The intention is to encourage participants to reflect on the ways another business operates (e.g. leadership styles, ways of working, communications, and cultures) and consider what benefits different perspectives can offer their own business.

7. Online forum. This is an e-learning site to nurture the deep trust network between active sessions of engagement. As well as housing all the learning materials from the Programme, it provides a forum for secure and confidential peer-to-peer discussions.

2.3 Drivers for joining the Programme

When asked about the reasons for joining the Programme, the business management focus of the course was the principal draw, with respondents highlighting the importance of leadership and management skills, as well as advice on making business improvements.

More technical data analysis skills, securing new business and developing new products were less likely to be reported as motivations for participating in PtP.

This was underlined through the qualitative interviews, with one participant explaining that their progression into a leadership position had happened faster than they had anticipated, and promotional materials recognising the challenges encountered by those accelerated in to positions with additional responsibility had resonated with them:

"Something that … really struck a chord with me when I was reading through that information was the 'accidental manager' which was very much about when you are working somewhere and get to know an area of the business quite well, and perhaps through other people leaving etc. you get into the role of leading and heading the department almost by accident, because there isn't anyone else there that is able to do it."

Figure 8: Did you join the PtP programme for any of the following reasons?

Reason	%
To enhance people management skills	95%
To become a more effective business leader	95%
To increase confidence to grow the business	95%
To access leading management insights and techniques	92%
To get advice on business improvements	90%
To enhance networking	67%
To improve the use of performance data in decision making	59%
To enhance ability to benchmark business performance against others	51%
To win or deliver business in the UK or overseas	30%
To develop new products and services	20%

N= 61 PtP participants surveyed.

This indicates that the overarching focus of the Programme, on management practices and strategies, aligns closely with the expectations and interests of the Programme's participants. Participant survey respondents cited developing people management skills and becoming a more effective business leader as important factors in their decision to join the Programme.

The motivation to join the course, as expressed by a number of interviewees, was a result of a combination of personal and organisational factors. So, while the interviewees may have initially decided that the Programme was a good fit for their own development needs, there was an expectation that the learning would filter back in to the company and have a direct impact, as expressed by one interviewee:
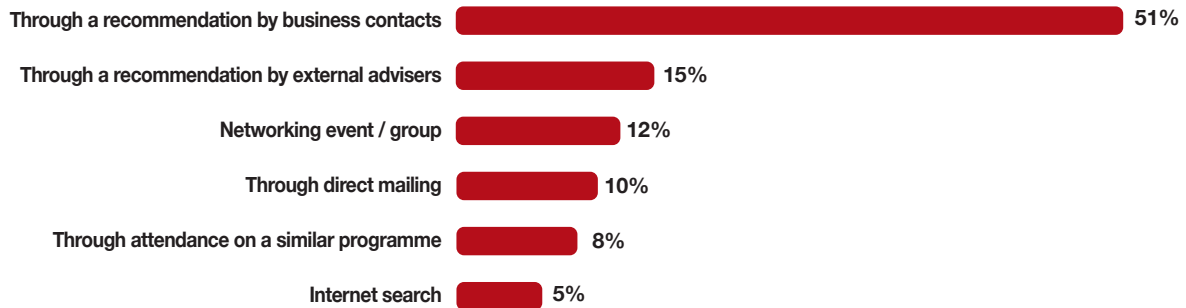
"I think those two things (individual and company benefits) are completely linked"

2.3.1 Discovering the programme

Word of mouth is by far the most significant factor in participants first discovering the Programme. For the majority of survey respondents (66%) a recommendation by either an external business advisor or business contact represented their first introduction to the Programme.

This was reinforced through the participant interviews, with the majority reporting they had first discovered the programme through a recommendation within their professional network, indicating the programme is highly regarded by those who have taken part.

The results to this question also highlight that awareness of the Programme is quite concentrated within business communities surrounding the Delivery Partners. In fact, some participant businesses sent multiple executives on to the Programme, demonstrating satisfaction on the one hand but also that there may be a need for the Delivery Partners to reach out more broadly in the future, to firms who fall outside of their local business communities. The findings may also demonstrate a need for marketing activities around the Programme to be accelerated at a national level. For example, a small proportion of the participant sample (10%) first heard about the Programme through direct mailing.

Figure 9: How did you first find out about the programme?

Through a recommendation by business contacts	51%
Through a recommendation by external advisers	15%
Networking event / group	12%
Through direct mailing	10%
Through attendance on a similar programme	8%
Internet search	5%

N= 61 PtP participants surveyed.

Industry Partner interviewees expressed a need for more sustained and deeper PR to be involved in expanding the reach of the Programme in future. One Industry Partner interviewed felt that more intensive promotion of the Programme would lead to greater take-up and the possibility of expanding to more cohorts, as well as to helping to bolster recruitment efforts. Some felt that BtB was well positioned to deliver this enhanced publicity at a national level in order to drive up engagement beyond existing university networks.

In relation to recruitment, Delivery Partners felt that the Programme 'only appeals to a small group of people' which, when coupled with the fees required, makes it hard to reach new audiences. One of the interviewees felt the current approach to marketing the scheme is too general, and that by taking a more targeted approach new interest, outside of the Delivery Partners' networks, could potentially be developed.

Delivery Partners reported that the experiential and practical components of the Programme stand out to prospective participants. The opportunity to create a peer network and be accountable to one another was also seen as an important component of the Programme that should be built on in subsequent marketing endeavours.

In a similar vein, peer to peer promotion of the programme was felt to be particularly effective, with some Delivery Partners making use of 'stories' shared by past participants. Delivery Partners reported that

having alumni of the Programme speak at an event on the impact it has had for their business is a compelling way of communicating the benefits of the Programme.

One interviewee explained their university had developed local networks which had provided a pool of engaged firms based nearby from which to recruit. Their university had also recruited through other programmes that the business school provides. This suggests that some firms participating in PtP are also accessing other training programmes elsewhere.

2.4 Programme effectiveness

The following section comprises analysis from the evaluation survey as well as insights captured through interviews with Delivery and Industry Partners involved in delivering the programme.

The majority of respondents (74%) strongly agreed or agreed that the Programme had provided them a package of support they could not have accessed elsewhere. Just 8% of respondents disagreed or strongly disagreed.

This finding is consistent with other results reported in this section of the report; there are high levels of satisfaction across most of the course components indicating that participants surveyed are highly content with their experience of the Programme.

The Programme's distinctiveness, with an engaging environment in which people are keen to participate and share their experiences was also highlighted through the participant interviews. It was felt that the exchange of knowledge and ideas among peers offers a form of learning not obtainable through more traditional approaches to training.

"It wasn't, like a typical approach or a typical lesson... or a classroom; it was always very dynamic, with [the facilitator] involving everybody."

Figure 10: To what extent do you agree with the statement "The PtP programme has provided, or will provide, a support package that I could not have got from another source?"
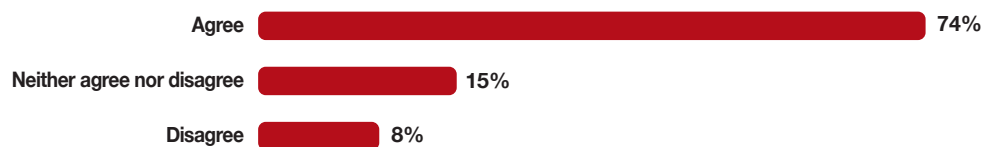
N= 61 PtP participants surveyed.

2.4.1 Feedback on components of the course

Survey results indicate broadly positive feedback across PtP course components.

Almost all participant survey respondents (97%) considered the learning modules to be effective or highly effective[15]. This indicates that the core content taught on the Programme is felt to be of value to the participants. The learning modules include sessions and teaching on leadership, innovation and technology and communication.
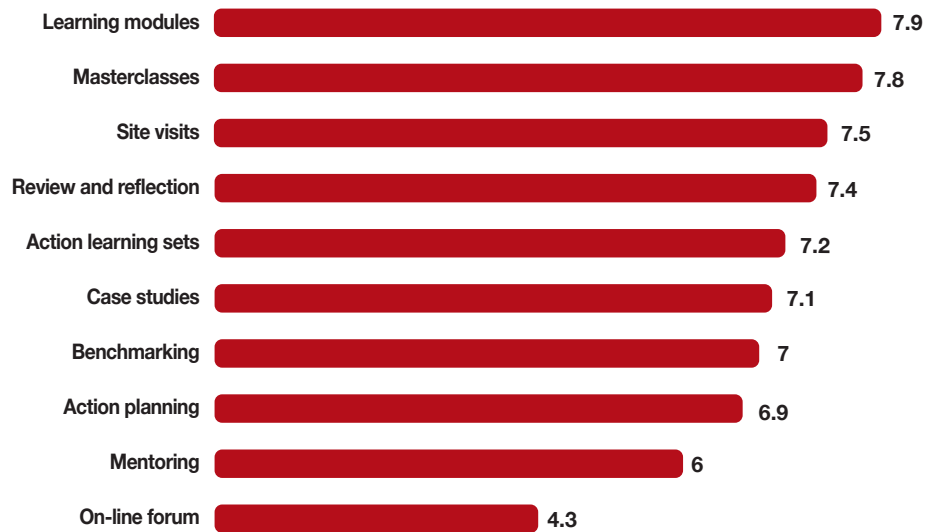
Furthermore, 79% of the participant sample rated the benchmarking assessments as effective or highly effective, highlighting that participants viewed the process of evaluating their own managerial strengths and weaknesses in order to be able to improve very positively.

The industrial visits build on the theoretical components of the course by illustrating the modules with practical insights. They are provided by the Industry Partners and tie in directly with specific themes that feature within the Programme. The majority of participants (87%) rated the industrial visits as effective or highly effective. This positive feedback is evidence that the more practical components of the Programme, outside of classroom learning, were perceived as helpful by participants surveyed. Site visits are emblematic of the Programme's approach and indicate that when the underpinning rationale of the Programme's design is translated into tangible learning activities, these are valued by participants.

Overall, the majority of the content included within the Programme was well received by the participants surveyed. Alongside considering the mean scores above, recognising that average scores may be skewed by particularly low or high values, the proportion of participants surveyed who ranked modules as effective or highly effective (i.e. the proportion who rated a component between 6 and 10 out of 10) were also considered.

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[15] Participants were asked to score each component on a scale from 1 to 10. We use 1-2 to indicate 'not at all effective', 3-4 'not effective', 5 'neutral', 6-7 effective and 8-10 highly effective.

Figure 11: Mean scores for PtP programme components

Component	Score
Learning modules	7.9
Masterclasses	7.8
Site visits	7.5
Review and reflection	7.4
Action learning sets	7.2
Case studies	7.1
Benchmarking	7
Action planning	6.9
Mentoring	6
On-line forum	4.3

N= 61 PtP participants surveyed.

It is interesting to note that this changes the relative ranking of some components of the course in relation to one another as indicated in Figure 11.

2.4.2 Learning Modules

The Learning Modules within the course were consistently well regarded, with 97% of survey respondents considering them to be effective or highly effective.

This was supported by the findings of the qualitative interviews. Interviewees highlighted

modules relating to employee engagement and communication as being particularly helpful in enabling them to get the best out of people:

"It was very relevant because we are a labour intensive business. The sales per head of the business is sort of at a low level so getting the best out of our people is the difference between success and failure."

"The delivery of the communication and … the empathy that's involved as well – that was spot on. I just really enjoyed that because it emphasised… the bits that I haven't been taking on board, that I should know."

Figure 12: Percentage of respondents who rated course components as 'effective' or 'highly effective'

Component	Percentage
Review and reflection	97%
Learning modules	97%
Industrial visits	87%
Action planning	82%
Masterclasses	79%
Action learning sets	77%
Company case studies	75%
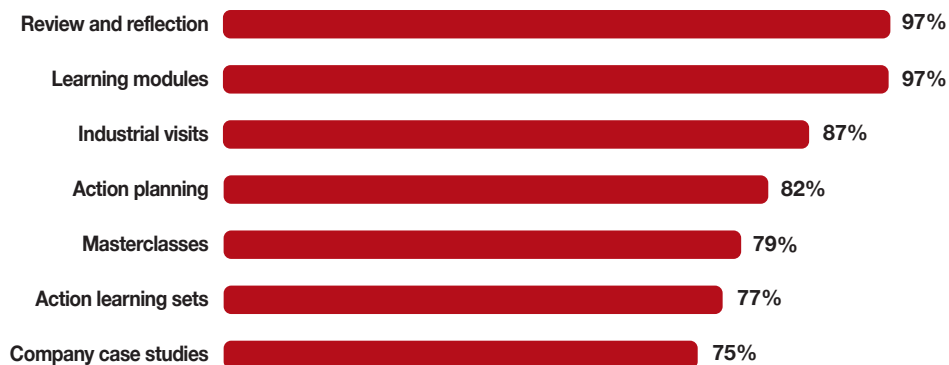
N= 61 PtP participants surveyed.

This closely reflects interviewees' reported motivations for joining the programme, with a focus on developing their people skills and ability to engage their staff through enhanced management techniques. It would appear that modules centred on leadership and staff engagement were of greatest value to delegates.

2.4.3 Mentoring

Some interviewees clearly valued their experience of mentoring within PtP. They reported that their mentor's guidance helped them to reflect on their own managerial approach, and they valued the insights and experience their mentor was able to share. Interviewees underlined the benefit they experienced from discussing issues with someone external to the business who has a broad business outlook and experience:

"I left thinking that sometimes we overcomplicate things too much. Yes they are a multimillion pound company but they have a lot of the same challenges that [we] have, which was quite reassuring. I left that visit feeling good about myself and that we are doing some good things."

Some continued to see their mentor after they had completed PtP. One interviewee invited their mentor to visit them at their factory after they had completed the Programme for a tour of the site and a discussion about the learning they'd been able to implement. Another had brought their mentor on to the company's board, as a Non-Executive Director after completing the programme.

However, nearly one in three (31%) participants surveyed felt mentoring was 'not effective', or 'not at all effective', and the proportion who considered it to be highly effective (28%) was lower in comparison with other course components. While it's expected that some degree of dissatisfaction with mentoring could be attributed to a personality mismatch, these results indicate that for several participants, experiences of mentoring didn't align with expectations. This was reflected through the qualitative interviews, with participants identifying the following issues:

- An unsuitable mentor-mentee match
- Logistical hurdles
- Lack of time

Some expressed frustration that their mentor was not a good fit. One interviewee was hopeful of being matched with a senior director or operations executive but found that they were paired with someone who had more experience with the commercial aspects of business. One interviewee had informed the course provider that their assigned mentor was not a good fit, but was not re-assigned a new mentor.

"I just sat there thinking, mine was completely irrelevant, you know. If there was a little more research done into who I am and the company, and matched me with someone similar. Or the next step up, saying [my company has] 19 employees, [the mentor has] 100, and have gone through the same process – expanding from 19 to 100 - that would have been more relevant and I would have jumped at the opportunity."

The evaluation found marked variation in how Delivery Partners approached mentoring, with some recruiting practitioners as mentors, while others enlisted Industry Partner representatives. This may indicate a need to develop a standardised approach to mentoring across cohorts and Delivery Partners, for example reaching a consensus regarding the role of mentors, responsibilities of mentors and mentees and the outcomes mentees can reasonably expect.

Another interviewee reported that while their mentor was clearly well-informed, interactions between them were generalised, consisting of informal discussions without specific goals. Evidence indicates that clearly defined objectives, proposed by the mentee and honed and agreed with the mentor, are crucial to an effective mentoring relationship[16]. Beyond matching delegates with mentors, the Delivery Partners should set out guidance concerning what processes should be followed so that a structured approach can be taken to the mentor-mentee relationship.

[16] The Chartered Management Institute (2011) Mentoring in Practice Checklist https://www.managers.org.uk/~/media/Files/Campus%20CMI/Checklists%20First%20Job/Mentoring%20in%20practice.ashx

In addition, practical challenges had impeded some participants from meeting regularly with their mentor. One interviewee's mentor was based a five hour drive away. An in-person meeting would have required an overnight stay and therefore meant sacrificing both time and finances to hold a face-to-face conversation. Another reported that there had been difficulties arranging regular meetings with their mentor:

"…the mentor I had, she was extremely capable and knowledgeable, but I know she was under a lot of time-constraints at her job"

These challenges may be mitigated to some extent by greater use of videocalls in place of in-person meetings following the COVID-19 pandemic. This could potentially enable Delivery Partners to collaborate in delivering mentoring programmes, allowing them to recruit from a wider, shared pool of prospective mentors, and as a result, facilitating a more targeted mentor-mentee matching process.

A common theme emerging through the findings on mentoring is the importance of the mentee's sincere and consistent investment in the process. An interviewee who had difficulty scheduling regular meetings with their mentor explained:

"It didn't really matter to me because it wasn't why I was doing the course. So for me, it… didn't add any real value."

Mentoring is time intensive for mentors, mentees and Delivery Partners involved in coordinating the scheme. To maximise the value of mentoring within PtP, Delivery Partners could trial offering mentoring as an optional component of the programme, available exclusively to participants who feel it would benefit them, are willing to commit to regular meetings, and are able to clearly define key areas of focus or goals to work towards from the outset. This would stand to improve the experience of mentees and mentors alike, and would potentially increase Delivery Partners' capacity to take a more targeted approach to mentor matching.

2.4.4 Online forum

Delivery Partners provide an online forum to communicate with participants, and foster peer-to-peer communication and information sharing. Just 8% of respondents rated the online forum as highly effective, and 26% rated it as effective. This could indicate that respondents preferred face to face engagement over digital routes, or that participants made use of alternative forms of engagement that were not captured by this survey.

Significantly, a fifth (21%) of respondents selected 'don't know' when asked about the online forums, which may indicate a lower level of familiarity with this component of the Programme.

This was reflected through the qualitative interviews, with those who were familiar with the online forum reporting they hadn't made use of it, but had used other forms of communication to maintain contact with their peers:

"It just didn't feel like the right way to communicate and share information. Almost a bit too formal. I feel like people would - you know, I would send WhatsApp messages and emails or pick up the phone and just talk to those individuals that may be able to help me; you know, a bit more like that."

Echoing this, another interviewee felt the forum wasn't helpful for encouraging dialogue with fellow course members, given the range of less formal discussions that they had already been engaging in. However, in light of the physical distancing measures introduced in response to COVID-19, online engagement will have been an increasingly important dimension of the Programme for 2020 cohorts. Be the Business and Delivery Partners should review engagement with and feedback on the online forum from those who have most recently completed the programme alongside these evaluation findings when planning programme delivery for future cohorts.

2.4.5 Action Learning Sets

The action learning sets form a structured approach to peer-learning in small groups. The survey found participants valued this component of the course, with 77% of respondents rating them as effective or highly effective.

For many of the interviewees, the action learning sets were central to their learning experience. The opportunity afforded by the action learning sets, to delve into a topic through deep conversation was reported as very helpful. Indeed, for multiple interviewees, the process of discussing issues at length led to new insights, learned in a way that would not be possible within a classroom-based approach to teaching.

"I liked the format because it was…only four of us, and it was the opportunity to air a real-life work issue with people who have no idea about the mechanics of your business but can help you unpick and really understand about why this is an issue and what you can do about it, without them just telling you."

"I still speak to the peers from the learning set today. I spoke to them yesterday about a situation we're going through at the moment. That was really good because it was a smaller group, you could basically share everything that you wanted to. It was almost like therapy. You could just go and say what you needed to say. They'd question you on it, challenge you on it and ultimately support you on it."

In order to maximise the benefits of the action learning sets, interviewees expressed the importance of developing trust within groups. On the basis of strong relationships, delegates would feel able to be candid with the delegates they were grouped with for the action learning sets.

One delegate outlined how continuity among the action learning sets was an important factor, as this allowed for trust to be developed through familiarity between the participants, built up over time. Some interviewees suggested that future action learning sets should focus on fewer topics in greater depth. Another suggested bringing together the same group of peers consistently for a series of learning sets rather than changing the groups between sessions.

Another issue expressed through the interviews was the danger that some action learning set groups could come to be overly dominated by a single delegate, which can detract from the learning experience.

2.4.6 Site visits

Overall, the industrial visits were well regarded among survey respondents, with 87% considering them to have been effective or highly effective.

For some interviewees, these visits were valuable in bringing to life the practices that they had been learning through the Programme. Interviewees also expressed a degree of encouragement and even inspiration that could be drawn from witnessing first-hand how a large multinational business has grown, approached transformation or spurred growth. This was particularly the case where delegates sensed that there were similarities that could be drawn on, in terms of the change that the site visit company had undergone and their own firm, despite differences in scale.

For many of the interviewees, it was clear in their feedback on the site visits, that aspects of employee engagement are much more tangible through site visits where it is possible to see first-hand how development has been approached by organisations – than compared to classroom learning. For these interviewees, this practical dimension of the Programme was one of the things that they valued most about it and set it apart from other forms of training.

As expressed through the interviews, for some delegates the experience of witnessing directly some of the content delivered in the course was invaluable, and generated new ideas for their business in the experience of witnessing directly some of the the content delivered in the course through site visits was invaluable.

"I came away from that with a lot of ideas. I think in the three hour drive back I'd already worked out what I wanted to do and a plan as to how I was going to introduce it slowly over time."

Because the industrial visits are usually provided by larger firms, some participants interviewed struggled to see how to translate the experience to their own company's operations.

"They were interesting and I was really pleased that we did the site visits but they were sometimes of less value in terms of take away so I can't say I went to [large corporate business site] and came back and took that learning on-board."

2.5 Delivery and Industry Partner perspectives

2.5.1 Engagement between Delivery and Industry Partners

Looking to the way in which site visits were coordinated between the Industry and Delivery Partners, there were some challenges that speak to broader patterns of engagement between the two. Delivery Partner stakeholder interviews revealed that where a member of staff at the Industry Partner moves on, the Delivery Partner needs to attempt to forge a new relationship, which can prove difficult. On one occasion this led to a site visit hosted by an Industry Partner not being repeated for a subsequent cohort. These challenges indicate a potential role for BtB to provide more coordination between the Industry and Delivery Partners, in advance of further scaling of the Programme to ensure that programme continuity can be provided in instances of staff turnover.

More broadly, there was some variation in roles that Industry Partners played in the planning and delivery of the Programme across the Delivery Partners. One Delivery Partner interviewed outlined how their Industry Partners provided input on programme design, and based their involvement around the mentoring and leadership themes. Other Delivery Partners reported that engagement with local Industry Partners had been more focussed on Programme content and funding.

Some Delivery Partner interviewees were surprised that the Industry Partners were not more involved in the Programme. One Delivery Partner outlined how the Industry Partner they were working with initially wanted to be involved in recruitment, and planned to engage their own business pool, but this was not feasible within the given time constraints, and as a result, the university that took sole responsibility for recruitment of subsequent cohorts.

Clearly, some Industry Partners will want to be more involved in aspects of the Programme's design and delivery than others, and therefore a degree of variation and flexibility is to be expected. Nevertheless, these reflections indicate that the development of a more strategic approach to Industry Partner engagement could be valuable. All Delivery Partners reported that Be the Business had been key to identifying and facilitating introductions with potential Industry Partners. With this in mind, BtB could be well positioned to provide more support in ongoing Industry Partner engagement, with a view to establishing longer term working relationships around the Programme.

2.5.2 Coordinating learning among Delivery Partners

While the results in this chapter show that participants surveyed reported a positive experience of the Programme, evidence from the interviews with Delivery Partners indicates that some would like to see greater coordination and leadership regarding approaches to delivering the Programme's anchor modules.

While the Programme consists of a series of core modules, several Delivery Partner interviewees called for a more consistent syllabus to be developed and delivered across the Programme. Some reported concerns regarding the extent of variation among Delivery Partners, with challenges arising where insights shaping improvements at a local level were not disseminated to others. One felt opportunities to share best practice in Programme delivery among Delivery Partners had been missed, and referred to:

"…a lacking sense of continuous innovation of learning through Delivery Partners."

It seems Delivery Partners would value opportunities to collaborate and learn from one another, and to underpin the core modules with the development of standardised resources where possible.

One interviewee felt that the programme would benefit from an organisation involved in coordination or delivery taking on a leadership role in developing and managing the programme's educational content, defining learning outcomes and developing a bank of resources for Delivery Partners to draw on. They felt this would increase consistency in delivery of the core programme across partners, while enabling continuous innovation and dissemination of best practice. They suggested that were BtB to take on this overarching educational lead role, this would facilitate the scalability of the Programme as additional Delivery Partners join PtP.

2.6 Industry Partners' experience of the Programme

2.6.1 Motivation for joining and benefits of being involved with the Programme

A key benefit of being involved in the Programme outlined by Industry Partners was its overall impact on their supply chains. One Industry Partner reported that although they did not expect a direct or tangible return on their investment, there was a more holistic benefit to supporting suppliers who in turn benefit their organisation. Another emphasised their aspiration that the Programme would provide participants with the insights and networks required to support their individual journey, equipping them with the tools they would need to have a successful career in business management.

One interviewee outlined that their company has a specific goal to contribute to improved productivity outside of their firm and that the Programme offered a good opportunity for them to contribute to this aspiration, especially with SMEs. It is clear that those firms view the development of these networks as both a commercial imperative as well as a facet of their corporate responsibility, to help develop smaller businesses and contribute towards closing the UK's productivity gap.

In addition to fostering a secure, increasingly productive and reliable supply chain, additional motivating factors for participating for Industry Partners included brand recognition and, in particular, offering Programme participants an experience-based insight into their company.

2.6.2 Working with the Delivery Partners

The Industry Partner interviewees expressed broadly positive reflections when asked about their experience working with the Delivery Partners. In the main, there were pre-existing relationships in place between the universities and the Industry Partners, which helped facilitate collaboration around the Programme.

Broadly, the Industry Partners saw their role as working collaboratively with their Delivery Partner to add insight and support, identifying course topics together, for example. One interviewee drew attention to insights they shared with their Delivery Partner concerning the 'seven drivers of workplace productivity'.

2.6.3 Working with Be the Business

The role of Be the Business in galvanising activity, focussing attention on the need to increase productivity within SMEs and to attract publicity to the Programme were all valued by Industry Partners. The role of networks, and BtB's ongoing work to develop effective networks around the productivity challenge was also valued. For example, one interviewee stated:

"I think of BtB as an overarching connector and conduit for activity."

Industry Partners felt that BtB is gaining momentum across its networks and galvanising action around their key objectives. At the same time, several Industry Partners expressed that publicity surrounding the Programme could be improved. Frustration was expressed that while:

"…the skills and training has landed it would seem – it's the reach which has been lacking."

This view was echoed by findings from the participant survey. It would appear that there is a need for discussions across the various stakeholders of the Programme to explore a new approach to marketing and outreach. This should be undertaken as the Programme enters into next phases of development.

2.6.4 Programme Governance

Feedback from the stakeholder interviews drew attention to ways in which the Programme's governance could be improved. Delivery Partners reported they felt well supported by BtB across several elements of programme delivery, including communications, operations and marketing. However, a mismatch in expectations regarding Programme Governance was felt to be a challenge by Delivery Partners. Some had anticipated that BtB would take a more proactive role in leading the Programme's management and development, and felt that this would be key to the rigour of the core programme and learning outcomes. This was highlighted in relation to the degree to which the Programme can be varied locally, which one interviewee suggested had not been monitored leading to divergence in practice between the Delivery Partners.

The need for more regular and structured communication between BtB and the Delivery Partners was expressed by the interviewees. This included both more consistent use of communication channels regarding Programme delivery between Programme board meetings, as well as greater use of updates regarding plans and progress to scale the Programme.

In this vein, some expressed frustration at a perceived decline in momentum in the Programme's expansion, with earlier plans to extend the Programme to other Delivery Partners not progressing. Delivery Partners underlined the importance of scaling the programme to maximise engagement among SMEs. They felt that growing PtP would reduce overall delivery costs, enabling a reduction in participation fees.

2.6.5 Industry Partner perspectives on programme impact

Industry Partners interviewed thought it was too early to judge what the impact of the Programme would be for participating businesses. However, the need for the Programme and its value were commented on. One interviewee drew attention to the declining availability of business advice and support for SMEs, reporting that it has halved over the last ten years, and expressed their hope that PtP should be able to help fill this gap. Alongside this, partners referred to the need for more stable funding to facilitate longer term, more strategic planning for the Programme, and felt this should be a priority for BtB in planning the next stages for the Programme.

Summary and recommendations

The results outlined in this section demonstrate that the Programme is valued by both the participants and stakeholders who engaged with the evaluation research.

There are, however, results that should spur further work on Programme delivery, marketing and expansion plans. The Programme is embedded within business communities surrounding the Delivery Partners. Many of the Programme participants surveyed first heard about the programme through an external advisor or a business contact. There is scope for broader and deeper outreach at a national level to attempt to attract a geographically wider group of businesses. The results of the evaluation suggest that outreach efforts should be centred on the Programme's unique offer: a practically-oriented programme that provides access to state-of-the-art management learning, drawing in excellent expertise from leading firms.

It is clear that respondents feel they are benefitting from the diverse content delivered within the course, as well as the various formats through which it is delivered. However, the mentoring aspect of the Programme was highlighted as an area that was less effective for participants surveyed. Be the Business and Delivery Partners should explore the processes they can implement to ensure that the mentoring component of the Programme is standardised as far as possible, and that clear guidelines are in place so that mentors fully understand the type of support and insight that they are expected to provide to mentees.

The online forums were also not considered to be as effective other parts of the Programme. This is particularly significant given the growing importance of digital learning platforms through and beyond the COVID-19 crisis. Delivery Partners may need to review the design and promotion of the forums that have been used to date and conduct new user testing to ensure it would meet both participant and facilitator needs in the context of online only course delivery.

Delivery Partners should:

- Develop a standardised approach to mentoring across cohorts and Delivery Partners, for example reaching a consensus regarding the role of mentors, responsibilities of mentors and mentees and the outcomes mentees can reasonably expect.

- Explore and monitor greater use of videocalls in place of in-person meetings through mentoring during and following the COVID-19 pandemic. This could potentially enable Delivery Partners to collaborate in delivering mentoring programmes in future, allowing them to recruit from a wider, shared pool of prospective mentors, and as a result, facilitating a more targeted mentor-mentee matching process.

- Trial offering mentoring as an optional component of the programme, available exclusively to participants who feel it would benefit them, are willing to commit to regular meetings, and are able to clearly define key areas of focus or goals to work towards from the outset

Be the Business should:

- Review where an enhanced degree of central coordination between Industry Partners and Delivery Partners could bring additional value to the Programme, considering whether a strategic approach to relationship management and centralised tools could help to ensure sustained engagement from Corporates in the Programme.

- Review engagement with and feedback on the online forum and ascertain insights about the preferred form of engagement used by participants accessing the course online from the 2020 cohorts when planning future Programme delivery.

3. Benefits to individual participants

Key findings

The evaluation has found that PtP participants have already started implementing learning from the course in practice. Participants interviewed reported they have become much more proactive in their engagement with staff, reaching out and opening up new lines of communication, which had resulted in a greater sense of openness and trust among their workforce.

In addition, benchmarking data – drawing on a guided self-assessment exercise – indicates that participants feel they have made progress across all seven of the aspects of people-centred management around which the Programme is based. Participants felt that they had seen the greatest improvements through their approach to great leadership, enabling culture and customer innovation.

This was reinforced by findings from the evaluation survey, with participants reporting they had become more engaged with their staff as a result of taking part in the Programme, communicating more regularly with their teams and reviewing their approach to worker reward and recognition. Indeed 91% of the participant survey sample reported they had enhanced employee engagement over the last financial year.

As well as enabling them to become better leaders within their organisation, participants felt the Programme has supported them to become more engaged in their local business community. 57% reported that the Programme had influenced their approach to networking. PtP participants surveyed are more external facing than Comparison Groups, and show a greater propensity to network with others to share ideas; and obtain advice on business improvements.
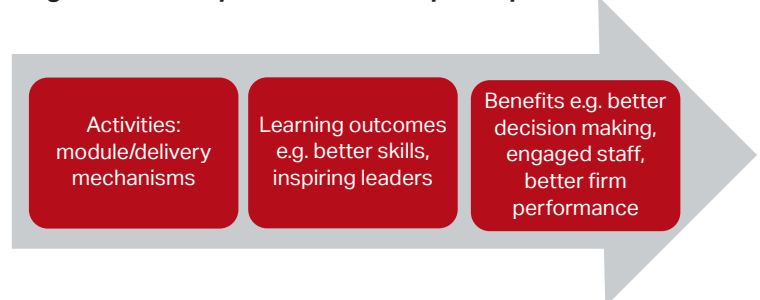
The Programme also appears to have delivered an observable, if more limited, influence on leadership behaviours beyond the people centred management practices at the core of PtP, including increased use of performance data in making decisions, and delivering more business overseas.

3.1 Introduction

Programme participants report significant benefits to their individual learning, and hence their own performance journeys as managers. As outlined in Figure 13 below, it is expected at this stage of the Programme that participants completing PtP learning activities would report a series of positive learning outcomes. Over time, as participants embed their learning into their day-to-day working practices, this is likely to lead to the realisation of tangible business benefits.

In order to assess the extent of these benefits data has been analysed from a self-assessed benchmarking exercise completed by participants as part of the Programme. In addition, an evaluation survey was delivered with PtP participants and two comparison groups.

Figure 13: Anticipated benefits to participants

Activities: module/delivery mechanisms

Learning outcomes e.g. better skills, inspiring leaders

Benefits e.g. better decision making, engaged staff, better firm performance

3.2 Participant benchmarking analysis

Across each of the Delivery Partners, participants undertake a guided benchmarking self-assessment exercise in which participants rank their aptitude across the seven dimensions of people-centred management around which the Programme is based[17]. Participants conduct the assessment at the beginning of the Programme, with this initial rating providing both the trainers and the participants an overall sense of their developmental needs. The exercise also situates participants' performance and managerial skills alongside that of their peers to compare their own managerial approach and their performance with others. This helps facilitate the development of a peer-learning environment through the use of constructive feedback that fosters trust between participants and the trainers.

The benchmarking session is delivered by a third-party provider who explains concepts and supports participants to score themselves on how well they feel they apply a given management practice within their work. The value participants see in the benchmarking exercise was captured in feedback provided within local evaluations conducted by the Delivery Partners:

"This was a really interesting and engaging session. It identified areas I knew we were weak in and caused me to think critically about my leadership and our business."

"The session has given me a fuller overview of my business at this present time and has given me an insight into the areas where I feel we must concentrate on improving."

Although feedback was provided that some of the benchmarking questions were less relevant to smaller businesses:

"It felt like some of the assessment and the examples of best practice were aimed at large organisations rather than small businesses. However, overall it gave a great understanding of the areas to consider for better productivity and it provided much food for thought on the key areas where our company can improve."

Across all the content delivered within the Programme, including the benchmarking exercise, it is important to ensure that learning and approaches taken from larger companies can be relayed in a way that is still relevant for the participants, who will mostly be from SME businesses.

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[17] Great leadership, enabling culture, customer innovation, best people, recognising performance, effective skill utilisation and aligned organisation.

3.3 Benchmarking results

The results demonstrated a positive overall influence of the Programme for participants. Underneath this broad pattern of participant development, there was some variance in the level of improvement across the cohorts but this in part appeared related to the smaller sample size of some cohorts. For example, Lancaster's third cohort contained benchmarking data for only 8 participants and similarly, Strathclyde's first cohort contained 9. It is important to note that the smaller the number of observations, the more a single observation can skew the overall picture.

Therefore, the combined scores for all Delivery Partners are reported, which provides a more robust and representative picture of the average performance of the participants.

Note: This graph is based on a comparison of individual participant data on a comprehensive benchmarking exercise conducted prior to the start of the PtP programme and again upon completion of the programme. The below visualises the skills and knowledge development that took place over the course of the programme, based on the averaged outcomes for the 109 participants across nine cohorts who completed both the entry and exit exercise. The grey line shows average scores against the 7 course components on entry and the red line indicates the average score on completion of the programme. This indicates improvements are being made across the board.

The benchmarking results in figure 14 indicate a consistent pattern of improvement across each of the seven dimensions of people-centred management, for all nine cohorts.

Figure 14: Overall benchmarking results

Average distance travelled across 9 cohorts

Averaged benchmarking results for 109 participants across nine PtP cohorts.

Figure 15: Benchmarking results by course component

Course components	Initial score average	Final score average	Distance travelled average
1) Great Leadership	4.8	6.0	1.2
2) Enabling culture	5.1	6.2	1.1
3) Customer Innovation	4.9	6.0	1.1
4) Best people	5.5	6.3	0.8
5) Recognising performance	5.0	5.8	0.9
6) Effective Skill utilisation	5.2	6.1	0.9
7) Aligned organisation	5.1	6.0	0.9

Averaged benchmarking results for 109 participants across nine PtP cohorts.

Figure 15 shows that across all nine cohorts, great leadership, enabling culture and customer innovation are the three areas of management for which participants assessed their progress to have been the greatest.

The questions asked within the great leadership section of the benchmarking assessment include whether participants are communicating with employees, leading and listening. That participants feel they have progressed on this specific measure of leadership corresponds with other findings set out in the evaluation. For example, through the survey, participants reported that the Programme has significantly influenced the extent to which they are communicating to staff. The benchmarking data indicates that participants made tangible progress on great leadership is a positive indication that they are benefitting from the Programme's strong focus on employee engagement.

Looking at the questions asked within the customer innovation section of the benchmarking exercise, these include whether participants are networking to share ideas and understand best practice, capturing and transfering knowledge and accessing R&D support. This corresponds with survey results. Corresponds with survey results outlined later in the evaluation, where participants surveyed report that the Programme had a significant influence on their approach to networking to share ideas and best practice.

3.4 Improvements in management practices influenced by PtP

Through the evaluation survey, participants were asked about the extent to which management practices had changed. Figure 16 below highlights the proportion of participants who reported that their behaviour had changed "to some extent" or "to a large extent".

Figure 16: To what extent are you doing the following differently as a result of taking part in PtP?

Category	Percentage
Regularly communicating with staff	92%
Setting clear business priorities	90%
Getting advice on business improvements	89%
Networking to share ideas and understand best practice	85%
Identifying and developing future leaders	84%
Improving the skills of the workforce	84%
Recognising and rewarding employees' work	78%
Using performance data in decision making	71%
Delivering more business in the UK or overseas	63%
Investing in capital projects	60%
Benchmarking business performance against others	60%
Developing new products and services	52%

N= 61 PtP participants surveyed.

3.4.1 Networking to share ideas and best practice

Research has found that UK SMEs in particular face a number of barriers to seeking advice, including time and cost pressures[18]. PtP was designed to address these barriers to knowledge exchange and diffusion prevalent among the UK's business community. The Programme's delivery is anchored in peer-learning, with participants supported to learn through sharing their experiences in developing solutions to business challenges with one another. Peer and network effects have been shown to help facilitate the adoption of proven technologies and management practices[19].

The results of this evaluation suggest that this approach is taking root in participating firms. Survey respondents indicated they are already taking a more externally focussed approach in seeking out advice on business improvements, with 89% reporting that the Programme had been influential on their approach to getting advice on business improvements. Just 12% felt the Programme had a limited or low influence in this

area. The majority of respondents (85%) reported that the Programme had influenced their businesses' approach to networking.

This was supported through participant interviews, with a consistent theme being the importance of the engaging and friendly learning environment fostered through the Programme. Interviewees enjoyed working alongside fellow delegates and several found that their group had gelled together well. The importance of a collegiate environment was seen as key in facilitating peer support. Interviewees highlighted that alongside the formal teaching components of the course, effective learning often also took place through informal discussion and the opportunity to explore issues with fellow delegates.

"Even just talking about [challenges]. The way I am personally, if I have a good set of people to help me come up with the answers myself that's what I like to do."

[18] https://www.bethebusiness.com/wp-content/uploads/2018/07/BEIS-HMT-long-tail-response-Be-the-Business4.pdf

[19] BEIS. Business basics: Nudging firms to improve productivity. Available at : https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/838463/nudging-firms-to-improve-productivity.pdf

These results were echoed through interviews with Delivery Partners. They emphasised that a primary draw for prospective delegates is the Programme's distinctive learning style which is varied and includes 'doing, listening, seeing'. Delivery Partners reported that the experiential and practical components of the Programme stand out to prospective participants. The opportunity to create a peer network and be accountable to one another was also seen as an important component of the Programme.

last financial year. This stands in contrast with 76% of the baseline Comparison Group and 80% of the training Comparison Group. This is particularly encouraging given that a strong evidence base indicates that an engaged workforce is a key driver of business productivity[20] [21].

These findings were reinforced through the qualitative interviews with programme participants. Interviewees reported they have become much more proactive in their engagement with staff, reaching out and opening up new lines of

Figure 17: Has your company enhanced employee engagement over the last 12 months?
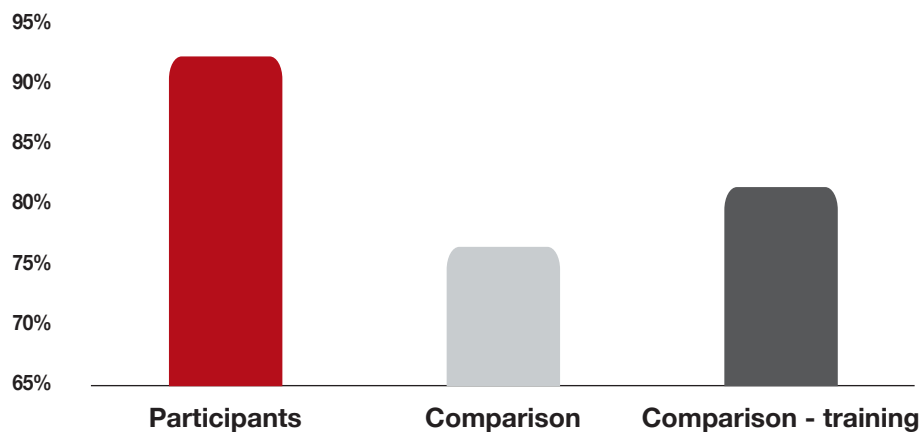
N= PtP participants, 59 Comparison Group 185, Comparison Training 108

3.5 Employee engagement

PtP emphasises the importance of people-centred management practices that seek to empower the workforce and drive improvements in employee engagement. The results of the evaluation suggest participants surveyed have improved their employee engagement to a greater degree than either the baseline Comparison Group of similar businesses, or the Comparison Group- Training, comprising a subset of this group that that have recently invested in staff training.

91% of the participant survey sample stated that they had enhanced employee engagement over the

communication. This had resulted in more positive interactions and, as was expressed by some interviewees, a greater sense of openness and trust among their workforce.

These changes appeared to have been underpinned by a cultural shift: delegates had sought to better understand their staff - reaching out to them and bringing them into planning and decision making to a greater extent. For example, one delegate had introduced 360 degree appraisals and more employer-led 'one-to-one's' informed by their participation in PtP. Another interviewee had been driven by their learning on the course to change their firm's approach to

[20] Be the Business. How good is your business really? Available at: https://www.bethebusiness.com/wp-content/uploads/2018/04/how-good-is-your-business-really.pdf

[21] Baldoni, J. (2013) Employee engagement does more than boost productivity: https://hbr.org/2013/07/employee-engagement-does-more

recruitment, placing greater emphasis on values. A third example involved improved communication about worker reward, which was well-received by staff:

"There was one particular area where we had significant improvement. The shop floor workers were quite hostile over the lack of transparency about pay reviews… we actually created a session where HR gave a presentation explaining exactly how the pay review process works and that everybody is considered. They actually really appreciated that. That was just one example of trying to remove all of the barriers that had been there for many years."

Positive shifts in employee engagement and organisational culture were often the culmination of a series of changes in management practices informed by PtP which had resulted in a significantly changed workplace over time. This was expressed by one interviewee who felt that his company was much better equipped to adapt to the challenges presented by COVID-19 because of his participation in PtP, and described the organisational changes he had implemented as a result:

"Today we have a factory with sixty people with one person who hasn't turned up … I have colleagues with factories where half the staff have turned up. I have other colleagues in multinationals where they've had to shut down because only a third of people have turned up. Now I think three years ago or four years ago if we had not … experienced, the developing the culture to work with trust, communication, engagement I think we would have a different situation today."

Furthermore, 84% of the participant sample felt the Programme had a strong influence on their approach to improving the skills of the workforce and identifying and developing future leaders.

And while slightly less markedly changed, the Programme's influence on participant approaches to recognising and rewarding employee's work is still notable, with 78% of respondents reporting the Programme had influenced their approach to recognising and rewarding employees' work.

These results suggest that survey respondents' approach to employee engagement has been positively influenced by their experience of the Programme. Business leaders surveyed are learning about the importance of an engaged and motivated workforce and how this translates to better business outcomes and increased productivity in the longer term.

3.5.1 Other ways the Programme has influenced business practices

Employee engagement was the area that survey respondents reported the most influence on their businesses practice. The results on other areas of business are more mixed. While the development of products and services is not a direct part of the Programme's content, it is interesting to note that more than a quarter of participants surveyed (28%) reported the scheme had influenced their working practice in this area, while half (49%) felt it hadn't.

Respondents were also less likely to report that PtP had shaped decisions regarding the geographical reach of their business; using performance data in decision making, and whether their businesses were investing in new machinery, digital technology or other capital projects[22]. However, many firms still report positive developments in these areas despite such investments and business operation changes being costly decisions, which may need to clear more internal sign-off procedures before implementation. These changes are also more contingent on other external factors such as access to investment. These results reinforce the expectation that the Programme's value to participants lies in driving improvements in the people-focussed, management and business practices that are at the core of its design.

It will be key to observe the relationship between elevated employee engagement and levels of HPW through further iterations of the evaluation , considering this alongside other business practices for which the results show a less salient influence, such as investment in new services and products. It would be reasonable to expect that a more engaged workforce would in time lead to related business development.

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[22] Benchmarking business performance against others and setting clear business priorities are the two other aspects of business practice that participants were asked about in relation to the extent that they are or aren't doing things differently on account of PTP.

3.6 Summary

The evaluation results show participants are already deriving benefits from their experience of PtP. Aggregated benchmarking data gives an encouraging overview of participants' sense of progress – across all cohorts and Delivery Partners, participants are consistently reporting positive distanced travelled for all areas.

In addition, survey respondents report that they are evolving their own working practices as a result of the Programme. Participants surveyed reported the Programme's focus on peer-learning had been a strong influence on their own approach to engaging with others. This was evident in the extent to which they reported that their businesses were networking to share ideas and understand best practice; as well as seeking out advice on business improvements as a result of participating in PtP.

A majority of respondents reported they had become more engaged with their staff as a result of taking part in the Programme, communicating more regularly with their teams and reviewing their approach to worker reward and recognition.

This may indicate that the cultural, 'softer' aspects of the programme are particularly impactful, and that participants are benefitting from these as well as the direct teaching experience.

This is particularly promising given the close relationship between people-centred, High Performance Working practices and productivity[23]. Evidence suggests that take up of these practices is particularly low in smaller firms and within certain sectors including manufacturing, and construction,[24] and that driving improvements in these areas will be crucial to addressing the long tail of low productivity.

In other areas, such as investing in new machinery, digital technology or other capital projects, or using performance data in decision making, the Programme's influence is less clear for many participants surveyed. This may reflect the Programme's strategic focus on embedding HPW practices over other approaches to productivity improvement, such as technical innovation.

[23] UKCES (2009) High Performance Working: A key synthesis of the Literature

[24] UKCES (2017) UK Employer Skills Survey

4. Benefits to Businesses

Key findings

Encouragingly, a high proportion of respondents reported that not only was the Programme driving improvements to their approach as a business leader, but also that this in turn was already starting to drive improvements in performance for their business.

Among participants interviewed, several reported that greater employee engagement and improved organisational culture had translated into improvements in efficiency and productivity, in turn driving up business performance. Some had already implemented PtP tools such as Key Performance Indicators, daily visual representation of output and competitor analysis tools within their business, and reported these had helped to provide focus and drive improvements in efficiency.

Participant firms were more likely to use a range of people centred management practices than Comparison Groups, including creating teams of people who don't normally work together, conducting training needs assessments, and maintaining ISO 9000 standards. Participants surveyed were also more likely than the Comparison Groups to use pay and incentive schemes, identify high potential individuals and allow employees to have discretion over the work.

Positive business outcomes were also reported through the survey. Since participating in PtP, more than three quarters (78%) of participants had created additional jobs within their business. In addition, 80% had made a profit after completing the programme, and many reported increases in turnover that they would attribute to their participation in PtP.

4.1 Introduction

The evaluation survey provided new insights about organisational practices implemented by participating firms. As per the Be the Business logic chain, it is anticipated that over time, the benefits to participants outlined in the previous chapter will lead to improved outcomes for their firms.

Figure 18: Business performance journey
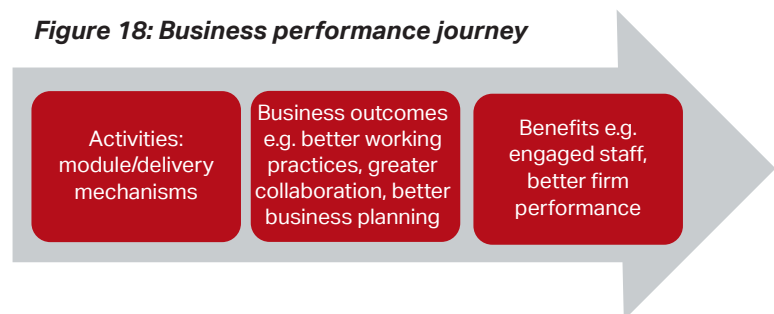
The survey asked respondents about their firm's performance over time, and invited responses regarding the extent to which participant firms were embedding the working practices that are central to PtP[25]. Encouragingly, a high proportion of respondents reported that not only was the Programme driving improvements to their approach as a business leader as outlined within the previous chapter, but also that this in turn was already starting to drive improvements in performance for their business.

In particular, the motivation to become a better leader and manager of people came through strongly across the qualitative interviews. The need to improve 'soft skills' and to become better equipped at handling workforce issues was clearly a driver for the interviewees in their decision to take part in the Programme.

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[25] The response options align with those considered in the previous chapter: improving the skills of the workforce, setting clear business priorities, regularly communicating with staff, etc.

4.2 High performance working practices

The participants surveyed reported higher levels of take up of HPW practices than both Comparison Groups, as outlined in Figure 19 below.

Figure 19: Does your business use any of the following practices?
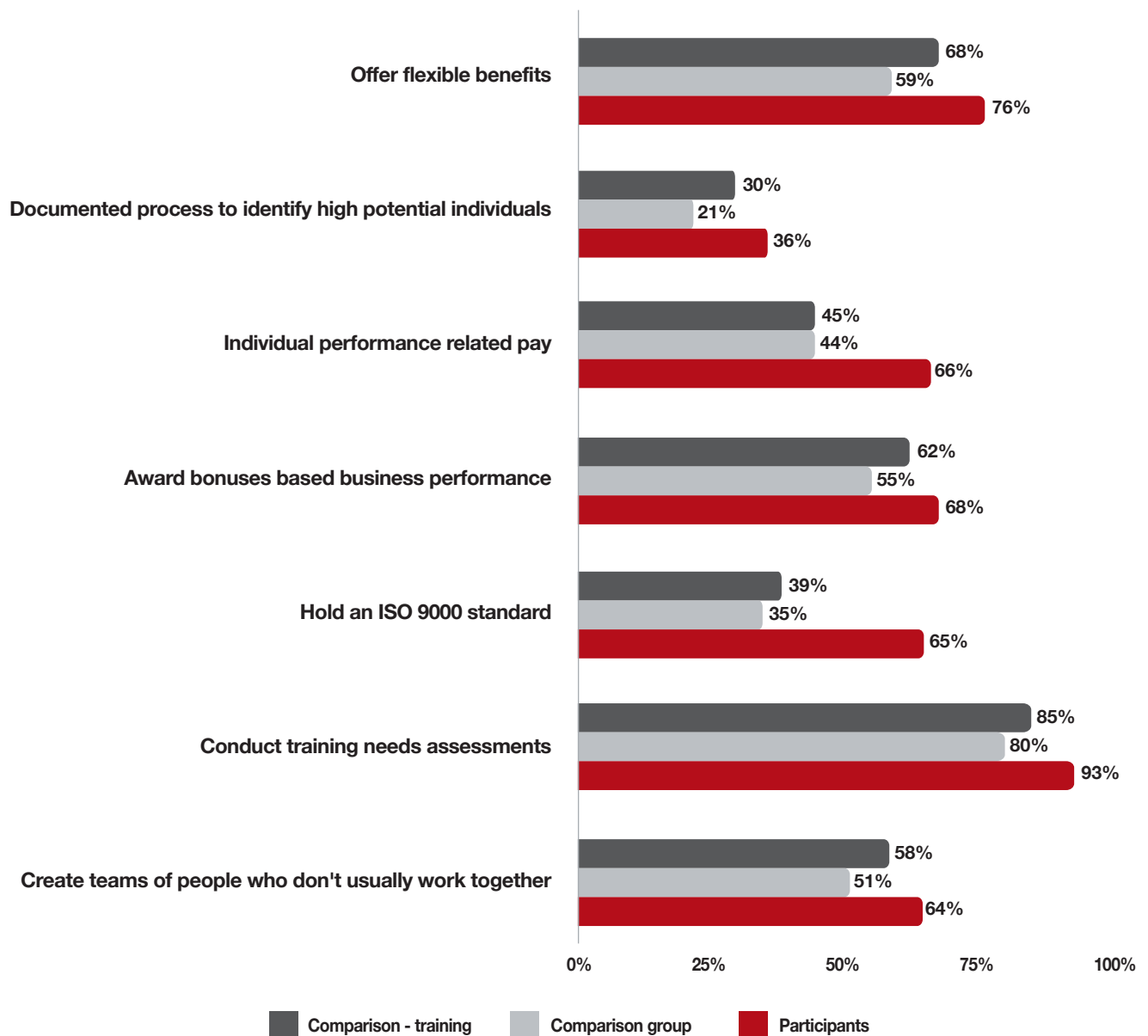
N= PtP participants 59, Comparison Group 185, Comparison Training 108

Two thirds of PtP participants surveyed (64%) reported their organisation creates teams of people who don't usually work together. This compares with half (51%) of the baseline Comparison Group and 58% of the training Comparison Group, suggesting that firms investing in staff training are more likely to see the value of focussed collaborative project work.

We can see a large, statistically significant divergence between participants surveyed from Lancaster and Strathclyde. 57% of Lancaster respondents stated that they create teams of people who don't normally work together, compared with 95% of the Strathclyde sample. This may be related to the larger average firm size at Strathclyde compared with Lancaster. Due to the particularly low sample sizes for participants at Bath and Aston, it hasn't been possible to include crosstabulations on the specific experiences of participants at Bath or Aston in this analysis.

Evidence shows that the use of training needs assessments impacts positively on employee performance[26] and 93% of participants surveyed have implemented them compared with 80% of the Comparison Group, and 85% of the Comparison Group – Training.

Alongside conducting training needs assessments, organisations which take a proactive approach to talent management have been shown to out-perform competitors. Identifying high potential individuals is key to this, and is the basis from which a tailored approach to professional development can be developed.

This will help to ensure that individuals who bring greatest value to an organisation sustain high levels of motivation and engagement, and will support a business to take a strategic approach to people management that aligns with business objectives over the longer term.

Using processes to identify high potential individuals from within their business is a practice that is more prevalent among the survey participant respondents (35.6%) than both of the Comparison Groups (21.4% and 29.8%), both in terms of documented and informal approaches to this. Such processes suggest there are upward paths of career progression for people working in the organisation, which is important for retention, work satisfaction and productivity.

ISO 9000 is a set of international standards on quality management and quality assurance developed by the International Standards Organisation. Working towards and upholding certification in ISO 9000 is a High Performance Working Practice associated with driving up business productivity; for example, evidence shows that where SME manufacturers implement ISO 9000 standards, this makes a significant difference on firm performance, impacting positively on management systems.[27]

There is a more significant difference between the participants surveyed and the Comparison Group in take up of the ISO 9000 standards. Nearly two thirds of participants surveyed (64%) held these standards compared with just 35% of the Comparison Group. This difference only slightly reduces when looking at the Comparison Group - Training (39%).

However, on other elements of HPW, the differences between the participants surveyed and the Comparison Groups were smaller. For example, only 54% of participants surveyed have formal employee consultation processes in place, compared with 51% in the Comparison Group, and 53% for the Comparison Group - Training. The same degree of similarity between the participants surveyed and the Comparison Groups can be observed when looking at whether respondents' organisations have an equal opportunities policy, an annual training plan, a training budget, or whether they consult with trade unions for reasons other than negotiations about pay and conditions.

[26] Mahmud et al. (2018) Impact of training needs assessment on the performance of employees: Evidence from Bangladesh. Available at: https://www.tandfonline.com/doi/full/10.1080/23311886.2019.1705627

[27] Koc (2007) The impact of ISO 9000 quality management systems on manufacturing. Journal of Materials Processing Technology. Vol. 186, issues 1-3, pages 207-213. Available at: https://www.sciencedirect.com/science/article/abs/pii/S0924013606011769?via%3Dihub

4.3 Pay and incentives

Evidence demonstrates that performance-related pay and incentive schemes are less likely to be utilised by SMEs in comparison with larger firms, but where they are used, they can bring large returns[28].

PtP participants surveyed also reported higher take up of pay and incentive schemes, identifying high potential individuals and allowing for employees to have discretion over the work. This indicates that the participant business leaders are concerned with ensuring their workforce is motivated and engaged, with rewards and development opportunities available.

4.4 Employee discretion over their work

Programme participants surveyed report that their organisations are far more likely to offer their staff discretion over their work. 40% of the participants surveyed reported that their colleagues have discretion over their work to a large extent, compared with 29% of the Comparison Group and 29% of the Comparison Group - Training.

There is a marked difference on this question between the respondents who undertook the course at Lancaster and those who did so at Strathclyde, with 54% of Lancaster respondents stating that employees in their businesses have a discretion over their work to a large extent, compared with 26% at Strathclyde.

Figure 20: To what extent would you say colleagues at your organisation have discretion over how they do their work?
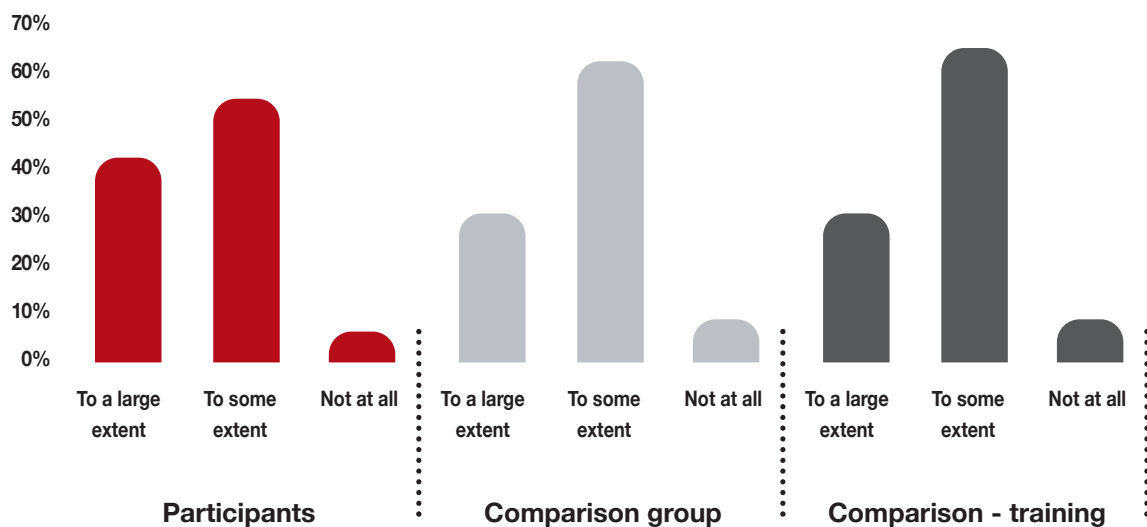
N= PtP participants 59, Comparison Group 185, Comparison Training 108

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[28] Bryson & Forth (2018 The impacts of management practices on SME performance. Available at: https://www.niesr.ac.uk/sites/default/files/publications/DP488_0.pdf

This could also be associated with differences in course content between Delivery Partners. This was reflected through the qualitative interviews with participants. Interviewees reported taking a more facilitative approach, empowering their staff:

"And I think what I got out of it for the most part, it was about helping, if you've got a problem to solve in the business, jumping in and giving someone the answer isn't always the best way to go about that. It's more about you know taking a step back, reflecting and challenging the person with the problem to think about things in a slightly more rounded way. I'd say that was the key takeaway from the course."

Another interviewee felt that their managerial style was now more deliberative than directive, explaining that they sought input from their teams in order to make best use of their time:

"…I would say it's the importance of bringing on board your team and exploiting what they might know and you don't know. So you need to forget what you might know and ask them because it's very illuminating as to what they know that you don't know or the assumptions that you make that aren't right."

4.5 Financial Performance

Participants report better financial performance than those in the Comparison Groups in relation to turnover over 2018-2019 financial year, the most recent financial year before the fieldwork period.

70% of the participant sample reported that they had increased their turnover over the last financial year, in comparison with just under 62% of the main Comparison Group and 57% of the Comparison Group - Training.

A similar trend can be identified through firms' financial position over the past financial year. The participant sample were more likely to report that they have made a profit or surplus during this period – 80% of respondents said that they had made a profit or surplus compared to 66% of the Comparison Group, and 70% of the Comparison Group - Training.

Conversely, a lower proportion of the participant sample made a financial loss over the past financial year: 3% of the participant sample, compared with 8% of the Comparison Group and 7% of the Comparison Group - Training.

This was reinforced by the data matching exercise, which found a 5% increase in productivity at the aggregate level for PtP participant firms between the year prior to and the year following their participation in the programme. By contrast, businesses within the Comparison Group saw a fall in productivity of 15.7% between 2015 and 2018. [29]

Figure 21: Has your company increased turnover over the last financial year?
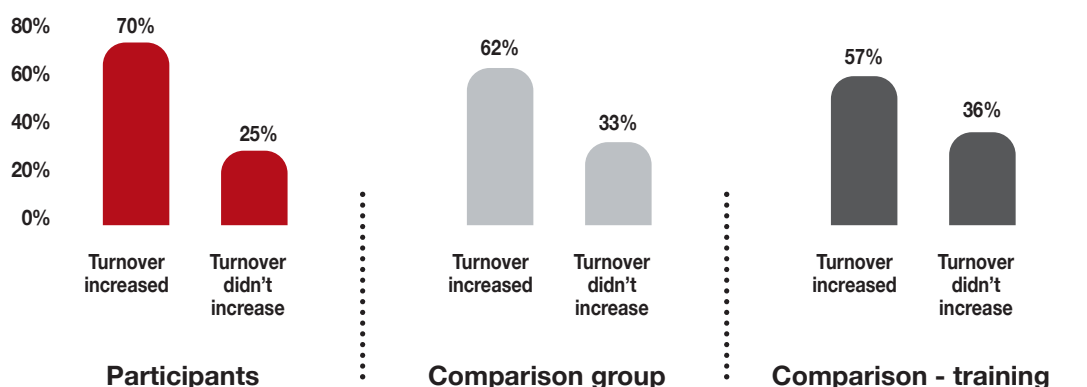
N= PtP participants 59, Comparison Group 185, Comparison Training 108

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[29] Due to lags in data being added to the Business Structure Database, complete data was available for businesses within three PtP cohorts, relating to 46 firms. Data for 2016 and 2017 used for the pre-participation period, and data for 2018 and 2019 used for the post participation period.

4.6 Job creation[30]

Participant survey respondents reported higher levels of job creation over the past year than either Comparison Group. 78% of the participant survey sample stated that they had created additional jobs over the past financial year, while 63% of the Comparison Group and 64% of the Comparison Group – Training stated they had created additional jobs during this period.

Furthermore, at the time of responding, 92% of the participant survey sample expected to create additional jobs over the next three years, indicating that programme respondents have clear ambitions to grow their businesses in the future.

A notable number of the respondents deemed that the Programme had been influential in their business being able to grow and create new jobs. More than half (53%) of businesses reported that the Programme had influenced the creation of 1-5 new roles.

4.7 Productivity and efficiency

Interview participants reported that greater employee engagement and improved organisational culture had translated into improvements in efficiency and productivity. For example, several interviewees reported they had developed new performance metrics and analytical systems informed by the Programme's focus on monitoring business performance.

"What I got from it was huge, and it really sort of provided the foundation for a lot of the things we do and we monitor and measure. For example, I've just literally finished a customer survey, which was something I just picked up on the course…"

"…some of the things like being able to measure your productivity or putting in measures so you know if things are improving or not, that is something that I'm certainly more bought into than before."

Figure 23: How many additional jobs has your company created as a result of participating in PtP?
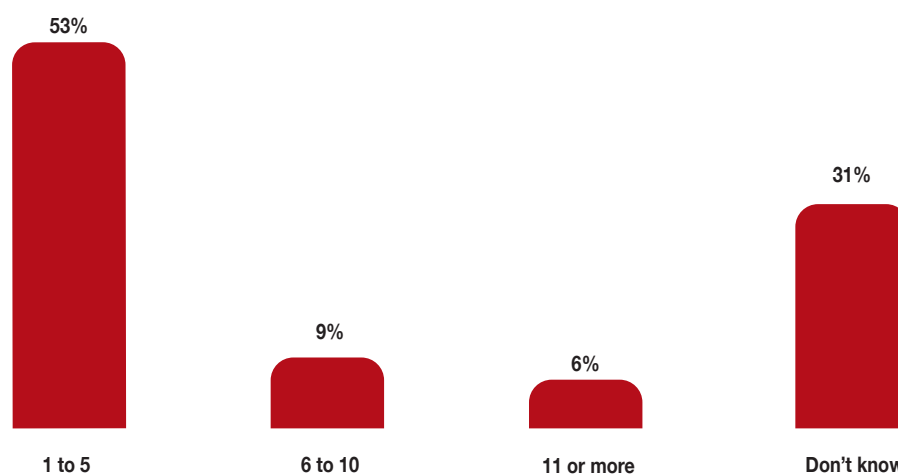
N= 59 PtP participants surveyed.

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[30] The academic evidence on the relationship between productivity and job growth is mixed. Research undertaken on the US labour market shows that rapid productivity growth does lead to higher employment in the manufacturing sector. See for example Norhaus (2005) The Sources of the Productivity Rebound and the Manufacturing Employment Puzzle
https://www.nber.org/digest/nov05/w11354.html
Yet, productivity gains can also result in reduced job creation, with streamlined processes or technological innovations may reduce a business' staffing requirements (Walsh (2004) The Productivity and Jobs Connection: The Long and the Short Run of It)
https://www.frbsf.org/economic-research/publications/economic-letter/2004/july/the-productivity-and-jobs-connection-the-long-and-the-short-run-of-it/

Interviewees expressed how the introduction of new business performance measures such as Key Performance Indicators had helped to foster a culture of continuous improvement within their business. The use of daily visual representation of outputs was something that interviewees had brought into their business as a direct tool from the Programme, and it helped to provide focus and improve efficiency within the business.

Another interviewee had adopted the Programme's proposal to use a competitor analysis tool. The interviewee felt using the tool had effected broader changes within the company's practice, beyond market insight, in that it had opened up communication channels and encouraged participation in strategic discussions. The tool provided a means through which decisions could be systematically arrived at through deliberation, which provided clarity and increased efficiency:

"[The Competitor Analysis Tool] removes any kind of emotion…which then opens up communication again because people are willing to put ideas forward and you can instantly go on a sheet of paper, a whiteboard, okay right, what's your idea? Well okay, where's your competitors – there. And it's a visual clue for them to make up their own minds. So it's coming back and saying well, actually you know I still think I'm right. Or going back and saying, actually, no, these positions show that's wrong."

Another interviewee outlined how they were in the process of introducing a new Content Management System into his business, in part driven by taking part in the Programme. This will effectively remove all paperwork from receiving, processing and dispatching orders, with an anticipated 5-10% increase in profits as a result.

Alongside this, interviewees cited a series of ways in which management practices implemented as a result of the programme had driven efficiencies or improvements in productivity. One delegate outlined how their changes in management practices had led to a fall in absenteeism which had in turn impacted positively on company productivity.

Another reported that having empowered employees to take on a greater degree of responsibility, staff had now taken greater ownership over their work, which had led to greater efficiencies and improved productivity. An interviewee emphasised the importance of improved lines of communication being developed following their participation in the Programme:

"We've seen some great improvements in terms of the internal comms, which undoubtedly will help in productivity because we're making decisions together, better, faster."

As outlined within the Be the Business Logic Chain (see section 1), it is too early to observe the full impact of changes in productivity among participants in the PtP programme. However, as part of this stage of the evaluation, it is worth noting that both the participants and Comparison Groups surveyed stated that they have seen improvements in productivity and efficiency over the year prior to completing the survey. This was marginally higher among respondents from the participant group - at just under 90%, compared with 85% of the Comparison Group and 86% of the Comparison Group - Training.

A more pronounced differential between the participant survey respondents and the Comparison Groups can be found in looking at reductions in productivity over the same period. Just over 3% of the participant survey sample stated that they had seen a reduction in the businesses' overall productivity and efficiency over the past financial year, compared with just over 12% of the baseline Comparison Group and just under 15% of the Comparison Group - Training.

While these results are not statistically significant in and of themselves, future Programme evaluations will be able to track the extent to which trends in business productivity over time, and to gauge whether differences emerge between the participants and the Comparison Groups. As outlined above, the data matching exercise for the first three cohorts is indicating positive early results.

4.8 Measuring business impacts over time

Insights from participant interviews suggest that the true business impacts of the Programme will become clearer over time. For example, some attendees having identified changes in practice and culture through the programme, needed to influence and secure engagement from internal stakeholders, particularly senior leadership, before changes could be implemented:

"What you want to be able to do is take the learning back to the business and make changes. If you are in a more junior role it is hard to do that. I was in a reasonably senior management position but…it would be really good if the layer of management above me also went on the course! When you start to tackle cultural issues or wanting to change cultures you need the buy-in from senior management."

Another highlighted that they found the course had left them feeling equipped to address a range of different potential future scenarios, and that it would be as those situations arose that the true business benefits of the scheme would be felt:

"It wasn't a case of coming back from the course and all of a sudden we were able to do x or y. It was really a case of gaining an appreciation for what the issues are and then forming a rationale in my mind as to, okay, if this comes up, what should you do about it?"

In addition, it is important to note that this evaluation was planned and delivered under wholly different socioeconomic circumstances than those which characterise the period in which the report is published. As a result, the focus of the evaluation survey, in line with the content of the programme up until this year, was on improving leadership and enhancing productivity with a view to driving business growth.

This means that it hasn't been possible to account for the extent to which learning and changes in practice developed through the programme have influenced responses to the current economic crisis, or to review changes in approach adopted by partners to support participants and businesses in the current context.

However, some qualitative interviews held in spring 2020 made reference to the impact of early stages of the pandemic on their business. One participant described how their shift in management approach from a more traditional 'command and control' style to empowering their team had enabled them to move quickly as new restrictions were introduced:

"We needed to suddenly establish how we were going to work remotely….in the past I would have been running around trying to organise everybody. But I just got the line managers and said, "This is what we've got to do, come to me with a plan"…and everybody took ownership of how they were going to work and it all flowed down and worked really well."

For another, the Programme's focus on enabling innovation meant they were better prepared to meet the challenges the COVID-19 crisis presented:

"There was a module about how to put the conditions in your organisation to allow people to innovate…And with the COVID situation and being in the oil Industry… our organisation is unlikely to go back to the way that we used to do things. So how do we promote an environment where people have that mental space to think about what they're doing on a day-to-day basis?"

These insights indicate that the Programme's emphasis on agility and enabling delegation could be particularly valuable as managers grapple with new challenges.

Clearly, the economic impacts of the crisis have affected the businesses engaged in the Programme, with one participant explaining in spring 2020 they had already seen a "headcount reduction" to manage costs. As businesses face ongoing economic uncertainty associated with both COVID-19 and Brexit, future evaluations should employ a wider range of measures alongside job creation and growth in turnover which more fully align with the experiences and ambitions of businesses over the years ahead. Considering the potential business impacts of the programme through a wider lens could involve exploring the potential for efficiencies, cost savings and loss avoidance alongside growth in turnover.

4.9 Summary

Survey results indicate that Programme participant businesses outperform both of the Comparison Groups in the take up of a selection of key HPW practices. This indicates that the Programme's focus on employee engagement is resonating and contributing to the application of business practices that can lead to an engaged workforce. This is a strong early indication that the Programme is successfully targeting the drivers of the productivity puzzle.

Importantly, survey respondents report that this distinction extends beyond individual management practices to wider firm performance. Those who had taken part in PtP were more likely to report increased turnover and profits, and less likely to have seen a reduction in their productivity and efficiency over the last year than either Comparison Group.

However, further evaluation work is required in order to fully understand the relationship between PtP participation and wider firm performance. In the context of the economic crisis brought about through COVID-19, business performance is likely to be inconsistent and highly vulnerable to external economic shocks. As a result, subsequent Programme evaluations should consider other ways of measuring the Programme's influence on business performance. This could include:

- **Determining the sphere of influence participants have within their business, and weighting results on change in practices accordingly**. Individuals in more senior roles will be able to respond in a more agile way to the course, choosing to implement learning within their own practice relatively quickly. By contrast, some participants may first need to convince colleagues and senior managers within their business of the need for a change in approach before a change could be implemented. Recognising this, future evaluations could approximate participants' sphere of influence, and take this in to account when looking at progress in embedding new management practices.

- **Collecting workforce insights to measure changes in participant behaviour**. A pulse survey or 360 appraisal exercise conducted at programme start and completion could allow for more in-depth analysis on the ways participant behaviours and working practices have changed as a result of them taking part in PtP. Alternatively, in-depth case studies exploring specific practices introduced as a result of Programme participation, could shed further light on progress from impact on individual behaviours to positive business outcomes.

- **Identify ways in which the Programme may have mitigated the impacts of the economic crisis**. It is likely that business performance data is likely to show deterioration as the economic crisis takes hold. Future evaluations should look at whether participation in the Programme has a protective effect on businesses, combining measurement of performance over time with a review of the responses of PtP alumni to the early stages of the crisis.

5. COVID-19 and Productivity through People

5.1 Programme Delivery

The COVID-19 crisis has long term implications for the PtP Programme, with an increasing emphasis on digital delivery. Given this evaluation has identified a preference for informal routes to digital engagement over online forums, and that the crisis has led to many developing new digital skills, it may be advisable to consult with participants on an ongoing basis to ensure that platforms and approaches to engagement align with their requirements.

We cannot yet asses how the variation in programme delivery as a result of the pandemic will effect outcomes for current participants, nor for the wider continuation of PtP. Some current or prospective participants may be extraordinarily busy trying to meet increased demand for their services or goods, while others may have suffered financial and human resource losses over the crisis period. This could result in engagement and recruitment challenges for Delivery Partners.

5.2 Future evaluations

It is expected that in further iterations of the Programme's evaluation, the outcomes from changes in approach to employee engagement identified through this report will impact participants' business performance. Such an impact analysis must necessarily take account of the short and long term financial and market effects of COVID-19.

At this early stage, it is clear the crisis will affect different industries and regions in different ways. With PtP evolving beyond its initial focus on manufacturing, future evaluations may find substantially varied experiences within cohorts as well as between them, and between Delivery Partners. Developing a full understanding of this may require further engagement with Delivery Partners and Programme participants over the months ahead.

6. Conclusions

The results detailed within this evaluation indicate that Productivity through People is successfully driving improvements in management practices among those who have taken part. PtP participants have already started implementing learning from the course, and have become much more proactive in engaging their workforce and developing their skills, in networking and sharing best practice and in measuring the performance of their business.

A majority of participants surveyed report that they are changing their approach to management as a result of their participation in the programme. Participants are becoming more open to advice and support from external sources and networking to share ideas, both of which are pivotal to the effective diffusion of innovations within business communities. This is particularly significant given that SMEs face additional barriers to seeking external support and driving business improvements through external input.

Evaluation evidence suggests participants are already applying good management practices within their organisations that could drive productivity over the longer term. Programme participants surveyed report that they are now communicating with their staff on a more regular basis, actively seeking to identify and develop future leaders, as well as seeking to improve the skills of the workforce. These results suggest that delegates understand that an engaged, motivated workforce is crucial to business outcomes and ultimately productivity. It is expected that these positive results are likely to develop over time into concrete gains in business outcomes, and this should be explored through future evaluations of the Programme.

The participant survey sample also reported that the Programme had positively impacted on business performance, with individuals reporting that turnover had increased and that they had created new jobs as a result of taking part in the programme. Those who had taken part in PtP were more likely to report increased turnover and profits, and less likely to have seen a reduction in their productivity and efficiency over the last year than either Comparison Group. Further evaluation work is required in order to fully understand the relationship between PtP participation and wider firm performance but the initial results from the data matching exercise are very positive.

Overall, the participants report very positive experiences of the programme, with the mix of classroom-based learning and more practical, site-based components identified as being particularly important. Participants felt that the content of the Programme was relevant to them, and that the integrated approach to learning had enabled them to establish peer networks which have lasted beyond completion of the course. The evaluation has identified some practical proposals for improving the mentoring element of the programme, and identifying and deferring to participants' preferred digital communication channels.

Looking ahead, as the Programme adapts to ongoing economic volatility continuous evaluation will be key. Future evaluations should focus on measuring short term impacts arising from the implementation of management practices reported through this paper, enabling a deeper understanding of the ways participants are implementing learning from the programme within their own spheres of influence.