see platform

SEE PLATFORM BULLETIN ISSUE 10 – DECEMBER 2013

SHARING EXPERIENCE EUROPE
POLICY INNOVATION DESIGN

EDITORIAL

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Design in Poland: National and Regional Innovation Strategies

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Supported by the European Commission

EDITORIAL

In September 2013, the European Commission published its 'Action Plan for Design-Driven Innovation'. The action plan states that 'A more systematic use of design as a tool for user-centred and market-driven innovation in all sectors of the economy, complementary to R&D, would improve European competitiveness'. It is foreseen that design could be key activity in implementing the policy objectives of Horizon 2020, COSME12 and the Structural Funds for the next programming period 2014 to 2020. The staff working document emphasizes three areas for action:

1. Promoting understanding of design's impact on innovation;
2. Promoting design-driven innovation in industries to strengthen Europe's competitiveness;
3. Promoting the adoption of design to drive renewal in the public sector.

The SEE Platform is highlighted in the action plan as good practice in advocating design-driven innovation to policy-makers and promoting peer learning and cooperation among public-sector actors looking for design-driven solutions.

The SEE Platform has now generated a number of resources for policy-makers including the 'Design for Public Good' report, a collection of 12 case studies of the public sector using design strategically as well as the 'Design Policy Monitor', a report collating statistics on design performance across the SEE partner countries and regions. The consortium has also published three policy booklets: 'European Design Systems and Innovation Policy', 'Reviewing Design Support Programmes in Europe' and 'An Overview of Service Design for the Private and Public Sectors'.

In this issue of the SEE bulletin, we present research on public and private sector expenditure on design and R&D. The findings reveal that UK businesses spend more on design than on R&D and that in Denmark, Finland and the UK, more businesses are engaged in design activities than innovation activities. We also present a case study on the Czech business support programme 'Design for Export', the findings of a survey among Estonian companies, the state of design policy at national and regional levels in Poland and design policy updates from Brazil, Uruguay and Estonia.

For more information on SEE workshops visit **www.seeplatform.eu**

Anna Whicher and Gavin Cawood

SEE PLATFORM PARTNERSHIP

The SEE bulletins are produced by Design Wales, part of the National Centre for Product Design and Development Research (PDR) at Cardiff Metropolitan University, as part of the activities of the SEE Platform. From 2012 to 2015, SEE is operating as part of the European Commission's European Design Innovation Initiative.

SEE is a network of eleven partners engaging with national and regional governments to integrate design into innovation policies and programmes.

Design Wales/Cardiff Metropolitan University *(UK)*
Design Flanders *(Belgium)*
Regional Development Agency of South Bohemia (RERA) *(Czech Republic)*
Danish Design Centre *(Denmark)*
Estonian Design Centre *(Estonia)*
Aalto University, School of Arts, Design and Architecture *(Finland)*
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Business and Cultural Development Centre (KEPA) *(Greece)*
Border, Midland and Western Regional Assembly *(Ireland)*
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SEE Design Policy Monitor: Public and Private Expenditure on R&D and Design

A lack of statistical data on public and private expenditure on design is consistently cited by policy-makers, design stakeholders and academics as a barrier to the more effective use of design in in Europe. Nevertheless, an increasing number of studies have been conducted to capture public and private expenditure on design. For the first time, the SEE Design Policy Monitor collates these statistics and contextualises these design indicators with innovation and R&D indicators. The findings reveal that UK businesses spend more on design than on research and development (R&D) and that in Denmark, Finland and the UK, more businesses are engaged in design activities than innovation activities. However, governments favour R&D over design as a driver of innovation; in Denmark, Estonia, Finland and the UK, public expenditure on R&D initiatives is on average 500 times greater than public expenditure on design initiatives.

Anna Whicher, Design Wales, PDR, Cardiff Metropolitan University

CONTEXT

R&D is considered the main driver of innovation in Europe and increasing private and public investment in R&D is part of the innovation policy targets of all European countries. However, design is a relatively low cost way for companies to innovate compared with R&D yet design is marginalised in innovation policy. Furthermore, in the September 2013 'Action Plan for Design-driven Innovation', the European Commission states that:

> 'A more systematic use of design as a tool for user-centred and market-driven innovation in all sectors of the economy, complementary to R&D, would improve European competitiveness'[1].

A significant obstacle to design forming part of innovation policy at multiple levels of governance is the lack of quantitative studies on design performance to provide sufficient rationale for policy intervention. In fact, there are a growing number of studies on design in different European countries and regions but they do not form part of a larger European context. As such, the SEE partnership set out to collate statistics on design performance on a number of themes such as design users, design support, design promotion, design centres, the professional design sector, design education, design research and knowledge transfer, design funding and design policy. The full report, the 'SEE Design Policy Monitor' is available in the publications section of the SEE website **www.seeplatform.eu/publications**. Here we present an overview of the section on design users in Denmark, Estonia, Finland and the UK. The limitations of this research are that they collate statistics from studies conducted at different times and by different organisations – even within an individual country. This has implications for the validity and reliability of the exercise but nevertheless presents insight into how a more comparative study could be conducted in the future.

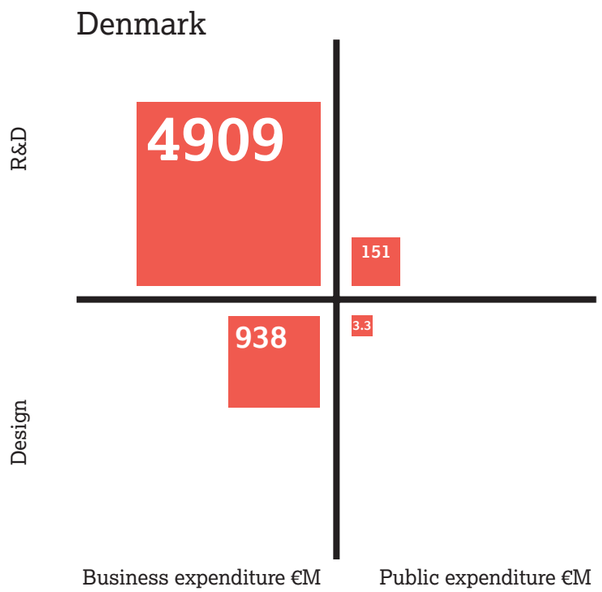
DESIGN USERS IN DENMARK, ESTONIA, FINLAND AND THE UK

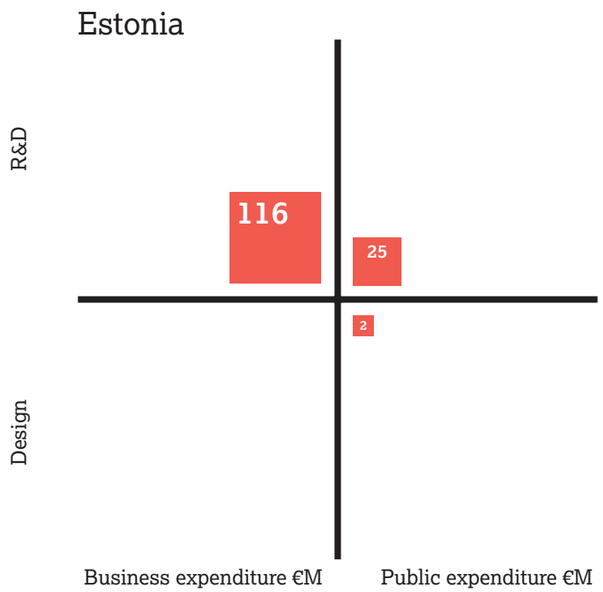
Design capability is the extent to which the private and public sectors use design. Policies should focus on raising demand for design and improving how companies and public authorities use and invest in design. This section is comprised of five key performance indicators: business expenditure on design, public expenditure on design, enterprises with design activities, enterprises with in-house designers and enterprises using design strategically. To contextualise these indicators, they have been supplemented by R&D and innovation indicators from Eurostat on business expenditure on R&D, public expenditure on R&D and enterprises with innovation activities. Business expenditure on design refers to the macro level investment in design (whether communication, digital, product, service or strategic design). Public expenditure on design refers to the sum that central government invests in design support and promotion. Design spending by all public sector bodies from national through to local government is not available.

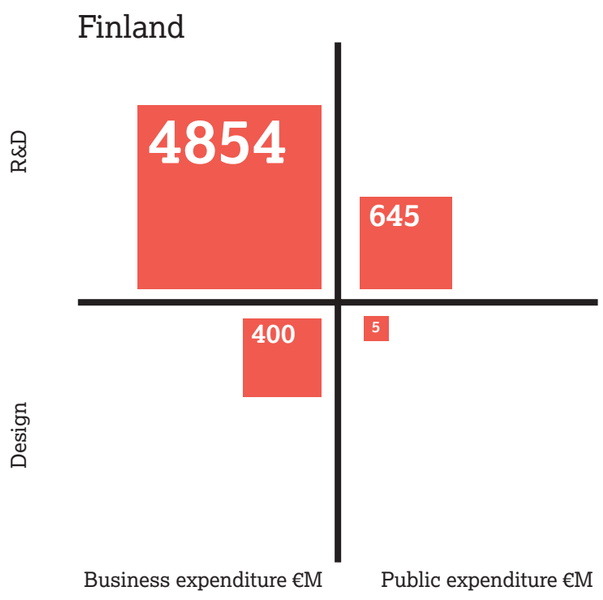
PUBLIC VERSUS PRIVATE SPENDING ON DESIGN & R&D

In the UK, companies spend more on design – 2.92% of GDP than on R&D 1.07%; whereas in Denmark and Finland, companies spend less on design – 0.40% and 0.22% of GDP than on R&D – 2.08% and 2.71%. The fact that UK companies spend more on design than R&D can be explained by the composition of the UK economy, which is dominated by the service sector, contributing around 78% of GDP[2]. Service sector companies are more likely to invest in intangibles such as design, marketing, staff training and software as supposed to technological and R&D investments[3]. Although business expenditure on R&D is comparatively low in the UK (1.07%) relative to Denmark (2.08%) and Finland (2.71%), business expenditure on design is particularly high (2.92%) against Denmark (0.4%) and Finland (0.22%). The largest gap between business

Figures 1-4: Public and private expenditure on design and R&D in actual terms







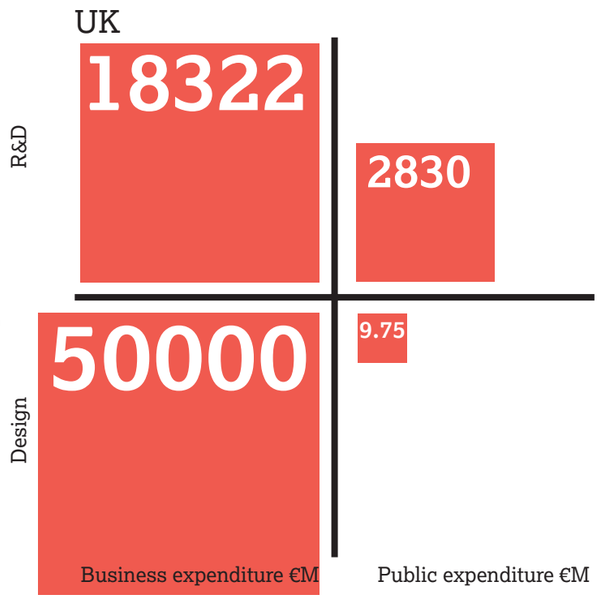


Table 1: Business and Public expenditure on R&D and design

		BERD € million[32] / GDP[33]		BED € million / GDP		PERD € million[34] / GDP		PED € million / GDP	
Demark[35]	€ million	4 909	2.08%	938	0.40%	151	0.06%	3.349525	0.00142%
	GDP	236 477		236 477		236 477		236 477	
Estonia[36]	€ million	116	0.81%	:	:	25	0.17%	2	0.01396%
	GDP	14 323		14 323		14 323		14 323	
Finland[37]	€ million	4 854	2.71%	400	0.22%	645	0.36%	5	0.00279%
	GDP	178 796		178 796		178 796		178 796	
UK[38]	€ million	18 322	1.07%	50 000	2.92%	2 830	0.17%	9.75	0.00057%
	GDP	1 709 607		1 709 607		1 709 607		1 709 607	
EU-27	€ million	151 126	1.23%	:	:	32 602	0.27%	:	:
	GDP	12 279 915		12 279 915		12 279 915		12 279 915	

Table 2: Enterprises with innovation and design activities, in-house designers and using design strategically

National dimension	Enterprises with innovation activities[39]	Enterprises with design activities	Companies with in-house designers	Companies using design strategically
DK	51.9%	93%[40]	16%[41]	23%[42]
EE	56.4%	45%[43]	7%[44]	7%[45]
FI	52.2%	57%[46]	23%[47]	17%[48]
UK	45.6%	66%[49]	:	:
EU-27	51.6%	:	:	:

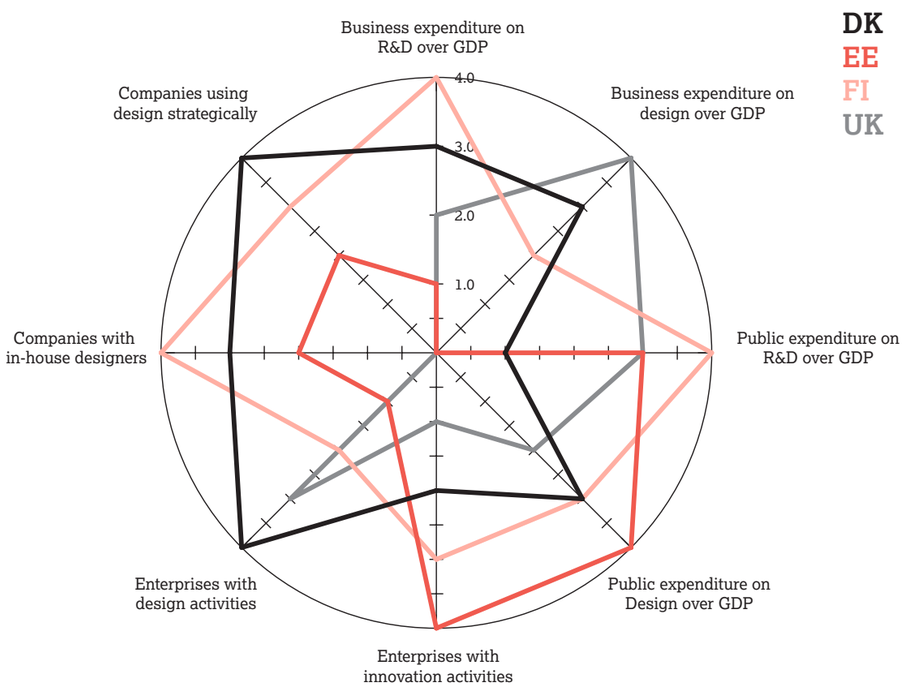
expenditure on R&D and design is in Finland – a difference of 2.49%. Encouraging private sector investment in R&D is a cornerstone of innovation policy. As part of Europe 2020, the European Commission set the target of 3% investment in R&D by 2020 and individual Member States have set their own targets; for example, the target is 4% in Finland[4]. Encouraging private sector investment in design could also be a policy target. In Denmark, Finland and the UK, business expenditure on design is already an average of 1.18% of GDP while private sector expenditure on R&D is on average 1.95% in the three countries; a difference of only 0.77%.

In Denmark, Estonia, Finland and the UK, public expenditure on R&D is on average 482 times greater than public expenditure on design. For every €1,000 in public expenditure on R&D, public expenditure on design is €82.12 in Estonia, €23.67 in Denmark, €7.75 in Finland and €3.35 in the UK. Alternatively, for every €1,000 of business expenditure on R&D, business expenditure on design is €2,728.97 in the UK, €192.31 in Denmark and €81.18 in Finland. The fact that public expenditure on design is so low relative to R&D demonstrates that even though governments are recognising design as a driver of user-centred innovation, mobilising resources and implementing programme initiatives are slow to emerge. Furthermore, design has been recognised as a priority for innovation in Denmark, Estonia, Finland and the UK so it can only be surmised that public expenditure on design relative to R&D is considerably lower elsewhere in Europe. Design action plans were produced in Estonia in 2012 and in Demark and Finland in 2013. This raises the question that if governments increased public expenditure on design policies and programmes, it could leverage greater innovation capacity in companies relative to public investment in R&D policies and programmes.

DESIGN & INNOVATION ACTIVITIES IN COMPANIES

In Denmark, Finland and the UK, more companies engage in design activities (93%, 57% and 66% respectively) than innovation activities (51.9%, 52.2% and 45.6%). Denmark

Figure 5: Normalised score for design users in Denmark, Estonia, Finland and the UK



and Finland are often quoted as being 'design-led societies' and the professional design sector is strong in the UK so it is logical that more companies should engage in design activities than innovation activities. Of course, engaging design activities does not always lead to innovation, it depends how strategically the company is using design. It can be insinuated that in most European countries, as in Estonia, more companies engage in innovation activities than design activities. In Estonia, 56.4% of companies engage in innovation activities (higher than Denmark, Finland and the UK) compared with 45% engaged in design activities (lower than the other three countries). What the figures cannot tell us is whether the companies that engage in design activities are more competitive than those that do not although research by the Design Council suggests that they are. According to the Design Council, design-led businesses outperform their competitors by 205%[12].

In Denmark, Estonia and Finland there is a trend to outsource design expertise. In Denmark, 93% of companies engage in design activities but only 16% undertake design internally. Similarly in Estonia and Finland, 45% and 57% of companies conduct design activities but only 7% and 23% of businesses have in-house designers. In Finland, approximately half of design work is undertaken externally.

In Finland, there does not appear to be a correlation between having in-house designers and using design strategically. In Finland, 23% of companies have in-house designers but only 17% of companies use design strategically. In Estonia, 7% of companies have in-house designers and 7% of enterprises use design strategically but it is not clear whether it is the same 7% since the studies were performed by different organisations at different times. Alternatively in Denmark, 16% of companies undertake design internally and 23% of businesses use design strategically. It would be intriguing to discover what proportion of companies that use design strategically felt it had let to an innovation in their business.

OVERALL PERFORMANCE

The radar diagram (figure 5), provides a normalised score for each key performance indicator for the four countries – the country that performed best for a particular indicator (for example, Estonian public expenditure on design over GDP is the largest), received a score of 4 and the country that performed second best for that indicator received a score of 3 and so on. This diagram demonstrates that design users in Denmark, Estonia, Finland and UK are performing well relative to each other. For one country to perform consistently better than the others it would appear on the outer ring of the radar diagram but none of the four countries are performing consistently better than the others. The only country that could perform better in terms of both design and innovation is the UK, which only attained the highest normalised score for one indicator – business expenditure on design over GDP. Finland scores the highest on three key performance indicators – business expenditure on R&D, companies with in-house designers and public expenditure on R&D, which demonstrates that the Finnish Innovation System is driven by traditional innovations drivers such as investment in R&D. Alternatively, the Danish Innovation System has design well integrated with Denmark scoring highest for companies using design strategically and enterprises with design activities.

CONCLUSION

The findings reveal that UK businesses spend more on design than on R&D and that in Denmark, Finland and the UK, more businesses are engaged in design activities than innovation activities. However, governments favour R&D over design as a driver of innovation; in Denmark, Estonia, Finland and the UK, public expenditure on R&D initiatives is on average 500 times greater than public expenditure on design initiatives. Since small and medium-sized companies (SMEs) make up more than 99% of all European businesses[24], governments should be encouraging SMEs to invest in design since it is a lower-cost and more accessible way for small companies to innovate compared with R&D and technological investments. Targets for expenditure on design, like national targets for R&D spending, could form part of government policy across the EU for encouraging design-driven innovation. This research raises the question that if governments increased public expenditure on design policies and programmes, it could potentially leverage greater innovation capacity in companies relative to public investment in R&D policies and programmes.

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Design Policy and Promotion Map

To get a global perspective on the growing number and increasing maturity of design policies and promotion programmes, this feature presents statements from design practitioners from three countries. Each interviewee provides an overview of developments in their country and outlines how design fits into various government strategies, in order to build a profile map of the state of affairs around the world.

BRAZIL

Currently the main stakeholder for design promotion in the country is the Brazilian Trade and Investment Promotion Agency (Apex-Brasil). The organisation's main goal is to promote Brazilian products and services abroad and to attract foreign investment into strategic sectors of the Brazilian economy. Efforts comprise, inter alia, trade missions, business introductions, supporting Brazilian companies to participate in major international trade fairs and competitions, facilitate technical visits of foreign buyers and opinion makers as well as other activities to strengthen Brazil's brand.

Apex-Brasil's Innovation and Design Unit is responsible for increasing international competitiveness among Brazilian businesses by stimulating innovation through design. Design is encouraged at every level of product development, raising awareness among specific sectors of the necessity and importance of design to succeed in foreign trade.

The Agency set up several institutional partnerships to implement programmes that stimulate businesses to develop design and innovation. The main projects are "Design Export" and "Design Embala". Design Export is conducted by CBD (Brazilian Design Center) to analyse, identify, and classify companies with potential of designing innovative products and services. Once these enterprises are approached they are consulted on how to hire and brief design agencies from all over the country to produce innovative new product solutions. Design Embala is conducted by ABRE (Brazilian Packaging Association) to raise awareness among entrepreneurs on the role of packaging design as an important competitive factor. Design Embala provides several services for its participant companies: monthly reports with information on the process of packaging products; analysis of the consumer market; business advice on global packaging design; support to participate in national and international competitions and awards; network among participant companies, designers and packaging suppliers.

Apex-Brasil is currently undertaking a study of the design profile of Brazil to inform policy planning for design under a range of possible scenarios.

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ESTONIA

In recent years, design has been rapidly rising up the political agenda in Estonia as a factor for innovation. In January 2012, the Ministry for Economic Affairs and Communication published the National Action Plan for Design 2012-2013 as a part of the Estonian Enterprise Policy 2007-2013. The Action Plan focuses on increasing the use of design both in public sector and private companies, the emphasis is on design as a source of competitive advantage. It is the first phase of state support policy targeted at the development of design use and it is anticipated that the next phase of the policy will form part of the framework of the new strategy period (2014-2020).

As part of the implementation of the action plan, in May 2012, the first pilot project Design Bulldozer was launched by the Estonian Design Centre, the Ministry of Economic Affairs and Communications, and Enterprise Estonia. Design Bulldozer is a design support programme for ten organisations and ten design managers, piloting strategic design intervention over 20 months. In June 2013, the Estonian Design Centre launched the first public sector service design support programme in Estonia. This programme runs for seven months and focuses on enhancing the level of knowledge and practical skills of the top-level civil servants about service design and also redesigning three public services. Another smaller design support programme, Design Engine, has also been developed by the Estonian Design Centre and Enterprise Estonia offering Innovation Voucher Grants for design services and Design Counselling Grants with the aim to support Estonian companies in using design.

In early February 2013, the Estonian Design Centre commissioned a survey of 430 organisations to map the use of design in Estonian private enterprises and public foundations. The survey found that 45% of enterprises use design and that 7% of enterprises use design strategically meaning design is integrated to the organisation´s vision and mainstream activities. The findings also revealed that 53% of enterprises invested less than €4,000 in professional design services in the past two years. The survey results will be used to inform the development of the Estonian design policy for the period 2014-2020.

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Details of design policy and promotion programmes in more countries are available at www.seeplatform.eu.

URUGUAY

In Uruguay, a space for public-private debate has existed since mid-2008, becoming a focus for networking, planning, coordination and implementation of strategic actions for design in the country. It includes the private sector (through the Chamber of Design of Uruguay), academia (through public educational institutions and private organisations working in the training of design professionals) , and the public sector (through the Ministry of Industry, Energy and Mining MIEM, the Ministry of Education and Culture MEC, and the Office of Planning and Budget).

In this context, the first strategic plan for design was developed in 2009, which defined the trajectory for investments in design exports and design as a factor for competitive growth as a first stage.

A result of this plan, the Camara de Diseño de Uruguay was also created in 2009, formed by design studios, independent designers and sector training institutes and is becoming the point of reference national and international stakeholders.

Another important action took place at ministerial level (Gabinete Productivo), when in August 2012, the Cabinet created the Consejo Sectorial de Diseño whose main objective is the implementation of public policies for design in the country.

At present, an analysis of the national design system is underway and consequently a series of actions will be recommended as part of the development of a national design policy.

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Design for Export (Czech Republic)

The 'Design for Export' programme was launched in 2008 by the Czech Trade Promotion Agency to ensure continuous support in implementing industrial design for Czech enterprises after closing the Czech Design Centre. By the end of the programme in 2012, 460 organisations received comprehensive support to increase their international competitiveness by integrating industrial design into innovative business strategies. In light of the success of the programme, a further €260,000 has been allocated for the years 2013-2014 in the next phase of the programme 'Design for Competitiveness'.

PROGRAMME OVERVIEW

'Design for Export' was targeted at small and medium manufacturing enterprises with export potential as well as at industrial designers. The main objective was to build closer links between companies and designers. Over four years, around €155,000 was spent on an annual basis by the Czech Trade Promotion Agency, part of the Ministry of Industry and Trade on the following activities:

- analysing the use of design in companies – this comprised of an expert assessment of the current state of product design by a professional designer, after which an innovation strategy through design was recommended to the company.
- promoting industrial design – the programme provided organisational and financial support for innovative companies to participate in foreign trade fairs, exhibitions and business missions where up to 50% of the presentation costs were covered.
- education – four interactive educational events (seminars, workshops) for companies were held every year; case studies were developed and presented to promote a better understanding of the value of design.
- designers address book – a publicly accessible on-line catalogue of professional designers and design studios, that have already had at least one 3D design applied to production (http://design.czechtrade.cz).

RESULTS

As a result 460 entities benefited from the 'Design for Export' programme. Nearly half of the beneficiaries - 227 company owners, managers and marketing staff participated in 15 workshops which were held across the whole country. Participants have been interactively trained in the area of efficient use of design in the innovation process. 186 businesses were provided with professional design consulting services - 85% of them have continued to work with the designer after a project implementation and 67% (125 companies) have already started producing new products that significantly increase their competitiveness. Thanks to the programme, 47 businesses had the opportunity to take part in trade fairs and exhibitions and to present their products in Italy, Japan, China, India, Denmark and the United Arab Emirates at subsidised rates. Although a formal assessment of the effectiveness of the programme has not yet been carried out, 'Design for Export' has already had some success stories. For example, Autogard Ltd. is a specialised manufacturer of parking equipment. Following their participation in the programme, the company employed a professional designer to re-design their turnstiles and as a result sales to Sweden have increased by 70% and in Norway, the company has secured a contract to supply parking systems for the network of lay-bys for trucks at petrol stations.

WHAT'S NEXT? – DESIGN FOR COMPETITIVENESS

The 'Design for Competitiveness' is a new subsidy programme for the years 2013 to 2014 that follows on from 'Design for Export'. Around €260,000 has been allocated to strengthen the international competitiveness of industrial enterprises through effective use of design in the innovation process. SMEs can access:

- subsidies for individual cooperation with a designer selected from the 'Directory of Designers' that will be open to designers from across the EU equivalent to 100% of eligible expenses up to approximately €2,150;
- subsidies to promote industrial design at a professional trade fair through joint exhibitions;
- educational services focused on design management and effective management of innovation processes;
- information service provided by DESIGN NEWSLETTER.

The ultimate objective of the Czech innovation policy is to bolster the use of high technologies as a source of competitiveness. The Czech Government has recognised design as a tool for innovation that can be integrated into products, experiences and identities. However, professional design services can be expensive, particularly for SMEs. In addition to financial costs, it also requires expertise to manage the design process. The new programme will guide industrial companies in using quality design to achieve higher added value.

For more information visit: http://www.czechtrade.cz/sluzby-2013/projekty-eu-2/design/ or http://www.designers-database.eu/

With thanks to Zuzana Sedmerová at the Czech Trade Promotion Agency and Jan Pileček at the Regional Development Agency of South Bohemia RERA.

Design use by Estonian enterprises

In early February 2013, the Estonian Design Centre commissioned a survey of 430 organisations to map the use of design in Estonian private enterprises and public foundations. The survey found that 45% of enterprises use design and that 7% of enterprises use design strategically meaning design is integrated to the organisation´s vision and mainstream activities. The findings also revealed that 53% of enterprises invested less than €4,000 in professional design services in the past two years. The survey results will be used to inform the development of the Estonian design policy for the period 2014-2020.

AIM

The aim of the survey was to map the use of design in both private enterprises and public foundations by investigating the following questions:

- what design is and how it is perceived as a provider of competitive advantage
- the types of design in use
- methods of design in use and the people responsible for designing within organisations
- the experience of working with professional designers
- the complete experience of using design – a company's position on the design ladder
- the advantages produced by design
- the complications of using design
- assessments of investments related to the use of design
- expectations for the future involving the use of design
- activities that could support the use of design within enterprises.

The survey had two main target groups: 1) private enterprises in the priority growth areas as outlined in "The growth strategy for Estonian businesses 2014–2020" (ICT, health technologies, engineering industry, logistic services, chemical products, construction, wood processing and food) and 2) state founded organisations.

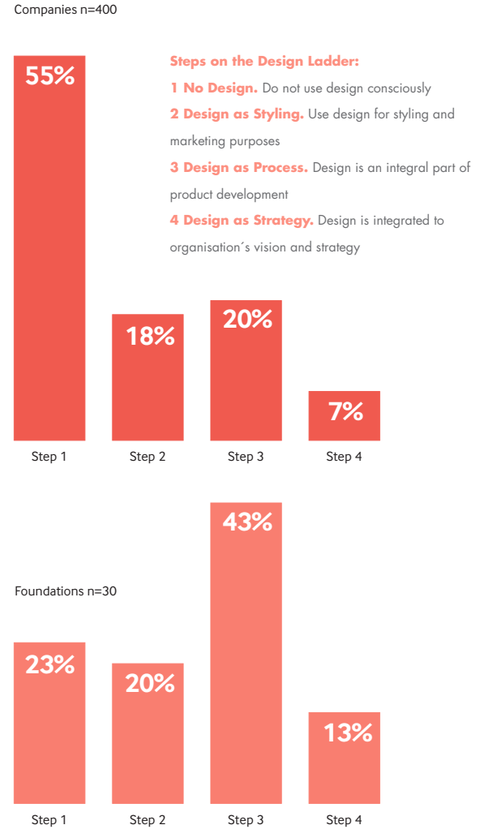
METHOD

The survey incorporated both quantitative and qualitative methods. The quantitative part was carried out using Computer Assisted Telephone Interviewing (CATI) that targeted the heads of enterprises and foundations. As 87% of the enterprises in the target group are microbusinesses with less than 10 employees, the sample was compiled as a non-proportional sample (i.e. quota sample). After the interviews, the data from the enterprises was weighted according to the number of employees and sector so that they were representative of their field of the areas included in the survey and so the results were characteristic also of other enterprises within that field. The sample group of public foundations resulted from a random selection method.

The sample comprises of 430 organisations (400 private enterprises and 30 public foundations). The quantitative part of the survey was carried out from 6 to 14 February 2013.

This was preceded by a pilot survey (telephone interviews with 8 enterprises and 2 foundations) on 29 January 2013. In addition, five one-hour-long qualitative semi-structured interviews with an open set of questions were carried out with senior or middle managers from foundations or partially state-owned businesses who did not participate in the telephone interviews. The qualitative interviews allowed for questions about attitudes towards and experiences with design, and map the mind-sets of the interviewees. This qualitative part of the survey was carried out from 26 February to 11 March 2013. The survey was commissioned by the non-profit organisation, the Estonian Design Centre.

Figure 1: Position on Design Ladder



SURVEY FINDING FOR ENTERPRISES

Even though the majority of enterprises surveyed do not consider design to be relevant to competitive advantage, two thirds have used design in some form over the past two years – mostly graphic, digital and multimedia design. Forty-five per cent (45%) of the enterprises use design consciously; in other words, they are positioned on the second to fourth level on design ladder where design is consciously more or less integrated into the enterprise's activities. A third of the enterprises surveyed used the help of design professionals.

The enterprises that brought new products and services to the market use more design, and vice versa, the enterprises that use more design bring more products and services to the market. Forty-one per cent (41%) of the enterprises that have brought new products to the market are located on the third level of the design ladder, where design is an integral part of product development and less than a fifth of the enterprises do not consciously use design in product development.

The enterprises that have used professional design most often list the following as its advantages: increased customer satisfaction, enhanced competitiveness and improved usability. Among exporting enterprises, the use of design is connected to notions of profit, export, increases in market share and new markets more than enterprises that do not export.

The main reason for not using professional design is that enterprises do not see the need for it. A fifth of the enterprises that do not use professional design do so due to financial constraints.

At the moment, there is a gap between valuing design and using professional design: over a half of the enterprises feel that design plays an important role in the development of their business; however, only a half of those enterprises believe that they will buy such services within the next few years. Based on estimates by the enterprises, the largest demand within the next few years will be for those areas of design that have already been used the most – graphic, digital and multimedia design.

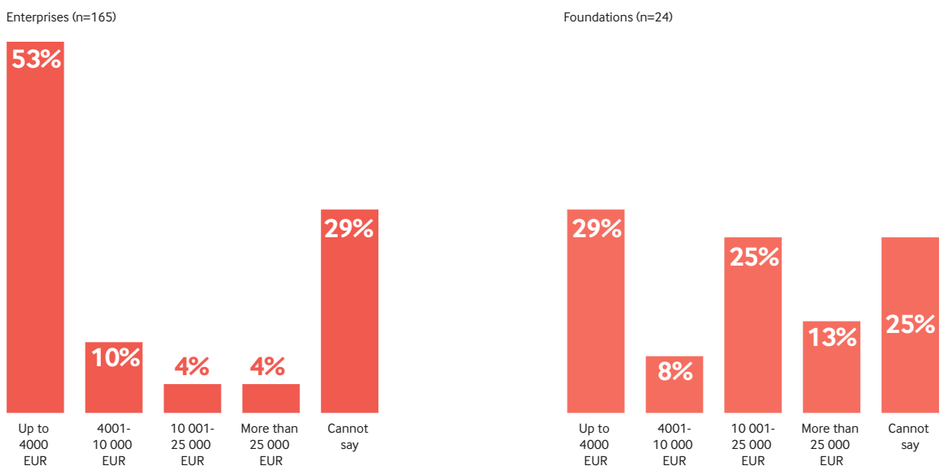
Half of the enterprises are not interested in using design at all. The other half pointed out that in order to buy design services they could use subsidies from the state and the help of design students.

SURVEY FINDINGS FOR FOUNDATIONS

Compared to private enterprises, public foundations stand out due to their greater use of design and employing design professionals. Nevertheless, it should be kept in mind that foundations should not be compared to all the enterprises surveyed (as the majority are microbusinesses), but rather to large enterprises and their use of design. For example, in terms of number of employees, 34% of the foundations are comparable to mid-size and large enterprises (little over 2% of all enterprises surveyed), and in 2012 the budget of 3% of the foundations exceeded the 5 million euro mark (the same figure for enterprises was 4%).

Therefore, during the last two years, almost all foundations have used some area of design. As with the enterprises, the most used areas are graphic, digital and multimedia design; however, foundations have used more service and environment design than enterprises. When it comes to design projects, foundations mostly use the help of professionals (80%) or the resources within the organisation (60%). Seventy-seven per cent (77%) of foundations have integrated design into their activities to a varying extent, and only 23% of them are positioned on the first level of the design ladder, where design is not used consciously and systematically (compared to 32% of the enterprises with 50 or more employees).

Figure 2: Average annual investment in design over the last two years



Over two thirds of the foundations have developed new products and services over the past few years, and half of the foundations have implemented more than five design projects. Although procurement obligations and the obligation to choose the least expensive offers limits the foundations' ability to select the content of the projects, the foundations are usually satisfied with design service providers found through public procurement.

For foundations, the key advantage in using design is improved communication with citizens as well as the reputation of the organisation, client satisfaction, and the increased usability and accessibility of the services. Almost all the foundations (83%) consider the use of design critical to the development of their organisation, and they also believe that they will continue to use the help of professional designers. The greatest demand among foundations is for digital, multimedia and also graphic design. Half of the foundations intend to implement service design as well.

CONCLUSION

The findings of the survey have been presented and disseminated to Estonian policy-makers, designers, representatives of public and private sectors and to design education providers. The survey will inform future development activities in the design sector in Estonia such as promotional and training activities to be delivered by the Estonian Design Centre and other actors in the design field targeted towards enterprises and public sector. Also it will be used as an input for the "Growth strategy for Estonian businesses 2014–2020" and Estonian design policy for the forthcoming years.

For more information and to view the full report (Estonian only) visit: www.disainikeskus.ee/images/Disainikasutus_EV_ja_SA_aruanne_L%C3%95PLIK_2013_TNS_Emor.pdf

With thanks to Kaire Somer at the Estonian Design Centre.

Design in Poland: National and Regional Innovation Strategies

Piotr Swiatek, Jagiellonian University Kraków, Poland

According to the latest edition of the Innovation Union Scoreboard 2013, Poland is ranked fourth last among the European Member States in terms of innovation performance and classed as a 'modest innovator'[1]. Expenditure on research and development (R&D) as a percentage of gross domestic product (GDP) increased from 0.56% in 2006 to a mere 0.77% in 2011 (compared with an EU average of 1.26%)[2]. With the new funding framework 2014-2020 around the corner, at a national level, there is still no coherent innovation policy for Poland. On the other hand, more and more regional and local public authorities are actively integrating design into innovation strategies. This article explores how design appears to be a missed opportunity at national level but a priority for regional governments.

HISTORIC OVERVIEW

From a historical perspective the state support for design in Poland dates back to the late 1940s, when the Bureau for Supervision of Aesthetics in Production was created in the Ministry of Culture and Arts. A few years later, in 1950, it was transformed into the Institute of Industrial Design (IID). The IID was guided by the principle of cohesion of concept, material, function and beauty, and despite the difficult times it was successful in 'standard household interior design, work environment design, design for children and the disabled and hospital equipment design'[3]. There was also a Design Council at the office of the Deputy Prime Minister, which held its last meeting in the year of systemic transformation in Poland - 1989. Polish design survived this turbulent period thanks to the efforts of a handful of designers, manufacturers and high flyers within university design education.

DESIGN GAINING MOMENTUM

Since Poland's accession to the EU, the situation has changed significantly. Many exhibitions, conferences and promotion events for Polish design have been organised and the institutional support for design has been strengthened - in 2005, Castle Cieszyn (formerly the Silesian Castle of Art and Enterprise) was established, and since 2006 a new IID management began reorganisation and ambitious, promising plan of actions.

In addition, the need for change in the approach to design has also been acknowledged at the political level. In a strategic document prepared by the Ministry of Economy 'Guidelines for Increasing Innovativeness of Economy

for years 2007-2013' it is recognised that existing sources of growth of the Polish economy, such as cheap labour, favourable geographical location and low prices of raw materials could no longer act as a competitive advantage in the global market. In the search for new drivers of innovation, the Ministry identified industrial design as a source of competitive advantage. The guidelines adopt a narrow definition of design (as in industrial design only) and emphasized that despite having a well-educated designers, design in Poland is still undervalued and under-utilised. The document says that design is very often associated with 'colour and beautiful appearance', and the producers are not aware of the significant benefits that can be gained through design with a relatively small investment. Following design support actions were advised[4]:

- raising the awareness of the importance of industrial design among Polish enterprises,
- providing financial support for companies to develop new industrial design projects,
- supporting the development of institutions, that create new tools for design and provide training and consulting services (including building a network of design centres),
- promoting of Polish design abroad,
- adapting of higher education system to teach design in an interdisciplinary way.

As a result, the possibility of financial support for industrial design was included in the Operational Programme Innovative Economy 2007-2013 (OP IE) under two specific actions: '4.2. Stimulation of R&D activity of enterprises and support within the scope of industrial design' and '5.2. Supporting business environment institutions providing proinnovative services and its networks of supra-regional importance'[5]. Since the launch of the OP IE to the end of 2012, 129 projects related to industrial design were funded under action 4.2 to a total value of €199,625,851.13 and 32 projects as part of the measure 5.2. with a value of €55,646,011.44[6].

REGIONAL DESIGN SUPPORT

At the same time Regional Innovation Strategies (RIS) and Regional Operational Programmes (ROP) were prepared in the sixteen Polish regions (voivodeships). The 11 ROPs (Western Pomeranian, Pomeranian, Lubusz, Greater Poland, Kuyavian-Pomeranian, Masovian, Lower Silesian, Opolskie, Silesian, Lesser Poland and Podkarpackie) included provisions to support enterprises in designing, implementing and improving new products and services. When it comes to RISs, the need for strategic support of industrial design at the regional level was recognised in four regions:

- Silesian voiveship has set itself the objective of "promoting design and product development"[7].
- Lesser Poland and Kuyavian-Pomeranian regions have planned to establish regional centres of industrial design[8].
- In Masovian voiveship the project Mazovia Design was proposed as one of the implementation tools for RIS; the aim of the project was to support innovation through industrial design, image creation and brand building through series of events such as seminars and meetings for designers and businesses[9].

Despite these positive government statements, it should be noted that neither the initiatives to set up design centres in Lower Poland and Kuyavia-Pomerania, nor the Mazovia Design project have actually been carried out. Only the Silesian voivodeship has successfully implemented the RIS measures by funding two editions of the "Design Silesia" project (vide: SEE Platform Bulletin Issue 8). The high quality of the implemented actions was confirmed by the prestigious DME Award 2012. The Design Silesia project uses a broad definition of design as a tool for creating innovative solutions in the public and private sectors, in the area of manufacturing, services and public space. Representatives of the public authorities, businesses and designers were shown how work effectively together and the value of design was promoted to the general public. To find out how to make better use of design to increase innovativeness and competitiveness of the region in the future, a study was undertaken in 2011 to assess the awareness and expectations of design among Silesian designers, entrepreneurs and representatives of local government.

STUDY FINDINGS

The main findings from the study 'Design in Silesian Voivodeship - Opinions of Silesian Designers, Entrepreneurs and Local Governments'[10] were:

- Two thirds of designers find the conditions for the development of design in the region favourable; especially in terms of the potential of higher education in design and business environment institutions.
- Nearly half of entrepreneurs are of the opinion that the importance of design in their sector is increasing.
- 37% of companies use the services of professional designers, and 56% intend to use professional designers for new product and service solutions in the future.
- Designers are rarely employed throughout the whole innovation process – businesses usually hire designers for the development of visual marketing and promotion as well as interior design.
- Entrepreneurs that cooperate with designers highly appreciate the quality and outcome of their work and believe that it translates into growth of the company, increased competitiveness and customer satisfaction.
- Surprisingly 93% of local authorities declare collaboration with designers – mainly on projects for revitalising public spaces and in such cases, mostly (92%) only in the conceptual stage.
- Both, businesses and local governments identified the financial constraints, procedural difficulties and bad communication as the main barriers to collaborating with designers.
- Companies and local governments rarely use the services of design support institutions (7% and 22% respectively).
- Over the last 10 years in Silesia, demand for the professional design services in product design and public space design were growing the most rapidly while demand for service design was growing the least.

POLISH DESIGN MANIFESTO

Through their participation in the SEE Platform, Castle Cieszyn organised two SEE Design Policy Workshops, in Lódź and Katowice, which resulted in the drafting of the Polish Design Manifesto[11] that was supported by 55 companies, designers and decision-makers. The Manifesto is a call for discussion on the creation of design policy in Poland and was presented to many public officials including the President of Poland, Minister of Economy, Minister of Regional Development, Under-secretary of State in the Ministry of Culture and National Heritage, Representative of the European Parliament, Parliament Members and the President of the Polish Patent Office. Although a lot has been already done towards effective lobbying for the creation of a coherent design policy in Poland, further efforts are needed to raise awareness and promote the value of design among both policy-makers and the general public.

The six main axes of discussion on innovation policy through design in Poland were:

1. Create a network of design leaders to facilitate the exchange of experience and inspire other companies to achieve excellence in design.
2. Enable the public sector to lead by example by valuing design and innovation in public procurement and using design for public services re-development.
3. Embed design within research funding programmes including research "for" design and research "through" design.
4. Integrate design into every aspect of education in Poland from consumers, through to vocational training and interdisciplinary studies.
5. Promote social innovation through design by stimulating appropriate mechanisms such as public confidence, openness to innovation and an education system that values creativity.
6. Connect up the large number of design promotion activities happening across Poland to ensure better synergy.

Signing the Polish Design Manifesto.

TOWARDS A NEW PERSPECTIVE

In the meantime, the national and regional operational programmes for years 2014-2020 are emerging. They highlight a new, broader approach to innovation (open and user-centred innovation), the importance of collaboration between people and organisations and the need to support the creative industries. However, design remains largely excluded or narrowly understood in terms of industrial design. The value of design still seems to remain unrecognised and unexpressed in national strategic documents.

Nevertheless, regional strategies for 2014-2020 demonstrate a significant increase of interest in the use of design as a source of innovation and competitiveness in Polish regions. In almost all of the 11 Research Innovation Strategies developed so far there are some provisions for design:

- Kuyavian-Pomeranian voivodship took an innovative product design as a general rule of RIS implementation[12].
- the Warmian-Masurian RIS includes the support for the furniture industry in the implementation of innovative design[13].
- Opolskie region took up a challenge to finance the whole process of research and development of new products and services from the design stage; it set also the target to develop smart crafts and support sectoral centres of creativity[14].
- Lower Silesia voivodship recognised the industrial design as an industry with high growth potential, whose importance for the innovativeness of the region will increase[15].
- In the region of Lublin there are plans to promote entrepreneurial creative and innovative mindsets by encouraging design thinking and the development of various forms of non-technological innovation[16].
- RIS of Western Pomerania foresees the introduction of design education into the curricula of secondary schools, as well as funding design by projects that involve implementation of innovative changes in enterprises[17].
- Voivodships Świętokrzyskie and Łódzkie recognised the design as their regional specialisation; Świetokrzyskie declared design and transfer of knowledge to be its horizontal specialisation, that will affect all areas of strategy, whereas in Łódź design is treated narrowly, as part of the creative sector associated with the modern textile industry and fashion[18].

- Lesser Poland does not give up plans to create a design promotion centre and adopt a strategic project of creation of Lower Poland Centre for Creativity and Design; it also intends to stimulate the demand for design services by the introduction of the "M-voucher for design"[19].
- Greater Poland region sees a need for innovation in all areas of its creative society and has set itself a strategic challenge to improve the quality of products and services through an innovative design[20].
- Again, the Silesian region is the most advanced when it comes to recognising the innovative capacity of design
- to support all of its strategic objectives it formed a meta-project "Design for Innovation" in which design will be used to develop better products and services in the public and private sectors[21].

CONCLUSION

Almost all of the innovation indicators place Poland on the bottom positions in rankings[22]. Especially when it comes to expenditure on R&D over GDP (however its growth rate in recent years is noticeable) and the percentage of innovative and high technology enterprises in the economy, which are one of the lowest in the EU. At the national level, Poland seems to be slow to fully and adequately exploit the possibilities of design, recognised in many countries and at the level of the European Union as a tool to provide innovative solutions in which the user plays a key role. On the other hand, more and more local authorities actively integrate design in innovation strategies of their regions. Successful implementation of these actions should provide many good examples and case studies that would significantly contribute to the 2020 projected increase in expenditure on R&D to 1,7% of GDP and persuade the public and policy-makers to eventually create a coherent Design Policy in Poland.

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