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| <b>Institution:</b><br>Cardiff Metropolitan University  |  |  |
| <b>Unit of Assessment:</b><br>UOA17: Business and Management Studies  |  |  |
| <b>Title of case study:</b><br>Enhancing business performance and practice through research-informed leadership training: The 20Twenty leadership and Construction Futures Wales programmes   |  |  |
| <b>Period when the underpinning research was undertaken:</b><br>2007-2017   |  |  |
| <b>Details of staff conducting the underpinning research from the submitting unit:</b>  |  |  |
| <b>Name(s):</b>   | <b>Role(s) (e.g. job title):</b>                       | <b>Period(s) employed by submitting HEI:</b> |
| Prof Brian Morgan   | Professor of Entrepreneurship                          | 2007 - present                               |
| Prof Nick Clifton   | Professor of Economic Geography & Regional Development | 2009 - present                               |
| Prof Mark Francis   | Professor of Management                                | 2012 – present                               |
| Prof Robert Huggins   | Professor of Management & Policy                       | 2008-2011                                    |
| Dr Daniel Prokop  | Research Associate                                     | 2008-2012                                    |
| Dr Piers Thompson   | Lecturer in Economics                                  | 2008-2012                                    |
| Prof Andrew Thomas  | Professor of Production & Supply Chain Management      | 2015-2019                                    |
| Prof Gareth Loudon  | Professor of Creativity                                | 2002 - present                               |
| <b>Period when the claimed impact occurred:</b><br>2014-2020  |  |  |
| <b>Is this case study continued from a case study submitted in 2014?</b> No   |  |  |
| <b>1. Summary of the impact</b> (indicative maximum 100 words)  |  |  |
| <p>Research conducted in the Creative Leadership and Enterprise Centre (CLEC) at Cardiff Metropolitan University has informed the policy and practice of sector stakeholders regionally and nationally, leading to significant growth and improved business outcomes in small-to-medium sized enterprises (SMEs), which account for 62% of all jobs in Wales. Two CLEC programmes, 20Twenty Leadership and Construction Futures Wales, have delivered SME business growth in excess of <b>£155m</b>, across <b>900</b> businesses, safe-guarding and/or creating over <b>2,000</b> jobs and creating <b>25</b> new businesses. CLEC has thus leveraged <b>£7m</b> in grant funding to deliver a gain of <b>£148m</b> to the taxpayer - a return-on-investment rate of over <b>2,000%</b>.</p> |  |  |
| <b>2. Underpinning research</b> (indicative maximum 500 words)  |  |  |
| <p>Supported by £7million of funding, Creative Leadership and Enterprise Centre (CLEC) research informed the demand for, and design of, the 20Twenty Leadership and Construction Futures Wales Programmes, as well as their evaluation and implementation. <b>Clifton</b> and colleagues' Economic and Social Research Council (ESRC) funded research together with European Development Fund (EDF) funded work by <b>Morgan</b> and others showed that SMEs in less competitive regions typically make less effective use of external knowledge sources such as</p>  |  |  |

networks, supply chains and universities, particularly for innovation. As a result, policy interventions in Welsh SMEs were found to have been suboptimal in raising growth and profitability. Subsequent research by **Clifton**, which built on a large research and delivery grant from the Wales European Funding Office (WEFO; through the European Social Fund - ESF) [A] demonstrated that management of behavioural change was a potential route to improved SME performance [R1].

The WEFO grant [A] research specifically identified the management and leadership challenges in South East Wales SMEs. It also highlighted fruitful areas of intervention including: organisational change; networking and knowledge sourcing; skills for innovation and creativity; and, coaching and mentoring [R2]. Further, research for the 20Twenty Leadership programme showed that 'managing' performance in conditions of relative certainty and agreement is not sufficient for success in the globalised knowledge economy. Rather, effective leadership is required to enhance performance throughout a business, regardless of size or sector. The most effective programme delivery mechanisms are comprised of a blend of tailored masterclasses, action learning sets, and peer-to-peer learning [R3].

Related research on entrepreneurship across three UK regions [R4] demonstrated the importance of establishing policy interventions that are appropriately attuned to the particular challenges each region faces - a finding that further shaped the design and delivery of the 20Twenty Programme. Although managed behavioural change can improve innovative performance [R1], nurturing a culture of creativity can be challenging. The design of the 20Twenty Programme was, therefore, further enhanced by research from **Loudon** and associates who developed the 'Listen Connect Do' (LCD) Model to cultivate and sustain creativity inside an organisation [R5].

Subsequent research by **Francis and Loudon** considered how companies within supply chains can collaboratively learn and innovate more effectively. They developed the Supply Chain Organisational Learning and Innovation Framework (SCOLIF) which was used to identify cultural dimensions for managers to address when implementing multi-organisation innovation projects [R6]. This research was invaluable in underpinning Construction Futures Wales (CFW), a funded construction sector leadership programme with an explicit supply chain focus [B]. Evaluative research undertaken once delivery of the 20Twenty Leadership programme was underway evidenced the positive impact of the programme on business performance and confirmed effective delivery mechanisms (such as a focus on 'soft' skills, behavioural change, and action learning between delivery sessions) [R3].

In summary, CLEC research has underpinned the success of the 20Twenty Leadership and Construction Futures Wales Programmes, their design and implementation and their considerable and wide-ranging impact.

### 3. References to the research (indicative maximum of six references)

Outputs [R1], [R3], [R4] and [R6] are published in double-blind peer-reviewed journals. Output [R4] is included in our REF2021 submission while [R1] was returned to REF2014. Output [R2] was derived from research funded by European Social Fund [A] and [R6] from research funded by the UK Commission for Employment and Skills [F].

[R1] **Clifton, N.**, Pickernell, D., Keast, R. and Senior, M., (2010) Network structure, knowledge governance and firm performance: Evidence from innovation networks and SMEs in the UK, *Growth and Change*, 41(3), 337–373. <https://doi.org/10.1111/j.1468-2257.2010.00529.x>

[R2] **Clifton, N., Huggins, R., Morgan, B., and Prokop, D.** (2010) *Creative Leadership and SME Competitiveness: 20Twenty Leadership Programme Business Survey Research Report*. doi:10.13140/2.1.4012.5122

- [R3] **Clifton, N., Huggins, R., Morgan, B. and Thompson, P.**, (2015). An appropriate tool for entrepreneurial learning in SMEs? The case of the 20Twenty Leadership Programme. *Local Economy*, 30(5), 534-556. doi.org/10.1177/0269094215589310
- [R4] **Huggins, R., Morgan, B.**, and Williams, N. (2015) Regional entrepreneurship and the evolution of public policy and governance: Evidence from three regions, *Journal of Small Business and Enterprise Development*, 22(3), 473-511. doi.org/10.1108/JSBED-12-2012-0135
- [R5] **Loudon, G.** and Deininger, G., (2014) A new model for supporting creativity in research organisations. *R & D Management Conference 2014: Connecting High Value Solutions with Future Markets*, 3-6 June, Stuttgart. <http://hdl.handle.net/10369/6658>
- [R6] **Thomas, A.**, Dorrington, P., Costa, F., **Loudon, G., Francis, M.** and Fisher, R., (2017) Organisational learning capability in SMEs: An empirical development of innovation in the supply chain. *Cogent Business & Management*, 4(1), 1364057. doi.org/10.1080/23311975.2017.1364057

### Research grants and funding

- [A] **Morgan, B.** (2009-14) Creative Leadership and Communication (20Twenty Leadership) Programme, *Priority 2 of the Welsh European Funding Office's (WEFO) East Wales Regional Competitiveness and Employment Programme: European Social Fund (ESF) Operational Programme 2007-13*. Total project value of £3.8m, £1.4m ESF Grant (£2.4m match funding).
- [B] **Morgan, B.** (2014-18) Construction Futures Wales, jointly funded by *Welsh Government and the Construction Industry Training Board (CITB)*, Cardiff Metropolitan University undertook "Lot 1 - Development of a company Diagnostic tool, Research and Horizon Scanning", and "Lot 3 - Skills Development", £965k in total.
- [C] **Morgan, B.** (2015-2020) 20Twenty Leadership Programme Second Phase (Leading Business Growth Programme). Total project value of £5.6m, £3.2m ESF Grant (£2.4m match funding).
- [D] **Morgan, B.** (2020-23) 20Twenty Leadership Final Phase. Total project value £2.4m, £1.4m ESF Grant (£1m match funding).
- [E] **Morgan, B.** (with associates **Clifton, N.**, Huggins, R. and others) (2016-2020) The Future of the Welsh Economy: A Hodge Foundation Research Project, funded by the *Hodge Foundation*, £400k in 2 tranches.
- [F] Dorrington, P. (with associates, **Francis, Thomas** and others) (2015-2016) Innovative Supply Chain Project (InSCaPe) The UK Commission for Employment and Skills, £75k

### 4. Details of the impact (indicative maximum 750 words)

The importance of SMEs to the global economy cannot be overestimated; they account for 99.5% of businesses across every main industry sector, 44% of all jobs in the UK and 62% of all jobs in Wales. The CLEC 20Twenty Leadership and Construction Futures Wales training programmes have collectively impacted nearly **900 SMEs**, achieved business growth improvements of over **£155m**, safe-guarded and/or created over **2,000** jobs and produced **25** new businesses. They have also helped deliver and shape Welsh Government policy. CLEC leveraged **£7m** in grant funding to deliver a gain of **£148m** to the taxpayer, a return-on-investment rate of over **2,000%**. Their success is evidenced through cumulative business improvements; the transfer of best practice; and individual company level impact.

## 1. Cumulative National Business Improvement

**Morgan, Clifton, Francis** and **Loudon** have worked on CLEC Programmes since inception, delivering to **606** participants from **480** companies within the assessment period and providing business growth to **30** of the top 300 businesses in Wales. One third of 20Twenty participants reported company sales growth of at least **30%** within two years of commencing the Programme [E1], totalling an estimated **£120m** of business improvements in the REF Impact period [E2], and creating **25** new businesses [E3]. Moreover, of companies reporting growth, **75%** directly attributed this rise to programme attendance [E2]. **68%** of the companies reported improved customer satisfaction, **60%** increased profitability, and **82%** improved decision-making [E2]. Together, the 20Twenty and Construction Futures Wales programmes reached an additional **408** companies in construction supply chains, safeguarding and / or creating **2,014** jobs, with **£36m** of new business achieved (against a £10m target) [E4]. Participants also reported significantly improved leadership skills in key areas of collaboration. These include innovation and product / service development and coaching, as well as facilitating the upskilling of colleagues [E3]. Due to its success, the programme was opened up to sponsorship from larger organisations from 2015, [E3] with sponsoring organisations including **Legal and General, General Dynamics, Admiral Insurance, Sport Wales and Willmott Dixon**.

## 2. National Policy Delivery & Transfer of Research-Informed Best Practice

The 20Twenty Programme contributed to meeting the central tenets of the ‘Lisbon Agenda’ of the **Europe 2020 Strategy**, and the success of **ESF Regional Competitiveness**, the Employment Programme for East Wales [E3]. It also contributed to Welsh Government’s Programme for Government (2011-16) aim of achieving balanced and sustainable growth. Funding awarded by WEFO in 2015 [C] extended the reach of the programme from regional (South East Wales) to pan-Wales, with Bangor University as delivery partner and a further grant extension to 2023 [D] cementing its reach to North East Wales [E5]

The impact of the programmes is further evidenced by additional funding and the appointment of key members of the research team to governmental and policy advisory roles. Specifically, significant follow-on funding was obtained to explore the impact of leadership on company productivity and to provide policy recommendations [E]. In addition, **Morgan** was invited to join the Welsh Government Learning Skills and Innovation Partnership (LSkip) Employment and Skills Board to contribute to skills development in Wales and **Clifton** was invited by the Federation of Small Business (FSB) in Wales to contribute to their strategy for developing the Welsh SME base [E6]. **Morgan** also gave evidence to the National Assembly Economy, Infrastructure and Skills Committee, promoting good practice among business-skills providers nationally. Collectively, therefore, the CLEC programmes have had a significant impact on the Welsh economy, company performance, and the policy and practice of national, regional and sector stakeholders.

## 3. Individual Company Level Impact

Endorsements from individual companies demonstrated the value companies placed on the 20Twenty Programme, in particular the aspects of knowledge-sourcing - *“I often came back from a session with new ideas or the will to challenge status quos”*; and networking - *“people who will definitely become part of my future business contacts”*; *“I have a much better understanding of the management tools available to help bring about positive change in our company”* [E2] impact which accrued beyond programme attendance - *“The Programme provided wider impacts and outcomes [planning, new business opportunities] which continue to contribute to the company”*; and, ultimately going beyond profitability or growth to the sustainability of the business itself *“My company may not have been trading today if I had not been on the programme”* [E3].

Widespread endorsement of 20Twenty and its impact included that of **NatWest** Bank which actively promoted it to their client base [E7]. Other companies stressed the balanced implementation of both ‘hard’ and ‘soft’ leadership factors that it enabled [E8]; the improvement in collaborative working across organisational and functional boundaries [E9]; improved strategic

decision-making and growth outcomes [E10]; knowledge sourcing and business objectives [E11]; and, processes and systems improvement [E7]. As a result, Admiral Insurance commissioned a **bespoke version** of the 20Twenty Programme (2015). Indeed, 20Twenty Cohort 4 included tailored provision for **28 Social Enterprise** organisations including charities, and housing associations with over 20,000 tenants in total.

#### 5. Sources to corroborate the impact (indicative maximum of 10 references)

- [E1] Clifton, N., Huggins, R., Morgan, B. and Thompson, P., (2015). An appropriate tool for entrepreneurial learning in SMEs? The case of the 20Twenty Leadership Programme. *Local Economy*, 30(5), 534-556. doi.org/10.1177/0269094215589310 Peer reviewed evaluative research which evidences the positive impact of the programme on business performance.
- [E2] Survey of companies involved in the 20Twenty Leading Business Growth Programme; mid-term evaluation, Morgan, S. (CLEC, Cardiff Metropolitan University), Hopkins, L. (Business School, Bangor University) (2020). Survey of participants which confirms business improvement outcomes and estimate of total impact value of 20Twenty Programmes 2014-20.
- [E3] 20Twenty Leadership Programme Final Evaluation Report by Inside:Out Organisational Solutions, undertaken for Wales European Funding Office (2016). 20Twenty Programme external evaluation describing key managerial learning outcomes and associated impact on businesses.
- [E4] Construction Futures Wales External Evaluation Final Report, Wavehill Social and Economic Research (2018). Undertaken for Wales European Funding Office, quantifies the overall impact of the CFW programme.
- [E5] [Business Matters: Wales' Flagship 20Twenty Business Growth Programme](#) article confirming Bangor University as NE Wales 20Twenty Leadership deliver partner.
- [E6] A Better Way for Wales: Building our Economy on the SME Foundation, FSB Wales' Business Manifesto for the 2016-21 Welsh Government confirming Clifton's research contribution to the FSB Strategy.
- [E7] NatWest Bank Relationship Director for South Wales, video testimonial confirming endorsement of the 20Twenty Programme and its strategic fit with NatWest's client development priorities, provided at <https://20twentybusinessgrowth.com/events/> 'taster' session October 2019, available at <https://www.youtube.com/watch?v=hp0XioPY3tQ#action=share>
- [E8] Owner of Hafod Mastering, video testimonial describing the complementary impact of hard and soft skills on management practice, available at <https://20twentybusinessgrowth.com/donal-whelan/>
- [E9] Harding Evans LLP, video testimonial confirming improved collaborative working and process improvement, available at <https://20twentybusinessgrowth.com/wyn-williams/>
- [E10] Managing Director, Carreg Construction, testimonial outlining improved strategic decision making and growth outcomes, available at <https://20twentybusinessgrowth.com/andrewphillips/>
- [E11] The Head of Marketing, TicketSource, video testimonial highlighting improved strategic focus, available at <https://20twentybusinessgrowth.com/terry-rosoman/>