

ENTERPRISE EUROPE NETWORK IMPACT EVALUATION

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Finally, we would like to thank UKRI and the Innovate UK EDGE team for their ongoing support.

1 Executive summary

A consortium of Frontier Economics and BMG Research was commissioned by UK Research and Innovation (UKRI) to undertake an impact evaluation of the business innovation support services delivered by the Enterprise Europe Network (EEN) consortium in England, Northern Ireland and Wales (ENIW) between 2015 and 2020.¹ For brevity, we refer to these services as ‘EEN support’.

The aim of this evaluation is to deliver robust evidence on the impact of EEN support, including an assessment of value for money. We also provide insights and lessons learned for the delivery of business innovation support services under Innovate UK EDGE, which replaced EEN from January 2021.

1.1 Background

EEN is a business innovation support instrument that was established in 2008 by the European Commission (EC). EEN is active in more than 60 countries, comprising a network of 3,000 experts and 600 member organizations.² Using co-funding from the EC and national governments, EEN provides ‘soft’ or ‘wrap around’ support to businesses to help them navigate an ‘innovation and growth journey’ from adopting and investing in ideas, testing and developing them, to launch and scale, including forming partnerships in overseas markets. Initially, EEN had a greater focus on international partnerships and supporting SMEs to operate in other global markets. However, in 2014 the EC introduced additional EEN activities with a greater focus on innovation support.

While EEN was originally delivered in the UK by 11 different regional consortia, from 2015, following a successful bid led by Innovate UK (IUK), EEN was delivered in England, Northern Ireland and Wales by a single consortium, with IUK as the coordinating partner and providing 40% match funding.³ In addition to IUK, the EEN ENIW consortium was comprised of 21 delivery partners, drawn from a mixture of universities, regional chambers of commerce and private sector business service providers. The delivery partners were distributed across eight regions: London, South East, South West, Midlands, East, Wales, North, and Northern Ireland.

There was a wide range of business innovation support activities delivered by the EEN ENIW consortium during the 2015–20 period. Figure 1 provides a high level overview of the main activities undertaken.

¹ It should be noted that the activities of the EEN ENIW consortium expanded significantly during the COVID-19 pandemic, enhancing support to meet the immediate needs of businesses. These activities were not assessed as part of this evaluation.

² See <https://een.ec.europa.eu/about/about>.

³ Since 2015, delivery in Scotland has been managed by EEN Scotland (and is not in scope of this evaluation).

Figure 1 EEN ENIW Consortium activities (2015-20)



Source: Frontier Economics and BMG Research

Business 'life-stage personas' were used to classify businesses and their needs at each stage of their life cycle, and to tailor the support offered. There were five life-stage personas: Pre-seed, Seed, Early Stage, Growth, and Scale.

1.2 Evaluation framework and methodology

We developed and implemented a 'theory-based' evaluation of EEN support. Given the complex landscape in which businesses innovate and grow, and the range of intended outcomes and impacts of EEN, this was agreed to be an appropriate methodology.

The overall evaluation is structured around a set of ten Evaluation Questions (EQs) identified from the underlying logic model and theory of change for EEN support. The logic model is shown in Figure 3 in the main report. The EQs were grouped into five over-arching themes which form the structure of our analysis:

1. *Logic model components* – outputs, outcomes and impacts of EEN support
2. *Heterogeneity* – how impact varied by support type and business type
3. *External factors* – barriers and enablers affecting impact
4. *Value for money* – evidence on whether the benefits attributable to EEN support exceed the costs of providing support
5. *Lessons learnt* – implications for IUK EDGE support going forward

To answer the EQs we use an approach known as ‘Contribution Tracing’. This approach seeks to assemble and triangulate a range of evidence to ‘trace’ the contribution of EEN support. The evidence sources we draw on include:

- A mixed-mode (telephone and online) survey of 559 businesses (449 of which received EEN support and 110 which did not). The survey collected information on various aspects of the logic model and the perceived impact of EEN support, allowing both for comparisons between supported businesses and businesses that did not receive support, as well as self-reported reflections on the impact of EEN support among beneficiaries. Survey fieldwork took place between July and September 2022. The overall survey response rate was 6% for supported businesses.
- Quasi-experimental econometric analysis of 9,612 businesses (6,806 supported businesses and 2,806 businesses that did not receive support), using a ‘difference-in-difference’ approach to evaluate economic impact, comparing companies’ employment and turnover before and after receiving EEN support, relative to a ‘control’ group.
- Qualitative interviews with 40 businesses (32 who received EEN support and 8 that did not). These included in-depth interviews seeking to trace *how* EEN support made a difference for particular firms, as well as Qualitative Comparative Analysis style interviews with both beneficiaries and non-beneficiaries, using a common topic guide to help understand (within and between groups) what difference EEN support made.

As with all impact evaluation, a key challenge is identifying a credible ‘counterfactual’ against which to compare the impact of EEN support. For all three evidence sources we consider a ‘control group’ of firms drawn from those that liaised with the EEN ENIW consortium during the evaluation period and were eligible for support but did not take up an EEN service. We consider it likely that companies which liaised with the EEN ENIW consortium and were eligible for support but did not take up a service are likely to be similar in terms of the types of support needed and their knowledge of support available. However, it is possible that there may be systematic differences between the businesses that took up EEN support and those that did

not. Such differences could bias our findings by wrongly attributing these differences as an impact of EEN support. That said, we consider this to be the most appropriate approach to constructing a credible control group given the available data.

1.3 Findings

We summarise our findings below for each of the 5 themes used to group our evaluation questions.

1.3.1 Logic model components - outputs, outcomes and impacts of EEN support

We find strong positive evidence of benefits of EEN support in a number of areas and across a range of evidence sources.

Over three-quarters (77%) of survey respondents who received EEN support say it had a positive impact overall on their organisation. This includes one in five (20%) who say it has had a large positive impact. One in five (20%) said the support had made no difference, and only 1% said that the impact of EEN support had been negative.

We asked EEN beneficiaries in the survey whether EEN support had positively impacted them in a number of different capability areas. In most areas, the majority of respondents rated the impact of EEN as positive (see Table 1). The most positive perceived impacts were in 'strategic decision making', 'knowledge of how to access funding and finance', 'knowledge sharing and collaboration', and 'growth'.

Table 1 EEN impact by capability area, perceived positive impact by survey respondents

	% reporting positive impact in this area
Strategic decision making about the market position of the organisation	59%
Knowledge of how to access funding and finance	57%
Knowledge sharing and collaboration with other organisations	55%
The growth of my organisation	55%
Capability to develop new products and services	53%
Management of innovation in my organisation	52%
Ability to enter new markets	52%
Ability to access funding or finance	51%
Knowledge of the market in which my organisation operates or would like to operate	50%
Culture of innovation in my organisation	50%

	% reporting positive impact in this area
The investment readiness of my organisation	48%
Business processes in my organisation	47%
Ability to gain new IP	47%
The productivity and/or efficiency of my organisation	45%
Spend on research and development	43%
The profitability of my organisation	40%
Knowledge of regulation and standards relevant to my organisation	35%

C02. Thinking about the support that you received, what impact, if any do you think it had on the following?

Base: Received support and rated capabilities (437)

Moreover, supported businesses are statistically significantly more likely to rate their capabilities across a number of different elements of business and innovation as ‘good’ than those who did not receive support (see Table 2 below, where figures in bold are statistically significantly higher for supported businesses). The biggest differences between supported and unsupported businesses are found in self-reported capabilities for ‘knowledge sharing and collaboration’, ‘knowledge of how to access funding and finance’, ‘investment readiness’, ‘management of innovation’, and ‘productivity/efficiency’.

Table 2 Proportion of survey respondents rating capability as at least ‘good’, supported and unsupported businesses

	Supported	Unsupported
Knowledge of regulation and standards relevant to my organisation	78%	72%
Knowledge of the market in which my organisation operates or would like to operate	88%	78%
Knowledge of how to access funding and finance	57%	40%
Strategic decision making about the market position of the organisation	72%	62%
The investment readiness of my organisation	57%	42%
The productivity and/or efficiency of my organisation	70%	57%
Business processes in my organisation	67%	55%
Capability to develop new products and services	82%	73%
Management of innovation in my organisation	79%	66%
Culture of innovation in my organisation	84%	74%
Knowledge sharing and collaboration with other organisations	69%	55%
The growth of my organisation	53%	47%

	Supported	Unsupported
The profitability of my organisation	48%	45%

C01. How would you rate your organisation's current capabilities in the following areas?

Base: Supported businesses (449), unsupported businesses (110)

Figures in **bold** are statistically significantly higher for supported vs unsupported businesses.

There are some areas where supported businesses are not significantly more likely to rate their capabilities as 'good' than unsupported businesses, namely 'knowledge of regulations and standards', 'profitability', and 'growth'. In the case of 'knowledge of regulations and standards' and 'profitability', these are also areas where a smaller number of businesses reported a positive impact of the EEN support they received (35% and 40%, respectively). However, knowledge of regulation and standards was rarely a key focus of the EEN support a business received, nor was there evidence in qualitative interviews that this was an area where businesses felt support was particularly lacking. It is also the case that profitability was typically not a direct focus of most EEN support. It is also an impact that would likely take longer to materialise than other measured impacts.

With respect to new partnerships and collaborations, the majority (55%) of businesses surveyed do not directly attribute any of their new partnerships or collaborations to the EEN support they received. However, where new partnerships or collaborations are attributed to the EEN support received, these partnerships are overwhelmingly seen to have had a positive impact. Nearly all (95%) of those who received EEN support and attribute new partnerships or collaborations to this support say that they have had a positive impact on their organisation, including 42% who say they have had a large positive impact.

“EEN guided us through finding the right technical people, putting the team together from an innovate to succeed point which was really key [...] New partnerships were formed with the University, material suppliers and technical suppliers that we didn't use before. They're now in our supplier base and we still order from them.” (Business A)

We find little strong evidence from the survey that EEN support overall led to additional funding or new IP for supported businesses. There are no statistically significant differences in the public or private funding achieved or new IP gained between supported and unsupported businesses. However, where support was more specifically focused on achieving additional funding, namely through the Access to Finance programme, we do find that supported firms were significantly more likely to have been successful in accessing funding.

The positive survey findings are largely supported by the findings of the qualitative interviews, in which businesses described, amongst other things, how EEN support

- Created opportunities for networking and collaboration:

“The networking events really helped to build connections with partners in Europe. Some of the European projects in 2020 were the result of partnering with people in Europe that I met through the EEN organised network events.” (Business K)

- Helped improve innovation management capabilities:

“The support helped to improve our understanding of innovation management, it stepped us up to be able to cope with more projects and innovation than we did otherwise”.
(Business A)
- Helped businesses secure access to funding, promoting growth:

“Because of the work that was done, we secured funding which allowed us to go after new business. We were able to use that funding to change the production line, which meant that we could offer services that we couldn’t before.” (Business M)

Additionally, we find some evidence from both the survey and Qualitative Comparative Analysis that businesses would not have been able to find equivalent support elsewhere if EEN support was not available, especially if equivalent support was not available through IUK. A quarter (25%) of respondents who received support say they would not have looked elsewhere if EEN support was not available, and 10% were unsure of what they would have done. Among those who said they *would* have looked for support elsewhere in the absence of EEN support, Innovate UK was the most-often cited alternative source of support. This suggests that EEN support and resultant benefits were largely not displacing equivalent private or public support options.

In our econometric difference-in-difference analysis, we find robust, statistically significant evidence that the positive impacts of EEN support fed through into greater employment for supported businesses. We estimate that EEN support increased businesses’ employment by 2.6% relative to a control group of businesses that interacted with the EEN ENIW consortium but did not receive EEN support. Conversely, we do not find any statistically significant impact of EEN support on turnover. It is possible that this is due to employment impacts materialising sooner than turnover impacts for these types of business support interventions.

1.3.2 Heterogeneity - how impact varied by support type and business type

We find evidence that certain types of support were more effective than others. In particular, there is some evidence that Access to Finance and Innovate to Succeed support was particularly beneficial. In our econometric modelling, where we allow for the impact of support to differ by support type, I2S and A2F support are estimated to have increased businesses’ employment by about 4% and 13%, respectively, relative to the control group. And we find no statistically significant impact of other forms of support on employment.

Recipients of I2S support are also significantly more likely to perceive a positive impact of the support they received across a wide range of areas. This is shown in Table 3 below where figures in bold are statistically significantly higher than the average across all types of support.

Table 3 Proportion of survey respondents that perceive EEN support to have had a positive impact in each area, by service received

	Information, Global advice and guidance	Access to Finance	Innovate to Succeed
Knowledge of regulation and standards relevant to my organisation	37%	50%	39%
Knowledge of the market in which my organisation operates or would like to operate	56%	71%	50%
Knowledge of how to access funding and finance	58%	68%	64%
Strategic decision making about the market position of the organisation	56%	61%	70%
The investment readiness of my organisation	45%	56%	78%
The productivity and/or efficiency of my organisation	42%	44%	58%
Business processes in my organisation	43%	53%	63%
Capability to develop new products and services	51%	53%	66%
Management of innovation in my organisation	50%	56%	62%
Culture of innovation in my organisation	47%	53%	61%
Knowledge sharing and collaboration with other organisations	56%	70%	61%
The growth of my organisation	55%	59%	65%
The profitability of my organisation	40%	62%	43%
Ability to access funding or finance	49%	68%	69%
Spend on research and development	44%	53%	51%
Ability to enter new markets	58%	68%	37%
Ability to gain new IP	46%	67%	57%

C02. Thinking about the support that you received from [EEN partner], what impact, if any do you think it had on the following? E02. What impact, if any, did the support you received from [EEN partner] have on your organisation's ability to access funding or finance? E05. What impact, if any, did the support you received from [EEN partner] have on your organisation's spend on research and development? F02. What impact, if any, has the support you received from [EEN partner] had on your organisation's ability to enter new markets? F05. What impact, if any, has the support you received from [EEN partner] had on your organisation's ability to gain new IP?

Base sizes vary per statement: Information, advice and guidance (111-226), Global partnering and collaboration (15-34), Access to Finance (35-47), Innovate to Succeed (112-201)

*Figures in **bold** are statistically significantly higher than the average across all services.*

We also find some limited evidence from both the econometric analysis and the survey that the quality of EEN support may have improved over the evaluation period (2015-2020), possibly reflecting refinements in the delivery of the support. In our econometric analysis, where we allow for the impact of support to differ depending on the year that the business first received treatment, we find larger statistically significant impacts for those first receiving treatment in 2019 and 2020. We estimate that EEN support led to an increase in employment of about 7.6% and 12%, respectively for the 2019 and 2020 entry cohorts (despite the more limited time for impacts to have materialised). In the survey, those whose support started in 2020 are significantly more likely to say their support has had a 'large positive impact' (29%, compared to 20% overall).

While EEN support used life stage personas to identify and target appropriate support for businesses, it was not possible in this evaluation to directly identify the life stage persona of businesses. As a proxy, we have therefore considered whether there were different impacts by the initial turnover of supported businesses. In the survey, respondents who had zero turnover at the start of their EEN engagement are less likely to report a positive impact of the support overall (67%), than those who had turnover when their engagement started. Conversely, in our econometric analysis, we find no statistically significant difference in impact for firms with low levels of turnover (less than £100,000) at the start of their engagement compared with those with higher levels of turnover.⁴

We find some evidence from our econometric analysis that the benefits of support differed by the industrial sector of the supported business. In particular, two sectors are found to have benefited significantly more from support: information and communication (estimated 19.5% uplift in employment) and professional, scientific and technical activities (estimated 6.9% uplift in employment).

We find no strong evidence from the survey or econometric analysis that the benefits of support differed by the EEN ENIW partner delivering the support. However, a number of interviewees described the importance of having a good relationship with their EEN advisor, including having similar attitudes to innovation management.

"[Our advisor] went the extra mile, even when I moved the business to the Southwest of England he still kept in touch and was interested in it. He alerted me to funding, which he didn't have to do; it was more that we got on very well and I was quite pleasantly surprised that this sort of ongoing interest was there." (Business L)

1.3.3 External factors – barriers and enablers affecting impact

We find some evidence of a complementary nature between EEN support and other support being offered at the same time. In the survey, business who reported that they also received support from other organisations at the same time as their EEN support are significantly more

⁴ We were not able to consider zero turnover businesses separately due to sample size constraints.

likely to report a positive impact of the EEN support they received (84% compared to 72%). The most common types of other support were general advice and guidance (46%) and innovation support (46%), but many other kinds of support were also received by this group.

Other external factors mentioned in interviews include COVID-19 and Brexit. Qualitative evidence suggest that COVID-19 hindered the realisation of outcomes and impacts by limiting opportunities for some supported businesses to expand into new markets. Brexit was seen as a relevant barrier, with currency fluctuations and greater uncertainty following the 2016 decision hindering internationalisation and global partnering.

“The weakened pound [following Brexit] really reduced the incentive and ability of UK businesses to find suppliers abroad”. (Delivery partner A)

“We found European partners were less willing to collaborate with British businesses”. (Delivery partner B)

1.3.4 Value for Money – benefits to cost ratio

We assess whether EEN support represents a good use of public resources by comparing estimated benefits with the costs of the programme. In particular, our econometric analysis provides credible, quasi-experimental measures of the positive impact of EEN support on businesses’ employment. These estimated impacts are used to proxy impacts on gross value added (GVA), which we use as our estimates of monetisable benefits from EEN support. We control for displacement of workers from other parts of the economy by looking at the average GVA per worker in the industrial sectors of businesses receiving EEN support and compare this to GVA per worker across the economy as a whole. The difference represents the net GVA per worker that each additional person employed with an EEN supported firm generates, relative to if they were employed otherwise in the economy.

A crucial assumption in estimating the GVA benefits of EEN support is the number of years that the positive estimated increase in employment is assumed to persist for. We calculate a range of scenarios on a conservative basis, assuming the employment benefit of EEN support persists for 1, 2 and 5 years, respectively. Table 4 below shows estimated costs and benefits under these three scenarios. We find that EEN support is providing a net positive benefit to society in the event that estimated positive employment benefits persist for at least 2 years, which seems likely, even on a conservative basis.

Table 4 Costs and benefits (£m’s in 2015 PV)

Benefits persist for T years	T = 1	T = 2	T = 5
Benefits	32.0	63.0	149.7
Less costs (-)	-44.0	-44.0	-44.0

Benefits persist for T years	T = 1	T = 2	T = 5
Net benefit	-12.0	19.0	105.7
Benefit/cost ratio	0.7x	1.4x	3.4x

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, BSD and ABS, and cost data from UKRI.

Note: Costs in EUR were converted to GBP at average annual GBP/EUR rates from the Bank of England. Nominal cost and benefit figures for a given year were deflated to 2015 based on CPI inflation data from the ONS. PV was calculated using a 3.5% social time preference rate (STPR), in accordance with Green Book guidance.

Moreover, this should be considered as a lower bound on the value for money of the EEN support, in so much that it does not include other unquantified benefits that we find qualitative evidence for, such as: environmental impacts; impacts on equity, diversity and inclusion; impacts on innovation culture, knowledge sharing and collaboration; and future benefits unrealised at the time of evaluation.

1.3.5 Lessons learnt – implications for IUK EDGE support going forward

From 2021, following the end of the Brexit transition period, delivery of EEN support in ENIW was re-branded as ‘Innovate UK EDGE’. From January 2022 onwards, Innovate UK EDGE has been entirely funded by IUK. The core activities of Innovate UK EDGE are fundamentally the same as those of the EEN ENIW consortium. That said, there have been a number of refinements and changes to the delivery of these activities under EDGE. These include refinements to positioning and branding of initiatives, changes to the monitoring and evaluation of impacts, and refinements to the assessment of business support needs.

There are a number of insights offered by this evaluation for delivery of IUK EDGE support going forward:

- First, there appears to be a clear role for and strong evidence of benefits from the type of ‘soft’ innovation support offered by EEN and now IUK EDGE.
- Second, the additional emphasis and focus on innovation support, beginning during the EEN evaluation period (and that is a key part of the evolution into IUK EDGE), is strongly validated by the findings of this evaluation.
- Third, there is some evidence that the quality of EEN support increased over the evaluation period, possibly associated with the EEN ENIW consortium gaining greater flexibility as IUK contributed a greater proportion of funding for the programme. With IUK EDGE now being entirely funded by IUK, hopefully the impact of support will continue to grow as delivery is refined further to meet the needs of UK businesses.
- Fourth, this evaluation finds some limited evidence that more mature businesses benefited more from EEN support, compared to pre-seed businesses. While this is validating the life-stage persona approach developed during EEN and refined further for

IUK EDGE, it may be important to monitor the amount of time spent evaluating the life stage persona and needs of businesses to ensure this is proportional and truly effective in tailoring support. There may be ways to streamline these processes going forward, giving businesses more opportunities to articulate their needs.

*"I'm not a business man, I don't have a business mind at all, and if they had spotted that they could have put me in partnership with someone whose strength that was."
(Beneficiary, QCA 16)*

- Fifth, there was a perception from some businesses receiving EEN support that time was often too limited to realise increasing returns from more intense support, where the advisor gets closely acquainted with the needs of the business. While this is validating of the expansion of the Scaleup programme as part of IUK EDGE, it will be important to continue to monitor whether the time allocated to support each business is sufficient.

*"If business support is to be provided, it needs to be provided in a much bigger amount, without time constraints so that people are not always looking over their shoulders, are we going to run out of time. By the time people have understood what you are doing as a business, they then inform you that you are at the wrong stage for them to support you."
(Business C)*

- Sixth, a common theme from the qualitative interviews conducted for this evaluation was that where businesses reported limited outcomes or less positive experiences, this often reflected a misalignment between their expectation and the programme delivery. Moving forward, a key suggestion for the IUK EDGE programme would be to ensure expectations are aligned at the start of each engagement with a new business.
- Finally, two key challenges for this evaluation were: i) the length of time that has passed since the delivery of EEN support, and ii) businesses' understanding of what support they received and who had delivered this support. The more consistent branding of support under IUK EDGE and the increased focus within IUK EDGE for more frequent monitoring and evaluation will hopefully alleviate these issues going forward.

2 Introduction

A consortium of Frontier Economics and BMG Research was commissioned by UK Research and Innovation (UKRI) to undertake an impact evaluation of the business innovation support services delivered by the Enterprise Europe Network (EEN) consortium in England, Northern Ireland and Wales (ENIW) between 2015 and 2020.⁵ For brevity, we refer to these services as ‘EEN support’.

The aim of this evaluation is to deliver robust evidence on the impact of EEN support, including an assessment of value for money, against the stated objectives of the EEN ENIW consortium. Given the transition of business innovation support services from EEN to Innovate UK EDGE (discussed below), this evaluation also seeks to provide insights to support this transition. In particular, it looks to draw out lessons learned and forward-looking implications for delivery of Innovate UK EDGE.

This evaluation attempts to assess not just what the EEN ENIW consortium delivered, but how and why benefits were (or were not) realised. The extent to which different elements of the delivery of these services generated benefits, and whether benefits were felt differently for different groups (e.g. firms at different stages of their ‘innovation journey’) are also considered as part of the evaluation.

The evaluation draws on three main evidence sources:

1. A survey of 559 businesses, 449 who received EEN support and 110 businesses that interacted with the EEN ENIW consortium but did not receive EEN support.
2. Qualitative interviews with 40 businesses, 32 who received EEN support and 8 that did not.
3. Quasi-experimental econometric analysis of 9,612 businesses, 6,806 supported businesses and 2,806 control group businesses.

The remainder of this report is structured as follows:

- Section 3 describes EEN and the EEN ENIW consortium, its history and context, the activities delivered, and the aims of the consortium.
- Section 4 summarises the theory of change and logic model for EEN support developed for this evaluation.
- Section 5 sets out the evaluation questions and describes our evaluation methodology.
- Section 6 sets out our detailed findings against each of the evaluation questions.
- Section 7 provides an overall summary of the evaluation evidence and conclusions.

⁵ It should be noted that the activities of the EEN ENIW consortium expanded significantly during the COVID-19 pandemic, enhancing support to meet the immediate needs of businesses. These activities were not assessed as part of this evaluation.

3 EEN and the EEN ENIW consortium

3.1 History and context

The Enterprise Europe Network (EEN) is a business innovation support instrument that was established in 2008 by the European Commission. EEN is active in more than 60 countries, comprising a network of 3,000 experts and 600 member organisations (national innovation agencies, technology hubs, universities, research institutes, regional development agencies and chambers of commerce).⁶ Using co-funding from the European Commission (EC) and national governments, EEN provides 'soft' or 'wrap around' support to businesses to help them navigate an 'innovation and growth' journey from adopting and investing in ideas, testing and developing them, to launch and scale, including forming partnerships in overseas markets.

When EEN was first established in the UK in 2008, it was delivered by 11 different regional consortia, with the majority of match funding coming from Regional Development Agencies (RDAs). When RDAs were abolished in 2012 and later replaced with Local Enterprise Partnerships (LEPs), this match funding was lost. Around this time, Innovate UK (IUK) looked to increase its involvement with the delivery of EEN. In particular, IUK saw an opportunity to build upon the regional networks of EEN and coordinate these nationally to provide wrap-around business innovation support, complementing IUK's other business support activities.

Initially, EEN had a greater focus on international partnerships and supporting SMEs to operate in other global markets. However, in 2014 the European Commission introduced additional EEN activities with a greater focus on innovation support.⁷ This additional innovation focus made EEN an even more natural fit for IUK.

From 2015, following a successful bid led by IUK, EEN was delivered in England, Northern Ireland and Wales by a single consortium, with IUK as the coordinating partner and providing 40% match funding.⁸ In addition to Innovate UK, the EEN ENIW consortium was comprised of 21 delivery partners distributed across eight regions: London, South East, South West, Midlands, East, Wales, North, and Northern Ireland. The EEN ENIW delivery partners are shown in Figure 2 below.

The delivery partners were drawn from a mixture of universities, regional chambers of commerce, and private sector business service providers. Most of the delivery partners were previously involved with delivery of EEN in the UK prior to 2015, as part of one of the 11 regional consortia. Some partners were involved with delivery of the full range of 2015-2020

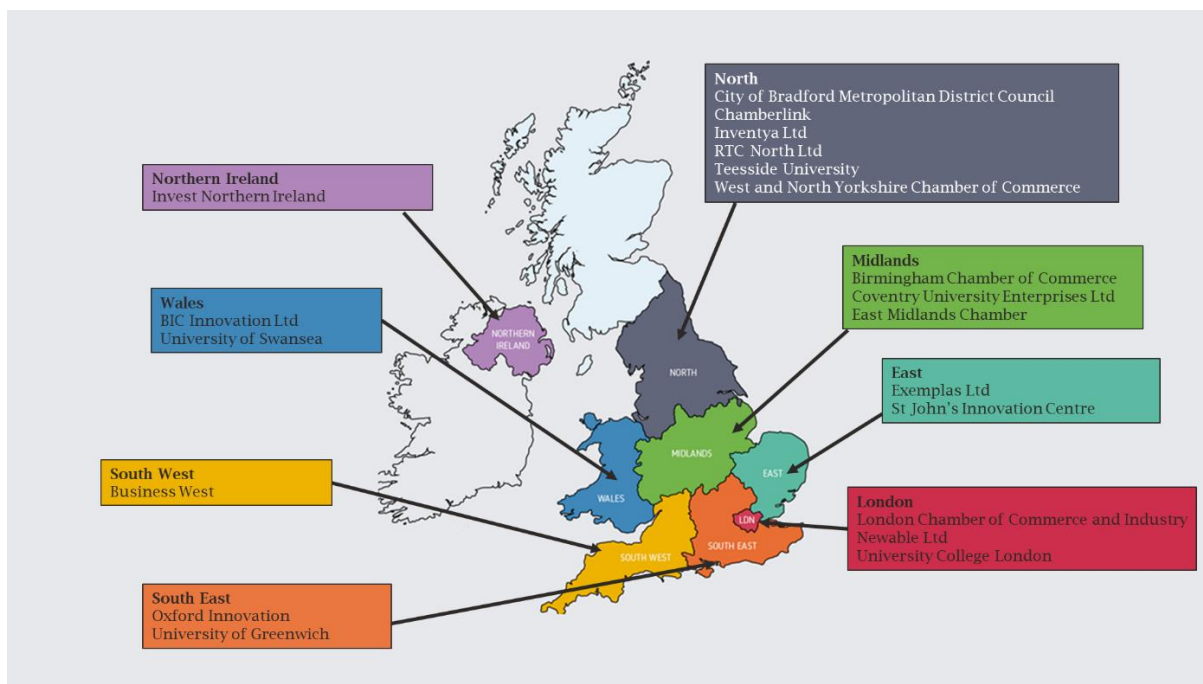
⁶ See <https://een.ec.europa.eu/about/about>.

⁷ These included key account management for recipients of SME Instrument funding and Enhancing Innovation Management Capacity activities (delivered in the UK as the 'Innovate to Succeed' programme). EEN ENIW activities are described in more detail below.

⁸ Since 2015, delivery in Scotland has been managed by EEN Scotland (and is not in scope of this evaluation).

EEN activities, while others only delivered certain initiatives. However, under the ‘no-wrong door’ principle, these providers acted to refer prospective beneficiaries to other local partners that could provide other services, if relevant. Referrals tended to come directly from either local Growth Hubs, which were part of LEPs or through the National Enquiry Gateway. This is a service set up to triage business support request to either EEN ENIW consortium partners or other stakeholders which could offer business support.

Figure 2 EEN ENIW Delivery Partners



Source: Innovate UK

Note: The University of Swansea left the EEN ENIW consortium in 2019.

As mentioned, EEN support was co-funded by the EC and national governments. EC funding for EEN support primarily derived from two main sources:

- COSME – the EC’s programme for the ‘Competitiveness of Enterprises and Small and Medium-sized Enterprises’; and
- Horizon 2020 (H2020) – the EU’s research and innovation funding programme from 2014-2020.⁹

From 2021, following the end of the Brexit transition period, delivery of EEN support in ENIW was re-branded as ‘Innovate UK EDGE’. From January 2022 onwards, Innovate UK EDGE has been entirely funded by IUUK.

⁹ The H2020 programme has been succeeded by Horizon Europe.

The core activities of Innovate UK EDGE are fundamentally the same as those of the EEN ENIW consortium. That said, there have been a number of refinements and changes to the delivery of these activities under EDGE. These include refinements to positioning and branding of initiatives, changes to the monitoring and evaluation of impacts, and refinements to the assessment of business support needs.

3.2 EEN ENIW Consortium activities (2015-20)

There were a wide range of business innovation support activities delivered by the EEN ENIW consortium during the 2015-20 period. These activities were arranged under different initiatives with a range of funding sources.

In developing our evaluation framework, we identified and agreed the following broad categories to group different EEN activities:

- **Information, advice and guidance** – the EEN ENIW consortium provided businesses with information, advice and guidance on a range of topics including working and trading in the single market and beyond, IP, regulations and standards, IUK and EC funding competitions, and other forms of available business support. EEN ENIW delivery partners arranged events covering these topics and also addressed specific enquiries from businesses.
- **Global partnering and collaboration support** – the EEN ENIW consortium helped businesses to find trusted global partners for business, technology or research by drawing on the global network of EEN, which is active in more than 60 countries, comprising a network of 3,000 experts and 600 member organisations. EEN ENIW organised partnering events to facilitate and broker relationships but also dealt with individual enquiries from businesses for support in finding partners, as well as inward expressions of interest from other countries. EEN ENIW also organised global business innovation programmes (GBIPs) and provided wrap-around support for businesses participating in these programmes.
- **Access to Finance and Pitchfest** – EEN ENIW provided support through its 'Access to Finance' (A2F) scheme to help businesses identify and access finance opportunities, including EC and international funding schemes, such as Eureka Eurostars funding. EEN ENIW also organised 'Pitchfest' events involving two days of comprehensive pitch training designed to support innovative SMEs to hone their investment propositions and pitching skills, and provided wrap-around support before and after these events for participating SMEs. It should be noted that EEN support did not include proposal writing for funding applications.

- **Key Account Management** – EEN ENIW delivery partners acted as ‘key account managers’ to recipients of SME Instrument funding under the Horizon 2020 framework.¹⁰ As key account manager, they would source an appropriate external coach to provide innovation coaching for these SMEs and provide connectivity to the wider EEN ecosystem and support offer.¹¹
- **Innovate to Succeed (I2S) and Enhancing Innovation Management Capacity (EIMC)** – EEN ENIW’s I2S programme provided coaching support services for innovative SMEs, based on CEN 16555 (later ISO 56002). This coaching was delivered by EEN ENIW delivery partners. I2S provided SMEs with five to nine days of tailored face-to-face support to help identify and address challenges in their business that would otherwise hinder the successful exploitation of their innovation.¹² Innovation support for businesses also included support to apply for an intellectual property audit undertaken by IP experts, a scheme run by the UK IPO.
- **Scaleup** – EEN ENIW developed a ‘Scaleup’ programme, starting as an EC funded pilot in 2017/18, that provided bespoke support (often up to 15 days) for a small number of SMEs identified as being capable of scale (highest growth innovative SMEs with highly driven leadership). Scaleup support was delivered by high calibre Scaleup Directors. The support aimed to identify and address key barriers to scaling.
- **Young Innovators** – EEN ENIW provided intensive coaching support for winners of the Young Innovators ‘Ideas Mean Business’ competition. This was a competition aimed at finding a new generation of young innovators and entrepreneurs, with the winners receiving financial support for their idea and tailored coaching and mentoring (provided by EEN ENIW). The support was tuned to take into account the generally limited business experience of these young innovators. Note that the Young Innovators ‘Ideas Mean Business’ competition itself is not in the scope of this evaluation, only the coaching provided by EEN to competition winners.
- **Women in Innovation** – EEN ENIW provided tailored innovation management support and mentoring for winners of the Women in Innovation competition. These are competitions aimed at finding women with exciting, innovative ideas and ambitious plans that will inspire others, with the winners receiving financial support and tailored coaching and mentoring (provided by EEN ENIW). Note that the Women in Innovation competition itself is not in the scope of this evaluation, only the coaching provided by EEN to competition winners.

¹⁰ SME Instrument funding subsequently morphed into EIC Accelerator funding.

¹¹ This support was mandated for winners of SME Instrument funding. It was significantly affected by Brexit uncertainty leading to a reduction in applications.

¹² The agency referred to this support as ‘Enhancing Innovation Management Capacity’ (EIMC).

Day to day activities of EEN ENIW delivery partners also included promotion and marketing of EEN and the collection of feedback from SMEs, to be shared with the EC.

As noted above, the activities of the EEN ENIW consortium expanded significantly during the COVID-19 pandemic, enhancing support to meet the immediate needs of businesses. These activities are not assessed as part of this evaluation.

Business ‘life-stage personas’ were used to classify businesses and contextualise the support that they needed at each stage of their life cycle.¹³ In most cases, an EEN advisor would evaluate the business and designate one of the following five life-stage personas: Pre-seed, Seed, Early Stage, Growth, and Scale. There were no explicit rules for allocating businesses to specific life-stage persona, but typical characteristics and business activities are presented in Table 5 below.

Table 5 Life stage Personas - typical characteristics and activities

LIFE STAGE PERSONA	TYPICAL CHARACTERISTICS	KEY ACTIVITIES
Pre-seed	Age < 1year Staff 0-3 FTE Turnover 0	<ul style="list-style-type: none"> ■ Ideas ■ Design ■ Define ■ Idea generation
Seed	Age 0-3 years Staff 2-10 FTE Turnover <£100k	<ul style="list-style-type: none"> ■ Build/test: ■ Empirical research ■ Feasibility studies ■ Prototype development ■ Testing
Early stage	Age 1-5 years Staff 5-20 FTE Turnover £20k - £200k	<ul style="list-style-type: none"> ■ Measure/pivot: ■ Customer validation ■ Value propositions ■ Business models ■ Manufacturing/supply chain readiness ■ Pilot testing
Growth	Age 2-10 years Staff 5-100 FTE Turnover £100k - £5m	<ul style="list-style-type: none"> ■ New markets ■ Exporting/sourcing ■ Physical presence

¹³ I2S Operations Manual – Innovate UK, 25 July 2019

		<ul style="list-style-type: none"> ■ Market intelligence ■ Partner search
Scale	Age 3-15 years Staff 20-250 FTE <ul style="list-style-type: none"> ■ Turnover £1m - £50m 	<ul style="list-style-type: none"> ■ Strategy ■ Talent acquisition ■ Infrastructure ■ Leadership capability ■ Finance

Source: I2S Operations Manual – Innovate UK, 25 July 2019

The support provided to businesses was in some cases targeted to their business life-stage persona:

- If the company was designated as ‘pre-seed’ (with little innovation or internationalisation ambition) they were less likely to be offered EEN support. This is because pre-seed business are considered to be generally less able to make the most of EEN support. However, under the ‘no wrong door’ principle used by EEN ENIW, these businesses would typically be directed to other forms of support external to EEN ENIW.
- If the company was designated as ‘seed’, ‘early-stage’ or ‘growth’ (with high innovation and internationalisation ambition) they would be likely to benefit from ‘Innovate to Succeed’ support and would be offered this service. They may also or alternatively be offered other EEN support, such as partnering or access to finance support.
- If the company was designated as ‘growth’ with scaling potential then they may be offered Scaleup services, the most intensive coaching support delivered by EEN ENIW, designed to help SMEs identify and address key barriers to scaling.

3.3 Aims of the EEN ENIW consortium

As set out in the EEN ENIW framework partnership agreement, the goals of the consortium and its enabling programmes COSME and Horizon 2020 were to:¹⁴

- foster EU competitiveness and growth;
- stimulate SME competitiveness; and
- increase collaborations between the UK and international partners.

To work towards these over-arching goals, the initial aims of the consortium were:¹⁵

1. To improve the visibility and awareness of the network at a national level and within the regional business support eco-systems.

¹⁴ EEN ENIW Framework Partnership Agreement (649548), 2nd March 2015 – ANNEX 1.A, Section 8 ‘Methodology and justification for the proposed strategy’.

¹⁵ EEN ENIW Framework Partnership Agreement (649548), 2nd March 2015 – ANNEX 1.A, Section 3 ‘Objectives’

2. To provide professional advisory services to ensure that target group companies maximise their growth potential within innovation and internationalisation.
3. To increase English, Northern Irish and Welsh engagement in Horizon 2020 (the EU's research and innovation funding programme from 2014-2020).
4. To improve SME's access to finance and investment readiness capability.
5. To focus all EEN ENIW services for the benefit of SMEs and knowledge institutions on the creation of impact.
6. To provide a mechanism for SMEs to feedback to the European Commission on the workings of the internal market.
7. To become a lead consortium in the Network, that overachieves on KPIs and delivers an exemplary service that is acknowledged by clients.
8. To achieve a consistent and integrated EEN service across the UK, maximising economies and opportunities of scale and align and work in close partnership with EEN Scotland.
9. To improve SME's Resource Efficiency and to promote green entrepreneurship and eco-innovation with the intent to boost SME performance.¹⁶

In some areas, the activities and aims of the EEN ENIW consortium went beyond the original aims and activities of EEN set out by the European Commission (and translated into the EEN ENIW Grant Agreement). For instance:

- Starting in late 2015/early 2016, IUK provided additional funding and procured additional match funding from the European Regional Development Fund (ERDF) for a significant expansion of the 'Innovate to Succeed' programme, aimed at enhancing innovation management capacity within SMEs.
- Starting in 2017, IUK developed the 'Scaleup' programme to provide additional bespoke innovation support to the fastest growing and most innovative SMEs.

These activities reflected the greater emphasis that IUK and the EEN ENIW consortium placed on supporting innovation amongst SMEs.

The aims of the I2S programme were:¹⁷

1. To improve innovation management capacity;
2. To help overcome significant barriers to innovation and the commercialisation of new ideas;
3. To speed up the routes to market; and
4. To promote successful commercialisation.

¹⁶ Our understanding was that this objective was deprioritised and not specifically targeted by the consortium. Therefore, we have not analysed it in this evaluation.

¹⁷ Exemplar I2S Interim Evaluation – November 2017.

The aims of the Scaleup programme were:¹⁸

1. To identify a small cohort of SMEs with the highest growth potential and a desire to succeed; and
2. To provide the cohort with effective coaching and mentoring support to ensure they fulfil their potential to scale within Europe and beyond.

¹⁸ EEN ENIW SGA 2 Scale Up Final Report (COS-EEN-SGA-16-B-07-2016-1 – ENIW 764426) – April 2019.

4 Theory of Change and Logic Model

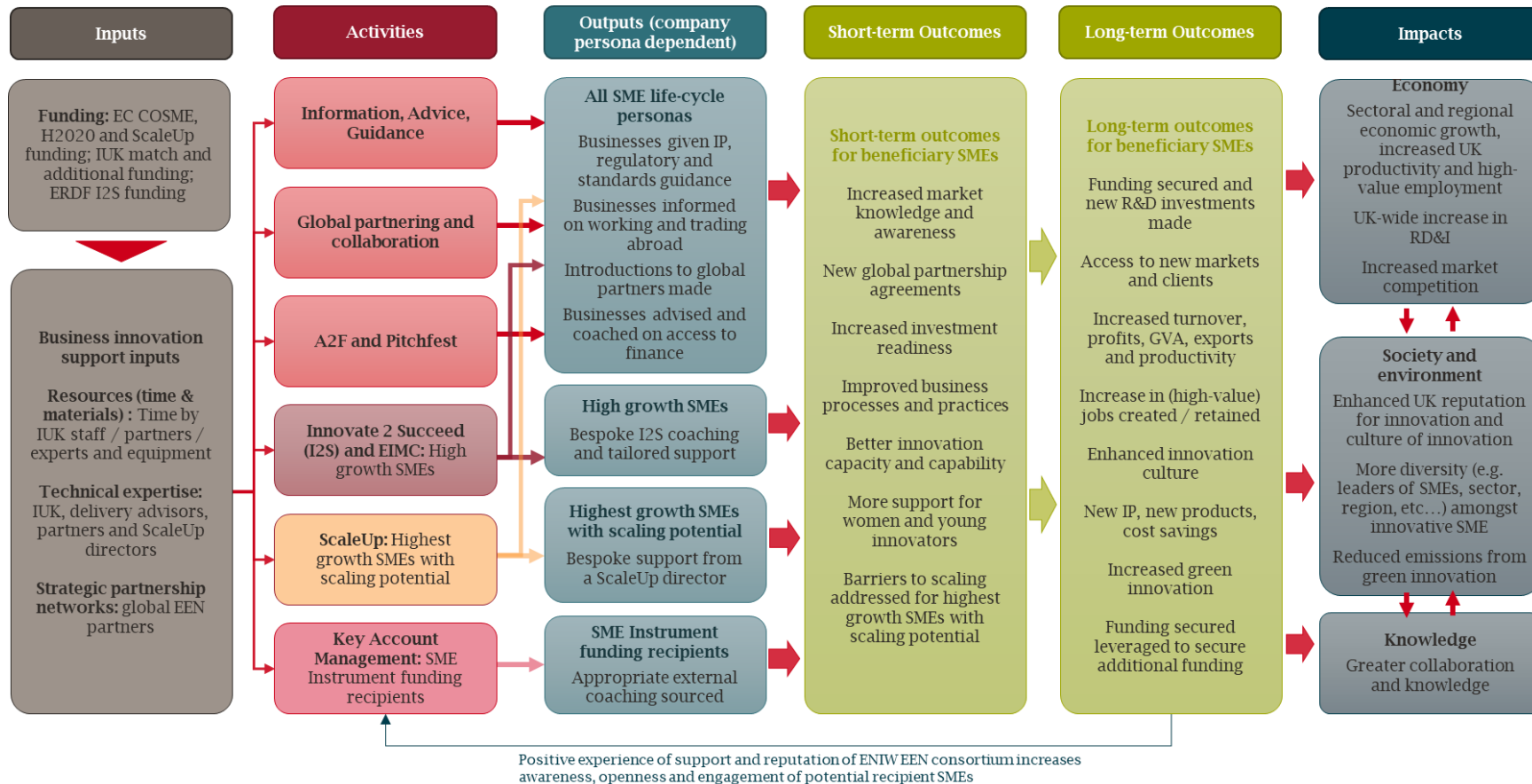
To inform our evaluation, and in line with UK government recommended best practice,¹⁹ we developed a Theory of Change (ToC) for the EEN ENIW consortium's business innovation support activities. This is summarised by the logic model set out in Figure 3 below, which shows the activities, outputs, outcomes, and impacts of ENIW consortium business innovation support, mapping the causal chain from activities to long-term impacts. By clearly articulating how EEN support was expected to deliver intended benefits, we are better able to distil clear evaluation questions and indicators for the evaluation.

More information on the development of this logic model and the theory of change used in this evaluation is presented in Annex A .

¹⁹ HM Treasury (2020), *Magenta Book: Central Government guidance on evaluation* (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/879438/HMT_Magenta_Book.pdf)

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Figure 3 Logic model for ENIW consortium business innovation support



Source: Frontier Economics and BMG Research

5 Evaluation questions and methodology

5.1 Evaluation questions

Based on the ToC and logic model, we identified a set of ten Evaluation Questions (EQs) which the impact evaluation seeks to address (see Table 6 below). These are structured into five over-arching themes. These relate to the intended benefits of EEN and its objectives. Draft versions of these questions were tested and refined based on feedback from UKRI and the EEN evaluation team.

Table 6 Evaluation questions

THEME	QUESTIONS	
<i>Logic model components</i>	1 How, and to what extent, did the activities as a whole lead to or contribute to...? a achieving market knowledge and partnerships? b improving investment readiness, business practices and innovation management (overall, women & young innovators)? c addressing barriers to growth and scaling?	
	2 How, and to what extent, did these outputs lead to or contribute to...? a better business outcomes (e.g. new markets, profit, jobs)? b new investment, products, IP, funding and funding leverage? c enhanced innovation culture?	
	3 How, and to what extent, did these outcomes lead to or contribute to ...? a better UK economic performance (growth, R&D, competition)? b better societal outcomes (reputation, diversity)? c better knowledge sharing and collaboration?	
	<i>Heterogeneity</i>	4 How far did outcomes and impacts vary by the type of activity delivered by the consortium?
		5 How did outcomes and impacts vary by different groups of beneficiaries (e.g. company persona, stage of support, innovation profile of business, 'route-in' to EEN support)?
		6 Which types of support have been most effective for different groups?
	<i>External factors</i>	7 How has other support interacted with activities delivered by the EEN ENIW consortium, in particular public support for innovation?
		8 What external factors appeared to be most critical in supporting, or hindering, delivery of intended outcomes and impacts?

Value for money 9 Did the consortium's activities deliver value for money?

Lessons learnt 10 What lessons and insights are learned for Innovate UK EDGE?

Source: Frontier Economics and BMG Research

5.2 Evaluation methodology

As with all impact evaluation, a key challenge in answering the above EQs is identifying a credible ‘counterfactual’ – that is, what would have happened absent EEN support? Additionally, evaluation of EEN support is challenging because of the complex nature of EEN support, with a range of evolving activities, aims and objectives, operating in a complex landscape.

For these reasons, we utilise a ‘theory-based’ approach to evaluation. As noted in the Magenta Book:

“Theory-based methods tend to be particularly suited for the evaluation of complex interventions ... [they] can confirm whether an intervention had an effect in the desired direction ... why an intervention worked, or not, and inform translation to other ... time periods.” (Section 3.4).

In this sense, a theory-based approach matches the aims of this evaluation and the complex nature of the EEN intervention.

The Magenta Book outlines a range of possible approaches that can be taken for a theory-based evaluation. In line with both written guidance,²⁰ and a comparative tool developed to support the choice of evaluation approach,²¹ we combine a range of theory-based methods to arrive at our overall assessment of the impact of EEN. The overall approach used is one of ‘Contribution Tracing’, seeking to assemble and triangulate a range of evidence to ‘trace’ the contribution of EEN against each of the EQs. To support this, we draw on elements of other theory-based and quasi-experimental approaches focused on particular aspects of the evaluation:

- **Contribution analysis:** survey of businesses that did and did not receive EEN support, collecting information on various aspects of the logic model and the perceived impact of EEN support, allowing both for comparisons between supported businesses and businesses that did not receive support and self-reported reflections on the impact of EEN support among beneficiaries.
- **Process Tracing:** in-depth interviews which seek to trace *how* EEN support made a difference for particular firms, including particular examples of support and the role of external factors.
- **Structured interviews influenced by Qualitative Comparative Analysis:** interviews with both beneficiaries and businesses that did not receive EEN support, using a common topic guide/framework to help understand (within and between groups) what difference EEN support made. The use of a common framework for these interviews allows for more structured comparisons which enable counterfactual assessment.

²⁰ HM Treasury (2020), *Magenta Book Annex A: Analytical Methods for Use Within an Evaluation*, available [here](#).

²¹ CECAN (2020), *Choosing Appropriate Evaluation Methods – A Tool for Assessment and Selection (Version Two)*, available [here](#).

- **Quasi-experimental econometric analysis:** quantitative assessment using a ‘difference-in-difference’ approach to evaluate economic impact, comparing companies’ employment and turnover before and after receiving EEN support, relative to a ‘control’ group.

Below we describe each of the strands of our evaluation in more detail.

5.2.1 Survey of businesses

A main source of primary evidence for the evaluation is a business survey. The survey aimed to collect information on various aspects of the logic model relating to the impact of EEN support. The sample included businesses who had received EEN support between 2015 and 2020 and those who were offered EEN support during this time but did not take up the offer of support. Those who were offered support but did not take up the offer are used as counterfactual group for analysis purposes. The sample did not include any businesses recorded as receiving Covid-19 specific support.

To ensure the responses to the survey were as representative as possible of the wide range of businesses receiving EEN support during 2015-2020, quotas were set on both the ‘supported’ and ‘unsupported’ groups in the sample. For those who received support, quotas were set based on the start year of their EEN engagement, the main partner organisation that delivered this support and the services that they received (e.g. information, advice and guidance, Access to Finance, Innovate to Succeed etc.). For those who did not receive EEN support the only information available to use as a quota was the year of their initial enquiry or approach. More information on the quotas and sampling can be found in Annex C .

The sample for the survey was drawn from a mix of Innovate UK EDGE’s Customer Relationship Manager (CRM) system and from databases provided by EEN partner organisations of businesses they had engaged during the 2015-2020 period.

In total, 559 organisations completed the survey; 449 of these received support and 110 did not. Respondents were approached both online and over the phone to maximise response rates, and therefore the representativeness of the collected responses. 341 organisations completed the survey in an online format, and the remaining 218 completed over the phone with a specially trained interviewer.

Table 7 shows the achieved number of completed surveys for both the supported and unsupported groups by year of their engagement with EEN. It was more difficult to engage those whose initial engagement was longer ago with the survey, particularly for those who did not go on to take up the offer of EEN support. Subsequently, the sample is a little skewed towards those who engaged with EEN from 2018 onwards.²²

²² Please see Annex C for more details on response rates and the proportion of different characteristics amongst survey respondents versus the original sample.

Table 7 Number of completed surveys by year of initial EEN engagement

	Supported	Unsupported
2015	49	15
2016	38	11
2017	70	7
2018	110	18
2019	92	23
2020	90	36
Total	449	110

Source: Frontier Economics and BMG Research

To aid the analysis of the findings, respondents were grouped by the EEN services they received. This information was included in the databases drawn from Innovate UK's CRM system and provided by the partner organisations. It was then double checked with respondents at the beginning of their interview. Table 8 shows the different types of services those who received EEN support received. Some respondents received more than one service. The most commonly received services were information, guidance and advice and Innovate to Succeed (I2S). Only a small number in the original sample were recorded as receiving key account management and the achieved number of interviews with organisations that received this service is in line with the proportion in the original sample.²³ Those who received Scale-Up support, Women in Innovation support, and Young Innovators support were not specifically targeted for the survey as they were approached to take part qualitatively. However, a small number of surveyed businesses (4) reported receiving Women in Innovation support when questioned.

Table 8 Support types received by survey respondents

	n	%
Information, guidance and advice	276	61%
Global partnering and collaboration	49	11%
Access to Finance	70	16%
Key account management	8	2%
Innovate to Succeed	237	53%
Women in Innovation	4	1%

²³ Please see Annex C for more details on response rates and the proportion of different characteristics amongst survey respondents versus the original sample.

Source: Frontier Economics and BMG Research

Note: Some survey respondents received multiple types of support

In a small number of cases respondents received support from more than one partner organisation. In these cases, the one they received the most intensive service from was selected as their 'main' partner organisation (e.g. Innovate to Succeed support was prioritised over information, advice and guidance). For some partner organisations only a small number of survey responses were achieved. Generally, the split of completed surveys by partner reflects the original sample, with those who have offered support to a greater number of businesses representing a greater number of completed surveys.²⁴ Partner information was not available for those who did not receive support. Due to the number of partners involved in delivering EEN during 2015 and 2020 it has not been possible to conduct in-depth analysis of the survey responses for every partner. Some analysis has been provided where base sizes allow.

5.2.2 Econometric analysis

5.2.2.1 Methods

Our quantitative econometric assessment uses a generalised 'difference-in-difference' approach known as 'two-way fixed effects' to evaluate the economic impact of EEN support on beneficiary companies. This approach compares companies' turnover and employment before and after receiving EEN support, relative to a 'control' group of similar companies that did not receive EEN support. Subject to sufficient comparability between the companies that received support and the control group, improvements in outcomes above those achieved in the control group over the period can be causally attributed to EEN support.

Crucial to this approach is identifying a sufficiently comparable control group of firms. For our analysis we construct a control group from firms that liaised with the EEN ENIW consortium during the evaluation period and were eligible for support but did not take up an EEN service.²⁵ We consider this to be the most appropriate approach to constructing a control group given the available data. Companies that liaised with the EEN ENIW consortium and were eligible for support but did not take up a service are likely to be similar in terms of the types of support needed and their knowledge of support available.

5.2.2.2 Data and data sources used in the econometric analysis

We collect information on companies that interacted with the EEN ENIW consortium between 2015 and 2020. This includes companies which received a service from the consortium as well as those which interacted with the consortium but did not receive a service. Innovate UK EDGE's Customer Relationship Management (CRM) data provides information on companies which interacted with the EEN ENIW consortium from around 2018 onwards. This is supplemented with further data on

²⁴ Please see Annex C for more details on response rates and the proportion of different characteristics amongst survey respondents versus the original sample.

²⁵ These firms are recorded in the IUK EDGE CRM as having a 'case' but no 'service'.

beneficiaries from 18 individual delivery partners covering 2015 to 2018. The sample does not include any businesses recorded as receiving Covid-19 specific support.²⁶

This data covers information on company names, contact details of their owners, whether they received EEN support and, if so, what type of support and when this was received, the delivery partner they liaised with and, where available, firmographic information on company size, sector and turnover.²⁷ Table 9 shows the frequency of different types of support in the sample (with one business often receiving more than one type of support).

Table 9 Frequency of services across final sample of supported business used in the econometric analysis

Service	Companies that benefitted from a service
Information, advice and guidance	3,971
Global partnering and collaboration support	1,130
Innovate to Succeed (I2S)	2,618
Access to Finance (A2F)	840
Key Account Management	180
Scaleup	27
Young Innovators	~
Women in Innovation	23

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners.

Note: Firms with non-missing data in 2021 as of the final sample. Turnover and employment are as of 2021. See below for information on how we obtain this final sample from raw data. ~ indicates suppression in accordance with statistical disclosure rules.

The main business outcomes we analyse in the econometric analysis are employment, turnover and gross value added (GVA). For data on turnover and employment, we match our sample of businesses with the Business Structure Database (BSD)²⁸ to extract outcome data for both the beneficiaries and control group firms. For GVA, we use data from the Annual Business Survey (ABS)²⁹ to estimate GVA per worker across a range of sectors in the UK economy. These estimates are then used to convert estimated employment impacts of support into GVA estimates.

²⁶ This Covid-19 specific support is the subject of a separate evaluation, currently ongoing at the time of writing.

²⁷ We do not use information on turnover and employment from this database, using instead more complete data from the BSD.

²⁸ Office for National Statistics, released 10 November 2021, ONS SRS Metadata Catalogue, dataset, [Business Structure Database](https://doi.org/10.57906/7kh0-0910) – UK, <https://doi.org/10.57906/7kh0-0910>.

²⁹ Office for National Statistics, released 09 September 2022, ONS SRS Metadata Catalogue, dataset, [Annual Business Survey](https://doi.org/10.57906/ks2s-qx24) – UK, <https://doi.org/10.57906/ks2s-qx24>.

Data from the BSD and ABS is held securely by the ONS Secure Research Service. Before matching the sample of supported and control group businesses to the BSD and ABS data, the sample was anonymised and the initial matching (based on Companies House reference numbers) was performed by the ONS.³⁰

We exclude businesses that appear to be duplicated. We also exclude firms/observations that are either outliers or have inconsistent values: treated firms where the earliest treatment year is missing; that were first treated before 2015 or after 2020; where both turnover and employment are missing; firms with inconsistent time series variables;³¹ and, firms larger than EEN’s largest persona size (turnover > £50m and/or employment > 250).

At the end of the matching and data cleaning process, we obtain data on a total of 9,612 firms. This represents a match rate (the number of businesses retained in the final sample over the number of businesses in the de-duplicated original sample) of 66%. This partly reflects the nature of some contacts in the original sample, as well as the quality and completeness of the data available. A number of contacts included in the original dataset were university researchers or very small pre-seed businesses that did not have a Companies House reference number at the time EEN support was provided.

Of the 9,612 firms, 6,806 are in the treatment group whereas 2,806 are in the control group. See Table 10 for an overview of these firms’ characteristics, including average turnover and employment.

Table 10 Summary statistics for final sample used in the econometric analysis

	Number of firms	Average turnover (£000’s)	Average employment
Total	9,612	2,253	17
Treatment	6,806	2,135	17
Control	2,806	2,538	18

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, and BSD.

Note: Firms with non-missing data in 2021 as of the final sample. Turnover and employment are as of 2021.

The firms in the treatment group were first treated in different years (i.e. entry cohorts), received various support types, from either of three types of delivery partners (private, public or academic) and belong to different economic sectors (SIC groups). Annex B gives an overview of the number of firms with different characteristics, their average turnover and employment.³²

³⁰ In a small number of cases, Companies House reference numbers were not available in the IUK or partner data. In these cases we attempt to recover a reference number by comparing the company name to businesses listed on Companies House.

³¹ Where we have data for a year either when year < “birth year” (i.e. the firm has not yet started trading) and/or when year > “death” year (i.e. the firm has already ceased trading).

³² Annex B also provides information on the characteristics of low-turnover firms (< £100k).

5.2.2.3 Econometric modelling

We estimate a series of econometric models to test the impact of EEN support on businesses' employment and turnover. We first estimate a "homogenous treatment effect" model. This model implicitly assumes that the impact of EEN ENIW support on business outcomes is the same regardless of the year the business started receiving support, the type of support received, or any other factors. We therefore estimate further models that relax these assumptions, allowing for potential variation in the impact of EEN support depending on the following firm characteristics.

Specifically, we estimate the following sensitivities that allow for heterogeneity in the impact of EEN support:³³

- **Treatment type model:** We estimate a model that allows for different types of EEN support (or "treatments") to have different impacts. For example, we estimate the impact of I2S support separately from the impact of global partnering support. Note that the model includes only the four most common support types due to sample size limitations. For a list of these support types, please see Table 9 above.
- **Entry cohort model:** We estimate a model to account for how the impact of EEN support may have changed over time. This allow us to investigate whether the impact was different for businesses that first received treatment in different years (different entry cohorts).
- **Treatment type and entry cohort model:** We also estimate a model that allows the impact of EEN support to vary by *both* treatment type and cohort.
- **Low turnover model:** As discussed in Section 3.2, the needs and support received by businesses depended on their life stage persona. As a result, it is reasonable to expect that the impact of EEN support differ between life stages. While it is not possible to directly observe the life stage persona of businesses in the available data we proxy for pre-seed and seed businesses as all businesses with a turnover below £100k.
- **Delivery partner model:** As also noted in Section 3.1, EEN support was delivered across England, Wales and Norther Ireland by 21 local delivery partners, which were selected from both the public and private sectors, and from academic institutions. We assess whether the impact of EEN support depended on the type of delivery partner.
- **SIC group model:** EEN support may be particularly beneficial for firms in given sectors of the economy, whereas others from different sectors may not find it as helpful, or may benefit from support in a different way. To assess this potential differential impact of support we implement a model that distinguishes between sectors corresponding to different Standard Industrial Categorization (SIC) groups.³⁴

³³ Please refer to Annex B for the equations and the interpretation of the variables in these models.

³⁴ We use 1-digit sectors from the UK's 2007 SIC codes, available from the ONS: [UK SIC 2007 - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk). We aggregate certain related sectors where any one of them would be very small in isolation.

- **Treatment type and SIC group model:** Lastly, we assess whether there is any activity delivered by the EEN ENIW consortium that had a particularly large impact on any given sector of the economy.

5.2.2.4 Challenges and limitations

As mentioned above, crucial to our approach is identifying a sufficiently comparable control group of firms. While we consider our approach to constructing a control group to be the most appropriate given the available data, it is possible that there may be systematic differences between the businesses that took up EEN support and those that did not. Such differences could bias our findings by wrongly attributing these differences as an impact of EEN support. The direction of this potential bias is unclear:

- On the one hand, companies that received support may have more organised and effective management than companies that enquired but did not take up support. Management quality differences may lead to an overestimate of the effect of EEN support in this case, as some of the differences in outcomes may be driven by better managerial capital.
- On the other hand, companies that liaise with the consortium partners but do not take up support may have received more generous or greater support from other sources. In this case, the estimated effect of EEN support would be an underestimate.

Discussions with EEN ENIW stakeholders lead us to believe that the former is likely to be a larger effect than the latter. Therefore, we would expect any potential bias in the control group to lead to an overestimate of the effect of EEN support, which we consider in interpreting the findings; however it is not possible to estimate with any precision the scale of this potential bias.

Additionally, our econometric analysis only accounts for benefits through increases in employment, turnover and gross value added *within* the treated firms. That is, we do not account for new businesses set up as a result of EEN support (for example, if a university researcher was supported by EEN to set up a new business). This is expected to be a source of a further, albeit small, underestimate of the effect of EEN support. There may also be spill-over effects not captured by our analysis if supported firms share learning with others.

It is also important to note that difference-in-difference and two-way fixed effects analysis estimates the average ‘treatment effect *on the treated*’. That is to say, it measures the impact of EEN support for those who received EEN support. This may be different to the impact that EEN support would have had on the eligible but unsupported businesses in the control group had they taken up the offer of EEN support. Businesses that did not take up the offer of support may have accurately or inaccurately perceived themselves as being less likely to benefit from EEN support than those who did take up the support.

There are also challenges with robustly analysing the impact across each individual treatment type and business characteristic:

- First, there is significant overlap between types of support received, with 70 different combinations of support types occurring in the sample. For example, 1,130 beneficiaries received Global Partnering support but many of these companies also received Advice & Guidance support. Therefore, isolating the impact of a certain activity, controlling for all others, is challenging for certain combinations.
- Second, certain types of support were offered to a limited set of businesses, and only a limited number of firms have certain characteristics. For example, only 27 businesses in the sample received Scaleup support under the pilot offer, with many also receiving other types of support like I2S, A2F and Advice & Guidance. Therefore, the small sample used to estimate the additional impact of Scaleup impacts how precise the estimates are, making it harder to ascertain whether the effect of Scaleup was statistically significant. For certain activities like Key Account Management, where data is available for a very small number of businesses, it is not possible to provide any estimate of the impact of EEN support using econometrics given the size of the sample. We define the econometric models to take into account such limitations (i.e. focus on activities with large enough sample size).
- Third, there are challenges in finding a similar ‘control’ group for companies that received different types of support and/or have certain characteristics. For example, the outcomes and characteristics of companies receiving Scaleup support are very different to companies receiving advice on regulations in a new market. Therefore, we are unable to fully attribute differences in outcomes across type of support/characteristics to differences in effectiveness across these.

5.2.3 Qualitative interviews

Findings from the survey and econometrics are complemented with targeted case studies and interviews. The benefits of incorporating qualitative interviews into the evaluation are twofold:

- It enhances evidence from the survey and the econometrics on questions which were either challenging to quantify or for which detail was impossible to be captured through quantitative methods.
- It deepened the understanding of impact pathways for complex and intensive interactions of support by exploring examples of how and why interactions generated impact.

5.2.3.1 Case studies (in-depth interviews)

A case study is a deep dive into a certain company, its relationships with EEN support and the activities it benefitted from. A total of 20 case studies (Business A-T) were carried out to help address gaps in and provide context to the econometrics and survey methodologies. Each case study involved a telephone interview with the relevant lead from the business who had most engaged with EEN support, as well as desk-based research of the companies and management data provided by the relevant EEN partner.

Case studies were conducted across two phases, guided by a common topic guide agreed with Innovate UK (Annex D) but allowing for a slightly different primary focus. In the first phase, the focus was predominantly on (1) covering more intensive and complex interactions such as Scaleup and I2S, and (2) covering activities such as Women in Innovation and Young Innovators that had fewer beneficiaries and therefore were not specifically targeted for the overall survey.

During the second phase, we conducted follow-up interviews with firms who had responded to the survey, based on identifying firms that had reported particularly high or low impacts of EEN support in their survey response. Interviews during this phase particularly focused on gathering evidence on external barriers and enablers of EEN support as well as exploring lessons that could be learned for Innovate UK EDGE. It is worth noting that these were companies that had expressed an interest and willingness in the survey to be further involved in the EEN evaluation. As such, this might have impacted the qualitative data through means of self-selection bias (i.e., businesses who volunteered might have either particularly positive or negative experiences they wanted to share).

Table 11 shows the number of case studies conducted for each phase.

Table 11 Case studies by support type

	n
Phase One	10
Scaleup	3
I2S	4
Women in Innovation	2
Young Innovators	1
Phase Two	10
High impact	5

Source: Frontier Economics and BMG Research

Insights from these case study interviews were coded into a common framework aligned with the EQs including exemplar quotes. To avoid disclosing individual respondents, we refer to these case studies as ‘Businesses A to T’ in our analysis of findings. Annex D provides summary information on the type of support received by case study businesses.

5.2.3.2 QCA style interviews

In addition to the case study in-depth interviews, 20 stakeholder interviews were conducted to compare beneficiaries (i.e., those taking up EEN support) with non-beneficiaries (i.e., those not taking up EEN support). Comparison between these two groups are informed by principles of Qualitative Comparative Analysis (QCA) which aims to compare qualitative views in a structured way.

Beneficiaries and non-beneficiaries were interviewed through a set of common questions (see Annex F), allowing for some tailoring of questions depending on whether the business received support or not. Where possible, businesses selected were those who received Advice and Guidance, Global Partnering, or Access to Finance support, rather than more complex interventions such as Scaleup or I2S. The latter was done to minimise the potential that businesses would be approached to take part in case studies as well as interviews for QCA. However, recruitment of businesses that received Advice and Guidance, Global Partnering, or Access to Finance alone did not result in the participation numbers needed for meaningful qualitative comparative analysis. As a result, 8 out of 12 beneficiary interviews involved businesses which also received I2S support but had not been approached for the case study interviews.

Non-beneficiaries were harder to engage in these interviews and only 8 non-beneficiary interviews were achieved (out of a target of 10). Feedback from non-beneficiaries suggest that this was because:

- a significant amount of time had lapsed since their initial inquiries around EEN support (sometimes dating back to 2015); and
- companies struggled to recall the issue they were seeking support for and consequently the reasons for why they did not take up EEN support.

QCA style interviews were coded and analysed using a common framework focussing on the difference EEN support made to the businesses it supported and how businesses that were not supported overcame the issue they originally sought support for.

5.2.3.3 Interim findings stakeholder workshop

As part of the qualitative evidence gathering for this evaluation, we also held an 'interim findings workshop' with delivery partners and IUK stakeholders. This occurred after completion of the survey, initial econometric results, and the majority of planned interviews. In this workshop we presented preliminary findings from the evaluation, focusing on where we see evidence of benefits from EEN support and factors affecting the impact of EEN support.

We gathered reflections from workshop participants on the emerging findings, including views on how these relate to their experience of delivering EEN support. This input was used to contextualise the evaluation findings and suggest further avenues of investigation.

In particular, discussions focused on:

- whether participants felt certain findings were expected or unexpected given their experience of delivering EEN support;
- the evolving aims and activities of the EEN ENIW consortium during the evaluation period as broader context for the findings;
- external barriers and enablers to the delivery of EEN support; and
- the relevance of the findings for delivery of IUK EDGE going forward.

6 Detailed findings by evaluation question

In this section we set out our detailed findings from all evidence sources against each of the evaluation questions. In Section 7, we provide an overall summary of the evaluation findings and conclusions. In what follows, all results are statistically significant unless otherwise stated.³⁵

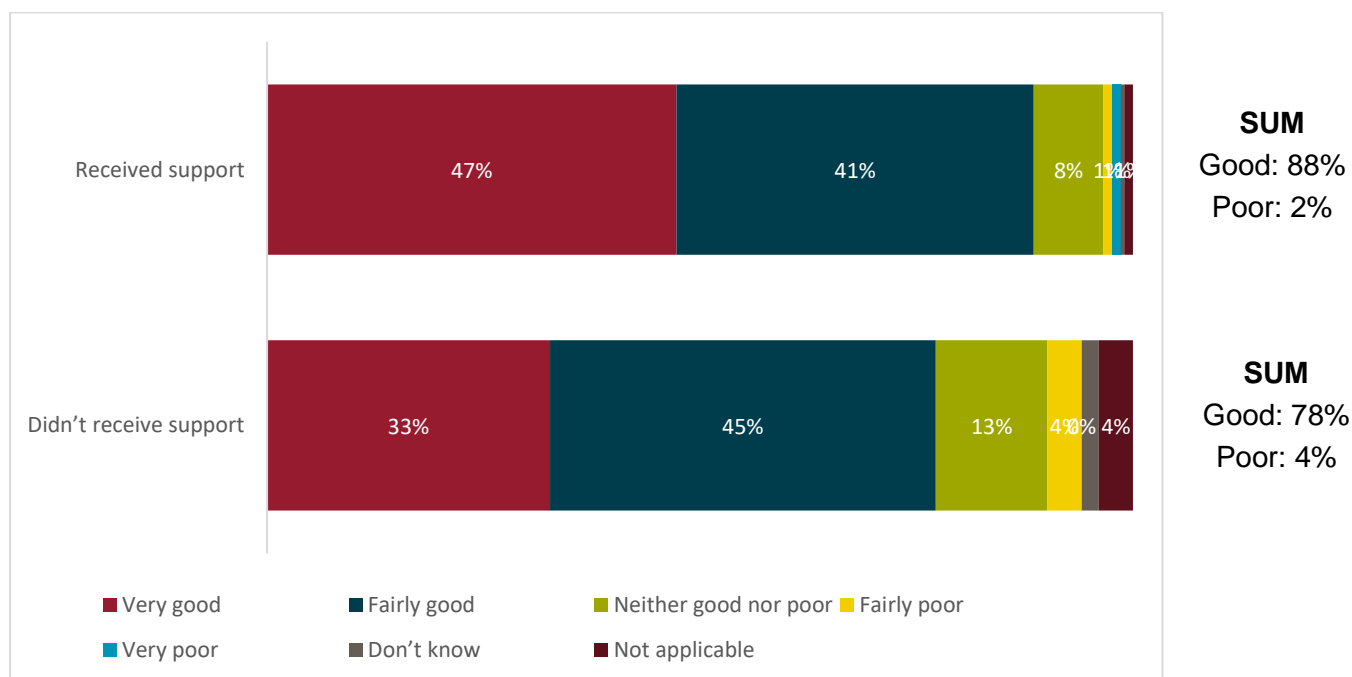
6.1 Theme 1 – logic model components

6.1.1 Evaluation question 1a – How, and to what extent, did the activities as a whole lead to or contribute to achieving market knowledge and partnerships?

6.1.1.1 Market knowledge

There is evidence that EEN support has positively impacted beneficiaries’ knowledge of the market in which they operate, or would like to operate. Respondents who received EEN support are significantly more likely to rate their knowledge in this area as either ‘very good’ or ‘fairly good’ (88%, compared to 78% who did not receive support). This is shown in Figure 4 below.

Figure 4 Survey respondents’ knowledge of the market in which they operate or would like to operate (self-reported), supported vs unsupported businesses



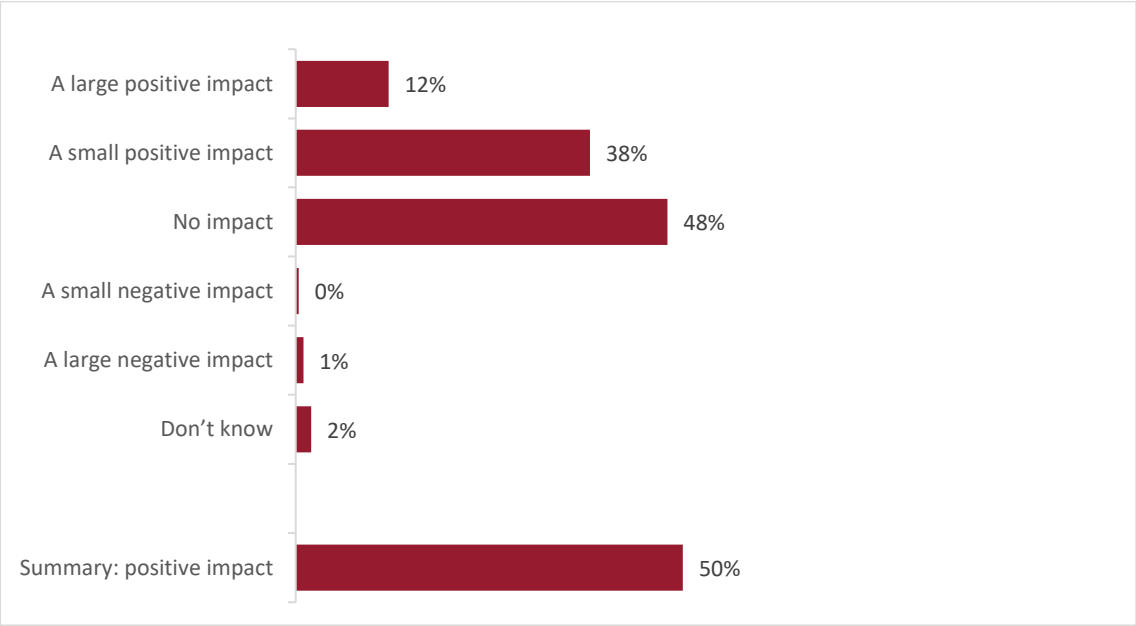
³⁵ For results from the survey, results are discussed as sub-groups representing a statistically significant difference compared to the total result. A result is considered statistically significant at the 95% confidence level, meaning that there is only a five percent possibility that the difference has occurred by chance rather than by it being a real difference. This is a widely accepted level of confidence. The survey data presented is unweighted. For the results from the econometric analysis, the level of statistical significance relative to a null hypothesis of no impact of EEN support is indicated for each result.

C01. How would you rate your organisation's current capabilities in the following areas? Knowledge of the market in which my organisation operates or would like to operate

Base: Received support (449), didn't receive support (110)

As shown in Figure 5 below, half of those respondents who received EEN support attribute the EEN support they received as having a positive impact on their knowledge of the market in which they operate or wish to operate. This is made up of 12% who think the EEN support had a large positive impact and 38% who think it had a small positive impact.

Figure 5 EEN impact on knowledge of the market in which organisation operates or would like to operate (self-reported)

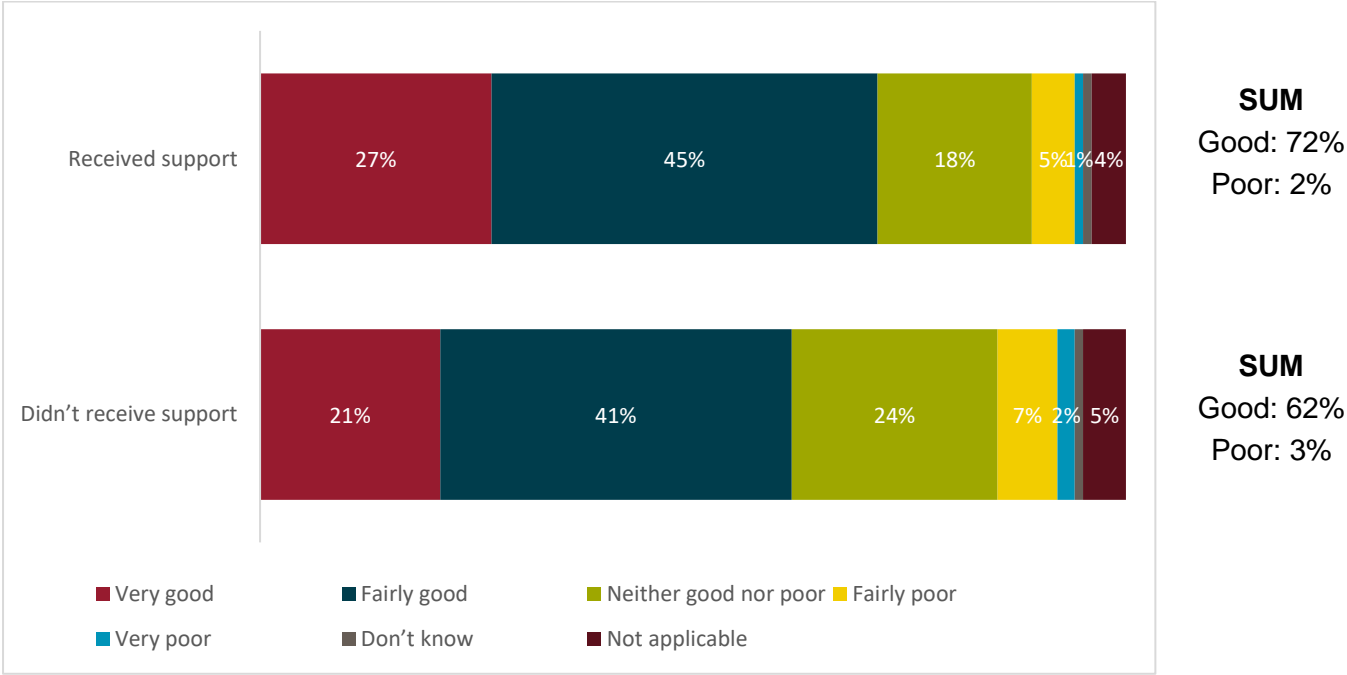


C02. Thinking about the support that you received, what impact, if any do you think it had on the following? Knowledge of the market in which my organisation operates or would like to operate

Base: Received support and rated capability on this element (443)

Respondents who received EEN support are also more likely to rate their current capabilities in terms of strategic decision making about their market position as 'very good' or 'fairly good' than those who did not receive EEN support (72% compared to 62%). This includes just over a quarter (27%) who rate their capabilities in this area as 'very good'. This is shown in Figure 6 below.

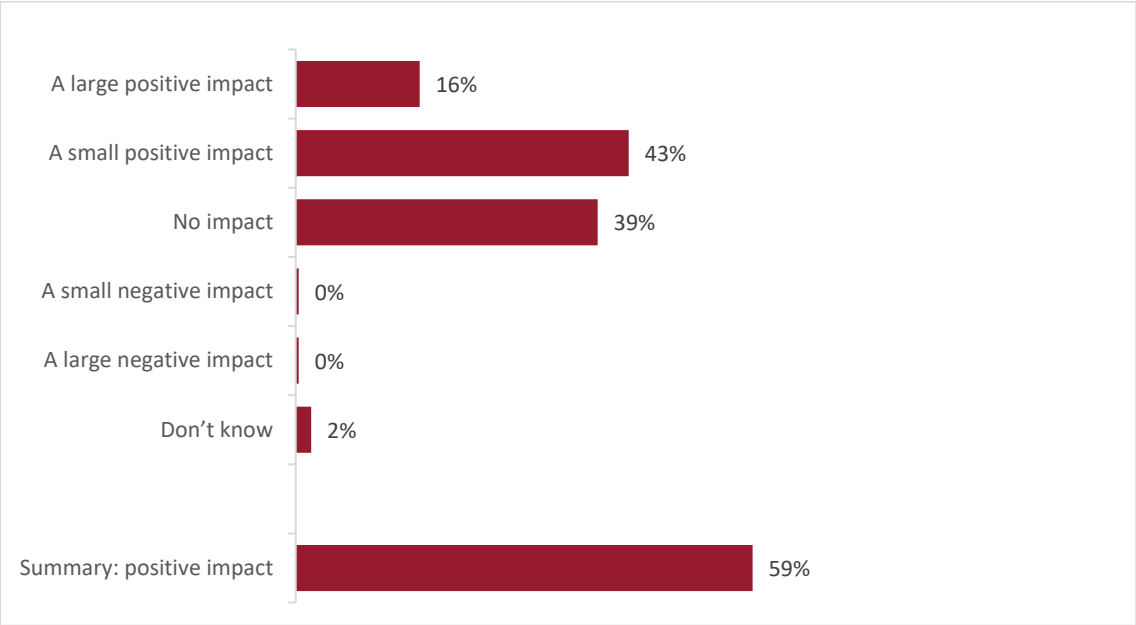
Figure 6 Current capabilities in strategic decision making about market position (self-reported), supported vs unsupported businesses



C01. How would you rate your organisation's current capabilities in the following areas? Strategic decision making about the market position of the organisation
 Base: Received support (449), didn't receive support (110)

As shown in Figure 7 below, approaching two-thirds (59%) of those who received EEN support say that this support had a positive impact on their strategic decision making about market position. Just under two in five (39%) say the support they received had no impact in this area.

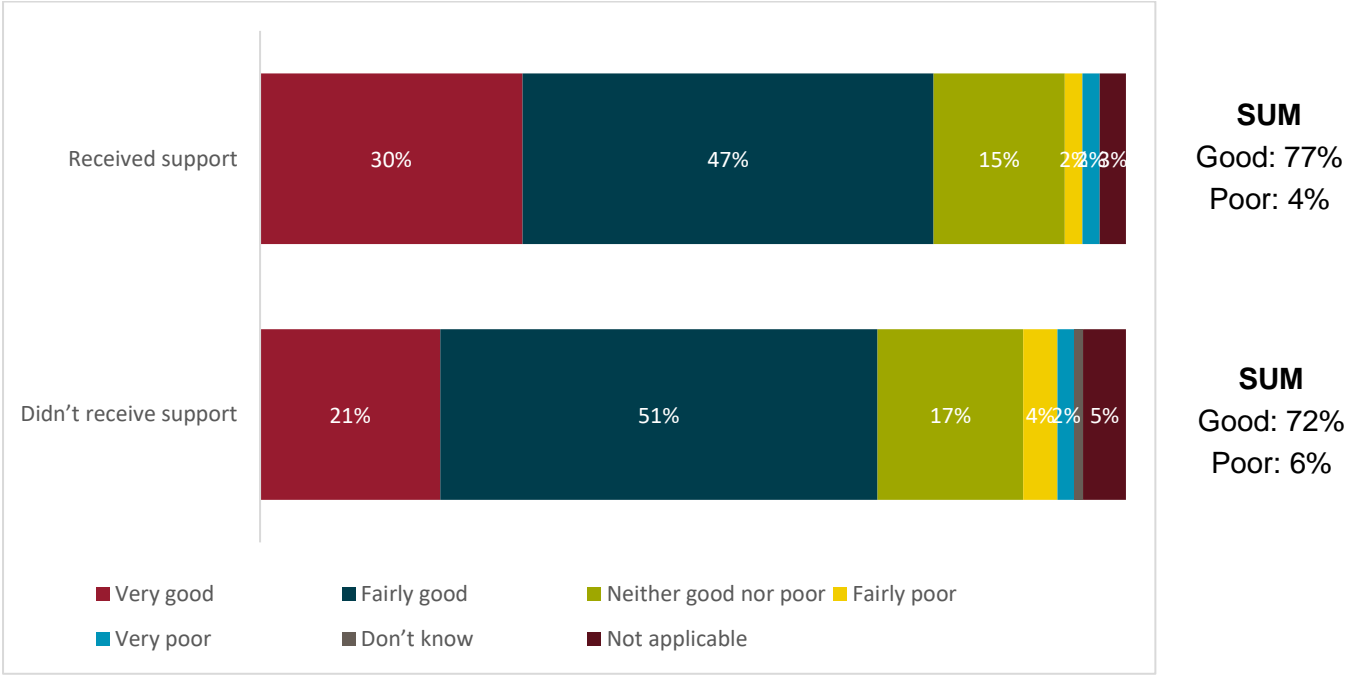
Figure 7 EEN impact on strategic decision making about market position (self-reported)



C02. Thinking about the support that you received, what impact, if any do you think it had on the following? Strategic decision making about the market position of the organisation
Base: Received support and rated capability on this element (433)

On the other hand, businesses who have received EEN support are only a little more likely to rate their current capabilities in terms of knowledge about relevant regulations and standards as ‘very good’ or ‘fairly good’ compared to those who did not take up the offer of EEN support. Overall, 78% of firms receiving support gave this rating compared with 72% of those who did not receive support, though this difference is not statistically significant. This is shown in Figure 8 below.

Figure 8 Current capabilities in knowledge of regulations and standards relevant to the organisation (self-reported), supported vs unsupported businesses

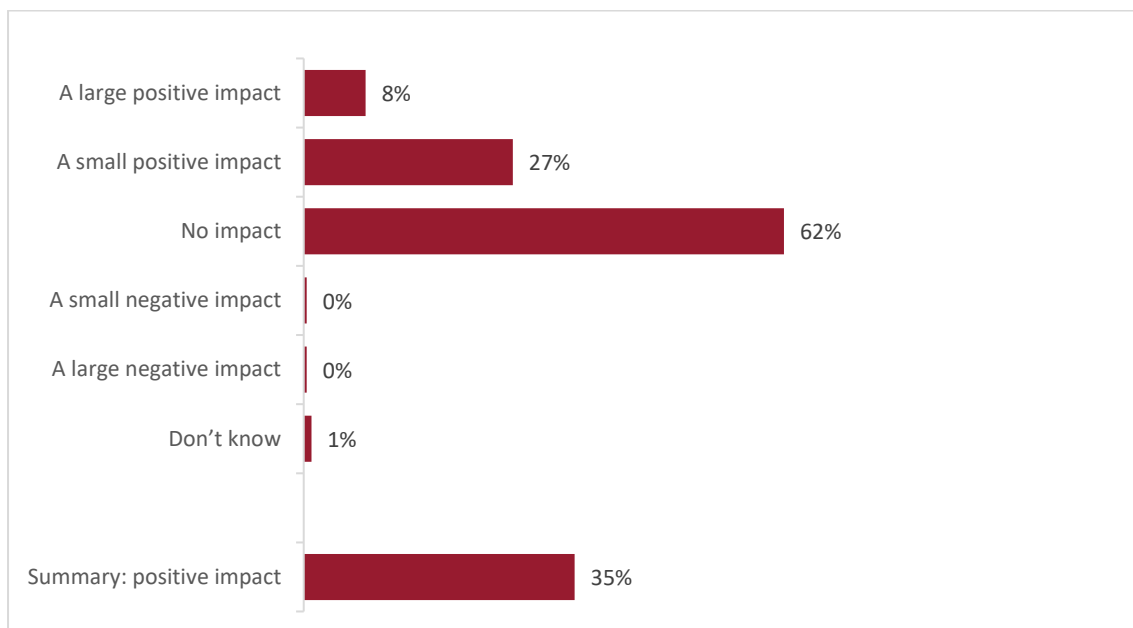


C01. How would you rate your organisation's current capabilities in the following areas? Knowledge of regulations and standards relevant to my organisation
 Base: Received support (449), didn't receive support (110)

As shown in Figure 9 below, only around a third (35%) of respondents who have received EEN support credit this support with having a positive impact on their organisations' knowledge of regulations and standards. The majority (62%) feel that EEN support has not impacted their organisation in this way. This is shown in Figure 9 below.

Delivery partners participating in the interim findings stakeholder workshop were generally not surprised by this finding, noting that regulations and standards were not often a focus of EEN support. That said, delivery partners also noted that Brexit increased the number of queries received about regulatory issues, particularly in 2016, which is the least well represented year in the survey sample.

Figure 9 EEN impact on knowledge of regulation and standards relevant to the organisation (self-reported)



C02. Thinking about the support that you received, what impact, if any do you think it had on the following? Knowledge of regulations and standards relevant to my organisation
 Base: Received support and rated capability on this element (437)

Overall, in-depth interviews gave somewhat mixed findings on whether EEN support helped to improve businesses’ market knowledge. While no business expressed a negative impact of EEN support on their market knowledge or position, some businesses reported no impact or referred only to indirect improvements.

A small proportion of interviews pointed out a positive impact. This positive impact tended to relate to the business having been encouraged to expand their view on the market. This was done either by widening their current market, exploring different sectors that might be relevant to the business’ market or by dealing with their market at a higher technological level because of the improved products they were able to bring to market.

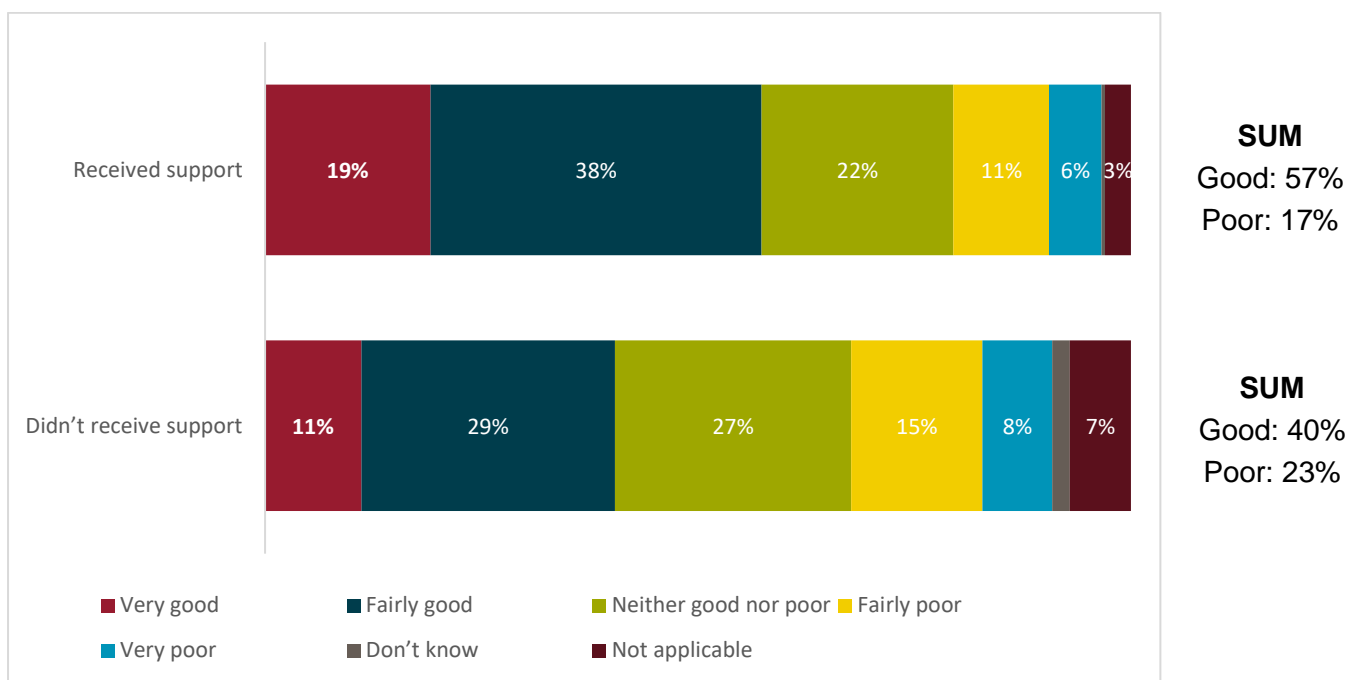
“It did a little bit [improve their market knowledge] in that it helped to fill a gap we weren’t aware of [weren’t aware of EEN and the support surrounding it prior]” (Business J)

Interviewees that indicated EEN support had not improved their market knowledge, often added that overall support and engagement through the programme had been low and/or that this was not the focus of the support they received or appropriate to the stage of business development at the time support was received.

“It did at a higher level in that we looked at the different markets, but the markets don’t exist, it’s not even emerging markets what we were talking about which was energy access for isolated communities [...] The awareness of the market was quiet, it was the appropriate level of information really, there wasn’t more that could be done.” (Business L)

In the survey, those who received support are also significantly more likely to say that their current knowledge of how to access funding and finance is ‘very good’ or ‘fairly good’ than those who did not receive support (57% versus 40%). Nearly one in five (19%) of those who received support rated their capability in this area as ‘very good’ and a further nearly two in five (38%) rate their capability as ‘fairly good’. This contrasts with just over one in ten (11%) of those who did not receive support who rate their capability as ‘very good’ and just under three in ten (29%) who rate it is ‘fairly good’. This is shown in Figure 10 below.

Figure 10 Current capabilities in knowledge of how to access funding and finance (self-reported), supported vs unsupported businesses



C01. How would you rate your organisation’s current capabilities in the following areas? Knowledge of how to access funding and finance
 Base: Received support (449), didn’t receive support (110)

It further emerged from the in-depth interviews that among those businesses that reported an impact on their knowledge around funding, some businesses felt that EEN support had placed them in a better position to go and seek funding. It was their perception that having a solid business plan and strategy helped when applying for funding.

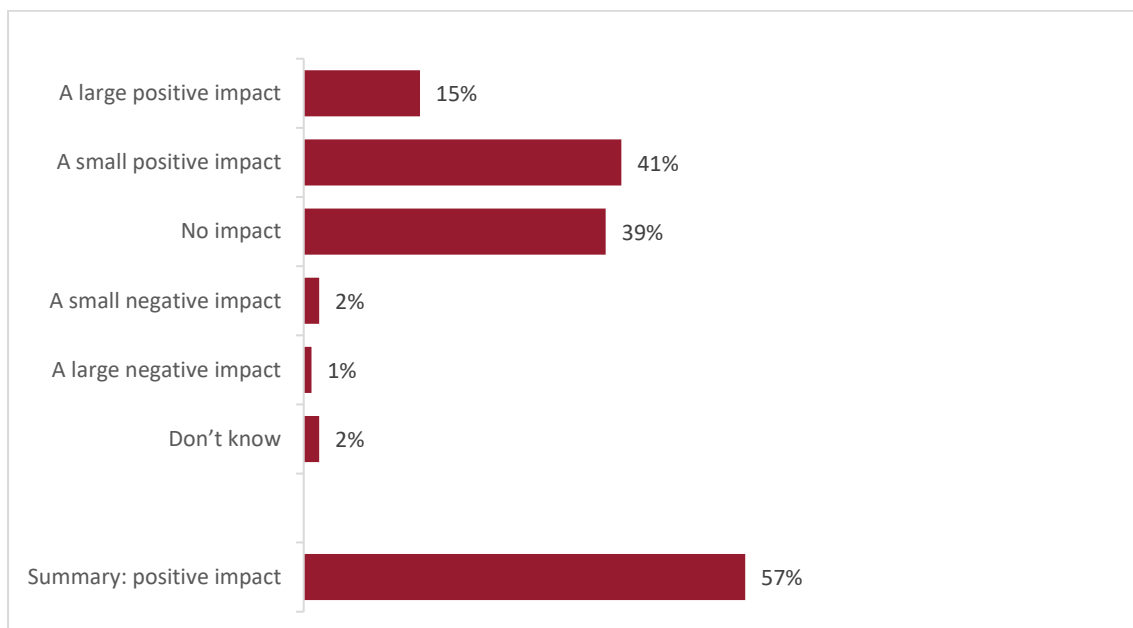
“Because of the work that was done, we secured funding which allowed to set the business up to go after new business. We were able to use that funding to change the production line, which meant that we could offer services that we couldn’t before.” (Business M)

Other businesses indicated that the mentoring support from EEN had helped to structure their business development which indirectly placed them in a better position to take advantage of (new) market opportunities. However, it was also mentioned by one business that while they were in a better strategic position, Covid had meant their financial backing to pursue market opportunities was limited.

“We are in a way [better positioned to take advantage of new market opportunities], but we don’t have the financial clout that we had before Covid to actually realise it.” (Business A)

Over half (57%) of those who received EEN support feel that this support has had a positive impact on their knowledge of how to access funding and finance. This includes 15% who feel it has had a ‘large positive’ impact. Only 3% think the support has had a negative impact in this area.³⁶

Figure 11 EEN impact on knowledge of how to access funding and finance (self-reported)



C02. Thinking about the support that you received, what impact, if any do you think it had on the following? Knowledge of how to access funding and finance

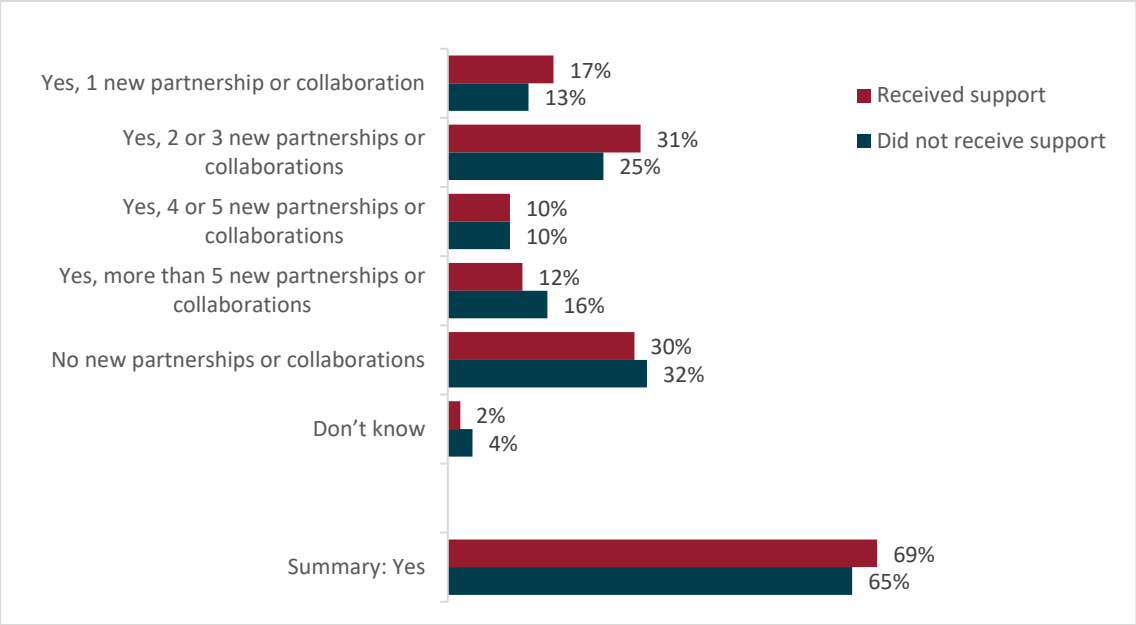
Base: Received support and rated capability on this element (435)

6.1.1.2 Partnerships

As shown in Figure 12 below, respondent organisations who have received EEN support are only a little more likely to have formed new partnerships or collaborations since their EEN support started than those who did not receive support. Just over two-thirds of those who received support have formed at least one new partnership or collaboration since their EEN engagement started (69%), compared to just under two-thirds of those who didn’t receive EEN support (65%). This difference is not statistically significant.

³⁶ It is not clear what may have caused a negative impact on knowledge of finance for some firms. Respondents who perceived a negative impact on knowledge of finance were also negative about other impacts and EEN support more generally

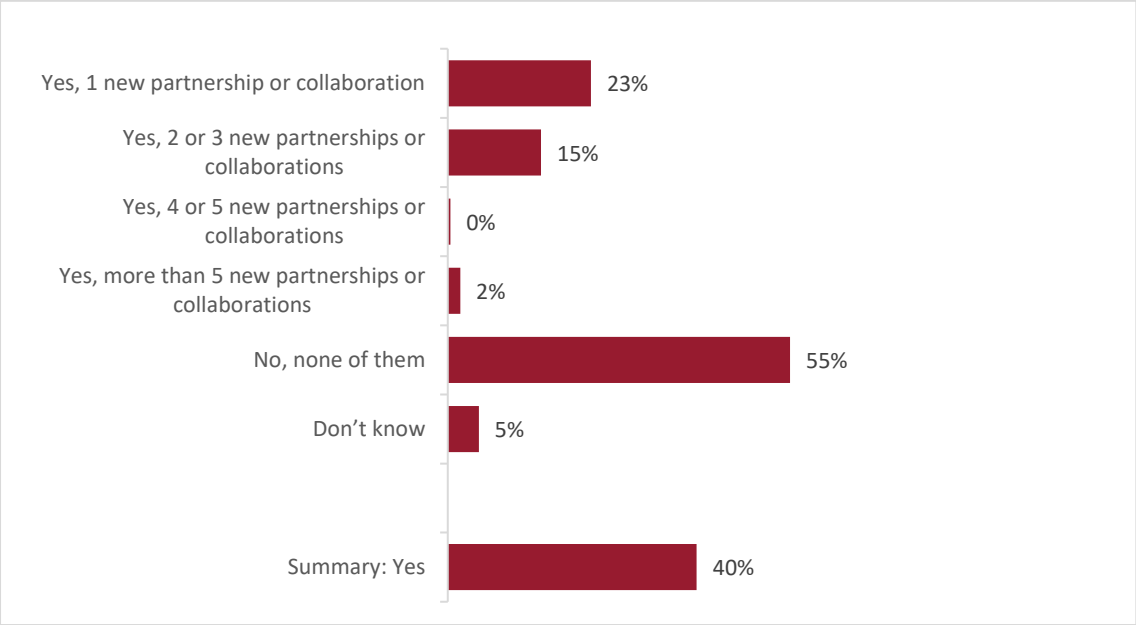
Figure 12 Forming of new partnerships since EEN interaction



*D01. Has your organisation formed any new partnerships or collaborations since [start year]?
 Base: Received support (449), did not receive support (110)*

Not all new partnerships or collaborations are attributed to the EEN support received. In fact, only two in five (40%) of those who received support and formed new partnerships or collaborations attribute these to the support they received from EEN. The majority (55%) did not directly attribute any of their new partnerships or collaborations to the EEN support they received. This is shown in Figure 13 below. However, it should be noted that the nature of EEN partnering support was to introduce or suggest potential partners and support a process of collaboration, but whether two parties decided to collaborate or form a partnership was not directly within the control of EEN advisors.

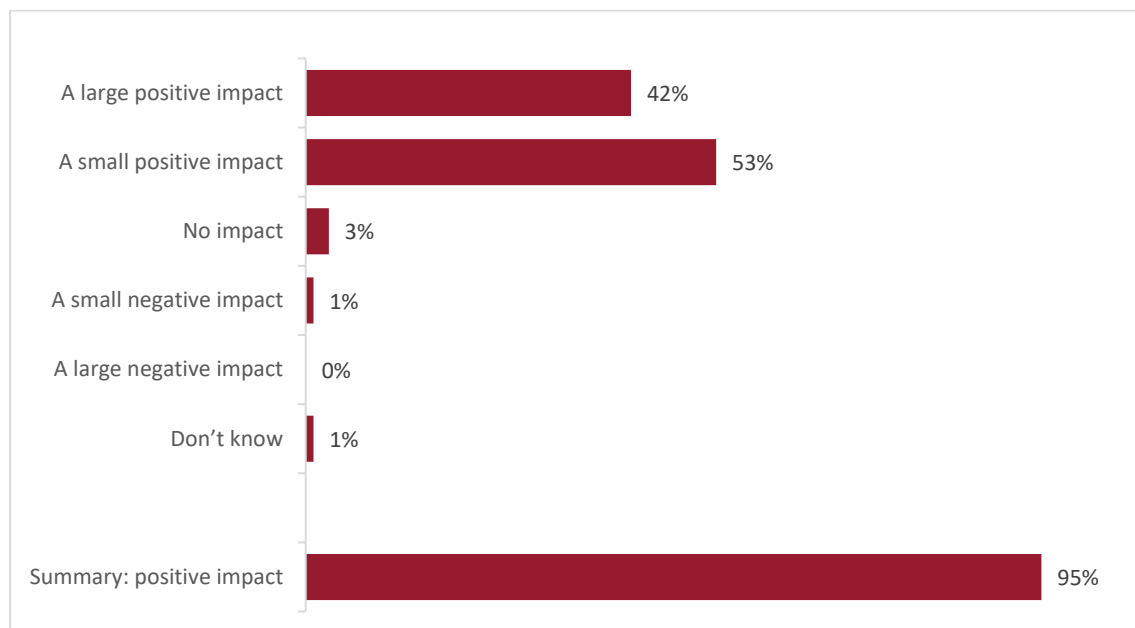
Figure 13 Forming of new partnerships since EEN interaction as a result of EEN support



D02. Did these new partnerships or collaborations form as a result of the support you received?
Base: Received support and formed new partnerships/collaborations (308)

Additionally, as shown in Figure 14 below, where new partnerships or collaborations are attributed to the EEN support received, they are overwhelmingly seen to have had a positive impact on the organisation. Nearly all (95%) of those who received EEN support and attribute new partnerships or collaborations to this support say that they have had a positive impact on their organisation, including 42% who say they have had a large positive impact. This suggests that new partnerships attributed to EEN are high quality.

Figure 14 Impact of partnerships/collaborations formed as a result of EEN support (self-reported)



D03. What impact have these new partnerships and collaborations had on your organisation?
 Base: Formed new partnerships/collaborations as a result of EEN support (123)

In-depth interviews corroborated these findings, indicating that businesses were sometimes provided with suggestions of partners and local companies that might hold partnership potential, but this did not always materialise into useful partnerships.

“I think there were some suggestions, and we were put in touch with another local company that did similar things, which was interesting, but it didn't get anywhere.” (Business C)

The majority of partnerships mentioned by businesses throughout the interviews were in relation to the partner(s) that provided EEN support. Several businesses indicated they were still working with this partner, either with the same person they initially connected with or someone else within that organisation.

“With [partner], we're still working with them. That's a really great partnership and we've had some introduction to other potential customers around that team.” (Business M)

One business described how EEN was pivotal in finding partnerships with suppliers with a sufficiently high technical skill level.

“EEN guided us through finding the right technical people, putting the team together from an innovate to succeed point which was really key [...] New partnerships were formed with the University, material suppliers and technical suppliers that we didn't use before. They're now in our supplier base and we still order from them.” (Business A)

Some interviewees highlighted the networking/brokerage events organised by EEN as an opportunity to develop partnerships or acquire contacts. It appeared that these partnerships were not always

pursued in current projects or the stage the business was at while receiving EEN support, but rather something they came back to as and when the time was right, sometimes after their EEN support had ended.

“The networking events really helped to build connections with partners in Europe. Some of the European projects in 2020 were the result of partnering with people in Europe that I met through the EEN organised network events.” (Business K)

“I sorted collaboration and formed partnerships, put together consortia and am going to apply for more funding in the next few months. The thing I haven’t yet fully considered is the commercial partnerships, the technology needs to go further before as otherwise the investors will want all of the IP for a small amount of contribution.” (Business L)

For some businesses, the networking opportunities that came with EEN support were the main reason to get into the EEN programme.

“I always felt a bit frustrated that I couldn’t find a way into it before because I thought their network would be very valuable. I thought there would be a lot of people out there in Europe looking for the type of products we develop and that we would be able to talk to some of those customers, see some opportunities elsewhere, stimulate my brain.” (Business I)

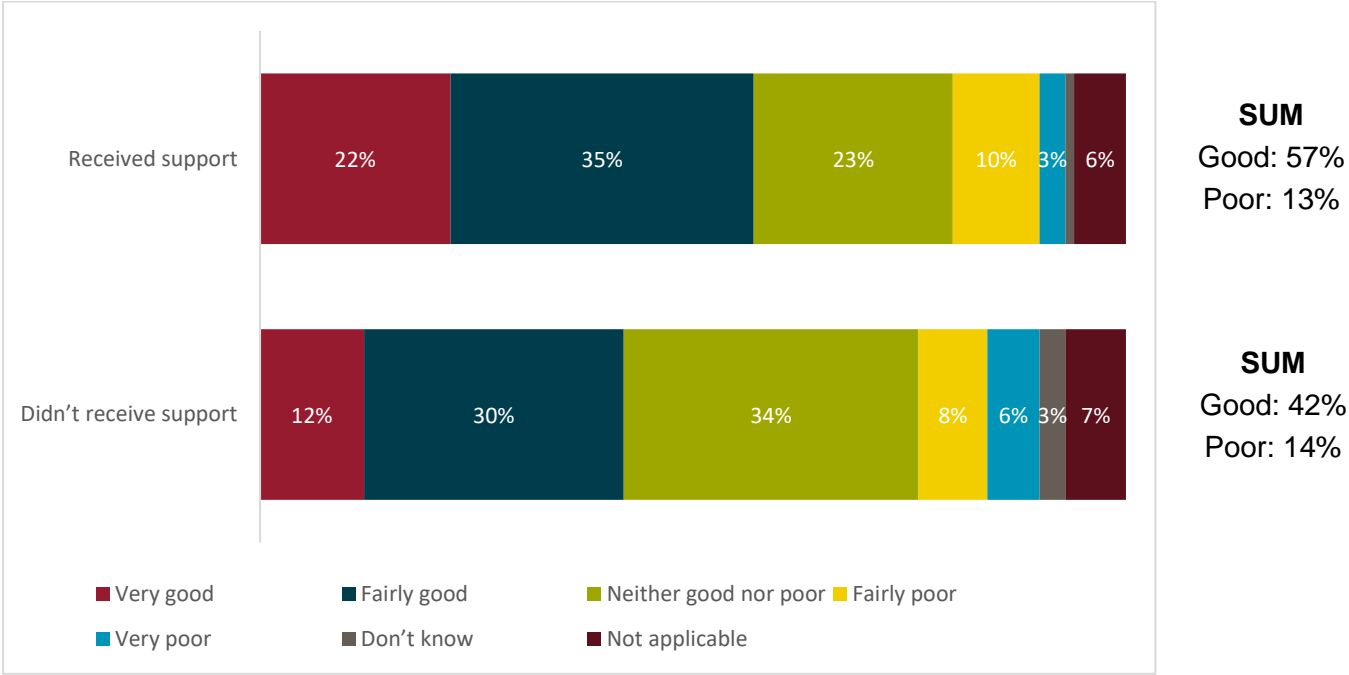
“As I mention, we only had like six conversations maybe, not enough time to establish a relationship. It was more about the network surrounding EEN and Innovate UK.” (Business N)

6.1.2 Evaluation question 1b – How, and to what extent, did the activities as a whole lead to or contribute to improving investment readiness, business practices and innovation management?

6.1.2.1 Investment readiness

Respondents who received support are significantly more likely to rate their current investment readiness as ‘very good’ or ‘fairly good’ than those who did not receive support (57%, compared to 42% of those who did not receive support). This includes over one in five (22%) who rate their investment readiness as ‘very good’ (compared to 12% of those who did not receive support). This is shown in Figure 15 below.

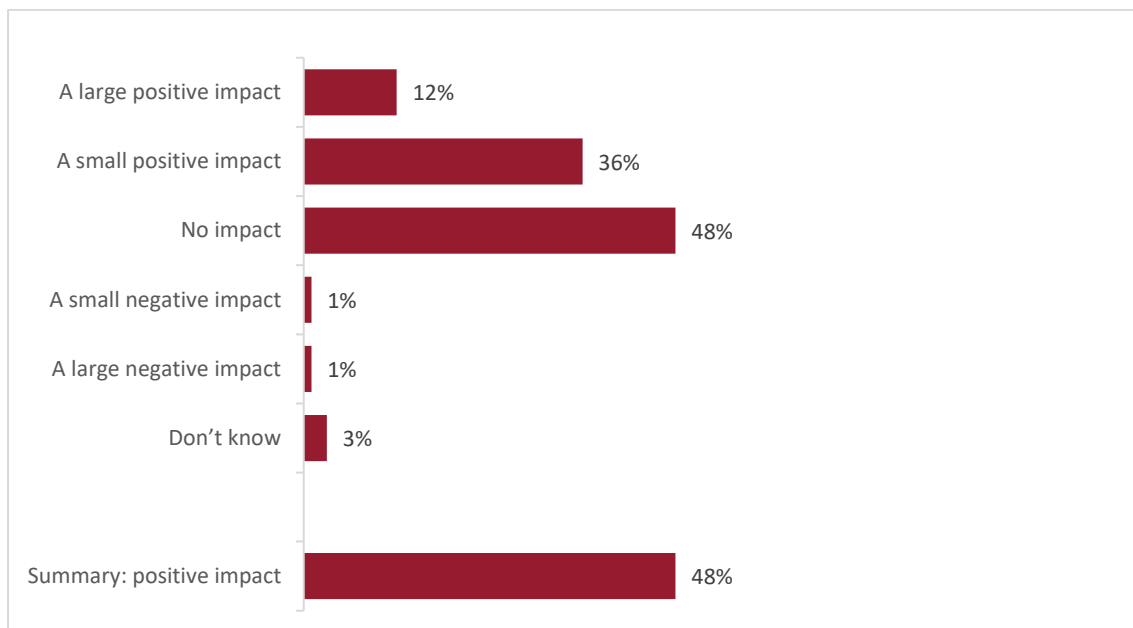
Figure 15 Current capabilities in investment readiness (self-reported), supported vs unsupported businesses



C01. How would you rate your organisation's current capabilities in the following areas? The investment readiness of my organisation
 Base: Received support (449), didn't receive support (110)

As shown in Figure 16 below, nearly half (48%) of those who received EEN support say this support has had a positive impact on the investment readiness of their organisation. Only 1% feel the support has had a negative impact, while the remaining 48% fell the support has not had any impact on the investment readiness of their organisation.

Figure 16 EEN impact on investment readiness (self-reported)



C02. Thinking about the support that you received, what impact, if any do you think it had on the following? The investment readiness of my organisation

Base: Received support and rated capability on this element (423)

Overall, participants in the in-depth interviews did not discuss many notable impacts of EEN support on their investment readiness. A few businesses however elaborated on why EEN support was not helpful for improving their organisation’s readiness for investment. It was felt that support the business received in terms of investment and business finance was too ‘generic’ and therefore:

- Did not lead to an impact on their investment readiness, or
- Did not add to the economic and financial knowledge the business already had.

“We’ve been talking about that but it’s something that we know really well. It’s very helpful if the companies don’t have an economic background, but not in our case.” (Business A)

“We had a broad introduction to business finance as part of our engagement, but no specific support that helped the business at the time.” (Business E)

That said, where businesses already felt confident in their investment readiness, this is unlikely to have been a focus of the EEN support provided, given the role of the EEN advisor in tailoring support to the needs of the business.

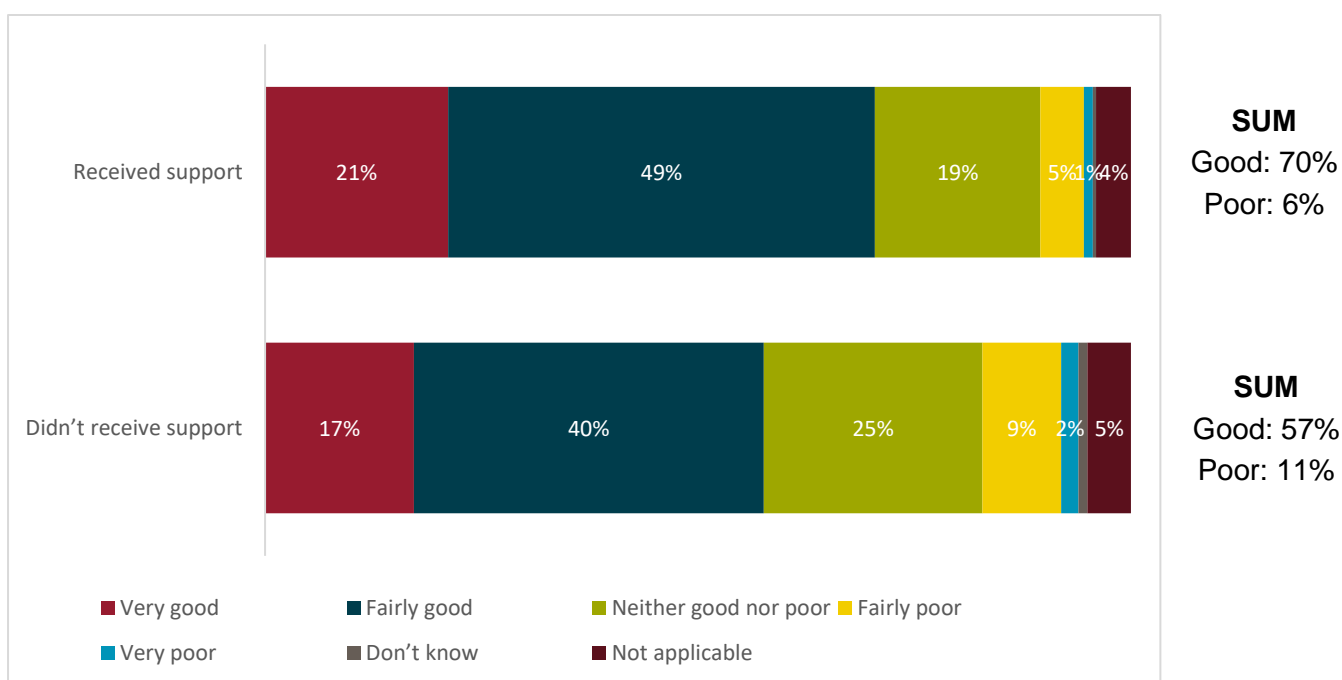
The interviewees that did report the EEN programme to have improved their readiness for investment, again often referred to the overall strategic position of the business that had been improved because of the support received which in turn affected their readiness for investment.

“The support got us in a position that we’re ready to seek funding, to look at opportunities just by strengthening our position and our structure.” (Business M)

One recipient of Scaleup support described how their advisors expertise and mentoring contributed directly to getting innovation grant funding 6 months earlier than would have been achieved without the support.

In the survey, respondents who have received EEN support are significantly more likely to rate their current capabilities in terms of productivity and/or efficiency as 'very good' or 'fairly good' than those who did not receive EEN support (70%, and 57% respectively). This includes just over one in five (21%) who rate their current capabilities in this area as 'very good' and just under half (49%) who rate their capabilities as 'fairly good'. This is shown in Figure 17 below.

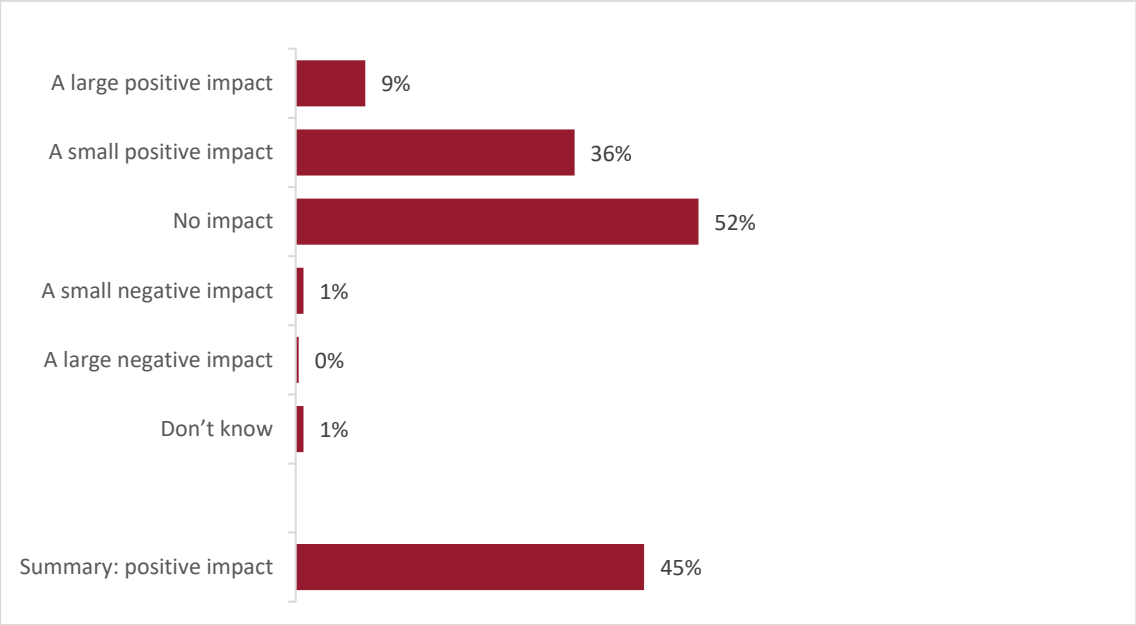
Figure 17 Current capabilities in productivity and/or efficiency (self-reported), supported vs unsupported businesses



C01. How would you rate your organisation's current capabilities in the following areas? The productivity and/or efficiency of my organisation
 Base: Received support (449), didn't receive support (110)

As shown in Figure 18 below, nearly half of those who received support attribute a positive impact of their EEN support on their organisation's capability in terms of productivity and/or efficiency (45%). Just over half (52%) feel that the support had no impact in this area, while only 2% feel it had a negative impact.

Figure 18 EEN impact on productivity and/or efficiency (self-reported)

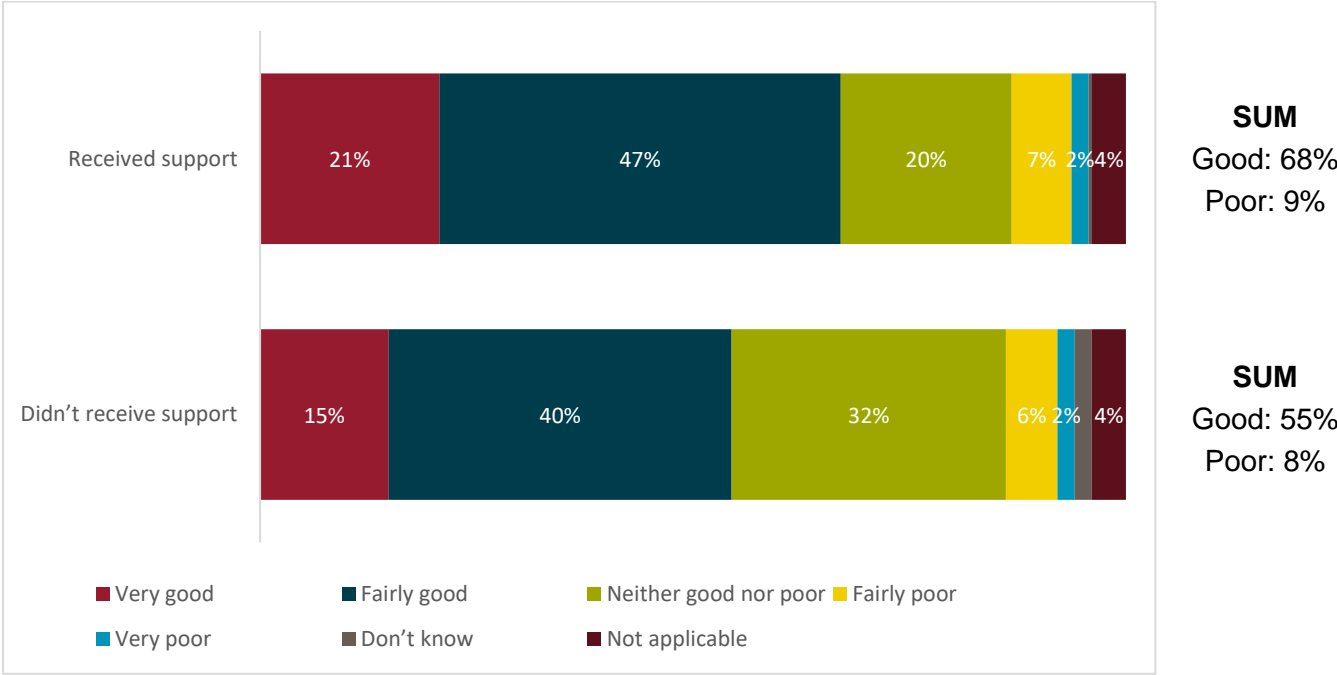


C02. Thinking about the support that you received, what impact, if any do you think it had on the following? The productivity and/or efficiency of my organisation

Base: Received support and rated capability on this element (429)

Respondents who received EEN support are also significantly more likely to rate their current capabilities in terms of business processes to be ‘very good’ or ‘fairly good’ than those who did not receive EEN support. Two-thirds (67%) of those who received support rate their current capabilities in this area as ‘good’ including just over one in five (21%) who rate them as ‘very good’. In contrast only a little over half (55%) of those who did not receive support rate their capabilities in this area as ‘good’. This is shown in Figure 19 below.

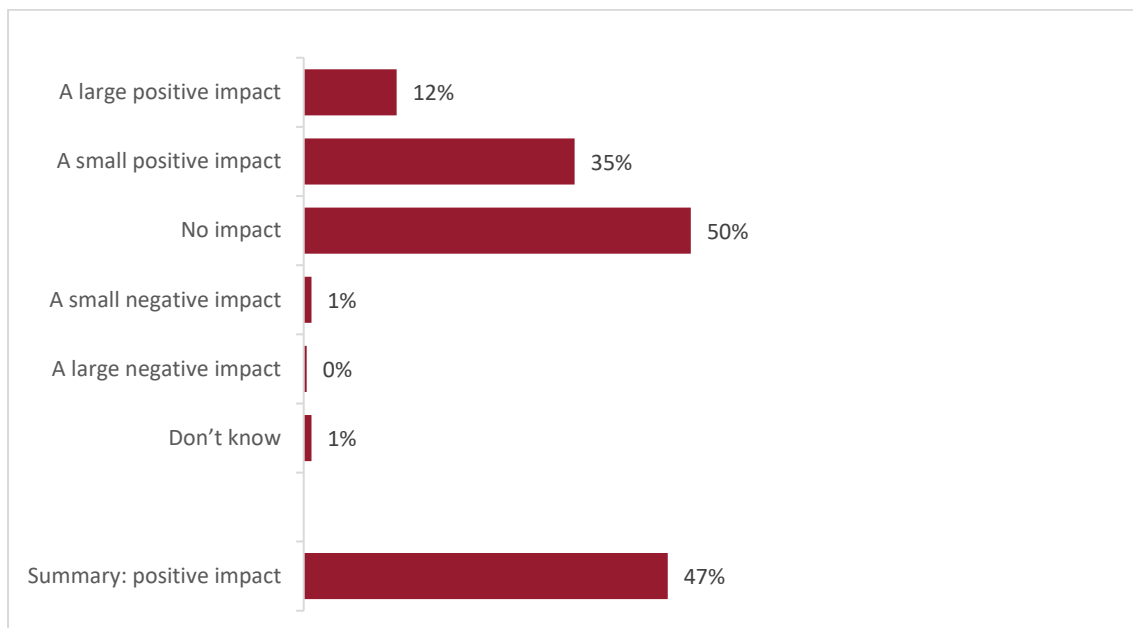
Figure 19 Current capabilities in business processes (self-reported), supported vs unsupported businesses



C01. How would you rate your organisation's current capabilities in the following areas? Business processes in my organisation
 Base: Received support (449), didn't receive support (110)

As shown in Figure 20 below, just under half (47%) of those who received support feel that this support positively impacted their organisations business processes. This includes 12% who feel the EEN support they received had a large positive impact. Half feel the support had no impact in this area and only 1% feel it had a negative impact.

Figure 20 EEN impact on business processes (self-reported)



C02. Thinking about the support that you received, what impact, if any do you think it had on the following? Business processes in my organisation

Base: Received support and rated capability on this element (432)

While in-depth interviews often referred to the overall strategic position and structure of the business that had been improved by EEN support, a few businesses were also able to directly demonstrate tangible impacts of this. One business discussed how improving the structure of the business on paper, including the development of a business plan, had opened up routes to secure funding which in turn had led to investment in new equipment that ensured higher quality outputs while reducing man hours.

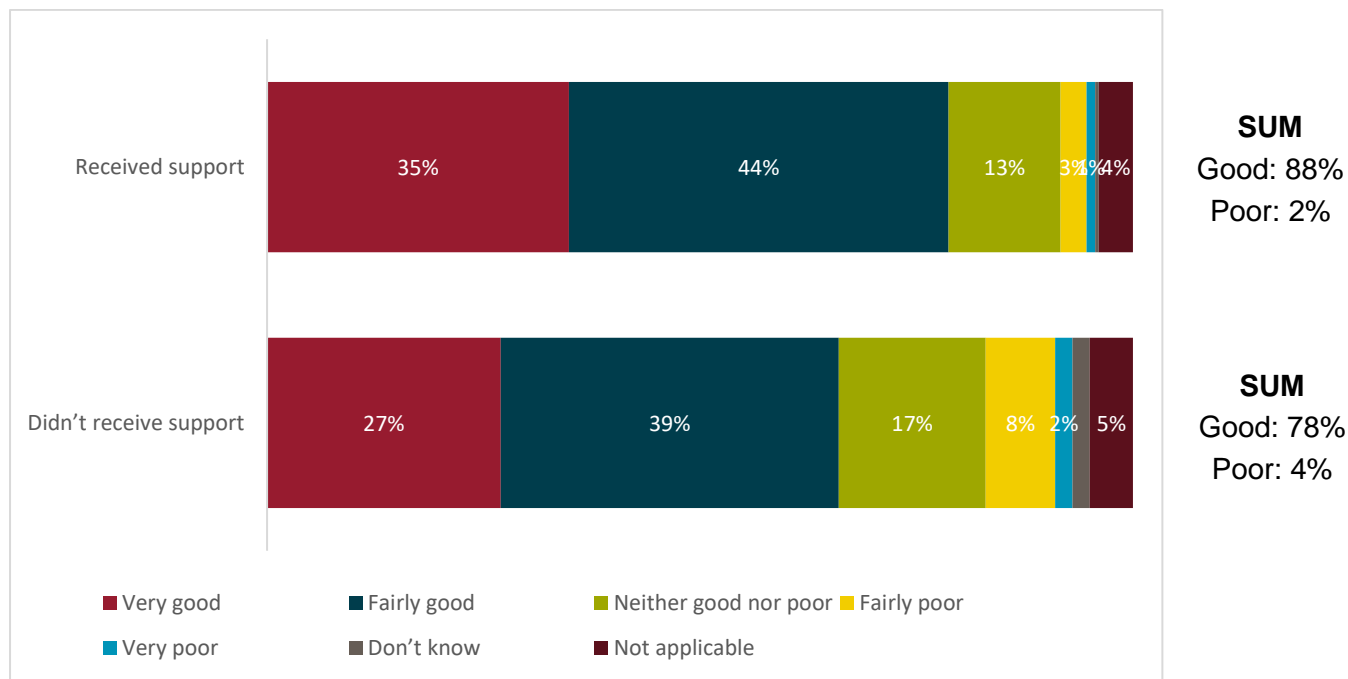
“Yes [improvement] in terms of quality, thanks to the machine we were able to purchase because of the accounts and business plan that [our advisor] helped us to sort out. [...] Because we cleaned that up, we got funding for a new piece of machinery. Not having that machine as part of our line was causing quality issues and also meant that we had to spend more man hours on inspecting rather than just fixing the process. So that allowed us to fix the process which meant we could go after new customers and also have higher satisfaction levels from our existing customers.”
(Business M).

One Scaleup support recipient described how the mentoring encouraged them to change their business structure, changing the way the research side of the business joins up with the production side, helping to bring innovations to market faster and achieving cost reductions.

Nearly four in five respondents who received support rate their organisations capabilities in management of innovation as ‘very good’ or ‘fairly good’ (79%). This contrasts with two-thirds (66%) of respondents who didn’t receive support and this difference is statistically significant. Additionally, those who didn’t receive EEN support are significantly more likely to rate their capabilities in this area

as ‘poor’ than those who did receive support (10%, compared to 4%). This is shown in Figure 21 below.

Figure 21 Current capabilities in management of innovation (self-reported), supported vs unsupported businesses



C01. How would you rate your organisation’s current capabilities in the following areas? Management of innovation in my organisation
 Base: Received support (449), didn't receive support (110)

This finding was confirmed by some businesses during the depth interviews which showed that EEN support had increased their understanding of innovation. Businesses that reported improvements in their innovation culture directly related this to the support they received, and sometimes continue to receive, from the EEN partner. It emerged from the interviews that in those cases EEN support had equipped them with skills and understanding that were transferrable to future projects, allowing them to carry on the culture of innovation.

“The support helped to improve our understanding of innovation management, it stepped us up to be able to cope with more projects and innovation than we did otherwise”. (Business A)

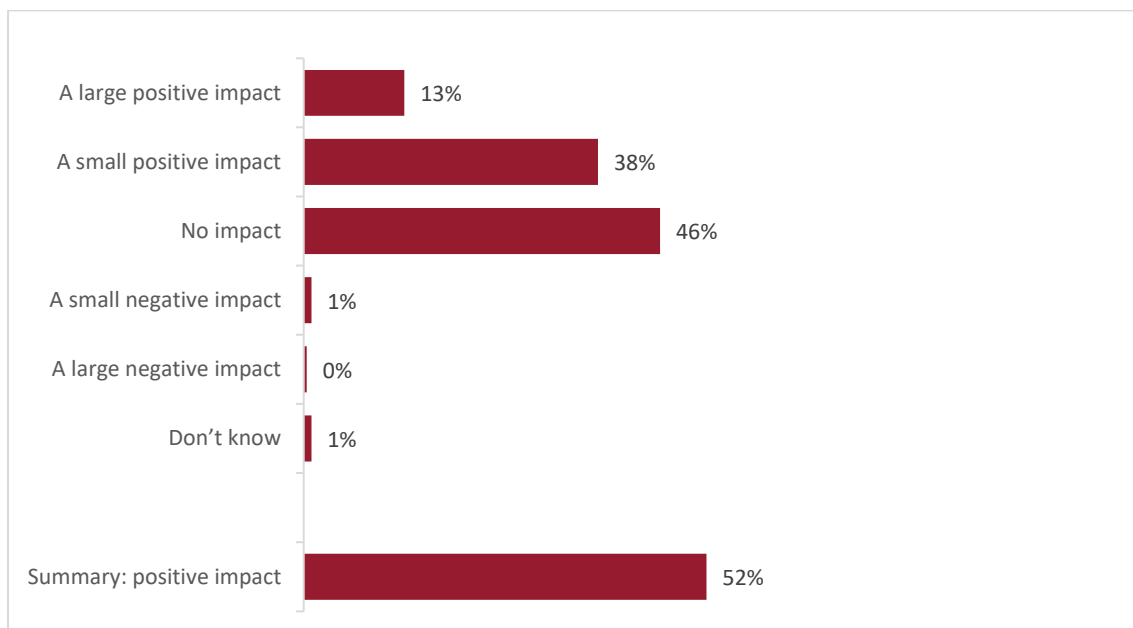
“[EEN advisor] gave us a better understanding of how innovation works and what it takes to get it to market and the timescales [...] The programme gave a structure, you can go away with that and that depends on everything staying as it is, but it doesn't – just look at Covid, Brexit, lockdown IT issues so it also gave me skills to deal with that and keep carrying forward that innovation idea”. (Business B)

Furthermore, the networking aspect of EEN support was mentioned to potentially affect business’ innovation management as it could allow for partnership building that might be fundamental for innovation funding.

“[EEN support] helped by introducing us to people and instigating connections. It would have been difficult to access those people without an entry and partners and businesses abroad could then be used for things such as Horizon 2020.” (Business K)

Just over half of those who received EEN support (52%) feel that this support has a positive impact on their organisation’s management of innovation. Only 1% feel the support had a negative impact and a little under half feel it didn’t have any impact at all (46%). This is shown in Figure 22 below.

Figure 22 EEN impact on management of innovation (self-reported)



C02. Thinking about the support that you received, what impact, if any do you think it had on the following? Management of innovation in my organisation

Base: Received support and rated capability on this element (437)

In-depth interviews also revealed that some businesses did not feel their culture and management of innovation had improved as a result of EEN support. Two contributing factors were identified for this. On the one hand, a few businesses indicated that they had not (yet) followed through on all the suggestions or advise that was provided to them. On the other hand, there were businesses that felt the introduction to innovation management was perhaps too broad and not sufficiently targeted to specific situation of their business to result in a specific impact. In both cases, businesses did not report a negative impact on innovation management but rather the absence of an impact.

“We were introduced to the concept of business canvas models but did not make use of the model. Since, I’ve found in other support programmes that they are widely discussed.” (Business H)

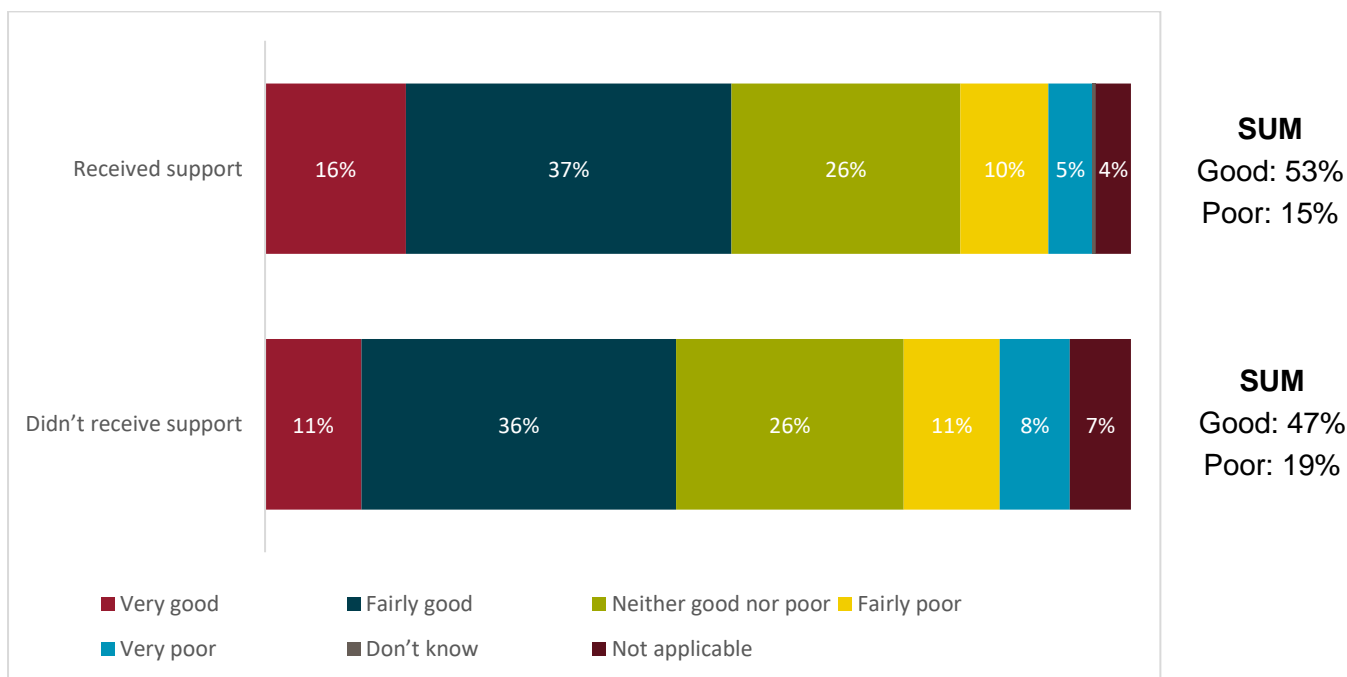
“A broad introduction to business finance was given as part of the EEN engagement, but no specific support that helped the business at the time.” (Business E)

6.1.3 Evaluation question 1c – How, and to what extent, did the activities as a whole lead to or contribute to addressing barriers to growth and scaling?

Respondents who received support are only a little more likely to rate their organisation’s current capabilities in terms of growth as ‘very good’ or ‘fairly good’ when compared to those who did not receive support (53%, compared to 47% for those who did not receive support) and this difference is not statistically significant. This is shown in Figure 23 below.

Delivery partners participating in the interim findings stakeholder workshop were generally not too surprised by this finding, noting that growth was not a core focus of EEN support, especially during the early part of the evaluation period, when there was much greater focus on international partnering.³⁷

Figure 23 Current capabilities in organisation growth (self-reported), supported vs unsupported businesses

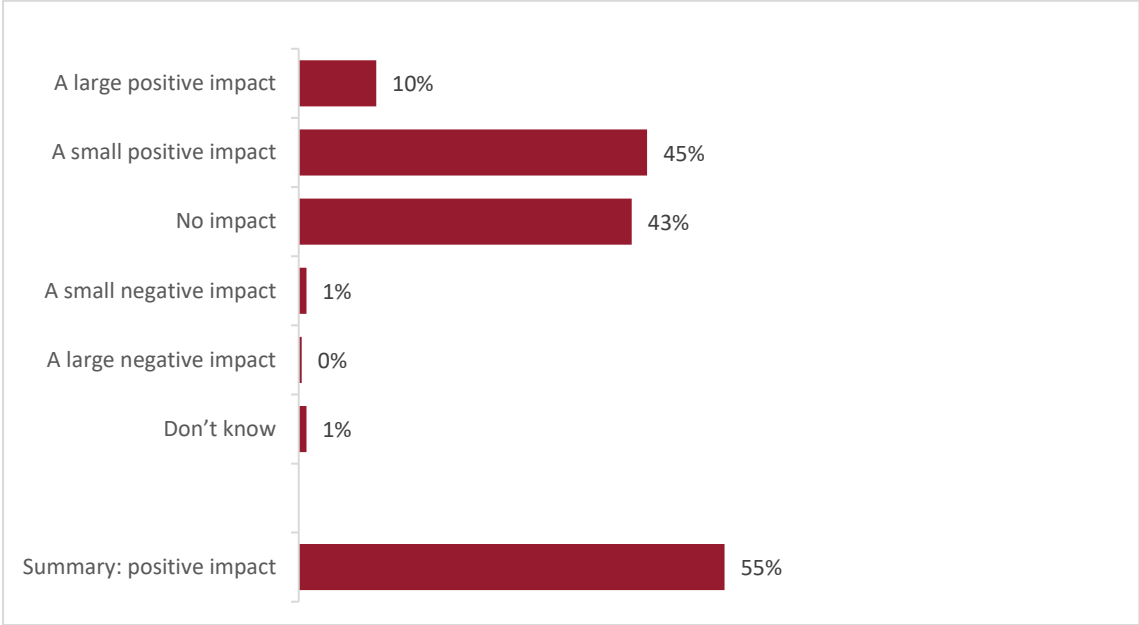


C01. How would you rate your organisation’s current capabilities in the following areas? The growth of my organisation
 Base: Received support (449), didn't receive support (110)

However, as shown in Figure 24 below, the majority of respondents who received support do feel that the EEN support they received has had a positive impact on the growth of their organisation (55%). Most of these respondents (45%) stated that they felt the EEN support their received has a small positive impact. A little over two in five (43%) feel their EEN support had no impact, while only 2% feel it had a negative impact.

³⁷ It should also be noted that “growth” was not specifically defined in this survey question and may have been interpreted differently by different respondents.

Figure 24 EEN impact on organisation growth (self-reported)



C02. Thinking about the support that you received, what impact, if any do you think it had on the following? The growth of my organisation
Base: Received support and rated capability on this element (430)

Interviewees that had experienced growth as a result of EEN support, provided examples of what this looked like in their business. Three case studies in particular illustrated the catalyst effect of EEN support in relation to business growth for them.

Business M referred to how EEN support enabled them to be successful in gaining funding for the purchase of machinery. The introduction of this new equipment increased the quality of the business' production and reduced the man hours spent on quality control. In turn, it allowed the business to seek new customers and continue to grow.

Business K had the prospect of opening a European branch of the business. The interviewee indicated that EEN support, through the networking opportunities as well as the brainstorm sessions with an expert, helped to realise this. It was felt that EEN support, alongside Brexit, had made the European branch a reality quicker than what otherwise would have happened. Furthermore, the interviewee perceived the European branch as pivotal for future growth of the business. It was thought to allow for a springboard between Europe and the UK, enabling the business to seek both European as well as UK funding for future projects.

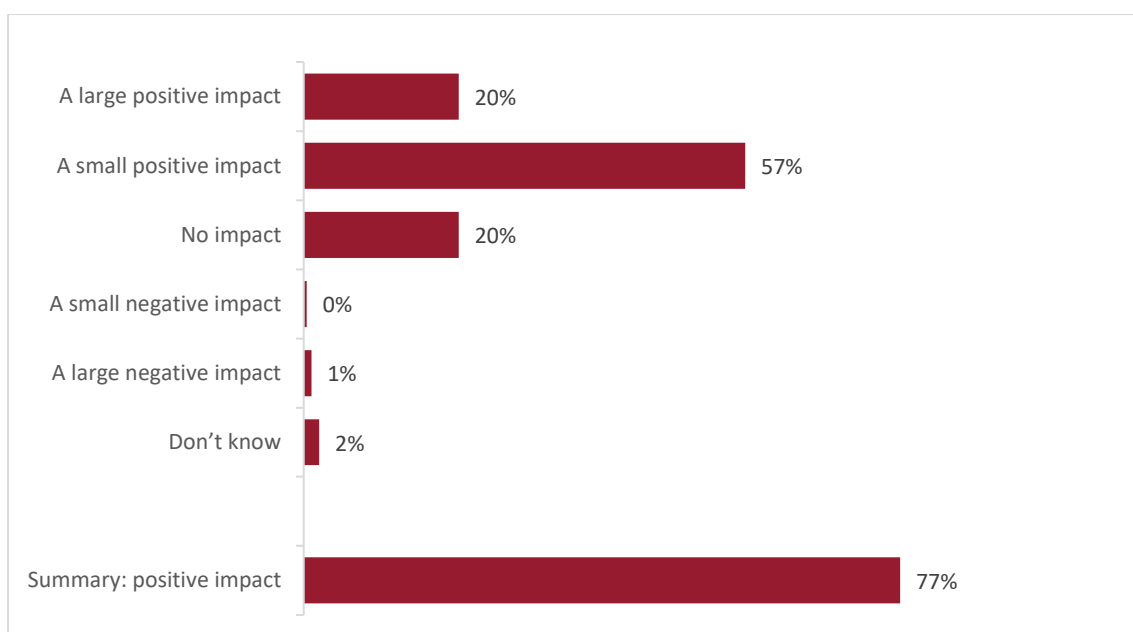
Business A indicated that EEN support enabled them to produce new technology. While turnover went down by 30-40% because of a reduction in staff due to the effects of Covid, without the new technology this was expected to have dropped by 50-60%.

6.1.4 Evaluation question 2a – How, and to what extent, did these outputs lead to or contribute to better business outcomes?

Under this evaluation question we consider metrics on the overall perceived impact of support, entry of new markets, and whether businesses would have been able to find equivalent support elsewhere if EEN was not available. We consider other business outcomes – new products, IP, and funding – within the context of evaluation question 2b and consider employment and turnover impacts in the context of evaluation question 3a.

Generally, EEN support is seen to have had a positive impact on those who received it. Over three-quarters (77%) of respondents who received support say it had a positive impact overall on their organisation. This includes one in five (205) who say it has had a large positive impact. A similar proportion (20%) say that the support had no impact on their organisation, while only 1% say it had a negative impact. This is shown in Figure 25 below.

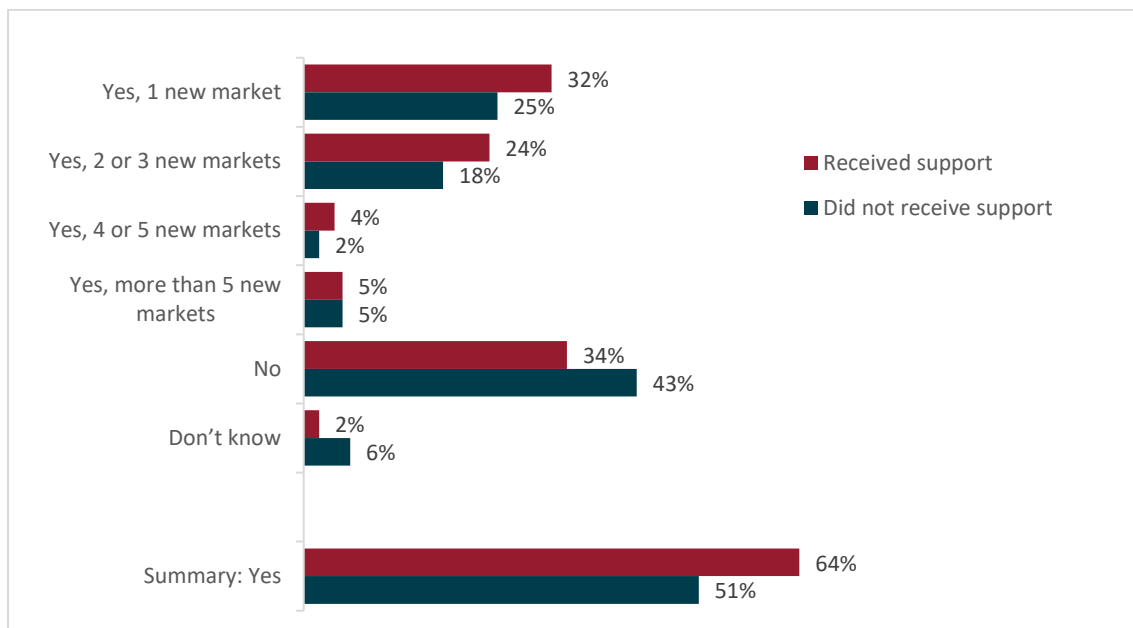
Figure 25 Overall impact of EEN support on organisations (self-reported)



G04. Overall, what impact has the support you received from [EEN partner] had on your organisation?
 Base: Received support (449)

As shown in Figure 26 below, respondents who received EEN support are more likely to have entered new markets since their engagement with EEN began than those who did not receive support. Overall, nearly two-thirds (64%) of those who received support have entered new markets, compared to just over half (51%) of those who did not receive support. Most commonly only 1 new market has been reached (32% of those who received support), but a minority have accessed more than 1 new market: just under a quarter (245) have accessed 2 or 3 new markets, 4% have accessed 4 or 5 new markets and 5% have accessed more than 5 new markets.

Figure 26 Entry of new markets since EEN engagement



F01. Has your organisation entered any new markets since [start year]?

Base: Received support (449), Did not receive support (110)

For those businesses where EEN support had an impact, details were provided in qualitative interviews on what a positive impact on market knowledge looked like. Businesses reporting a positive impact on market knowledge during the interviews, generally referred to two main elements:

- EEN support had broadened their market view, considering more and different sectors that might be relevant to their business.
- EEN support had a high-level impact on their market readiness, being in a better position to take advantage of their current and/or new markets, by having been provided with the support to strengthen their strategic position (e.g., business plan, brand guide).

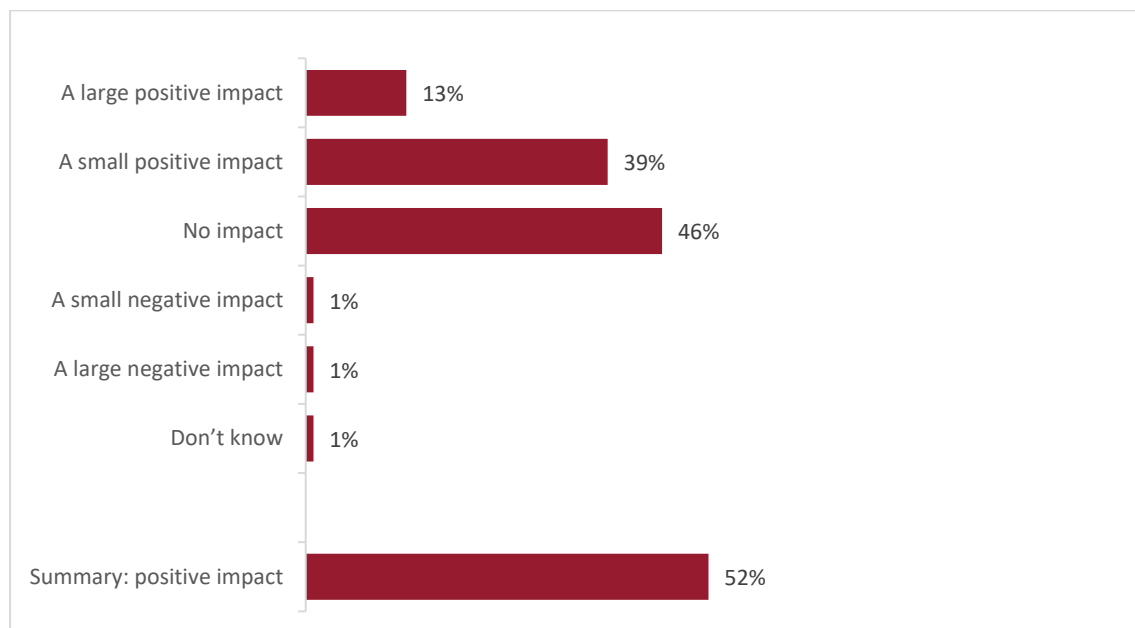
“The business coaching, mentoring support from [advisor] did not directly help in opening up new markets. What it did do was help the strategic positioning of the business, which then in turn opened new markets.” (Business K).

Aside from entering new markets, interviews also explored whether EEN support had contributed to businesses bringing new or improved products to market. A couple of businesses indicated that EEN support had allowed them to expand their sales. For one business, this expansion took place within their current market and was the result of bringing new materials to market. For another business, expansion in sales was the result of EEN support having contributed to improved manufacturing processes (reducing the amount of man hours) which in turn allowed them to explore new markets.

“Markets the project looked at were markets we were already exploring, but we now brought some new materials in those markets. The special prints we used were not there before, so that opened up more product sales rather than a wider customer base.” (Business A)

Over half (52%) of those who received support and entered new markets credit EEN with positively impacting their ability to enter new markets. A little under half feel that the EEN support they received had no impact (46%), while only 2% feel it had a negative impact. This is shown in Figure 27 below.

Figure 27 EEN impact on ability to enter new markets (self-reported)



*F02. What impact, if any, has the support you received from [EEN partner] had on your organisation's ability to enter new markets?
Base: Received support and entered new markets (289)*

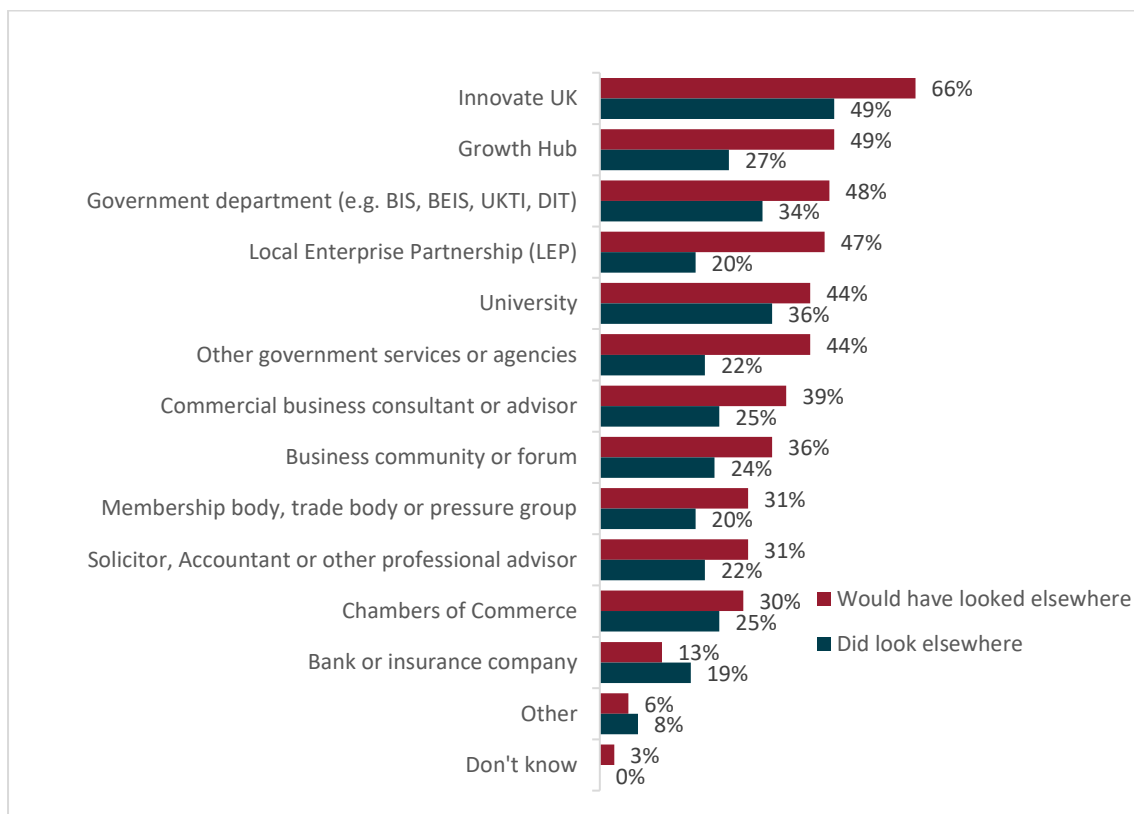
There is also evidence from the survey to suggest that not all businesses would have been able to find equivalent support elsewhere if EEN was not available, particularly if the type of support provided by EEN was not available from Innovate UK or another similar government backed provider. The use and consideration of commercial support organisations is relatively low compared to publicly available support.

Just under two-thirds (65%) of survey respondents who received EEN support say they would have looked elsewhere if they did not get support from EEN. A quarter say they would not have looked elsewhere and one in ten (10%) aren't sure what they would have done. For respondents who didn't receive EEN support, a little over half looked elsewhere for the support they needed (54%). Just under two in five (39%) didn't look elsewhere and 7% don't know what they did.

Respondents were asked to say where they would have gone to seek alternative support or where they did go for those who sought alternative support. As shown in Figure 28 below, two-thirds of those who received EEN support think they would have gone to Innovate UK for alternative support, as did just under half (49%) of those who didn't take up the offer of EEN support, but looked elsewhere. Other popular sources of alternative support include growth hubs, other government departments,

LEPs, Universities and other government services or agencies. Commercial business are less popular alternatives with just under two in five (39%) of those who had EEN support and would have looked elsewhere saying they would have reached out to them and only a quarter (25%) of those who didn't receive support and did look elsewhere reaching out to them.

Figure 28 Types of organisations would have gone to/did go to for support



G02. What types of organisations would you have gone/did you go to for this support?
 Base: Would have looked elsewhere for support (290), did look elsewhere for support (59)

The Qualitative Comparative Analysis (QCA) interviews also provide helpful evidence on whether businesses would have been able to overcome barriers in the absence of EEN support. Most beneficiaries that were interviewed as part of the QCA solved the business problem they were seeking support with. For the majority the problem was solved either directly (i.e., with the partner organisation) or indirectly (i.e., the partner organisation facilitating connections and signposting them) through EEN support.

“It [EEN support] helped us in securing more funding, winning future grants and making the process to patenting the technology. To be honest, I don't want anyone else to have him [consultant from EEN partner organisation] because he's actually quite helpful.” (Beneficiary, QCA 6)

“There were lots of partnerships, but the initial catalyst was the workshop from [EEN Partner] and the support and consultancy we received from them” (Beneficiary, QCA 7)

A smaller number of beneficiaries did not solve their business problem or solved it with support outside of the EEN programme. Like the non-beneficiaries, beneficiaries that were unable to solve the

problem through EEN support indicated that the EEN programme was not the right fit for their business or the issue they were experiencing at that time.

“We got linked to other programmes and elements [e.g., peer-to-peer network], the pitch was improved, our understanding grew, but ultimately it was about finding the investment/money somewhere.” (Beneficiary, QCA 1)

The outcomes and impacts of EEN support for beneficiaries varied, with some indicating that the EEN brokerage events had allowed them to share knowledge with other businesses or to connect them with people that might potentially be interested in their innovation.

“We got to do demonstrations of the application to speak awareness about the existence of the application” (Beneficiary, QCA 7)

Overall, non-beneficiaries found it difficult to recall why they initially sought support from EEN and subsequently why they did not take it up. Those businesses that did remember, usually referred to the support not addressing the issue the business was seeking to resolve which predominantly related to the need for funding, capital and investment. While some had been able to resolve this issue through private financing, others were still trying to raise funds.

“We were looking for funding and we have been looking ever since, but so far it has all been unsuccessful” (Non-beneficiary, QCA 2)

“We got grant funding from Innovate UK, but we were not able to close on the ground because we couldn’t get the private equity funding component so we had to forfeit that.” (Non-beneficiary, QCA 15).

A few non-beneficiaries highlighted issues that did not relate to the need for funding. Some had managed to resolve these by paying for external support elsewhere or relying on their own strengths.

“I relied on my own network but felt it could have been a much more dynamic relationship and I felt it was a very much a closed mindset that I was encountered with.” (Non-beneficiary, QCA 10)

“It’s partly resolved in that we’ve gained connections with the industry we wanted and some of our legal and tax questions, but other questions remain open as no one really seems to know the answer with Brexit. We paid for legal and tax advice, consultancy, as well as using the Department for International Trade.” (Non-beneficiary, QCA 5)

Others had not resolved the issue or had moved onto another project in the business.

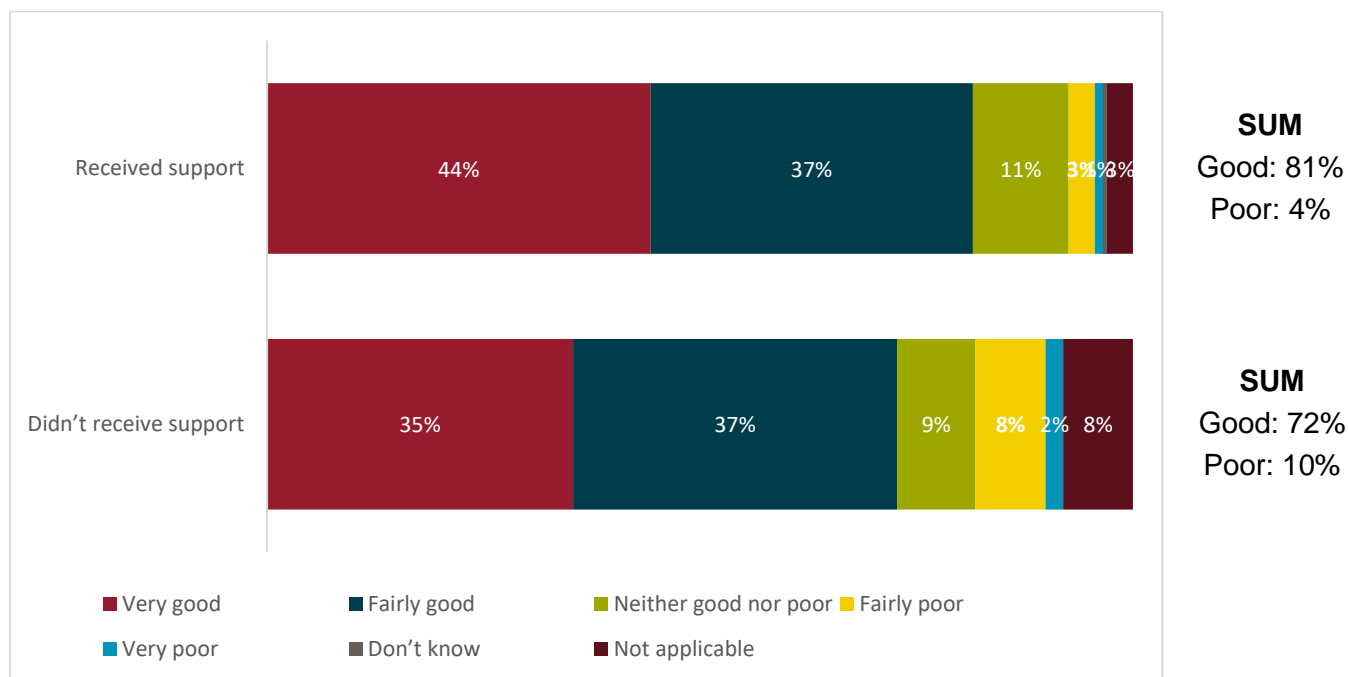
“The problem wasn’t really solved, it was more a case of it being ‘parked’ as a result of Covid hitting and the business going in a different direction afterwards.” (Non-beneficiary, QCA 20)

6.1.5 Evaluation question 2b – How, and to what extent, did these outputs lead to or contribute to new investment, products, IP, funding and funding leverage?

Respondents who have received EEN support are significantly more likely to rate their organisation’s current capabilities in terms of developing new products and services as ‘very good’ or ‘fairly good’ than those who did not receive support (82%, compared to 73% for those who did not receive support).

Approaching half (44%) of those who received EEN support rate their capabilities in this area as 'very good'. Those who didn't receive EEN support are also significantly more likely to rate their organisation as 'very poor' or 'fairly poor' in this area (10% compared to 4% for those who received support). This is shown in Figure 29 below.

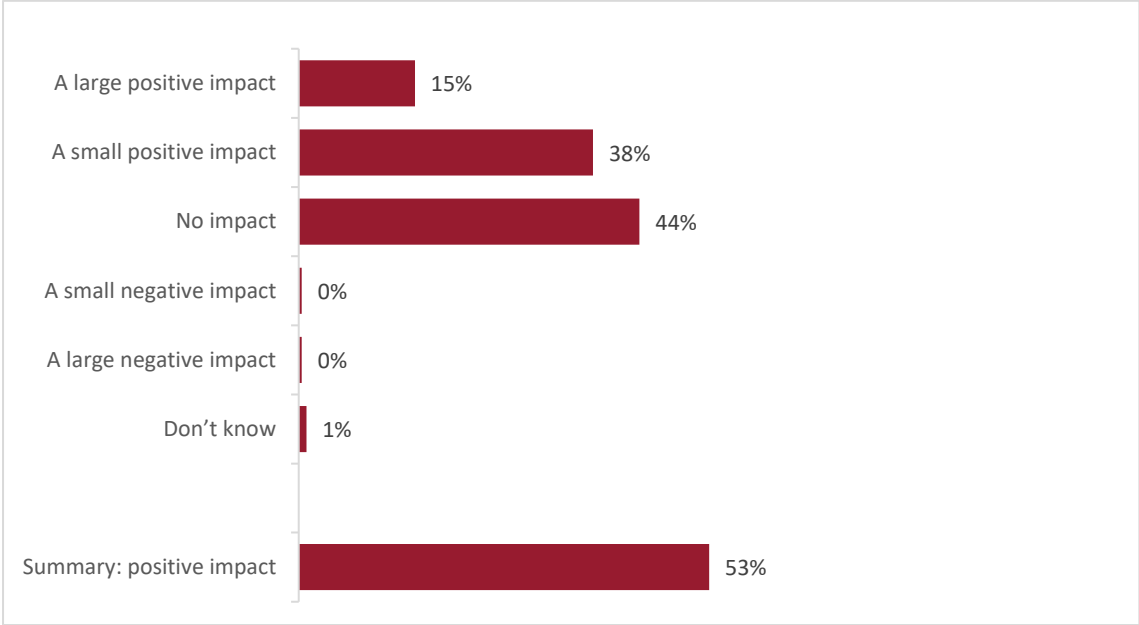
Figure 29 Current capabilities in developing new products or services (self-reported), supported vs unsupported businesses



C01. How would you rate your organisation's current capabilities in the following areas? Capability to develop new products or services
 Base: Received support (449), didn't receive support (110)

As shown in Figure 30 below, a little over half of those who received EEN support feel that this support had a positive impact on their capability to develop new products and services (53%). 44% feel that the support had no impact and only 1% feel it had a negative impact.

Figure 30 EEN impact on capability to develop new products or services (self-reported)



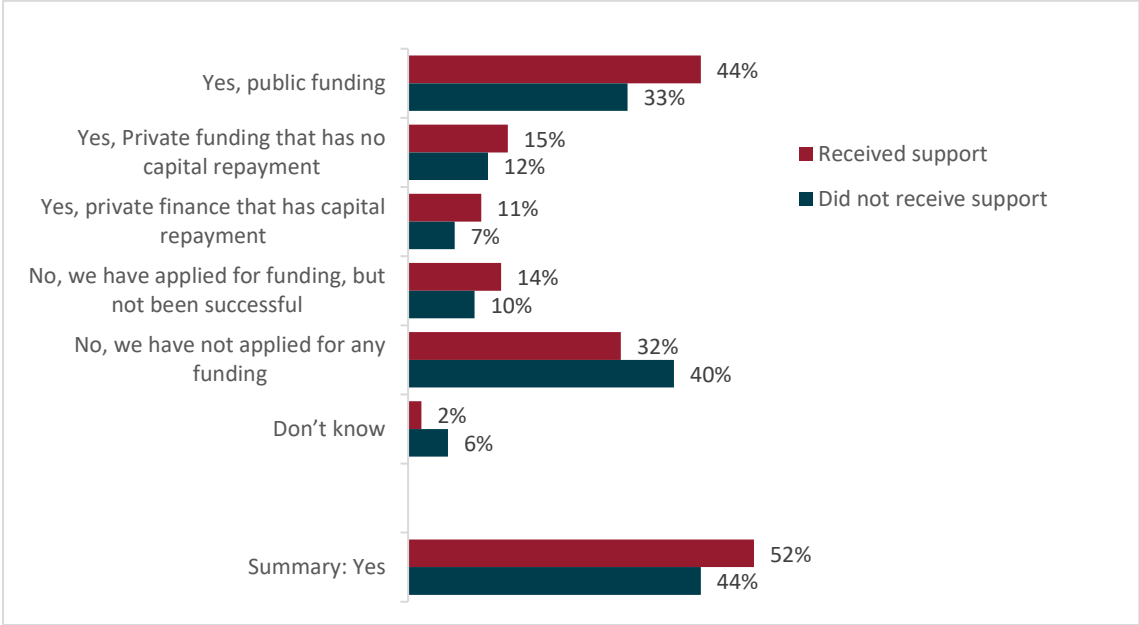
C02. Thinking about the support that you received, what impact, if any do you think it had on the following? Capability to develop new products or services

Base: Received support and rated capability on this element (437)

Just over half of respondents who have received EEN support have been successful in accessing funding since the start of their engagement with EEN (52%). This is only a little higher than the proportion for those who did not receive support (44%) and the difference is not statistically significant.

Most commonly this is the form of public funding, and those who have received EEN support are significantly more likely to have been successful in accessing public funding than those who did not receive EEN support (44% compared to 33% of those who didn't receive support). This is shown in Figure 31 below.

Figure 31 Success in accessing public or private funding

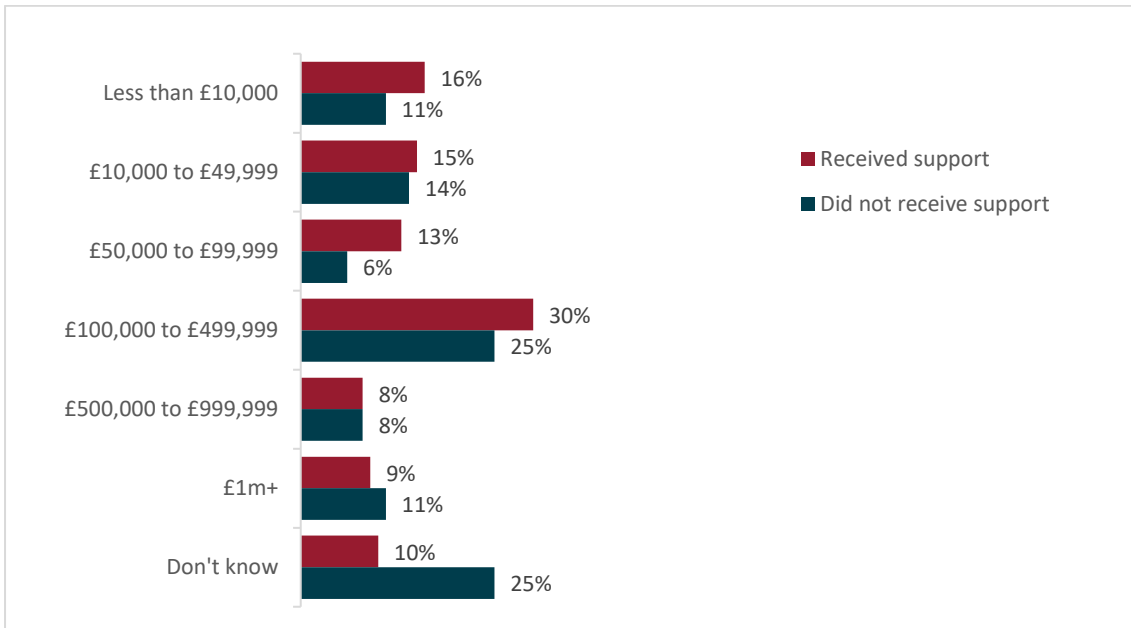


E01. Has your organisation been successful in accessing any public or private funding since [start year]?
 Base: Received support (449), Did not receive support (110)

Despite those who have received EEN support being more likely to have been successful in accessing public funding, there is no clear evidence from survey data that the amount of public funding received is any greater than those who did not receive support. The mean amount of public funding received by those who received EEN support is £375,905, whereas the mean for those who did not receive support is £727,456. Even if those who didn't receive any public funding are included in the mean the amount received by those who didn't receive EEN support is higher than for those who did (£178,557 compared to £149,860 for those who did receive EEN support). Given the relatively small number of unsupported respondents who received public funding these figures can be easily skewed by outliers so it is not possible to draw meaningful conclusions from this data.³⁸ It is also worth noting that those who didn't receive support are more likely to not know how much public funding they have received (25%, compared to 10% of those who received support), which could be impacting the accuracy of the results.

³⁸ The median public funding received by EEN supported businesses was £100,000, while the median for non-beneficiaries was £150,000.

Figure 32 Amount of public funding received

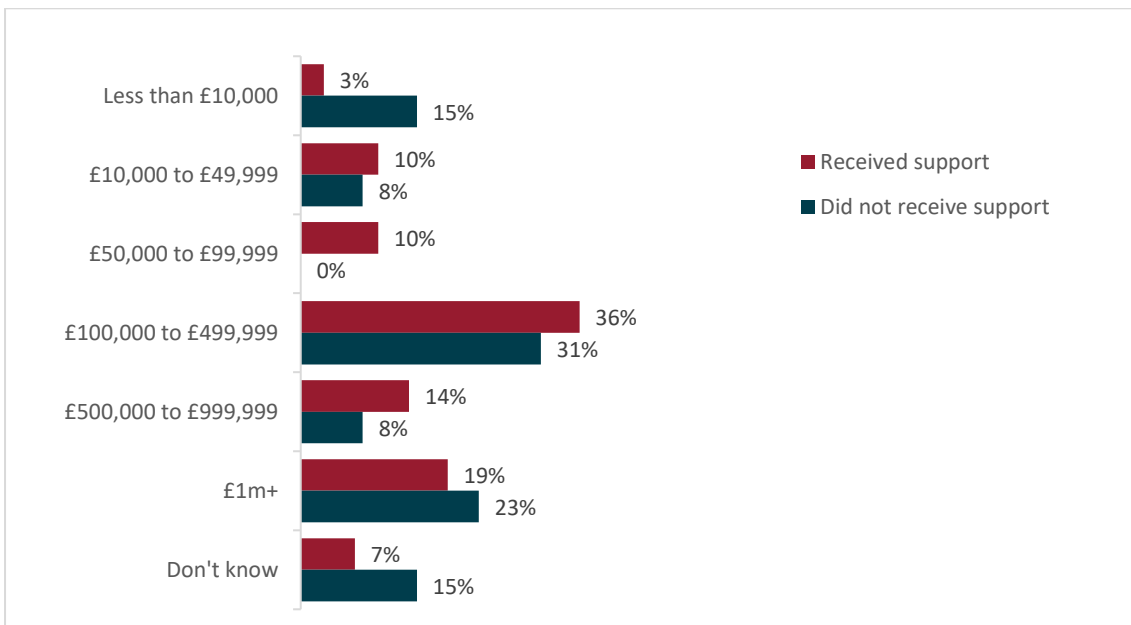


E01a. How much public funding has your organisation received?

Base: Received support and public funding (198), Did not receive support and received public funding (36)

Similarly, there is no clear evidence that EEN support has impacted the amount of private funding or private finance received by respondents. As fewer respondent organisations had accessed these types of funding and finance the amounts presented below in Figure 33 and Figure 34 are even more subject to skew by outliers.

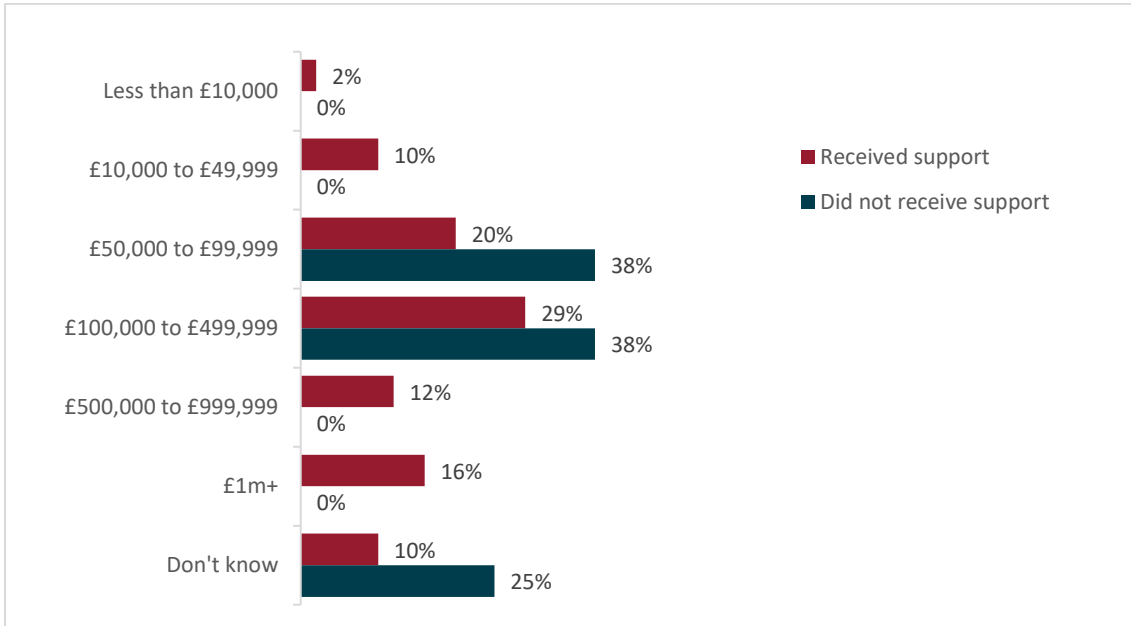
Figure 33 Amount of private funding received



E01b. How much private funding has your organisation received?

Base: Received support and private funding (69), Did not receive support and received private funding (13)

Figure 34 Amount of private finance received

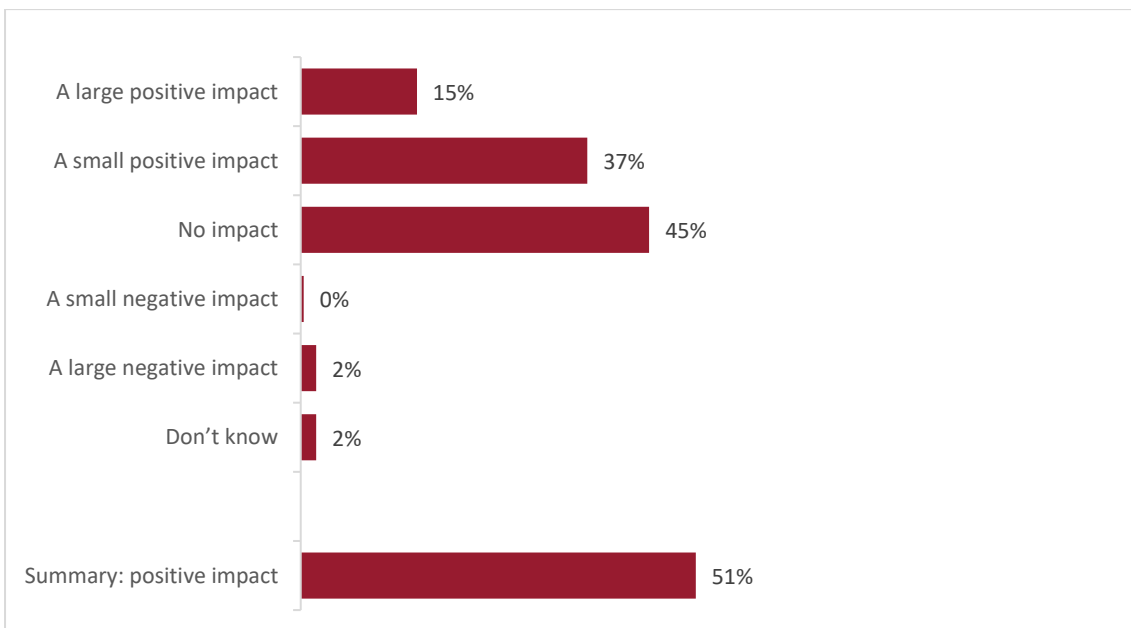


E01c. How much private finance has your organisation received?

Base: Received support and private finance (49), Did not receive support and received private finance (8)

However, as shown in Figure 35 below, just over half (51%) of those who have received EEN support feel that this support has had a positive impact on their ability to access funding and finance. A little under half (45%) feel that the EEN support had no impact in this area.

Figure 35 EEN impact on ability to access funding or finance (self-reported)

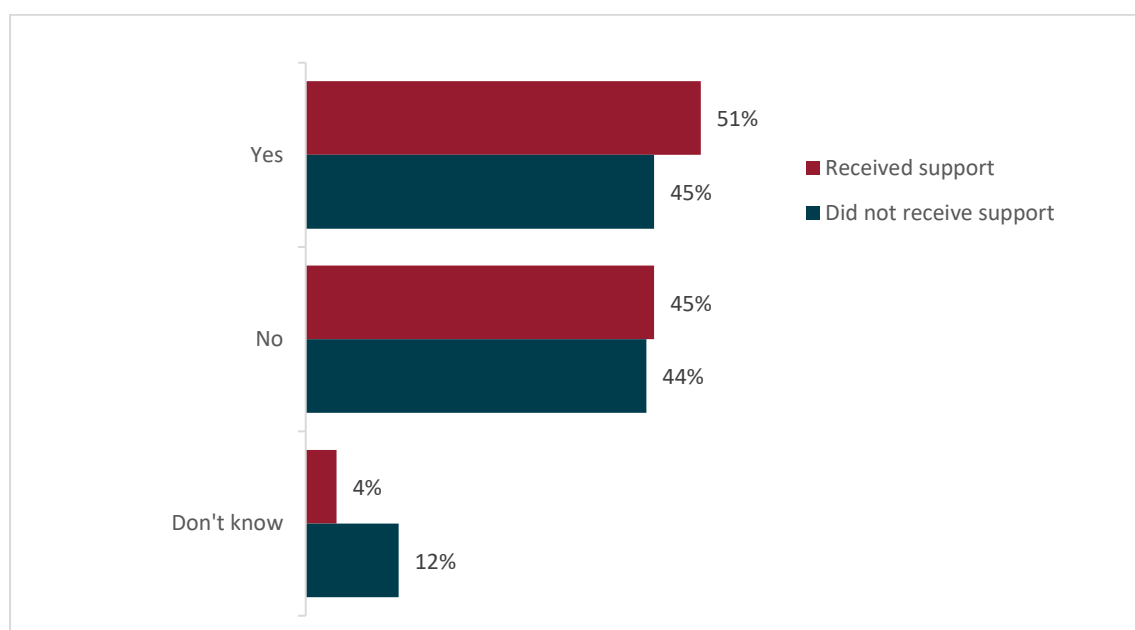


E02. What impact, if any, did the support you received have on your organisation's ability to access funding or finance?

Base: Received support and applied for funding since EEN support started (298)

Respondents who have received EEN support are not significantly more likely to have gained new or additional IP since their EEN engagement than those who did not receive support. Although 51% of those who have received support said they have gained new or additional IP, compared to 45% of those who did not receive support (as shown in Figure 36 below), this difference is not statistically significant. However, those who did not receive support are less likely to know about any new or additional IP gained, suggesting that EEN support could have an impact on knowledge of IP within supported organisations.

Figure 36 Whether new or additional intellectual property or assets have been gained since EEN engagement



F03. Has your organisation gained any new or additional intellectual property or assets (IP) since [start year]?
 Base: Received support (449), Did not receive support (110)

In-depth interviews further elaborated on this, indicating that while the process around gaining new or additional IP might have perhaps started during the period a business received EEN support, for some it did not materialise until months later. One business for example highlighted that approval of the patent on their new technology (which EEN support contributed to) only came through in the last few months (post the evaluation survey) and did not necessarily reflect everything the business wanted to be reflected because of the significant cost.

“We’ve just been granted the patent in the last few months. It doesn’t cover everything we wanted to be patented. The technology is more limited, by quite a long way, than we hoped because of the patent. We were informed that some elements were not patentable and that process went on for quite a few months, costing a lot of money. The technology is not as big as it could have been, but there was no more resource to put into it to negotiate the patent further.” (Business A)

Another business mentioned the fact that while EEN support had made them look for novel IP solutions and put material transfer agreements in place, patents themselves were very expensive and therefore not always possible to seek too far in advance of bringing the product to market.

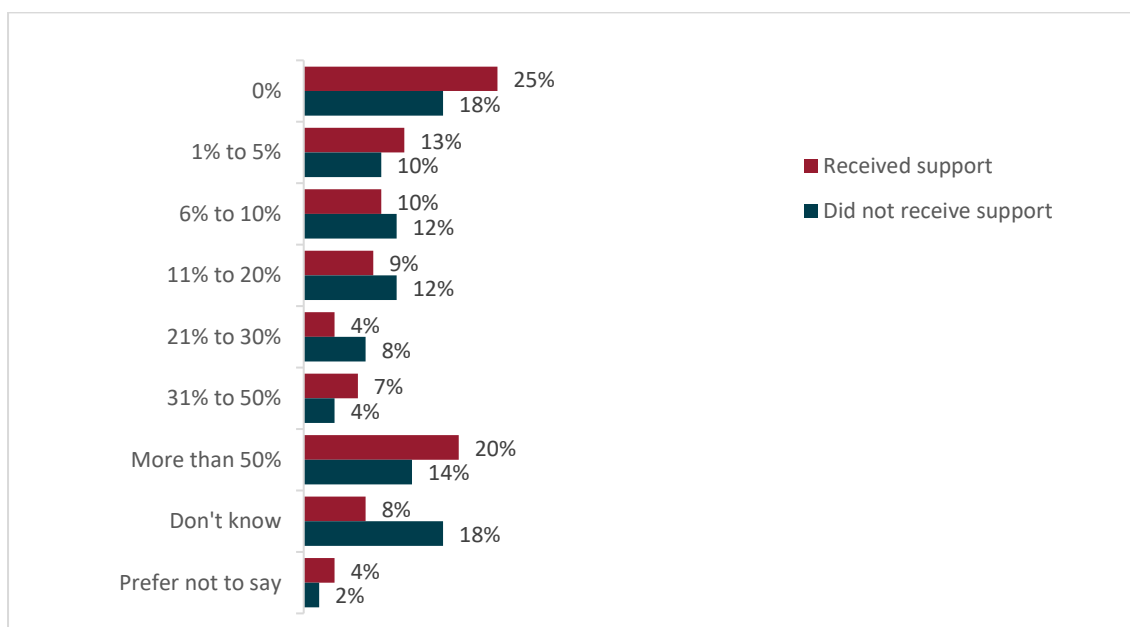
“I’ve an IP attorney and it [EEN support] allowed me to look for novel IP solutions and basically put material transfer agreements in place to oversee IP clauses. But patents are very expensive, and I don’t want to give all the percentages out so the idea at the moment is to keep it a secret and cross that bridge when we get there. I don’t want to, again, have to cancel projects because of IP issues [refers to academics at the University and IP issues he had with that in the past].” (Business B)

Overall, most businesses who had discussions around IP and patents as part of EEN support noted that there were limitations to the value that IP could provide to their business.

“The IP was important but not effectively grown or scaled. We spent around £150,000 on IP and got patents in 13 countries, plus one pending. I realised from previous work that if you have not got it protected, you can come unstuck very quickly. But the time to do the ground work on it, so that’s part of why I haven’t partnered with other organisations as I want to find the right partners to work with at the right time, but at the moment the business isn’t indebted to anyone which feels easier as I can be more flexible and go in different directions.” (Business L)

Where new or additional IP has been gained, survey respondents were asked to estimate the proportion of their revenue that this IP accounts for. Again, there are no statistically significant differences between the proportions for those who received EEN support compared to those who did not receive support. However, again those who did not receive support are more likely to have answered ‘don’t know’ to this question, supporting the hypothesis that EEN support could have impacted knowledge of IP within supported organisations.

Figure 37 Amount of revenue new IP accounts for

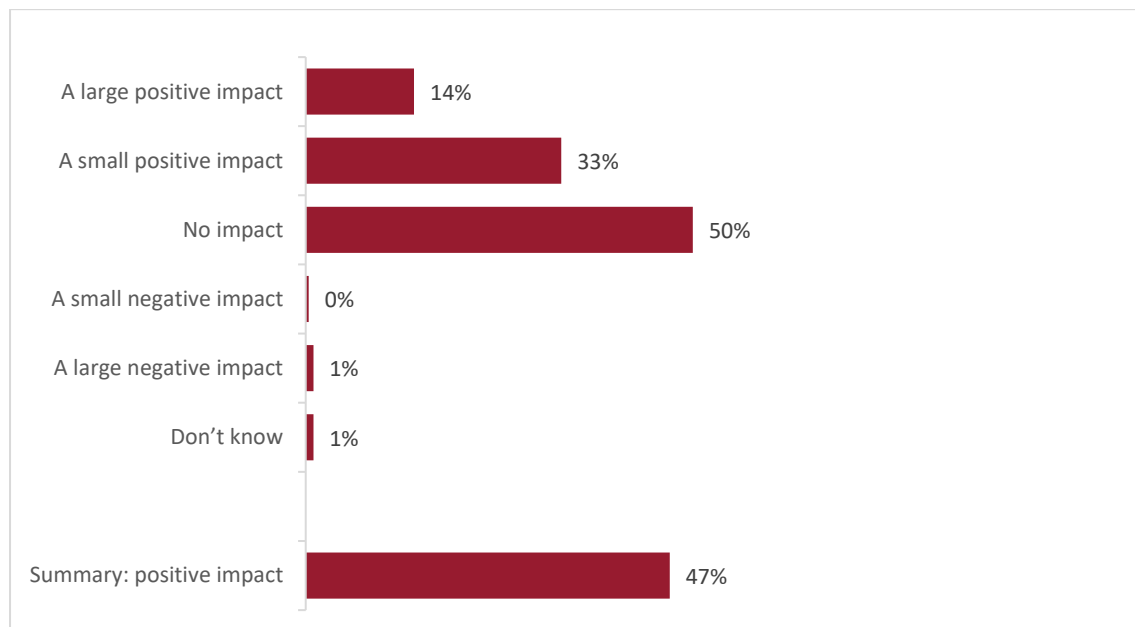


F04. What proportion of your current revenue doe this new IP account for?
 Base: Received support and gained new IP (229), Did not receive support and gained new IP (49)

Despite the lack of evidence from the survey regarding EEN supporting organisations to gain new or additional IP, nearly half (47%) of those who received support feel that the support has positively

impacted their ability to gain IP. Half (50%) feel that the support they received has had no impact in this area. This is shown in Figure 38 below.

Figure 38 EEN impact on ability to gain new IP (self-reported)

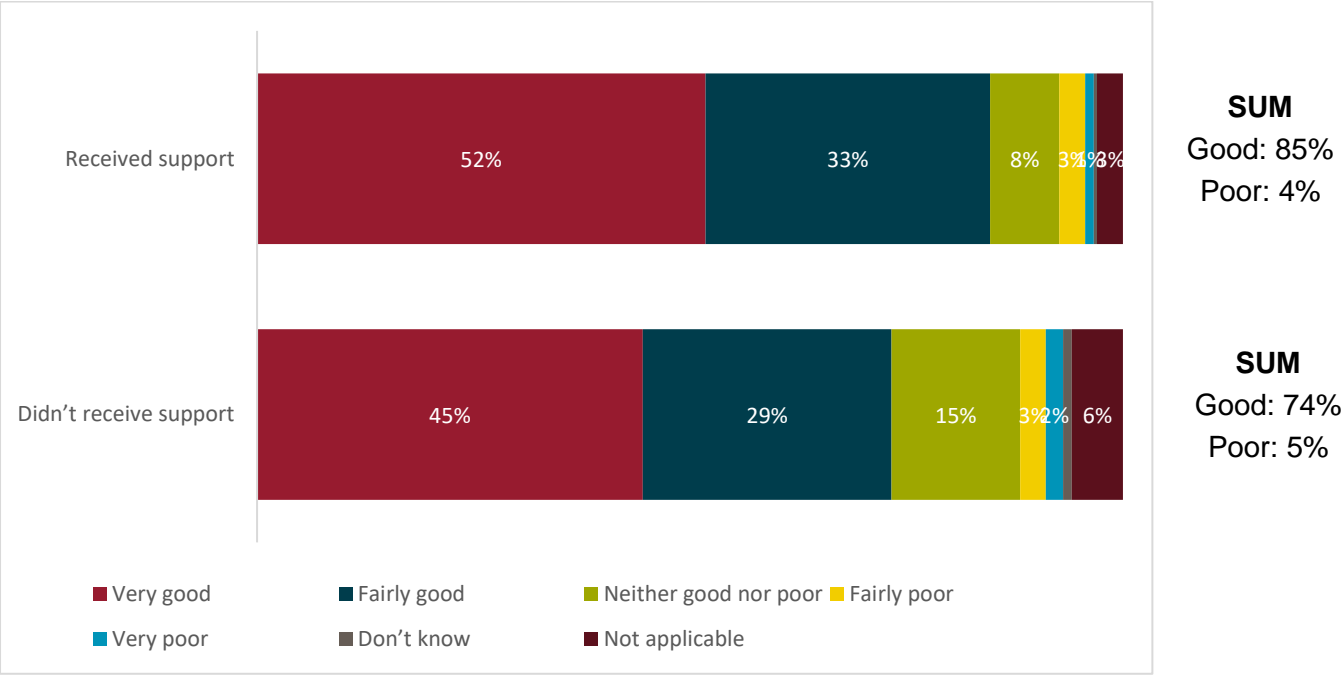


*F05. What impact, if any, did the support you received from [EEN partner] had on your organisation's ability to gain new IP?
Base: Received support and gained new IP (229)*

6.1.6 Evaluation question 2c – How, and to what extent, did these outputs lead to or contribute to enhanced innovation culture?

Respondents who have received EEN support are significantly more likely to rate their organisations current capabilities in terms of innovation culture as ‘very good’ or ‘fairly good’ than those who did not receive support (84%, compared to 74%). Over half (52%) of those who received support rate their capabilities in this area as ‘very good’. A further third (33%) rate their capabilities as ‘fairly good’. This is shown in Figure 39 below.

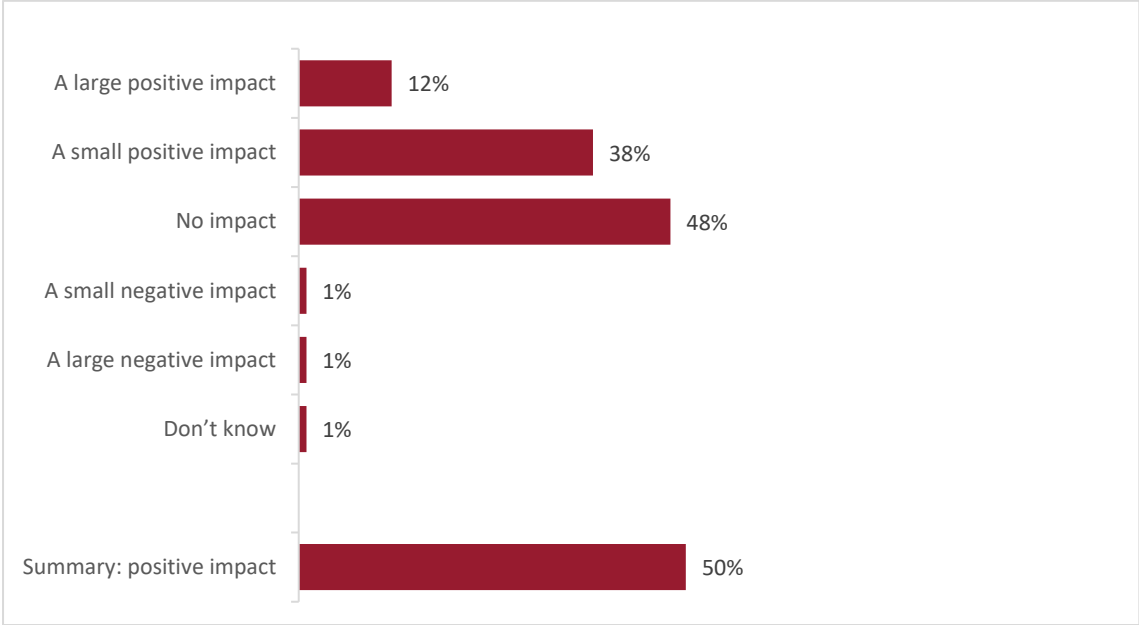
Figure 39 Current capabilities in terms of innovation culture (self-reported), supported vs unsupported businesses



C01. How would you rate your organisation's current capabilities in the following areas? Culture of innovation in my organisation
 Base: Received support (449), didn't receive support (110)

As shown in Figure 40 below, half of those who received support feel that this support positively impacted their organisation in terms of innovation culture. This is made up of 12% who feel the support has had a large positive impact and 38% who feel it has had a small positive impact. Just under half (48%) feel it has had no impact at all.

Figure 40 EEN impact on innovation culture (self-reported)



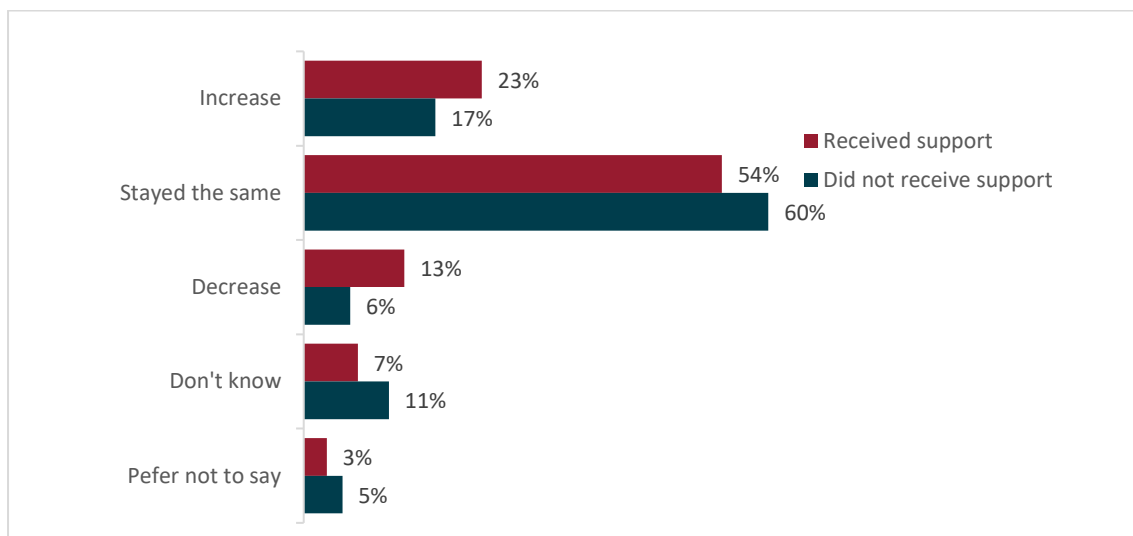
C02. Thinking about the support that you received, what impact, if any do you think it had on the following? Culture of innovation in my organisation

Base: Received support and rated capability on this element (435)

In-depth interviews often discussed innovation management and innovation culture hand in hand (see section 6.1.2 above).

As shown in Figure 41 below, respondents who received support are a little more likely to have decreased the proportion of their revenue spent on research, development and innovation since their initial EEN interaction than those who did not receive support, however, this is not statistically significant, so this may reflect statistical noise.

Figure 41 Change in research, development and innovation spend since EEN interaction

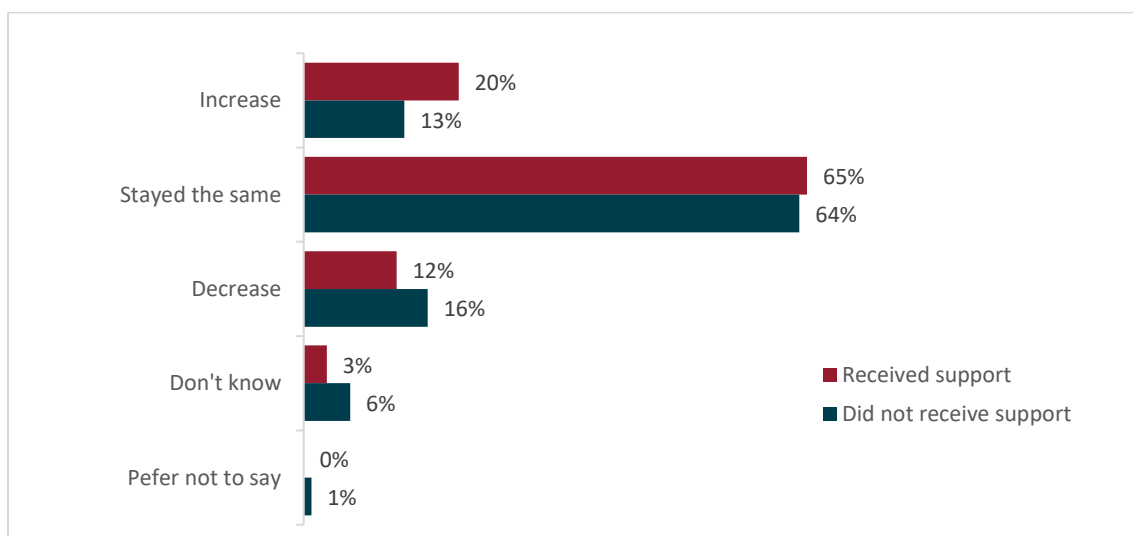


E03a. What proportion of your organisation's revenue was spent on research, development and innovation in the previous financial year?
 E04a. And what proportion of your organisation's revenue would you estimate was spent on research, development and innovation in [start year]?

Base: Received support (449), Did not receive support (110)

Similarly, as shown in Figure 42 below, there are no differences between those who have received support and those who have not in terms of changes in the proportion of their revenue spend on just research and development compared to when their EEN interaction began. For the majority this proportion has stayed the same (65% of those received support and 64% of those who did not).

Figure 42 Change in research and development spend since EEN interaction



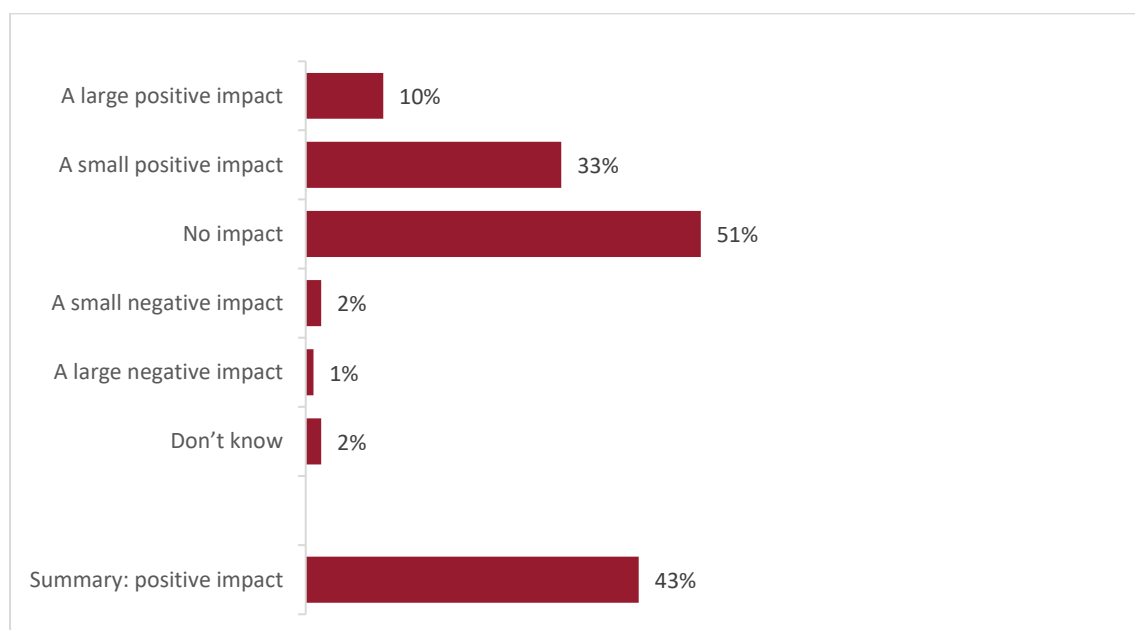
E03b. What proportion of your organisation's revenue was spent on just research and development in the previous financial year?
 E04b. And what proportion of your organisation's revenue would you estimate was spent on research and development in [start year]?

Base: Received support and spent revenue on R,D&I (332), Did not receive support (87)

Similar findings emerge from the qualitative QCA. A number of the businesses interviewed that received EEN support indicated that their business' focus was not on research and development spending, but bringing their technology to market, protecting it, ensuring the business has a solid structure and business plan, and improving the business' strategic position. Similarly, participants of the interim findings stakeholder workshop also noted that increasing research and development spending was generally not an aim of EEN support. In fact, if an advisor felt that in a specific businesses circumstance that it may be more effective for a business to use funds allocated for research and development in another way, they would explore potential options for reallocating these funds with the business.

Despite the lack of evidence that EEN support has encouraged a greater proportion of revenue to be spent on research and development, more than two in five of those who received support (43%) feel that the EEN support has positively impacted their spend on R&D. This includes a third (33%) who feel it has had a small positive impact. Just over half (51%) feel it has not impact at all and only 3% feel it has had a negative impact. This is shown in Figure 43 below.

Figure 43 EEN impact on spend on research and development (self-reported)



*E05. What impact, if any, did the support you received from [EEN partner] have on your organisation's spend on research and development?
Base: Received support (449)*

6.1.7 Evaluation question 3a – How, and to what extent, did these outcomes lead to or contribute to better UK economic performance?

Our econometric analysis finds that EEN support had a statistically significant impact on supported firms' employment. In our homogenous treatment effect model, supported firms' employment is

estimated to have increased by 2.6% on average,³⁹ relative to the control group.⁴⁰ The results of the homogeneous treatment effect model are shown below in Table 12.

Table 12 Homogenous treatment model (1)

	Impact on employment	Impact on turnover
EEN support (overall)	0.0253**	-0.0251
Standard error	(0.0113)	(0.0171)
Goodness of fit (R-squared)	0.218	0.211
Number of observations	95,164	94,935
Number of firms	11,345	11,330

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, and BSD data.

Note: The econometric analysis controls both company and year fixed effects, and has a constant term. These are not shown in the table. Statistical significance at the 1% level is shown with ***, 5% level with **, and 10% level with *. The standard errors in parentheses are heteroskedasticity and autocorrelation robust.

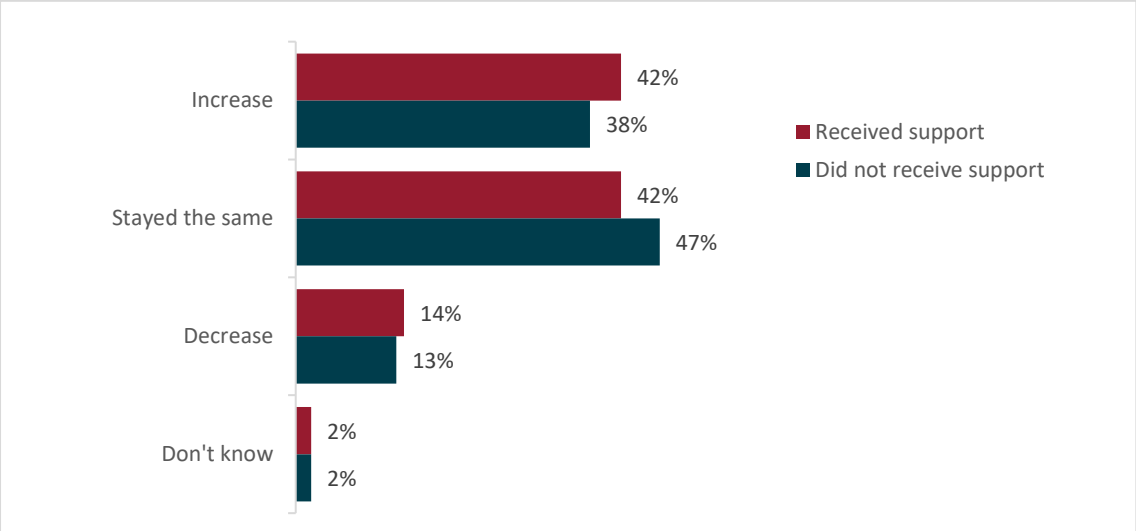
Conversely, as also shown in Table 12, we do not find any statistically significant impact of EEN support on turnover in our homogenous treatment effect model. It is possible that this is due to employment impacts materialising sooner than turnover impacts for these types of interventions.

In the survey, respondents who received EEN support are only a little more likely to have an increase in employees since their initial engagement with EEN than those who did not receive support (42% compared to 38%). In contrast to the econometric evidence, this difference is not statistically significant.

³⁹ Note that we apply an exponential transformation to the ‘raw’ econometric results in the table to obtain the estimated % impact on business outcomes (employment or turnover) because of the setup of the econometric methodology.

⁴⁰ This result and others we present below are generally robust to a different specification: when excluding observations if they belong to firms which were combined during de-duplication and/or to firms whose company identifier changed over time.

Figure 44 Change in employees since EEN engagement



B01/B02. How many members of staff does your organisation currently employ? Please think about the number of full-time equivalent employees.

B03/B04. And how many members of staff did your organisation have in [start year]?

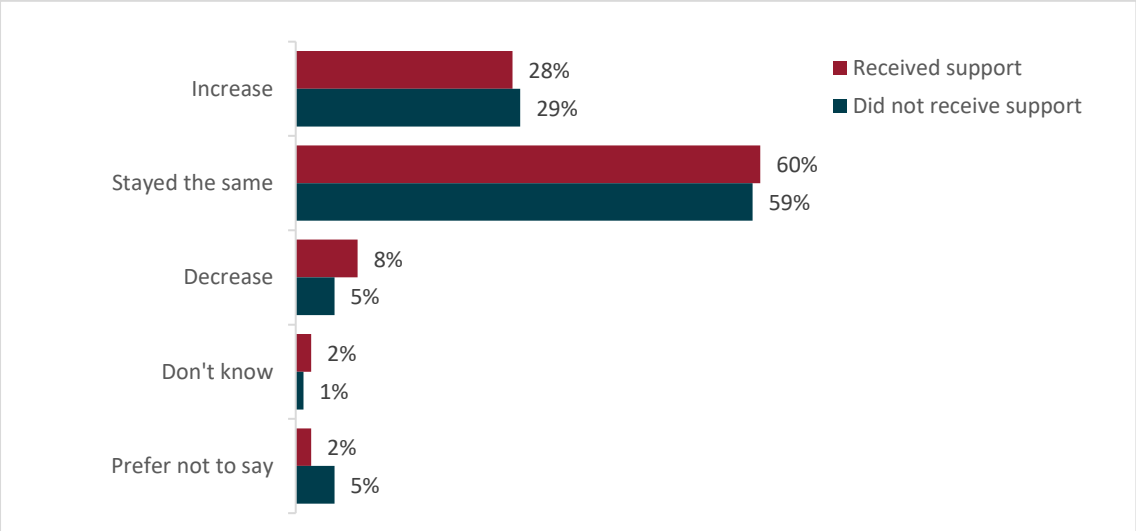
Base: Received support (449), Did not receive support (110)

In interviews, some I2S recipients noted that the impact of support was not necessarily in terms of number of employees but described how support impacted the skill level and technical skills required of their employees.

“The programme impacted the quality of jobs in the sense that jobs were a little more technical.”
(Business A)

Consistent with the econometrics, survey respondents who received EEN support are no more likely to have seen an increase in turnover since their EEN engagement began than those who did not take up the offer of support (28% increase for those who received support compared to 29% increase for those who did not). This is shown in Figure 45 below.

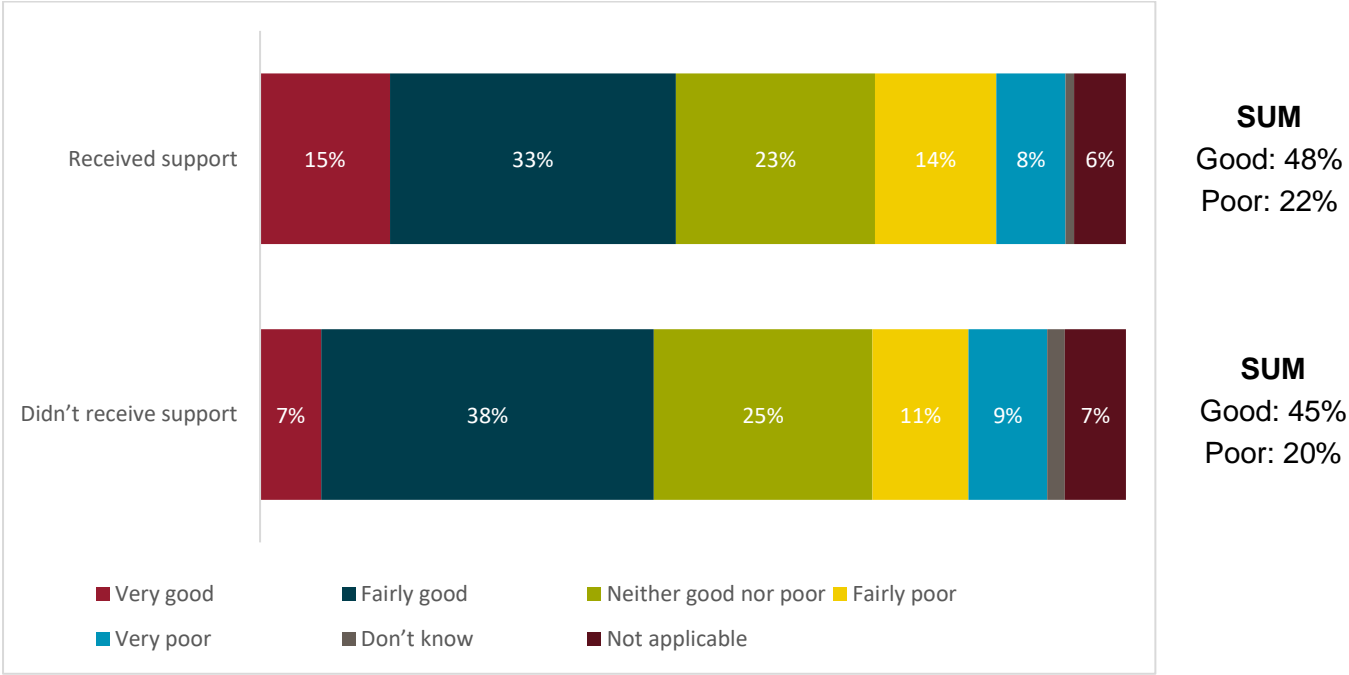
Figure 45 Change in turnover since EEN engagement



B05. Which of the following would best describe your turnover for the previous financial year?
B06. And which of the following would best describe your turnover in [start year]?
Base: Received support (449), Did not receive support (110)

As shown in Figure 46 below, just under half of respondents who received support would rate their current capabilities in terms of organisation profitability as ‘very good’ or ‘fairly good’ (48%). A similar proportion of those who didn’t receive support would also rate their capabilities in this area as ‘very good’ or ‘fairly good’ (45%) and the difference is not statistically significant. Around one in five would rate their capabilities in this area as ‘poor’ (22% of those who received support and 20% of those who didn’t receive support).

Figure 46 Current capabilities in organisation profitability (self-reported), supported vs unsupported businesses

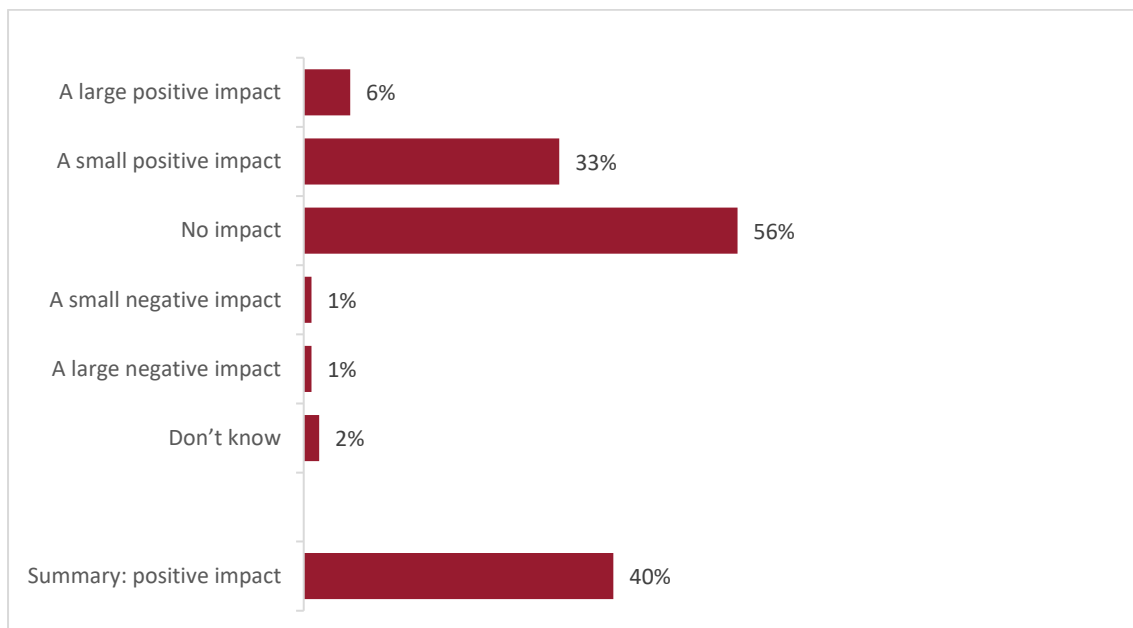


C01. How would you rate your organisation's current capabilities in the following areas? The profitability of my organisation
 Base: Received support (449), didn't receive support (110)

As shown in Figure 47 below, two in five (40%) of those who received EEN support say the support has positively impacted the profitability of their organisation. This is mostly comprised of those who say it had had a small impact (33%). Over half (56%) feel the support has had no impact, while 2% feel it has had a negative impact.

Delivery partners participating in the interim findings stakeholder workshop were generally not too surprised by this finding, noting that profitability was not a core focus of EEN support, especially during the early part of the evaluation period, when there was much greater focus on international partnering and achieving EC partnership agreement targets.

Figure 47 EEN impact on organisation profitability (self-reported)



C02. Thinking about the support that you received, what impact, if any do you think it had on the following? The profitability of my organisation

Base: Received support and rated capability on this element (422)

While some interviewed businesses felt that EEN support had progressed and equipped them to the point of being able to commercialise certain ideas or take things further, others had expected more support in the commercialisation phase, reflecting a misalignment of expectations. For example, one interviewee described that their support appeared to “end” before the commercialisation stage and they had the impression that their delivery partner (based at a university) was not capable of helping them in the commercialisation stage. However, it should be noted that we do not find any evidence of evidence of differences in the benefits of support offered by different delivery partners (discussed further below).

6.1.8 Evaluation question 3b – How, and to what extent, did these outcomes lead to or contribute to better societal outcomes?

Qualitative interviews provide examples of EEN support helping to bring green technologies to market sooner. For Example, one interviewee described how support helped secure funding of £125k from the Sustainable Innovation Fund to build a technology which reduces the carbon footprint of the rollout of telecommunication technology, currently being piloted. In their view, EEN support allowed them to begin piloting this technology 6 months earlier than if they had gone it alone.

Interviews with recipients of Women in Innovation and Young Innovators coaching support also provide examples of positive impacts of EEN support on equity, diversity and inclusion.

Interviewees who received Women in Innovation support were very positive about the programme’s mentoring impacts and described how EEN coaching helped build confidence in self and inspire

female leadership, leading to greater opportunities, being more successful in pitches, being more visible in male-dominated industries, and feeling more able to innovate. One interviewee described how EEN support helped them bring a new product innovation to market (currently being trialed with a large transport and storage company) that was specifically designed for the benefit of female users.

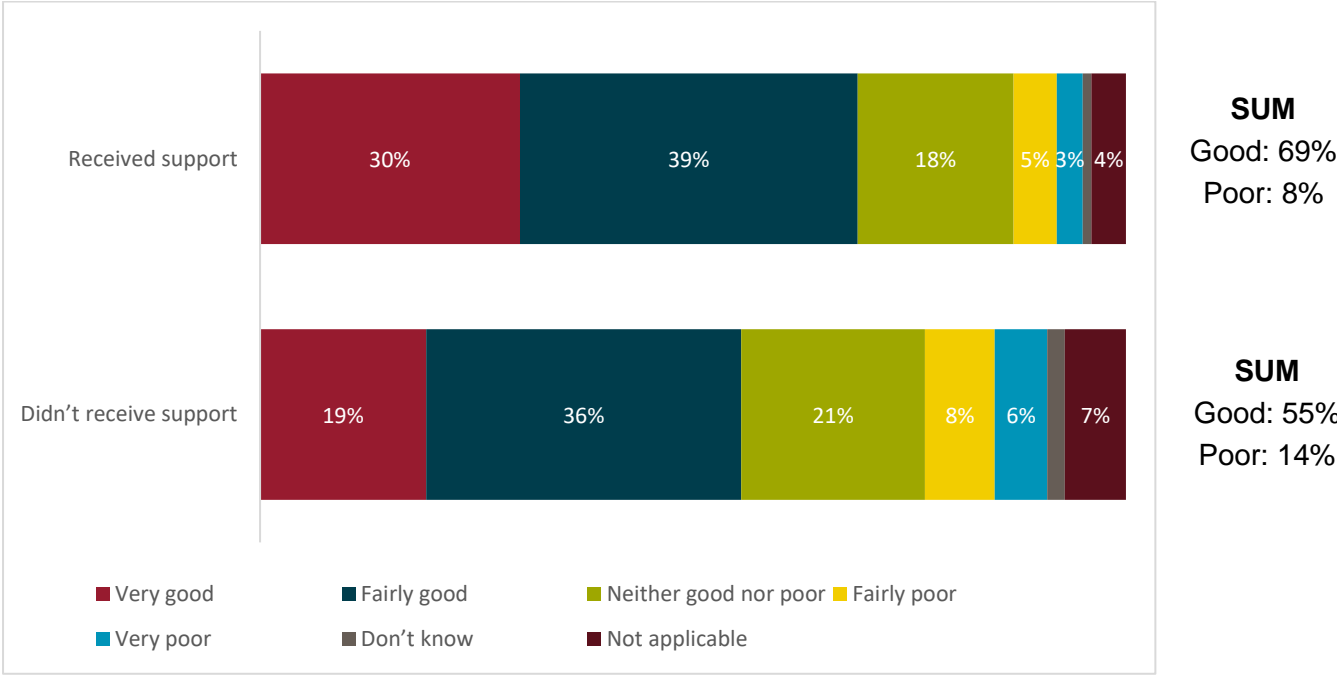
This interviewee also described how the Women in Innovation programme helped to make female innovators in the UK more visible internationally, helping to inspire people from other countries and showing that women can create innovative products and services, challenging prejudices about women being less capable innovators.

One recipient of Young Innovators coaching support described how EEN coaching helped increase their confidence and internal motivation. This interviewee felt they were more likely to innovate in the future and bring their innovative ideas to market, as well as having gone down an innovation-focused career.

6.1.9 Evaluation question 3c – How, and to what extent, did these outcomes lead to or contribute to better knowledge sharing and collaboration?

Respondents who have received EEN support are more likely to rate their capabilities in terms of knowledge sharing and collaboration as 'good' compared to those who did not receive support. Over two-thirds (69%) of those who received support rate their capabilities in this area as 'good', including 30% who rate them as 'very good'. This compares with just over half (55%) of those who didn't receive support rating their capabilities as 'good' and just under one in five rating as 'very good'. Conversely, those who didn't receive support are more likely to rate their capabilities in this area as 'poor' (15%, compared to 8% of those who did receive EEN support). This is shown in Figure 48 below.

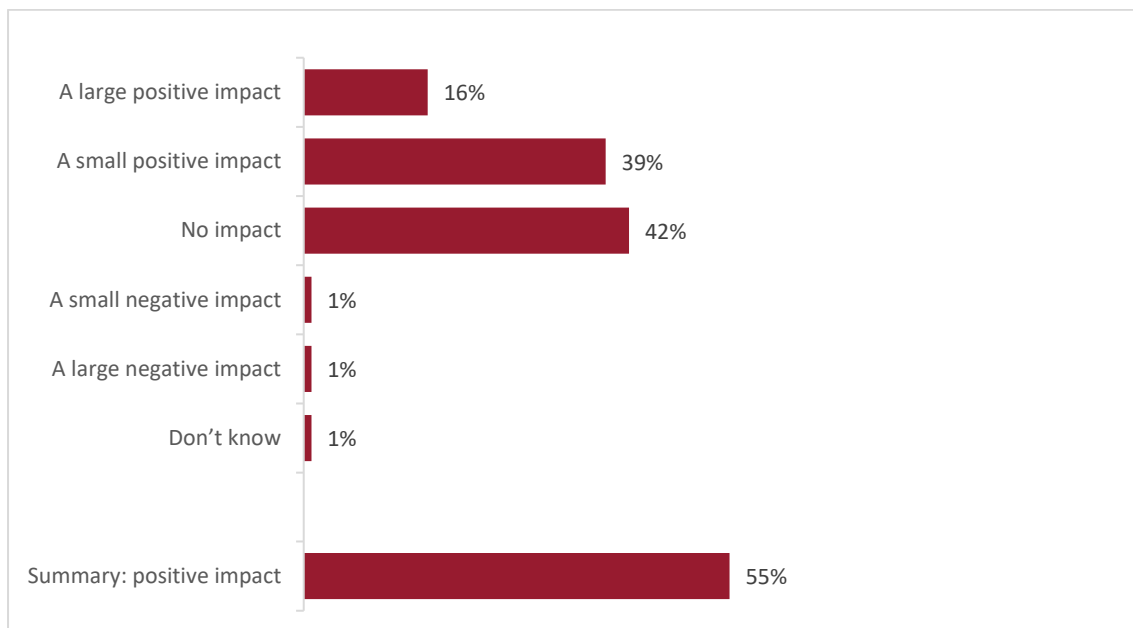
Figure 48 Current capabilities in knowledge sharing and collaboration (self-reported), supported vs unsupported businesses



C01. How would you rate your organisation's current capabilities in the following areas? Knowledge sharing and collaboration with other organisations
 Base: Received support (449), didn't receive support (110)

As shown in in Figure 49 below, a little over half of those who received support (55%) credit this EEN support with having a positive impact on their knowledge sharing and collaboration. The majority of these (39%) feel that the support had a small positive impact. Just over two in five (42%) feel that the support had no impact in this area.

Figure 49 EEN impact on knowledge sharing and collaboration (self-reported)



C02. Thinking about the support that you received, what impact, if any do you think it had on the following? Knowledge sharing and collaboration with other organisations

Base: Received support and rated capability on this element (430)

In interviews, many businesses discussed the benefit of EEN support in terms of the connections and opportunities for collaboration and partnerships. It was felt that being introduced through EEN gave credibility and assisted in the process of building those early connections.

“I’d hoped to create new partnerships through EEN engagement and get credibility when dealing with new partners who would be able to support with e.g., evaluations of new products.” (Business G)

A positive impact on knowledge sharing and collaboration was also identified in the QCA interviews. Businesses that received EEN support indicated that the EEN network and brokerage events was particularly useful for increasing their knowledge sharing.

6.2 Theme 2 – Heterogeneity

6.2.1 Evaluation question 4 – How far did outcomes and impacts vary by the type of activity delivered by the consortium?

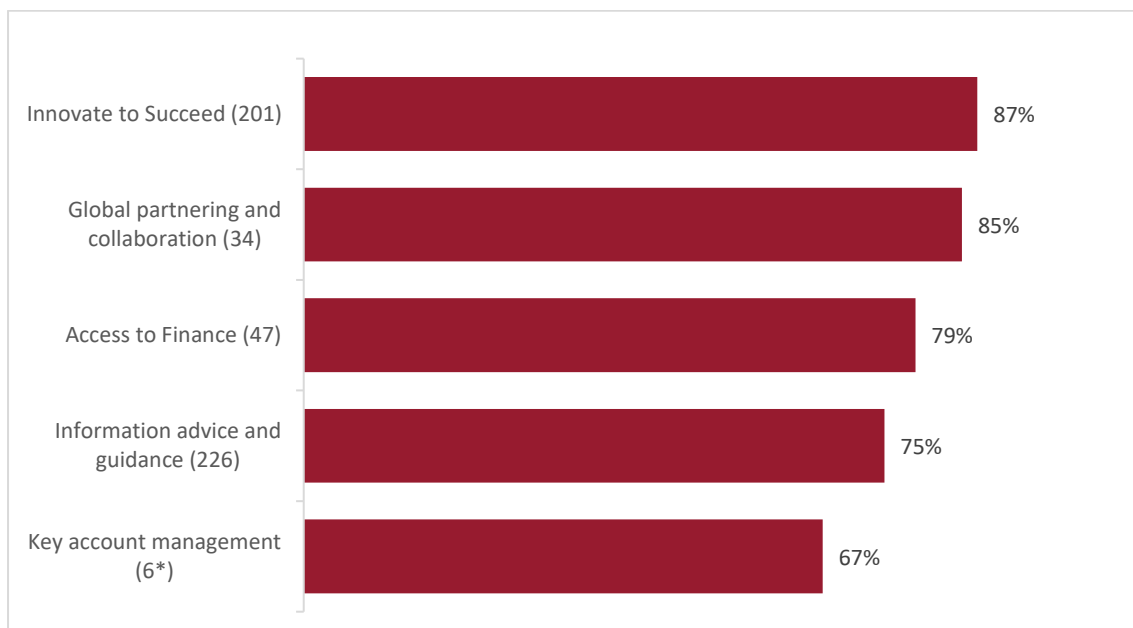
6.2.1.1 Variation by type of service received

In terms of overall perceived impact, those who received support under the Innovate to Succeed programme (I2S) are significantly more likely to say the support they received had a positive impact on their organisation than those who received support under the banner of information, advice and guidance (87% of those who received I2S say it had a positive impact, compared to 75% of those

who received information, advice and guidance). This includes a quarter (25%) of those who received I2S who think it has had a large positive impact. This is shown in Figure 50 below. The overall perceptions of impact for the other types of services are not statistically different from each other.

Only a very small number of respondents who had received key account management support completed the survey, so responses for this service type should be treated as indicative only.

Figure 50 EEN impact by service received – positive impact



G04. Overall, what impact has the support you received from [EEN partner] had on your organisation?
 Base: Received EEN support: base sizes for services received in parentheses. * Caution, low base size

Respondents who received support through the Innovate to Succeed programme are more likely to perceive that this support has positively impacted their organisation across a wide range of areas when compared to the other EEN services offered. This is shown in Table 13 below. The area with the highest proportion who perceive a positive impact for I2S recipients is strategic decision making about the market position of the organisation (70%), followed by capability to develop new products and services (66%), management of innovation (65%), organisation growth (65%), knowledge of how to access funding and finance (64%), ability to access funding and finance (63%) and business processes (63%). They are also more likely than those who received other services to feel their I2S support has had a positive impact on culture of innovation (61%), knowledge sharing and collaboration with other organisations (61%), productivity/efficiency (58%), investment readiness (56%) and spend on R&D (51%). This reflects the greater intensity of support offered under the I2S programme compared to other EEN services.

Perhaps unsurprisingly, those who received Access to Finance support are more likely to perceive a positive impact on their organisation in terms of knowledge of how to access funding and finance (79%), the investment readiness of their organisation (78%) and their ability to access funding and finance (69%). This reflects the focus of this type of support on accessing funding and finance.

Those who received global partnering and collaboration support are more likely to perceive a positive impact on their organisation in terms of knowledge of the market in which their organisation operates (71%) and the profitability of their organisation (62%). Interestingly they are not statistically more likely to perceive a positive impact on knowledge sharing and collaboration with other organisations (70%), but this may be reflective of the relatively small number of respondents who received this type of EEN support.

Respondents who received information, advice and guidance are more likely to perceive a positive impact on their organisation in terms of ability to enter new markets (68%) and knowledge of the market in which they operate/would like to operate (56%). This suggests that this service is particularly helpful when organisations are looking to expand the markets in which they operate.

Table 13 Proportion of survey respondents that perceive EEN support to have had a positive impact in each area, by service received

	Information, Global advice and guidance	Access to Global partnering	Finance	Innovate to Succeed
Knowledge of regulation and standards relevant to my organisation	37%	50%	38%	39%
Knowledge of the market in which my organisation operates or would like to operate	56%	71%	57%	50%
Knowledge of how to access funding and finance	58%	68%	79%	64%
Strategic decision making about the market position of the organisation	56%	61%	68%	70%
The investment readiness of my organisation	45%	56%	78%	56%
The productivity and/or efficiency of my organisation	42%	44%	41%	58%
Business processes in my organisation	43%	53%	45%	63%
Capability to develop new products and services	51%	53%	47%	66%
Management of innovation in my organisation	50%	56%	62%	65%
Culture of innovation in my organisation	47%	53%	47%	61%
Knowledge sharing and collaboration with other organisations	56%	70%	52%	61%
The growth of my organisation	55%	59%	55%	65%
The profitability of my organisation	40%	62%	37%	43%
Ability to access funding or finance	49%	68%	69%	63%
Spend on research and development	44%	53%	47%	51%
Ability to enter new markets	58%	68%	37%	57%
Ability to gain new IP	46%	67%	46%	57%

C02. Thinking about the support that you received from [EEN partner], what impact, if any do you think it had on the following? E02. What impact, if any, did the support you received from [EEN partner] have on your organisation’s ability to access funding or finance? E05. What impact, if any, did the support you received from [EEN partner] have on your organisation’s spend on research and development? F02. What impact, if any, has the support you received from [EEN partner] had on your organisation’s ability to enter new markets? F05. What impact, if any, has the support you received from [EEN partner] had on your organisation’s ability to gain new IP?

Base sizes vary per statement: Information, advice and guidance (111-226), Global partnering and collaboration (15–34), Access to Finance (35–47), Innovate to Succeed (112–201)

Figures in **bold** are statistically significantly higher than the average across all services.

These findings are supported by our econometric analysis, which suggests EEN support had a bigger impact for I2S and A2F recipients. Table 14 shows the results for the treatment type model (equation 2). We include four of the largest types of support groups due to sample size limitations. In this model, the estimated coefficients measure the impact of a given type of intervention (e.g. I2S) on top of the baseline treatment effect.⁴¹

There are only two types of intervention with statistically significant impact: I2S and A2F.⁴² These results suggest that supported businesses’ employment increased by about 4% and 13% as a result of I2S and A2F, respectively.⁴³

Table 14 Treatment type model (2)

	Impact on employment
Baseline	-0.0300
Standard error	(0.0219)
I2S	0.0695***
Standard error	(0.0218)
Information, advice and guidance	0.0220
Standard error	(0.0209)
Global partnering and collaboration support	0.0153
Standard error	(0.0254)
A2F	0.152***
Standard error	(0.0329)
Goodness of fit (R-squared)	0.208

⁴¹ The baseline treatment effect is generally not the same across the different models as it depends on the coefficients excluded from a given model: in the case of the treatment type model in equation (2), the baseline comprises the impact of EEN support across all treatment types whose coefficients are not in the model.

⁴² These findings are robust to a different specification: where the dummy variables in the treatment type model (equation 2) are equal to 1 if a particular firm *i* is treated at time period *t* and the *first* treatment the firm *ever* received was from a given treatment type.

⁴³ Similarly to the results for the homogenous treatment model, the % impact on employment is not the same as the reported regression coefficients in the table. To obtain the estimated impact of one of the support types e.g. I2S, we combine its regression coefficient with that of the baseline and apply exponential transformation to this combination.

	Impact on employment
Number of observations	95,164
Number of firms	11,345

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, and BSD data.

Note: The econometric analysis controls both company and year fixed effects, and has a constant term. These are not shown in the table. Statistical significance at the 1% level is shown with ***, 5% level with **, and 10% level with *. The standard errors in parentheses are heteroskedasticity and autocorrelation robust.

When discussing the impact of different types of support with participants in the in-depth interviews, views were more mixed. Where some participants considered their involvement with the Innovate to Succeed programme made no impact on their business, others cited outcomes related to improved financial planning and increased opportunities to access more funding which was done as a result of the support.

When asked what outcomes participants expected from their involvement with Innovate to Succeed but which they consider did not occur, some cited access to new markets and knowledge of marketing as results they would have liked to receive. However, this may represent a misalignment of expectations as other forms of EEN support, other than Innovate to Succeed, were available to address these needs.

Among participants in the QCA interviews who benefited from the Innovate to Succeed programme, many said the support they received was helpful, and some could cite outcomes which were attributed to the programme. Beneficiaries of this programme were able to attribute improvements to product development and business processes as a result of the engagement.

“..there’s been a huge amount of benefit, of course...It was our software product that we were interested in, but actually it had a knock-on effect with all of the other sales. So all of the other sales processes have improved as a result of that, which is good.” (Beneficiary, QCA 3)

In follow-up interviews after the survey looking at high and low impact businesses in more detail, some of those who were identified as high impact beneficiaries felt the support was particularly helpful in increasing their confidence in running their business:

“The most important thing has been that I feel more confident handling the accounts and finances than I did before because I think every business starts there. Before I would be afraid and getting into a bit of a panic, but now I fully understand what’s happening and it makes me feel better to know.” (Business M)

Moreover, other high impact beneficiaries said the support of an experienced business professional was an important impact of the support as it gave them greater confidence and re-assurance in their decision-making:

“Directing a company can be a very lonely place, you are the one responsible for making key decisions on where the ship is going to sail”. (Business K)

Despite the sense among these beneficiaries that the support was helpful in general, very few could cite an example of how EEN support made a difference to specific business outcomes. But, while

these beneficiaries could not identify specific outcomes, they still considered their expectations had been met:

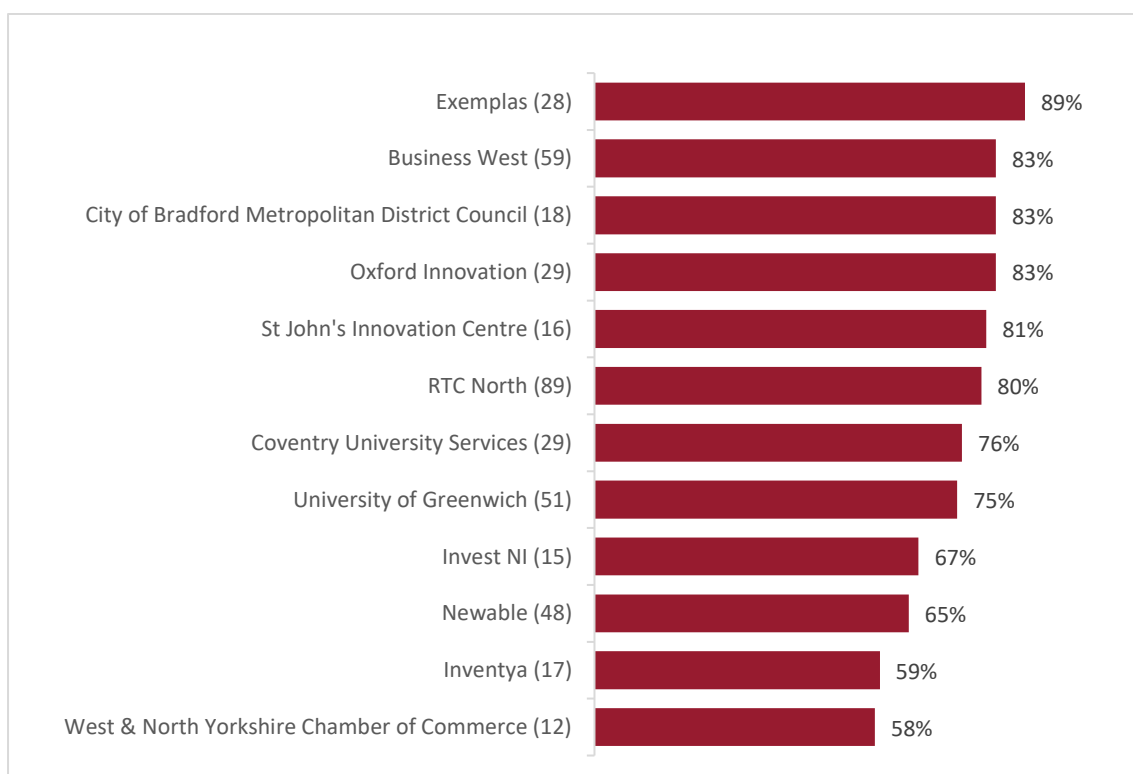
“The representative from [EEN Partner] went the extra mile, even when I moved the business to the Southwest of England he still kept in touch and was interested in it, he alerted me to funding which he didn’t have to do, it was more that we got on very well and it was quite pleasantly surprised that this sort of ongoing interest was there and wanting to help make things happen.” (Business L)

For beneficiaries identified as low impact, the support was also considered to have limited impact on the business and was not thought to have yielded any outcomes. Unlike high impact beneficiaries, those in the low impact category were more inclined to say exactly what they would have liked from the engagement but did not get with examples including: opportunities for grant-funding (including being directed to new opportunities, making applications and successfully winning grants) and creating new partnerships through the network.

6.2.1.2 Variation by partner type

Figure 51 below shows how perceptions of the overall impact of EEN support differ by the main EEN partner organisation that delivered the support. It only includes those partner organisations where there are at least 10 respondents. Although there is considerable variation across partners, the only statistically significant difference is for Newable, where respondents are less likely to feel the support has had a positive impact (65%, compared to a total of 77%). However, given the large number of delivery partners, one statistically significant difference is not unexpected and may simply reflect statistical noise.

Figure 51 EEN impact by EEN partner – positive impact



G04. Overall, what impact has the support you received from [EEN partner] had on your organisation?

Base: Received EEN support: base sizes for partner organisations in parentheses. Only partners with a base size of at least 10 are shown.

Table 15 below, shows the areas where there are statistically significant differences in the proportions who perceive their EEN support to have had a positive impact for the four EEN partner organisations with base sizes of 30 or more in terms of survey respondents. As can be seen, there is not much difference by partner, and it likely that any differences are, at least in part, driven by the variation in EEN services offered by each partner than other factors specific to each partner. Again, as mentioned above, given the large number of impact areas and different partners, a small number of statistically significant differences are also not unexpected. The most striking finding is how few significant differences are seen, suggesting that variation in impact across partners is relatively limited.

Those whose main partner organisation was RTC North are more likely to perceive a positive impact on the productivity/efficiency of their organisation (55%) and management of innovation (61%). Those whose main partner organisation was Business West are more likely to perceive a positive impact on their ability to enter new markets (68%). Those whose main partner organisation was University of Greenwich are less likely to perceive a positive impact in terms of the productivity/efficiency of their organisation (31%). Although Newable is the only partner where overall perceived positive impact is significantly lower (Figure 51, 65% overall), there are no specific areas where the proportion who perceive a positive impact are statistically lower than for the other partners.

Table 15 Proportion that perceive EEN support to have had a positive impact in each area, by main EEN partner delivering support

	Business West	Newable	RTC North	University of Greenwich
The productivity and/or efficiency of my organisation	51%	34%	55%	<u>31%</u>
Management of innovation in my organisation	61%	53%	61%	41%
Ability to enter new markets	68%	45%	54%	58%

C02. Thinking about the support that you received from [EEN partner], what impact, if any do you think it had on the following? E02. What impact, if any, did the support you received from [EEN partner] have on your organisation’s ability to access funding or finance? E05. What impact, if any, did the support you received from [EEN partner] have on your organisation’s spend on research and development? F02. What impact, if any, has the support you received from [EEN partner] had on your organisation’s ability to enter new markets? F05. What impact, if any, has the support you received from [EEN partner] had on your organisation’s ability to gain new IP?

Base sizes vary per statement: Business West (38-59), Newable (33-45), RTC North (61-87), University of Greenwich (26-49)

Figures in **bold** are statistically significantly higher than the average across all services. Figures underlined are statistically significantly lower than average across all services.

In the econometric analysis, we similarly see very limited evidence that the impact of EEN support varied by delivery partner type. Table 16 shows that EEN support delivered by public bodies had a somewhat smaller impact on employment than that of academic institutions.⁴⁴ However, this result is

⁴⁴ To allow estimation we need to exclude one of the mutually exclusive and collectively exhaustive delivery partner type variables from the relevant model (equation 6). This means that the excluded group(s), in this case *academic-type partners*, becomes the baseline to which we compare the other groups.

only weakly statistically significant and there is no evidence that commercial institutions achieved a different impact when delivering EEN support.

Table 16 Delivery partner model (6)

	Impact on employment
Baseline	0.0928***
Standard error	(0.0252)
Commercial partner	-0.0395
Standard error	(0.0275)
Public sector partner	-0.0675*
Standard error	(0.0361)
Goodness of fit (R-squared)	0.211
Number of observations	63,924
Number of firms	7,592

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, and BSD data.

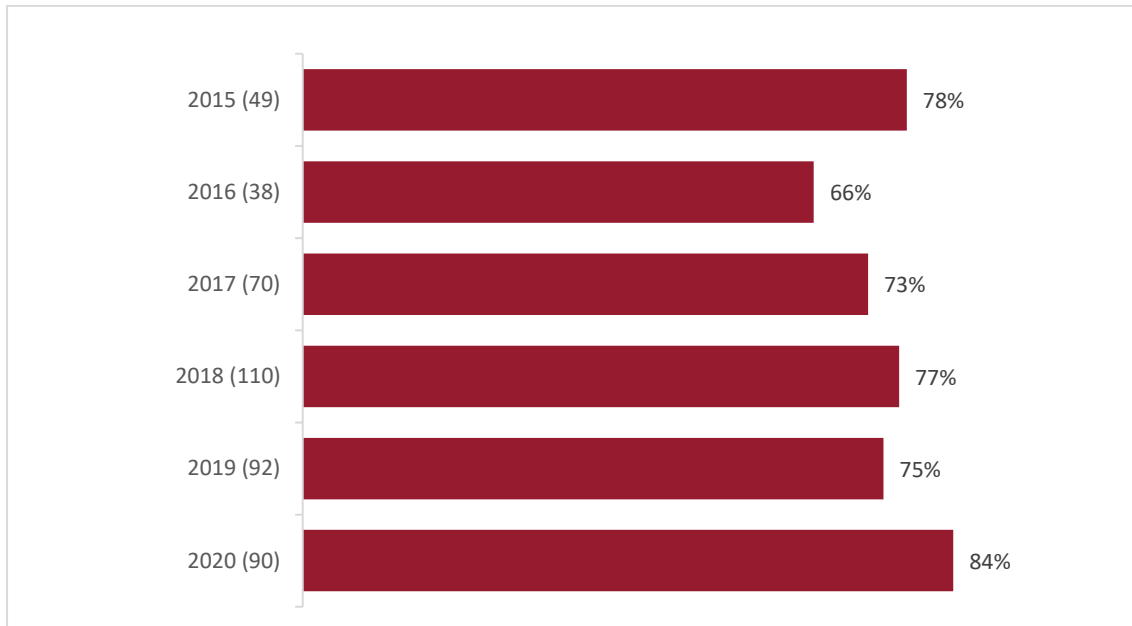
Note: The econometric analysis controls both company and year fixed effects, and has a constant term. These are not shown in the table. Statistical significance at the 1% level is shown with ***, 5% level with **, and 10% level with *. The standard errors in parentheses are heteroskedasticity and autocorrelation robust.

6.2.1.3 Variation by year of treatment

There is some evidence from the survey that support may have become more effective over time. While there are no statistical differences in terms of perceptions of an overall positive impact by support start year, those whose support started in 2020 are more likely to say their support has had a ‘large positive impact’ (29%, compared to 20% overall). Aside from 2015, there also appears to be a slight trend of the proportion who perceive a positive impact overall increasing as the start year gets later. This is shown in Figure 52 below. This could reflect refinements in the delivery of the support across the 2016 to 2020 period.

As discussed above, given that we find evidence I2S support was more beneficial than other forms of support, it is possible that this increased impact over time reflects greater I2S support and more innovation focus in later years. However, we find that recipients of both I2S and general information, advice and guidance support starting in 2020 are statistically significantly more likely to report large positive impacts (38% and 36% respectively).

Figure 52 EEN impact by year support started – positive impact



G04. Overall, what impact has the support you received from [EEN partner] had on your organisation?
 Base: Received EEN support: base sizes for year support started in parentheses

In the econometric analysis, we similarly see some evidence that the impact of EEN support may have increased over time. Table 17 shows the results for our entry cohort model. This model shows the variation in the impact of EEN support across different entry cohorts i.e. businesses that first received treatment in a given year 2015-20.

The results are statistically significant for the cohorts that were first treated in 2019-20. Table 11 shows that, all else equal, EEN support has led to an increase in employment of about 7.6% and 12%, respectively for the 2019 and 2020 entry cohorts.

Table 17 Entry cohort model (3)

	Impact on employment
2020	0.113***
Standard error	(0.0212)
2019	0.0733***
Standard error	(0.0219)
2018	0.0343
Standard error	(0.0241)
2017	-0.00896

	Impact on employment
Standard error	(0.0240)
2016	-0.00810
Standard error	(0.0266)
2015	-0.0122
Standard error	(0.0280)
Goodness of fit (R-squared)	0.217
Number of observations	95,164
Number of firms	11,345

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, and BSD data.

Note: The econometric analysis controls both company and year fixed effects, and has a constant term. These are not shown in the table. Statistical significance at the 1% level is shown with ***, 5% level with **, and 10% level with *. The standard errors in parentheses are heteroskedasticity and autocorrelation robust.

This suggests that the impact of treatment increased over time with most of the quantifiable benefits coming from businesses that started receiving support towards the end of the evaluation period. This could reflect a general improvement in the quality of EEN support or, given that we find innovation focused I2S support to have been particularly impactful, it could also reflect the greater provision of innovation support later in the evaluation period.

To try and assess this, we combine the treatment type and entry cohort models to estimate whether there is any variation across entry cohorts of the impact of EEN support when controlling for different types of support received. Please refer to Table 35 in Annex B for the full results of this model. We find that the impact of EEN support is still significantly higher for the 2020 cohort even when controlling for differences in type of support. However, these results should be interpreted with some caution given the limited sample sizes available for splitting businesses by year and type of support simultaneously.

6.2.2 Evaluation question 5 – How did outcomes and impacts vary by different groups of beneficiaries?

6.2.2.1 Variation by business size

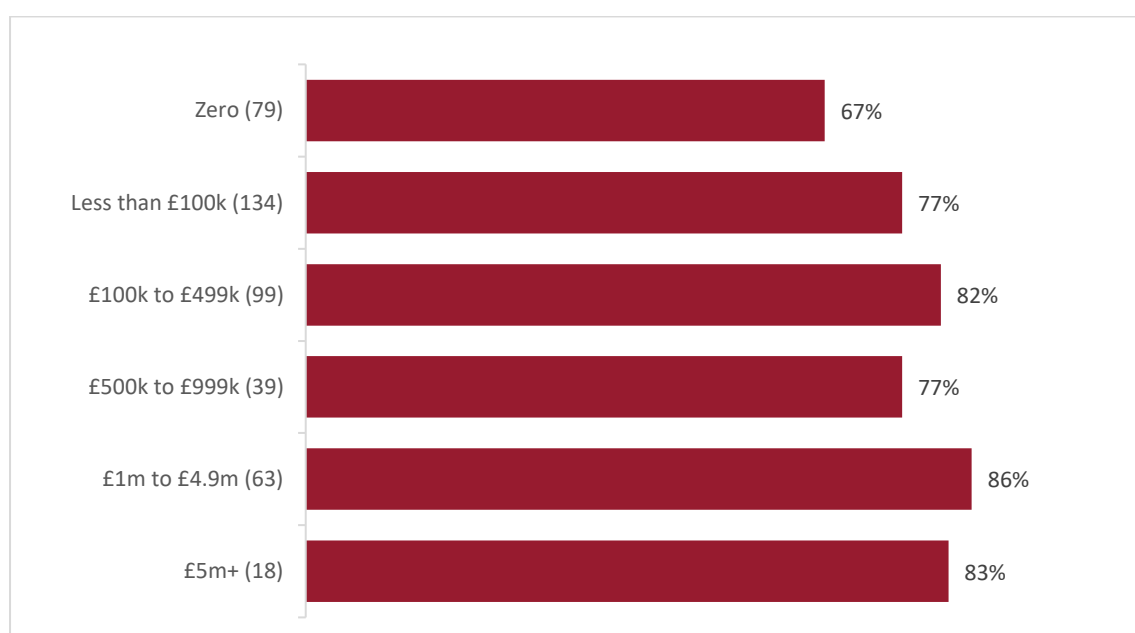
While EEN support used life stage personas to identify and target appropriate support for businesses, it was not possible in this evaluation to directly identify the life stage persona of businesses. As a proxy, we have therefore considered whether there were different impacts by the initial turnover of supported businesses. Businesses with zero turnover were typically designated ‘pre-seed’ businesses and businesses with less than £100k in turnover were typically designated ‘seed’ or ‘early stage’ businesses.

As shown in Figure 53 below, respondents who had zero turnover at the start of their EEN engagement are less likely to report a positive impact of the support overall (67%), than those who

had turnover when their engagement started. There are no other statistically significant differences in the proportions who perceive an overall positive impact by turnover at the start of engagement.

There are a few specific areas where those with zero turnover at the start of their EEN engagement are less likely to perceive a positive impact: the profitability of their organisation (26%, compared to 40% overall), ability to enter new markets (34%, compared to 52% overall), productivity/efficiency (31%, compared to 45% overall), culture of innovation (38%, compared to 50% overall), capability to develop new products or services (40%, compared to 53% overall), and the growth of their organisation (41%, compared to 55% overall). This suggests that there are greater barriers to overcome for those who have zero turnover.

Figure 53 EEN impact by turnover at start of EEN engagement – positive impact



G04. Overall, what impact has the support you received from [EEN partner] had on your organisation?
 Base: Received EEN support: base sizes for turnover in parentheses

Table 18 shows the results for our econometric sensitivity where we allow the impact of EEN support to differ for low turnover businesses (below £100k). The relevant coefficient is not statistically significant, meaning there is no evidence to suggest that the impact of EEN support differed for businesses below the £100k turnover threshold. We were not able to consider zero turnover businesses separately due to sample size constraints.

Table 18 Low turnover model (5)

	Impact on employment
Baseline	0.0181
Standard error	(0.0126)

	Impact on employment
Low turnover firms	0.0314
Standard error	(0.0231)
Goodness of fit (R-squared)	0.224
Number of observations	95,164
Number of firms	11,345

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, and BSD data.

Note: The econometric analysis controls both company and year fixed effects, and has a constant term. These are not shown in the table. Statistical significance at the 1% level is shown with ***, 5% level with **, and 10% level with *. The standard errors in parentheses are heteroskedasticity and autocorrelation robust.

6.2.2.2 Variation by business sector

In the econometric analysis, we were able to explore variation in business impact according to the Standard Industrial Classification (SIC) of the business. In this model, we allow the impact to vary across four broad sectors based on the UK’s 2007 SIC groups.⁴⁵

Two of the SIC groups have very large, positive and statistically significant coefficients: group J (Information and communication, 19.5%) and group M (Professional, scientific and technical activities, 6.9%). There is some evidence therefore that businesses in these sectors benefited disproportionately from EEN support, compared to those in other sectors.

Table 19 SIC group model (7)

	Impact on employment
Baseline	-0.0273
Standard error	(0.0239)
SIC group C – Manufacturing	-0.0341
Standard error	(0.0292)
SIC group G – Wholesale and retail trade; repair of motor vehicles and motor cycles	0.0355
Standard error	(0.0322)
SIC group J – Information and communication	0.205***
Standard error	(0.0338)
SIC group M – Professional, scientific and technical activities	0.0939***

⁴⁵ We focus on these four broad sectors due to sample size limitations.

	Impact on employment
Standard error	(0.0306)
Goodness of fit (R-squared)	0.216
Number of observations	95,164
Number of firms	11,345

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, and BSD data.

Note: The econometric analysis controls both company and year fixed effects, and has a constant term. These are not shown in the table. Statistical significance at the 1% level is shown with ***, 5% level with **, and 10% level with *. The standard errors in parentheses are heteroskedasticity and autocorrelation robust.

6.2.3 Evaluation question 6 – Which types of support have been most effective for different groups?

In the econometric analysis, we combine the treatment type and SIC group models to assess whether any of the intervention types had a particularly large impact for a given sector of the economy. Please refer to Table 36 in Annex B for the full results.

There are four combinations where this may be the case; the statistically significant coefficients are as follows: I2S for SIC group J (Information and communication), advice and guidance for SIC group G (Wholesale and retail trade; repair of motor vehicles and motor cycles) and M (Professional, scientific and technical activities), and A2F for SIC group M (Professional, scientific and technical activities). Given, however, that these are isolated cases, these results are difficult to generalise. We conclude that there is no strong evidence to support the view of a large variation in the impact of intervention types across economic sectors. We note that this overall lack of heterogeneity is not surprising given the sector agnostic approach of EEN support.

The main finding from the in-depth interviews with regards to the impact of different types of support on businesses at different stages was that pre-seed and early stage businesses found support less beneficial or appropriate for their needs.

Some beneficiaries of the Innovate to Succeed programme whose business was in its early stages often said that specific support delivered as part of the programme was not appropriate to them given their stage.

In other similar cases, participants whose businesses were developing products in early stages (pre-prototype) felt specific support in marketing, for example, was not relevant to them at the time they engaged with the programme. This is evidenced among participants in the QCA group, where some participants noted a disconnection between what their business needed at the time and what EEN could offer:

“The people they put you in touch with don’t necessarily understand the problems you’re having.”
(Beneficiary, QCA 8)

These findings are in line with the intention to target Innovate to Succeed support towards more established businesses, rather than pre-seed businesses. This life stage persona approach for

targeting support was developed and refined during the period under evaluation but these responses suggest it may not have always functioned as intended during this period. As the life stage persona approach to targeting support continues to be refined for delivery of IUK EDGE, it will be important to monitor whether appropriately placed businesses are being correctly targeted for support.

Some early-stage businesses who received support in the form of information, advice and guidance, said their specific business problems were not solved as a direct result of the support from EEN, but the effect of the support was discerned in the confidence these businesses gained from having some contact with an EEN partner.

Support in relation to business knowhow and business development was received particularly well by businesses that had limited employees and often singular ownership or management. Having an external but expert perspective, a professional to bounce ideas off was invaluable to help these businesses progress and accelerate their learning.

“Without the support, the business would not be where we are today.” (Business A)

Businesses run by more than one founder/owner often particularly appreciated the expert input and the connections experts came with. The latter led to businesses being put in touch with the right people, helping them take their businesses to the next level.

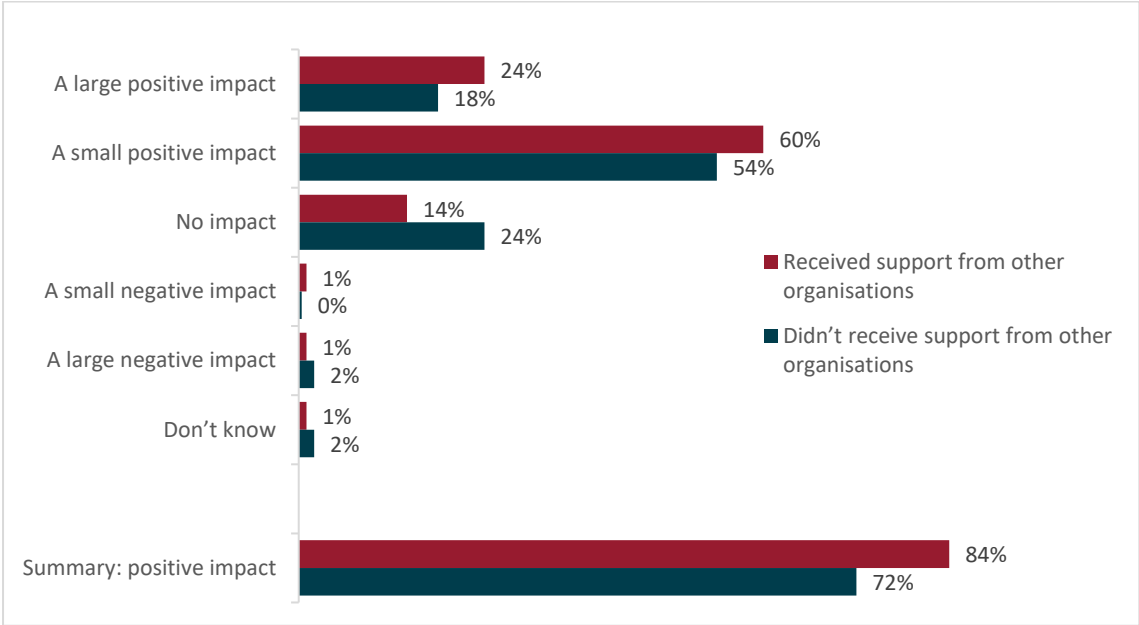
6.3 Theme 3 – External factors

6.3.1 Evaluation question 7 – How has other support interacted with activities delivered by the EEN ENIW consortium, in particular public support for innovation?

In the survey, 34% of businesses reported that they received support from other organisations. Business who reported that they also received support from other organisations, at the same time as their EEN support from their EEN partner, are significantly more likely to report a positive impact of the EEN support they received. 84% of those who received support from other organisations feel their EEN support has had a positive impact overall, compared to 72% of those who did not receive support from others. This is shown in Figure 54 below. This suggests a complimentary nature of other support being offered at the same time as EEN support.

The complementarities of this additional support can be seen in a number of specific areas: knowledge sharing and collaboration (62% perceive a positive impact, compared to 50% who didn't receive additional support), capability to develop new products or services (60% perceive a positive impact, compared to 50% who didn't receive additional support), investment readiness (57% perceive a positive impact, compared to 43% who didn't receive additional support), ability to gain new IP (22% perceive a large positive impact, compared to 7% who didn't receive additional support), ability to enter new markets (19% perceive a large positive impact, compared to 10% who didn't receive additional support).

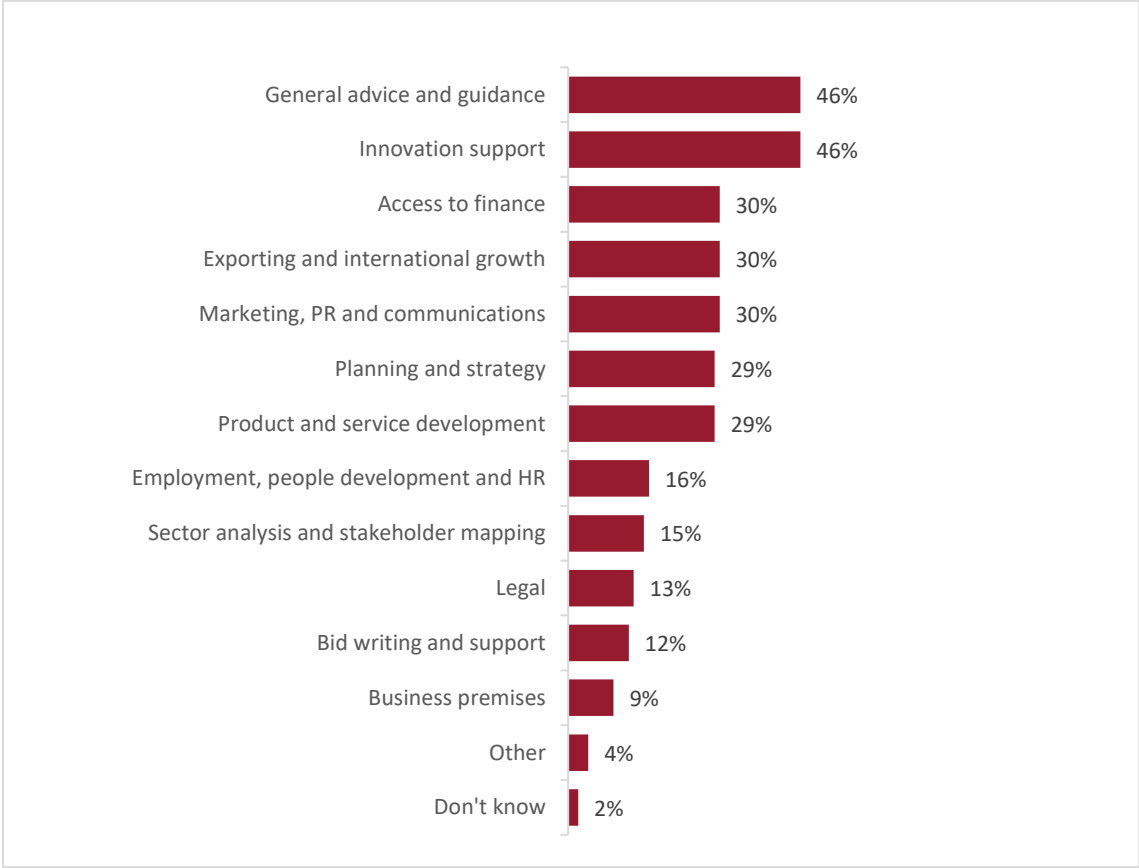
Figure 54 Overall impact of EEN support on businesses by whether received support from other organisations or not



G04. Overall, what impact has the support you received from [EEN partner] had on your organisation?
Base: Received support from other organisations (154), didn't receive support from other organisations (253)

As shown in Figure 55 below, the additional support received by other organisations was varied. Mostly commonly it was in the form of general advice and guidance (46%) or innovation support (46%), but many other kinds of support were also received by this group.

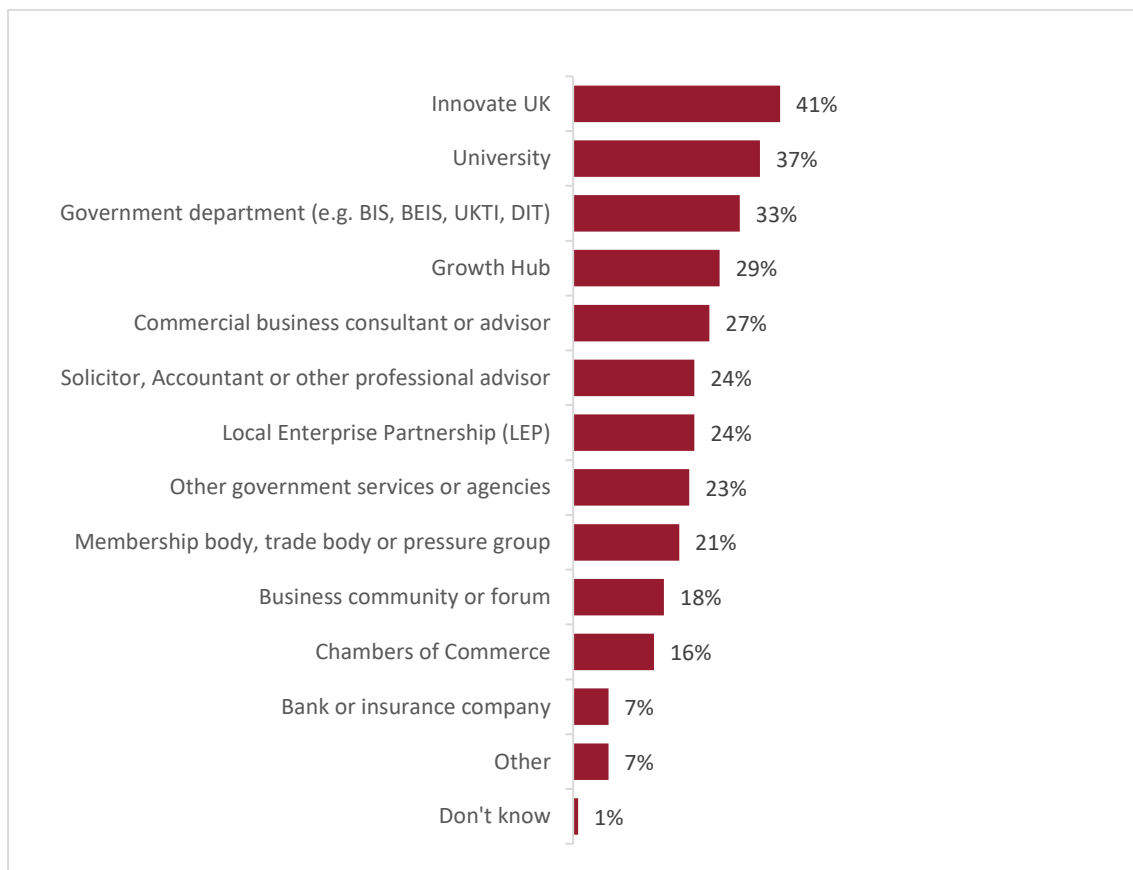
Figure 55 Types of support received from other organisations



A05. What type of support services were these?
Base: received support services from other organisations (188)

The types of organisations that delivered the additional support also varies considerably, as shown in Figure 56 below. The most common organisation was Innovate UK (41%), but Universities were also quite common (37%), as were other government departments (33%) and growth hubs (29%). Commercial business consultants or advisors were used by just over a quarter (27%) of those who received additional support from another organisation.

Figure 56 Types of organisations additional support received from



A06. And what type of organisations provided these support services?
 Base: received support services from other organisations (188)

The survey also asked whether respondents received other, non-EEN support from their main EEN partner. Almost one quarter (24%) of respondents reported that they had received other non-EEN support from their EEN partner, however, participants at the interim findings workshop suggested that this may represent general confusion on the part of supported businesses about who support was being funded and delivered by. The most common form of additional non-EEN support from EEN partners reported was in the form of general advice and guidance (nearly two-thirds, 64%, of those who said they received additional support said they received this type of support). Other common types of additional support from EEN partners include innovation support (41%) and planning and strategy (33%).

Most businesses interviewed as part of the in-depth and QCA qualitative research had not interacted with other, non-EEN sources of support before their engagement with an EEN partner. As such, it is difficult to say whether additional, outside support impacted perceptions of EEN support. In cases where a business received support from a non-EEN source, technical support for product development (e.g. through a university source) were often cited as examples of the type of help received. Indeed, additional support was often thought to be sufficiently different from that offered by EEN that participants were disinclined to compare the two.

Most participants in the in-depth interviews said they did not consider the same support would be available from another source had the EEN support been unavailable ('the counterfactual'). Participants cited a perceived lack of alternative support and prohibitive costs as reasons why they did not consider support similar to EEN could be found. Another reason cited is the lack of time and knowledge about help available to businesses which caused some to consider EEN the only available option:

"I'm not sure we would have had the time to find it...Anyone who jumps out and says 'we can help you access new markets', that's worth us investing our time. But I don't know how we would have gone about finding someone different providing that advice." (Business D)

In terms of financial support and funding, a few businesses reflected on how more grants for early innovations, to support product development, would be helpful to grow what is already there.

"Money available for products in their early stage would help me and innovation more generally as well as promoting the UK as a place where new ideas are supported." (Business H)

"Abroad one could raise money for almost nothing, in the UK it is really difficult. There is always a dichotomy between the inventors and the funders." (Beneficiary, QCA4)

6.3.2 Evaluation question 8 – What external factors appeared to be most critical in supporting, or hindering, delivery of intended outcomes and impacts?

COVID-19 both hindered the delivery EEN support and reduced the realisation of outcomes and impacts from EEN support that was delivered. For example, COVID-19 prevented site visits and delivery partners had to adjust to delivering outcomes virtually. For some businesses the market they were looking to scale into was severely affected by the pandemic, meaning they were required to pivot to other business opportunities. However, businesses felt that they are more prepared to undertake the scaling they were aiming to achieve during the programme due to the information and mentoring they received.

"If we have to re-do what we were aiming for when we first received ScaleUp, once the pandemic is over, it would now be much quicker for us to get started. This is thanks to the support we received". (Business P)

Covid was also mentioned as a factor that prevented some businesses from materialising on their investment readiness and finding appropriate partners as a result of the EEN support they received.

"We're looking at partners and possible take-overs but this has been hampered by Covid" (Business A)

Interviewees also mentioned that issues related to what specific technologies could be patented and the lengthy and expensive process to discover this was also a hindrance to achieving outcomes. However, part of the intention of EEN support was to help navigate this process.

Delivery partners in the stakeholder workshop also described Brexit as a relevant external factor, with currency fluctuations and greater uncertainty following the 2016 decision hindering internationalisation and global partnering.

“The weakened pound [following Brexit] really reduced the incentive and ability of UK businesses to find suppliers abroad”. (Delivery partner A)

“We found European partners were less willing to collaborate with British businesses”. (Delivery partner B)

At the same time, Brexit was also often raised as a key reason why businesses were seeking support, particularly where their problem was accessing the European market and finding new partners in Europe.

“Britain and the UK Government has alienated itself from Europe in a multitude of ways, not least innovation networks and the Horizon 2020. They’ve limited and reduced funding [...] putting further obstacles in the way.” (Non-beneficiary, QCA 10)

6.4 Theme 4 – Value for money

6.4.1 Evaluation question 9 – Did the consortium’s activities deliver value for money?

In the context of an ex-post evaluation, a value for money (VfM) assessment seeks to compare benefits with costs, assessing whether EEN support represents a good use of public resources and in particular whether benefits outweigh costs. This can include both monetised economic and social benefits, which can be directly compared with costs as part of a social cost benefit assessment (SCBA), as well as non-monetised benefits which, together, can be used to form a value judgement about whether benefits outweigh costs.

The econometric analysis presented above provides credible, quasi-experimental measures of the positive impact of EEN support on businesses’ employment. These estimated impacts can be used to proxy impacts on gross value added (GVA). Specifically, we look at the average GVA per worker in the industrial sectors of businesses receiving EEN support and compare this to GVA per worker across the economy as a whole. The difference represents the net GVA per worker that each additional employee employed with an EEN supported firm generates, relative to if they were employed otherwise in the economy. In this sense, we control for the displacement of workers from other parts of the economy.

These GVA estimates are a key input into our VfM assessment. For more information on how we estimate GVA impacts, please see Annex B .

A crucial assumption in estimating the GVA benefits of EEN support is the number of years that the positive estimated increase in employment is assumed to persist for. We calculate a range of scenarios on a conservative basis, assuming the employment benefit of EEN support persists for 1, 2 and 5 years, respectively.

To compare GVA benefits against costs, we use cost data received from UKRI regarding the activities delivered by the EEN ENIW consortium in scope for this evaluation. The costs of delivering EEN support were spread out across different programs administered in 2015-20. To obtain the costs for each year, we assume a pro-rata distribution of costs whenever a given programme took place in

multiple years.⁴⁶ After obtaining the annual costs, we deflate these to 2015 £ and calculate a PV, similarly to the approach used for benefits in Annex B.⁴⁷ We obtain a value of £44m in total costs.

Table 20 shows total costs and benefits using the results of our homogenous treatment model.

Table 20 Costs and benefits – homogenous treatment model (£m’s in 2015 PV)

Benefits persist for T years	T = 1	T = 2	T = 5
Benefits	32.0	63.0	149.7
Less costs (-)	-44.0	-44.0	-44.0
Net benefit	-12.0	19.0	105.7
Benefit/cost ratio	0.7x	1.4x	3.4x

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, BSD and ABS, and cost data from UKRI.

Note: Costs in EUR were converted to GBP at average annual GBP/EUR rates from the Bank of England. Nominal cost and benefit figures for a given year were deflated to 2015 based on CPI inflation data from the ONS. PV was calculated using a 3.5% social time preference rate (STPR), in accordance with Green Book guidance.

As discussed above, the homogenous treatment model assumes that the impact of EEN support was the same for all cohorts and treatment types. Table 21 shows total costs and benefits using the results of one of our alternative econometric models that relaxes this assumption; namely, the entry cohort treatment model, which allows for the impact of support to differ for different cohorts.

Table 21 Costs and benefits – entry cohort model (£m’s in 2015 PV)

Benefits persist for T years	T = 1	T = 2	T = 5
Benefits	36.7	72.2	171.5
Less costs (-)	-44.0	-44.0	-44.0
Net benefit	-7.3	28.2	127.5
Benefit/cost ratio	0.8x	1.6x	3.9x

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, BSD and ABS, and cost data from UKRI.

Note: Costs in EUR were converted to GBP at average annual GBP/EUR rates from the Bank of England. Nominal cost and benefit figures for a given year were deflated to 2015 based on CPI inflation data from the ONS. PV was calculated using a 3.5% social time preference rate (STPR), in accordance with Green Book guidance.

⁴⁶ We run a robustness check to vary the split of costs across 2020 (included in total costs) and 2021 (not included) not only via a 50-50% split but also 40-60% and 60-40%. This does not have a meaningful impact on our results.

⁴⁷ The costs are in € therefore we convert these to £ using the annual average GBP/EUR exchange rate from the Bank of England: [Bank of England | Database](#).

In both cases, the estimated ratio of benefits to costs suggest that EEN support is providing a net positive benefit to society in the event that estimated positive employment benefits persist for at least 2 years, which seems likely, even on a conservative basis.

Additionally, this is only a lower bound on the Value for Money of EEN support. An overall VfM assessment needs to consider:

- Unrealised economic benefits accruing to participants in the future but which are not observable at the time of the evaluation; and
- Unquantified and/or unvalued benefits (e.g. impacts on equity, diversity and inclusion and spill-over benefits outside of those directly supported).

In the context of EEN support, such benefits include:

- **Improved societal outcomes, such as environmental benefits and equity, diversity and inclusion benefits** – As discussed in the context of evaluation question 3b, we see some qualitative evidence of such benefits, particularly from EEN coaching on the Women in Innovation and Young Innovators programmes. However, it has not been possible to quantify these benefits.
- **An enhanced culture of innovation in England, Northern Ireland and Wales, with greater knowledge sharing and collaboration** – As discussed in the context of evaluation questions 2c and 3c, we see qualitative evidence and evidence from the survey that EEN support provided these benefits. While a stronger culture of innovation with greater collaboration and knowledge sharing may lead to greater future invention, innovation and economic growth in the long run, it is not possible to quantify these intangible benefits directly.
- **New products, IP and funding generated by EEN support, as well as more general improvements in business practices, that are yet to realise their full potential future benefits** – We see evidence that EEN supported has had a variety of positive outcomes in these areas but the full benefits of these outcomes may not yet be realised and will not have been reflected in the econometric modelling. This is particularly true for businesses supported later in the evaluation period.

6.5 Theme 5 – Lessons learnt

6.5.1 Evaluation question 10 – What lessons, insights and best practice approaches are learned for Innovate UK EDGE?

As described in Section 3, from 2021, following the end of the Brexit transition period, delivery of EEN support in ENIW was re-branded as ‘Innovate UK EDGE’. From January 2022 onwards, Innovate UK EDGE has been entirely funded by IUK.

The core activities of Innovate UK EDGE are fundamentally the same as those of the EEN ENIW consortium. That said, there have been a number of refinements and changes to the delivery of these activities under EDGE. These include refinements to positioning and branding of initiatives, changes

to the monitoring and evaluation of impacts, and refinements to the assessment of business support needs.

It is therefore natural to ask what lessons and insights the current evaluation offers for delivery of IUK EDGE support going forward. In this section we reflect on this question, drawing on insights from the survey evidence, econometric evidence, qualitative interviews, and the interim findings workshop held with IUK stakeholders and EDGE delivery partners.

When considering the relevance of this evaluation for delivery of IUK EDGE going forward, it is important to note that, although IUK EDGE support has a similar focus to EEN support as it was towards the end of the evaluation period, the focus of EEN support had evolved substantially over the period under evaluation (2015 to 2020). As noted by participants at the interim findings stakeholder workshop, at the start of the evaluation period, the focus of EEN support was much more on global partnering support and internationalisation. Innovation support was a much more limited part of the EEN offer early on, with the innovation focused I2S and Scaleup programmes only being developed during the evaluation period and not becoming the core focus of EEN support until later in the evaluation period. And going forward, innovation and growth support is intended to be the key focus of IUK EDGE.

This transition towards more innovation focused support appears to be validated by the findings of this evaluation. In both the survey and econometric analysis we see evidence that I2S support generated greater benefits than other forms of EEN support.

Workshop participants also commented on the evidence that the impact of EEN support may have increased over time during the evaluation period. As discussed, while this may partly reflect additional focus on more impactful innovation support later in the evaluation period, we also see evidence of improved impact from other forms of support later in the period, such as general information, advice and guidance support. Workshop participants found this to be validating of their perception that EEN support matured and developed during the evaluation period, with the EEN ENIW consortium gaining greater flexibility as IUK contributed a greater proportion of funding for the programme. With IUK EDGE now being entirely funded by IUK, hopefully the impact of support will continue to grow as delivery is refined further to meet the needs of UK businesses.

Another potential insight for delivery of IUK EDGE going forward relates to complementarities with other forms of business support. This evaluation also finds evidence of such complementarities, with businesses also receiving other forms of support being more likely to report positive impacts of EEN support. This emphasises for IUK EDGE delivery going forward that the impact of business innovation support is affected by the wider ecosystem of support and funding available for businesses.

This evaluation also finds some limited evidence that more mature businesses benefited more from EEN support, compared to pre-seed businesses. Workshop participants commented that this was validating of the life-stage persona approach which was developed during EEN and refined further for IUK EDGE. In particular, this approach involved the advisor spending additional time to evaluate the business, its life stage persona, and its needs. If the company was pre-seed (with little innovation or internationalisation ambitions) they were less likely to be offered EEN support. This is because EEN

support was considered less appropriate for such pre-seed business.⁴⁸ However, one interviewed businesses did note that a considerable amount of time was spent evaluating their business and its needs, and this caused frustration when the EEN advisor suggested the business was not at a stage to benefit from EEN support. This highlights the importance of streamlining the evaluation and assessment of businesses life stage.

Another theme from qualitative interviews conducted for this evaluation that may be relevant for delivery of IUK EDGE going forward is the misalignment of expectations. In cases where businesses reported limited outcomes or less positive experiences, this often reflected a misalignment between their expectation and the programme delivery. While EEN support was still perceived to be useful and helpful by these businesses, it did not lead to the same significant changes or outcomes as seen among the businesses that reported extremely positive experiences.

“The support was useful, but not earth shattering” (Business C)

“It wasn’t the standards I was expecting, but I wasn’t sure what to expect” (Business D)

Moving forward, a key suggestion for the IUK EDGE programme would be to ensure expectations are aligned at the start of each engagement with a new business.

Businesses interviewed for this evaluation also sometimes mentioned that the amount of time available to their EEN advisor to support their business was important, with a perception that time was often too limited to realise increasing returns from more intense support, where the advisor gets closely acquainted with the needs of the business.

“If business support is to be provided, it needs to be provided in a much bigger amount, without time constraints so that people are not always looking over their shoulders, are we going to run out of time. By the time people have understood what you are doing as a business, they then inform you that you are at the wrong stage for them to support you.” (Business C)

“The limitation I found...is that it was ring-fenced. ‘We’re going to talk to you about X, Y and Z and then we’re going to do it, and then tell you when it’s done, and then disappear [...] In this programme, they focused in on something, threw a consultant at it, they did their piece and walked away. That left a bit of confusion for me.” (Business E)

This is validating of the increased focus on Scaleup support as part of IUK EDGE, offering more intense support to businesses with the scaling potential. However, it will be important for IUK EDGE to continue to monitor whether the time allocated to support each business is sufficient.

Beneficiaries of EEN support interviewed as part of the QCA qualitative research were asked to reflect on how the support they received could be improved. Among the key improvements cited was the desire among some beneficiaries to have more of an opportunity to define the specific business needs they want support with.

⁴⁸ However, under the ‘no wrong door’ principle used by EEN ENIW, these businesses would typically be directed to other forms of support external to EEN ENIW.

"It would be better for the business to define what they need and have a pool of consultants who have area specific knowledge and help with specific problems." (Beneficiary, QCA 13)

However, this suggested improvement is predicated on businesses knowing what support would benefit them most. Indeed, other beneficiaries noted that an improvement they would have benefited from was greater understanding from advisors that they do not have direct experience of running a business and may not fully realise what their business needs.

"I'm not a business man, I don't have a business mind at all, and if they had spotted that they could have put me in partnership with someone whose strength that was." (Beneficiary, QCA 16)

Two final insights for delivery of IUK EDGE going forward relate to the potential benefits from a more consistent branding of support and potential benefits from more detailed monitoring and frequent evaluation. In particular, two key challenges for this evaluation were the length of time that has passed since the start of the period under evaluation and businesses' understanding of what support they had received and who had delivered this support (particularly when this support was delivered longer ago). We took steps in both the survey and interviews to validate these details against the data we received from IUK and delivery partners, however, the range of terminology used by different delivery partners at different points in time made this challenging. The re-branding of support under IUK EDGE going forward will hopefully alleviate this issue somewhat. These challenges also validate the increased focus within IUK EDGE for more frequent monitoring and evaluation of the programme.

7 Conclusions

Overall, we see strong positive evidence of benefits of EEN support in a number of areas and across a range of evidence sources.

From the survey data there is evidence that EEN support has had a positive impact on the majority of businesses that took up the offer of support. Over three-quarters (77%) of respondents who received support say it had a positive impact overall on their organisation. Moreover, supported businesses are statistically significantly more likely to rate their capabilities across a number of different elements of business and innovation as ‘good’ than those who did not receive support (see Table 22 below).

Table 22 Proportion of survey respondents rating capability as at least ‘good’, supported and unsupported businesses

	Supported	Unsupported
Knowledge of regulation and standards relevant to my organisation	78%	72%
Knowledge of the market in which my organisation operates or would like to operate	88%	78%
Knowledge of how to access funding and finance	57%	40%
Strategic decision making about the market position of the organisation	72%	62%
The investment readiness of my organisation	57%	42%
The productivity and/or efficiency of my organisation	70%	57%
Business processes in my organisation	67%	55%
Capability to develop new products and services	82%	73%
Management of innovation in my organisation	79%	66%
Culture of innovation in my organisation	84%	74%
Knowledge sharing and collaboration with other organisations	69%	55%
The growth of my organisation	53%	47%
The profitability of my organisation	48%	45%

C01. How would you rate your organisation’s current capabilities in the following areas?

Base: Supported businesses (449), unsupported businesses (110)

*Figures in **bold** are statistically significantly higher for supported vs unsupported businesses.*

Additionally, for most of the capability areas covered in the survey, a majority of businesses credit their EEN support with having had a positive impact in these areas (see Table 23).

Table 23 EEN impact by capability area, perceived positive impact by survey respondents

	% reporting positive impact in this area
Strategic decision making about the market position of the organisation	59%
Knowledge of how to access funding and finance	57%
Knowledge sharing and collaboration with other organisations	55%
The growth of my organisation	55%
Capability to develop new products and services	53%
Management of innovation in my organisation	52%
Ability to enter new markets	52%
Ability to access funding or finance	51%
Knowledge of the market in which my organisation operates or would like to operate	50%
Culture of innovation in my organisation	50%
The investment readiness of my organisation	48%
Business processes in my organisation	47%
Ability to gain new IP	47%
The productivity and/or efficiency of my organisation	45%
Spend on research and development	43%
The profitability of my organisation	40%
Knowledge of regulation and standards relevant to my organisation	35%

C02. Thinking about the support that you received, what impact, if any do you think it had on the following?

Base: Received support and rated capabilities (437)

There are some areas where supported businesses are not significantly more likely to rate their capabilities as ‘good’ than unsupported businesses, namely ‘knowledge of regulations and standards’, ‘profitability’, and ‘growth’. In the case of ‘knowledge of regulations and standards’ and ‘profitability’, these are also areas where a smaller number of businesses reported a positive impact of the EEN support they received (35% and 40%, respectively); conversely, a majority (55%) say EEN support positively impacted their capability for growth. As noted by delivery partners in the interim-findings stakeholder workshop, knowledge of regulation and standards was rarely a focus of EEN support, nor was there evidence in qualitative interviews that this was an area where businesses felt support was particularly lacking. It is also the case that profitability was typically not a direct focus of most EEN support.

With respect to new partnerships and collaborations, the majority (55%) of businesses surveyed do not directly attribute any of their new partnerships or collaborations to the EEN support they received. However, where new partnerships or collaborations are attributed to the EEN support received, these partnerships are overwhelmingly seen to have had a positive impact. Additionally, the majority (55%)

of supported businesses surveyed consider EEN support to have positively impacted their knowledge sharing and collaboration.

We find less evidence from the survey that EEN support lead to additional funding or new IP for supported businesses. There are no statistically significant differences in the public or private funding achieved or new IP gained between supported and unsupported businesses. However, where support was more specifically focused on achieving additional funding, namely through the Access to Finance programme, we do find that supported firms were significantly more likely to have been successful in accessing funding.

Positive evidence of benefits was also found in qualitative interviews, in which businesses described, amongst other things, how EEN support:

- helped them to develop new partnerships with universities and suppliers;
- helped them improve innovation management, allowing them to implement new technologies and develop the strategic positioning of their business;
- broadened their market knowledge, giving them a wider view of potential markets in which their products could be sold;
- encouraged them to change their business structure (for example, changing the way the research side of the business joins up with the production side, helping to bring innovations to market faster and achieving cost reductions);
- helped in securing finance and grants (including for carbon reducing innovations); and
- helped build confidence in self for women and young innovators, leading to greater opportunities, successful pitches, and feeling more empowered to peruse an innovation-focused career.

Where interviewees reported lower impact or negative experiences, this often reflected a misalignment of expectations between the business and the nature of the support available through EEN.

We find evidence from both the survey and Qualitative Comparative Analysis that businesses would not have been able to find equivalent support elsewhere if EEN support was not available, especially if equivalent support was not available through IUK. In this sense, EEN support and the resultant benefits were additional, rather than duplicating or displacing equivalent private or public support options.

In our econometric difference-in-difference analysis, we find evidence that the positive impacts of EEN support fed through into greater employment for supported businesses. We estimate that EEN support increased businesses' employment by 2.6% relative to a control group of businesses that interacted with the EEN ENIW consortium but did not receive EEN support. Conversely, we do not find any statistically significant impact of EEN support on turnover. It is possible that this is due to employment impacts materialising sooner than turnover impacts for these types of business support interventions.

We find evidence that a number of factors affected the success of EEN support for individual businesses. These include: external barriers and enablers (such as Covid-19 disruption and

complementarities with other forms of business support); the sector and size of the business being supported; and the quality of the relationship between the business and their EEN advisor. We also find evidence that certain types of support were more effective than others. In particular, there is some evidence that Access to Finance and Innovate to Succeed support was particularly beneficial. In our econometric modelling, where we allow for the impact of support to differ by support type, I2S and A2F support are estimated to have increased businesses' employment by about 4% and 13%, respectively, relative to the control group. And we find no statistically significant impact of other forms of support. Recipients of I2S support are also significantly more likely to perceive a positive impact of the support they received across a wide range of areas and to report a positive overall impact of support.

We find some limited evidence from both the econometric analysis and the survey that the quality of EEN support may have improved over the evaluation period (2015-2020). In particular, we see the strongest evidence of benefits in 2019 and 2020. Given that we also find evidence I2S support was more beneficial than other forms of support, it is possible that this increased impact over time reflects greater I2S support and more innovation focus in later years. However, we find that recipients of other forms of support are also more likely to report positive benefits later in the evaluation period and there is some econometric evidence that employment impacts of support were higher later in the evaluation period even when controlling for support type.

In assessing value for money of EEN support, we convert the estimated employment impact of EEN support into estimated gross value added (GVA) impacts (controlling for displacement) and compare this against the costs of the programme. We find that under conservative assumptions for the persistence of the estimated EEN employment impact, the estimated monetizable benefits of the programme comfortably outweigh the costs. Moreover, this should be considered as providing lower bound on the value for money of the project, in so much that it does not include other unquantified benefits that we find qualitative evidence for, such as: environmental impacts; impacts on equity, diversity and inclusion; impacts on innovation culture, knowledge sharing and collaboration; and future benefits unrealised at the time of evaluation.

With the evolution and transition of EEN business support services into IUK EDGE, there are a number of insights offered by this evaluation for delivery of IUK EDGE support going forward:

- First, there appears to be a clear role for and strong evidence of benefits from the type of 'soft' innovation support offered by EEN and now IUK EDGE.
- Second, the additional emphasis and focus on innovation support, beginning during the EEN evaluation period (and that is a key part of the evolution into IUK EDGE), is strongly validated by the findings of this evaluation.
- Third, there is some evidence that the quality of EEN support increased over the evaluation period, possibly associated with the EEN ENIW consortium gaining greater flexibility as IUK contributed a greater proportion of funding for the programme. With IUK EDGE now being entirely funded by IUK, hopefully the impact of support will continue to grow as delivery is refined further to meet the needs of UK businesses.

- Fourth, this evaluation finds some limited evidence that more mature businesses benefited more from EEN support, compared to pre-seed businesses. While this is validating the life-stage persona approach developed during EEN and refined further for IUK EDGE, it may be important to monitor the amount of time spent evaluating the life stage persona and needs of businesses to ensure this is proportional and truly effective in tailoring support. There may be ways to streamline these processes going forward, giving businesses more opportunities to articulate their needs.
- Fifth, there was a perception from some businesses receiving EEN support that time was often too limited to realise increasing returns from more intense support, where the advisor gets closely acquainted with the needs of the business. While this is validating of the expansion of the Scaleup programme as part of IUK EDGE, it will be important to continue to monitor whether the time allocated to support each business is sufficient.
- Sixth, a common theme from the qualitative interviews conducted for this evaluation was that where businesses reported limited outcomes or less positive experiences, this often reflected a misalignment between their expectation and the programme delivery. Moving forward, a key suggestion for the IUK EDGE programme would be to ensure expectations are aligned at the start of each engagement with a new business.
- Finally, two key challenges for this evaluation were: i) the length of time that has passed since the delivery of EEN support, and ii) businesses' understanding of what support they received and who had delivered this support. The more consistent branding of support under IUK EDGE and the increased focus within IUK EDGE for more frequent monitoring and evaluation will hopefully alleviate these issues going forward.

Annex A – Theory of change

The UK Government's *Magenta Book* recommends that a key first step of an evaluation is developing a theory of change (ToC). The ToC captures the theory of how the intervention is expected to have worked, setting out the steps expected to have been involved in achieving the desired outcomes, the assumptions made and wider contextual factors.

Developing a ToC typically involves considering the activities delivered through an intervention and the causal chain that leads from these activities through to the expected outputs, outcomes and impacts. It considers the causal mechanisms by which an intervention is expected to have achieved its outcomes. A logic model can be used as a visual representation of the ToC that can be rapidly understood and disseminated. Please see the logic model for the theory of change used in this evaluation above in Figure 3.

A ToC is particularly critical as part of a theory-based evaluation, the over-arching approach used in this evaluation. By clearly articulating the theory for how EEN support was expected to deliver intended benefits, we were able to then distil clear evaluation questions and indicators that we can use to structure the evaluation.

A.1 Methodology used to develop the theory of change

We developed our theory of change and logic model for the EEN ENIW consortium's business innovation support activities based on:

- Desk review of programme documents, including the draft logic model prepared by IUK for Innovate UK EDGE, the logic model prepared by UKRI for the EEN business innovation support activities, and the logic model prepared by Technopolis for the 2018 evaluation of EEN business innovation support activities.⁴⁹
- Semi-structured discussions with ENIW consortium stakeholders, including: delivery partners and advisors; Scaleup directors; and relevant IUK stakeholders involved with development of the ENIW consortium. These discussions were informed by a topic guide, which covered:
 - The business innovation support activities undertaken by the consortium.
 - The objectives of the consortium and timescales to impact.
 - External factors that may have influenced successful delivery.
 - Unintended outcomes of the intervention, spill-over effects, and feedback loops.
 - Feedback from UKRI and the IUK EDGE team, including from a validation workshop.

⁴⁹ Review of Innovate UK's EEN Connect Activities, Final Report, Technopolis, March 2018.

A.2 Key narrative elements of the theory of change

Below we outline the key narrative elements of the wider ToC that are relevant to and inform our evaluation of EEN support.

Timescales to impact

Discussions with EEN ENIW consortium stakeholders have suggested that many of the key outcomes and impacts of the EEN support are likely to occur after multiple years (3+ years in some cases). For example, innovation coaching support may take time to feed through into improvements in business practices and investment readiness. It then may take further time before this improved investment readiness generates additional investment, leading to business growth outcomes.

A report by the Enterprise Research Centre (ERC) suggests that evaluations of business support interventions have often looked at too short a time period to see impacts; they recommend monitoring impact for a minimum of 3 years.⁵⁰

This said, some stakeholders did note that ‘quick-wins’ can occur. For example, in some cases, activities such as signposting to funding opportunities can lead to businesses securing additional funding within quite a short time-frame, sometimes within a year or so. In general, it is likely that outcomes related to knowledge acquisition may be realised sooner than those related to accessing new markets and investments.

For the purpose of our evaluation, this suggests that some of the outcomes and impacts of EEN support delivered in 2019 and 2020 may not have yet been realised and this will need to be considered in assessment of value for money from EEN support. Outcomes and impacts of support delivered earlier in the evaluation period are more likely to have been realised. However, the activities of the EEN ENIW consortium have changed somewhat over the period, such as with the introduction of the Scaleup programme and expansion of I2S support.

External Enablers and Barriers

Table 24 below sets out the key external enablers and barriers identified in developing the ToC. These are *external* to the EEN ENIW consortium in that they are beyond the control of IUUK and the delivery partners.

Table 24 External enablers and barriers

BARRIER/ENABLER

⁵⁰ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/920233/business-support-evaluation-framework-2019.pdf

<input checked="" type="checkbox"/> Enabler	Availability of high quality innovation support advisors with sector and regional expertise.
<input checked="" type="checkbox"/> Enabler	Complementarities with and referrals from LEP coverage of business support, specifically Growth Hub infrastructure and funding.
<input checked="" type="checkbox"/> Enabler	Strong international connections with the EEN global partners and other experts.
<input checked="" type="checkbox"/> Barrier	Brexit and Covid changing the support needs of businesses and creating additional challenges for delivery (such as constraints on international travel).
<input checked="" type="checkbox"/> Barrier	Changes to the external funding opportunities landscape for SMEs, which meant advisors required resources to keep advice up to date.
<input checked="" type="checkbox"/> Barrier	Overseas stakeholder (lack of) willingness to prioritise EEN engagement.

Source: *Frontier Economics and BMG Research*

We explored enablers and barriers further in our qualitative evidence gathering with EEN ENIW stakeholders as part of the evaluation and this is the subject of one of our evaluation questions. As part of the forward looking implications of our evaluation for IUK EDGE, we also consider whether these external enablers and barriers are likely to change going forward.

Interactions and feedback loops

The main feedback loop identified in developing the ToC related to positive experience of support and reputation of the EEN ENIW consortium increasing awareness, openness and engagement of potential recipient SMEs. It was noted by stakeholders that many SMEs were initially quite sceptical of business support and a positive reputation for the consortium acted to alleviate this over time, including through word of mouth references.

When considering the forward looking implications of our evaluation for IUK EDGE, it is important to consider this reputational feedback loop and whether this may have been amplified or impacted in any way by the re-branding of EEN support as IUK EDGE.

Assumptions

The key assumptions implicit within the logic model are set out in [Table 25](#) below. This recognises that the move from activities to impacts does not just reflect an inevitable pathway; rather other factors also need to be in place to support later outcomes and impacts being released as a result of EEN support. Setting these assumptions helped to inform the design of the impact evaluation questions and instruments used in the evaluation.

Table 25 Assumptions of the logic model

ASSUMPTION
■ Sufficient referrals are made to / contacted as part of the EEN ENIW consortium for analysis
■ Partners are not significantly capacity constrained in their ability to provide support.
■ KPI / reporting requirements did not distort delivery incentives.
■ The network provides access to high-quality global partnership opportunities.
■ SMEs engage positively with consortium support, and are willing and able to act on the advice given.
■ The advice given is relevant to business needs and useful, targeting barriers to achieving intended outcomes such as access to finance and improved innovation culture.
■ External economic shocks do not prevent generated outcomes, such as secured funding, from leading to better business performance, market expansion and environmental / social benefits.

Source: *Frontier Economics and BMG Research*

Annex B – Econometric approach

This annex provides more detail on the econometric models used, our methodology for estimating GVA impacts, descriptive statistics on the sample of businesses included in the analysis, and some additional sensitivity results.

B.1 Model specifications

We estimate a series of econometric models to test the impact of EEN support on businesses' employment and turnover. We first estimate the following "homogenous treatment effect" model.

Homogeneous treatment effect model:

$$\text{Log}(Y_{i,t}) = \gamma_i + \lambda_t + \beta_0 + \beta_1 * \text{Treat}_{i,t} + \epsilon_{i,t} \quad (1)$$

In this model, β_1 is the average difference in outcomes between the treatment and the control group holding all else equal. The model holds constant company fixed effects, that is factors specific to each company that do not change over time; and year fixed effects, that is factors specific to a certain year which affect all companies.

The dummy variable *Treat* in equation (1) is equal to 1 for beneficiary *i* in all years starting from year *t*, which represents the year in which the company first received a service from the consortium. It is equal to 0 for non-beneficiaries (e.g. companies which never received a service – the control group).

We subsequently estimate seven further models that allow the impact of EEN support to differ by year of treatment, type of treatment, and business characteristics.

Each of these models are shown below, where *Y* represents either turnover or employment. This business outcome variable is defined in log terms because it is more reasonable that a given intervention affects the outcome by a certain percentage rather than by a certain absolute amount – that is, the models allow for non-linearity.

Treatment type model:

$$\begin{aligned} \text{Log}(Y_{i,t}) = & \gamma_i + \lambda_t + \beta_0 + \beta_1 * \text{Treat}_{i,t} + \beta_{I2S} * \text{Treat}_{I2S_{i,t}} + \beta_{\text{Global-partnering}} * \\ & \text{Treat}_{\text{Global-partnering}_{i,t}} + \beta_{\text{Advice-guidance}} * \text{Treat}_{\text{Advice-guidance}_{i,t}} + \beta_{A2F} * \text{Treat}_{A2F_{i,t}} + \epsilon_{i,t} \end{aligned} \quad (2)$$

This augments the baseline model by adding specific terms to account for the heterogeneity in the impact of certain types of support (or "treatments"): for example, β_{I2S} measures the impact (or "treatment effect") of I2S on top of the baseline, β_1 .⁵¹ The treatment type-specific dummy variables

⁵¹ The baseline treatment effect is generally not the same across models, and in particular it differs from the estimate obtained from the homogenous treatment model (1). This is because it corresponds to the average treatment effect across groups (for example, treatment types) *not included as separate terms* in the right-hand side of a given regression: for example, in model (2), the baseline corresponds to the average treatment effect for treatment types other than Innovate to Succeed (I2S); Information, advice and guidance; Global partnering and collaboration support; and, Access to Finance (A2F).

such as $Treat_{I2S_{i,t}}$ are interaction terms that are equal to 1 if a particular beneficiary i is treated at time period t and it has ever received a certain treatment type – in this case, I2S – and 0 otherwise.⁵² Note that the model includes dummies only for the four most common treatment types due to sample size limitations (i.e. other treatment types have few observations).

Entry cohort model:

$$Log(Y_{i,t}) = \gamma_i + \lambda_t + \beta_0 + \beta_{2015} * Treat_{2015_{i,t}} + \beta_{2016} * Treat_{2016_{i,t}} + \beta_{2017} * Treat_{2017_{i,t}} + \beta_{2018} * Treat_{2018_{i,t}} + \beta_{2019} * Treat_{2019_{i,t}} + \beta_{2020} * Treat_{2020_{i,t}} + \epsilon_{i,t} \quad (3)$$

The entry cohort model above allows us to estimate how the impact of EEN support varied over time. In this model, firms in the treatment group are allocated into a given “entry cohort” i.e. a group of firms that first receive treatment in a given year 2015-2020, as defined by the timing of their first treatment: for example, the dummy variable $Treat_{2015_{i,t}}$ is equal to 1 if a particular beneficiary i is treated at time period t and it first received support in 2015, and 0 otherwise. Consequently, β_{2015} measures the impact of EEN support for the 2015 entry cohort.⁵³

Treatment type and entry cohort model:

$$Log(Y_{i,t}) = \gamma_i + \lambda_t + \beta_0 + \beta_{1,2015} * Treat_{1,2015_{i,t}} + \beta_{1,2016} * Treat_{1,2016_{i,t}} + \dots + \beta_{I2S,2015} * Treat_{I2S,2015_{i,t}} + \beta_{I2S,2016} * Treat_{I2S,2016_{i,t}} + \dots + \beta_{A2F,2020} * Treat_{A2F,2020_{i,t}} + \epsilon_{i,t} \quad (4)$$

We combine (2) and (3) to estimate whether the variation across entry cohorts of the impact of EEN support also depends on the type of intervention. The dummy variables in this model are defined as interaction terms between treatment types and entry cohorts: for example, the dummy variable $Treat_{I2S,2015_{i,t}}$ is equal to 1 if a particular firm i is treated at time period t , it first received support in 2015 and it has ever received I2S support, and 0 otherwise. $\beta_{I2S,2015}$ measures the treatment effect of I2S for the 2015 entry cohort on top of the baseline effect *for this cohort*.

Low turnover model:

$$Log(Y_{i,t}) = \gamma_i + \lambda_t + \beta_0 + \beta_1 * Treat_{i,t} + \beta_{Low} * Treat_{Low_{i,t}} + \epsilon_{i,t} \quad (5)$$

Equation (5) extends the homogenous treatment model for firms with low turnover in the year just before a given firm received its first treatment (“pre-treatment turnover”). The dummy variable $Treat_{Low_{i,t}}$ is equal to 1 if a particular firm i is treated at time period t and its pre-treatment turnover is below £100k, and 0 otherwise. β_{Low} measures the treatment effect of EEN support as a whole on firms with low pre-treatment turnover, on top of the baseline effect.

⁵² Note that we run robustness checks based on a different definition of the dummy variables: where these are equal to 1 if a particular firm i is treated at time period t and the *first* treatment the firm *ever* received was from a given treatment type.

⁵³ Notice that this model (3) does not have a baseline: this is because the model estimates the overall impact of EEN support at different points in time (i.e. based on entry cohorts), rather than compared to a starting point.

Delivery partner model:

$$\begin{aligned} \text{Log}(Y_{i,t}) = & \gamma_i + \lambda_t + \beta_0 + \beta_1 * \text{Treat}_{i,t} + \beta_{\text{Public}} * \text{Treat}_{\text{Public}_{i,t}} + \beta_{\text{Private}} * \text{Treat}_{\text{Private}_{i,t}} + \\ & \beta_{\text{University}} * \text{Treat}_{\text{University}_{i,t}} + \epsilon_{i,t} \end{aligned} \tag{6}$$

We estimate whether the impact of EEN support varied across delivery partner types (private, public and academic). This model includes interaction terms for each of these delivery partner types: for example, the dummy variable $\text{Treat}_{\text{Public}_{i,t}}$ is equal to 1 if a particular firm i is treated at time period t and its first delivery partner was from the public sector. β_{Public} measures the additional treatment effect of having a public sector (first) delivery partner, on top of the baseline. Note that in each estimated model one of these dummies is omitted to allow the estimation; the omitted delivery partner thus becomes the baseline.⁵⁴

SIC group model:

$$\begin{aligned} \text{Log}(Y_{i,t}) = & \gamma_i + \lambda_t + \beta_0 + \beta_1 * \text{Treat}_{i,t} + \beta_C * \text{Treat}_{C_{i,t}} + \beta_G * \text{Treat}_{G_{i,t}} + \beta_J * \text{Treat}_{J_{i,t}} + \beta_M * \\ & \text{Treat}_{M_{i,t}} + \epsilon_{i,t} \end{aligned} \tag{7}$$

As noted above, we want to capture whether the impact of EEN support benefitted certain sectors of the economy in different ways. Model 7 accounts for this by incorporating four broad sector-specific terms defined based on the UK’s 2007 SIC codes. In this model, for example, the dummy variable $\text{Treat}_{C_{i,t}}$ is equal to 1 if a particular firm i is treated at time period t and firm i is included in SIC group C. β_C measures the additional treatment effect for firms in SIC group C, on top of the baseline.

We have included only the four groups C (Manufacturing), G (Wholesale and retail trade; repair of motor vehicles and motor cycles), J (Information and communication), and M (Professional, scientific and technical activities) due to sample size limitations (i.e. all other SIC groups constitute very few firms, even when grouping together the SIC categories to build larger groups).⁵⁵

Treatment type and SIC group model:

$$\begin{aligned} \text{Log}(Y_{i,t}) = & \gamma_i + \lambda_t + \beta_0 + \beta_1 * \text{Treat}_{i,t} + \beta_{I2S} * \text{Treat}_{I2S_{i,t}} + \beta_{\text{Global-partnering}} * \\ & \text{Treat}_{\text{Global-partnering}_{i,t}} + \beta_{\text{Advice-guidance}} * \text{Treat}_{\text{Advice-guidance}_{i,t}} + \beta_{A2F} * \text{Treat}_{A2F_{i,t}} + \beta_C * \\ & \text{Treat}_{C_{i,t}} + \beta_G * \text{Treat}_{G_{i,t}} + \beta_J * \text{Treat}_{J_{i,t}} + \beta_M * \text{Treat}_{M_{i,t}} + \dots + \beta_{I2S,C} * \text{Treat}_{I2S,C_{i,t}} + \beta_{I2S,G} * \\ & \text{Treat}_{I2S,G_{i,t}} + \dots + \beta_{A2F,M} * \text{Treat}_{A2F,M_{i,t}} + \epsilon_{i,t} \end{aligned} \tag{8}$$

Equation (8) is a combination of model (2) and (7): it allows the estimation of a potential treatment effect specific to both treatment type and economic sector (i.e. SIC group). Note that, besides the baseline, the model includes *separately* the four treatment type-specific dummies, the four sector-specific dummies and the $4 \times 4 = 16$ combinations of these (not for all treatment types and SIC groups

⁵⁴ This is done to avoid the statistical problem of perfect multicollinearity which means one cannot estimate the model in question.

⁵⁵ It was not feasible to effectively include terms for all sectors or to define them with greater granularity due to sample size limitations.

due to sample size limitations). In this model, for example, the dummy variable $Treat_{I2S,C_{i,t}}$ is equal to 1 if a particular firm i is treated at time period t , firm i is included in SIC group C (Manufacturing) and it has ever received a certain treatment type – in this case, I2S – and 0 otherwise. In this case, the addition of $\beta_{I2S,C}$ helps measure the specific treatment effect for I2S for firms *that are also* in SIC group C (Manufacturing).⁵⁶

B.2 GVA calculation methodology

We estimate the GVA benefit after receiving EEN support in two ways: by using the estimates in equation (1) i.e. the homogenous treatment model, or in equation (3) i.e. the entry cohort model. The former is more simple to explain, and it averages out any inter-temporal variation. However, the latter is more precise as it takes into account dynamic effects, whereby the estimated impact of support may change over time. We use both and present the estimated total benefit across the multiple specifications used.

To estimate the GVA benefit using either equation (1) or (3), we use the following method:

$$\text{Annual GVA benefit per employee} = \% \text{ increase in employment} * \frac{\text{Net GVA addition}}{\text{employee}}$$

In the equation above, the % increase in employment is estimated from the econometric analysis using the regressions discussed above (separately for each group where relevant i.e. for each entry cohort).

The net GVA addition is the difference between the GVA/employment created by the types of firms supported by EEN, less the opportunity cost in terms of GVA such employees could generate in different organisations (i.e. the GVA across the economy as a whole) due to displacement.

We use the Annual Business Survey (ABS) to estimate the net GVA. The ABS is a survey of approximately 1% of all businesses, with relatively higher response rates for large businesses. Therefore, a very large number of companies in our control and treatment groups are not included in the ABS database due to the sampling approach. Consequently, we do not extract GVA data for the firms in our sample directly but create a weighted average GVA/employment figure by weighting the ABS such that it mimics our sample of businesses supported by EEN in terms of economic sectors.

We use the following methodology to calculate the GVA impact of EEN support for the Value for Money (VfM) assessment:

- We calculate the additional “net GVA” per employee for EEN support as a whole, that is, the estimated “**gross GVA**” impact for the treated firms as their employment grows as a result of EEN support, less the “**benchmark GVA**” these employees could earn elsewhere. We calculate the difference because under full employment, the number of employees of treated firms increases at the expense of others (i.e. there is displacement).

⁵⁶ The overall treatment effect for these firms would be equal to the combination of the coefficient estimates β_1 , β_{I2S} , β_C and $\beta_{I2S,C}$.

- Gross GVA is calculated as the (weighted) average GVA per employee based on ABS, weighted to mimic the composition of the treated sample in terms of economic sectors (i.e. SIC groups) to the extent possible. For the composition of the treated sample in terms of the number of firms in each sector, please refer to Table 26 below.⁵⁷
- Benchmark GVA is equal to the estimated economy-wide (weighted) average GVA per employee figure (based on ABS).⁵⁸
- GVA is always calculated on the basis of market prices i.e. not basic prices or factor costs. Note that we use 2018 data which is the latest available final data at the time of estimation that includes the relevant GVA metric and that is not distorted by measurement problems associated with the Covid-19 pandemic. We run robustness check using 2019 (provisional) data.⁵⁹
- We follow the standard weighting methodology to estimate GVA per employee (both UK-wide and for each specific SIC group).⁶⁰ We weight the ABS sample based on employment to calculate total employment, and based on turnover for total GVA (to calculate average GVA per employee = total GVA/total employment).

Table 26 **Composition of treated sample**

SIC group (combined)	Number of firms (2018)	%share (2018)	Number of firms (2019)	%share (2019)
A-B	32	0.4%	34	0.4%
C	1,476	18.2%	1,490	18.0%
D-E	46	0.6%	46	0.6%
F	148	1.8%	154	1.9%
G	1,007	12.4%	1,015	12.3%
H	58	0.7%	59	0.7%
I	23	0.3%	24	0.3%
J	1,028	12.7%	1,113	13.4%
K-L	64	0.8%	64	0.8%
M	1,511	18.7%	1,556	18.8%
N	339	4.2%	350	4.2%
P	104	1.3%	114	1.4%

⁵⁷ For a definition of each of these groups, see: [UK SIC 2007 - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk).

⁵⁸ As noted above the ABS is only a relatively small sample compared to the size of the entire UK economy. We re-weight this sample to make it as representative nationally as possible. However, there are economic sectors e.g. in financial services that are altogether excluded from the sample. The estimates are therefore imperfect.

⁵⁹ Using 2019 data does not meaningfully impact our results.

⁶⁰ See the “Weighting” section in: [Annual Business Survey technical report: August 2018 - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk).

SIC group (combined)	Number of firms (2018)	%share (2018)	Number of firms (2019)	%share (2019)
Q	86	1.1%	91	1.1%
R	58	0.7%	61	0.7%
S-T-U	93	1.1%	95	1.1%

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners.

Note: Certain SIC groups were combined due to their sample size. The table contains the number of firms in each SIC group for firms with non-missing employment in the first year of treatment.

We estimate the total annual GVA benefit using either equation (1) or (3):

- **Homogenous treatment model (1):** we multiply the annual GVA benefit per employee with the total employment for each entry cohort 2015-20 in their respective first year of treatment.
- **Entry cohort model (3):** we multiply the annual GVA benefit per employee *estimated separately for each entry cohort* with the total employment for each entry cohort whose estimated impact is statistically significant.

We limit monetised benefits to the estimated GVA impacts derived from the econometrics. We add together the estimated GVA impacts from 1 up to 5 years after receiving an EEN service to estimate the overall GVA benefit, noting that for a given year the benefits could accrue to multiple overlapping entry cohorts, whose benefits are combined (e.g. in 2020 at least both the 2019 and 2020 entry cohorts have benefits if these persist for more than one year). These annual benefits are in 2018 £ as they are obtained using 2018 GVA figures from the ABS. Therefore these are deflated to 2015 £ (i.e. real terms) using the average inflation amount of 2% between 2015-2018.⁶¹

We use Green Book guidance to reflect time preference by discounting future benefits (to obtain the present value or PV) at the social time preference rate (STPR), set at 3.5% in real terms, where T can take values between 1 and 5 inclusive:

$$PV \text{ of total GVA benefit (2015 } \pounds) = \sum_{t=1}^T \frac{\text{Total real GVA benefit } t \text{ years after EEN service}}{(1 + 3.5\%)^t}$$

We find that EEN-supported businesses generate a net GVA per employee⁶² of about £15,000.⁶³ Based on the regression results, separately for the homogenous treatment model (equation 1) and the entry cohort model (equation 3), this translates into an annual GVA benefit per employee as in Table 27, using the equation (repeated from above):

⁶¹ We use inflation data from the ONS: [CPI INDEX 00: ALL ITEMS 2015=100 - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/cpi/index/00/all-items/2015=100).

⁶² The GVA generated by the treated firms less what these employees could generate elsewhere in the economy.

⁶³ Using (final) 2018 data. This outcome is robust to using 2019 (provisional) data.

$$\text{Annual GVA benefit per employee} = \% \text{ increase in employment} * \frac{\text{Net GVA addition}}{\text{worker}}$$

Table 27 Estimates of annual GVA benefit per employee (£ 000's)

Model	% increase in employment (1)	Net GVA addition per employee (2)	Annual GVA benefit per employee (1) * (2)
Homogenous	2.6%	15	0.4
2019 cohort	7.6%	15	1.2
2020 cohort	12.0%	15	1.8

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, BSD and ABS.

Note: [Insert Notes]

To obtain the total benefit for all employees in firms falling into each cohort, we multiply the annual GVA benefit per employee obtained above by the employment in the first year of EEN support for the relevant entry cohort. This employment and the estimated total annual GVA benefit using equations (1) and (3) is shown in Table 28:

Table 28 Employment in the first year of EEN support and total annual GVA benefit across entry cohorts

Entry cohort	Total employment in first treatment year	Total annual GVA benefit (£m's)	
		Homogenous model (equation 1)	Entry cohort model (equation 3)
2015	16,507	6.5	Not significant
2016	12,880	5.1	Not significant
2017	15,445	6.1	Not significant
2018	17,993	7.1	Not significant
2019	16,854	6.6	19.7
2020	14,006	5.5	25.8

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, BSD and ABS.

Note: [Insert Notes]

A crucial assumption in estimating the benefits of EEN support is the number of years that the positive estimated increase in employment is assumed to persist for. We calculate a range of scenarios on a conservative basis, assuming the employment benefit of EEN support persists for 1, 2 and 5 years, respectively.

We sum the total GVA benefit for each year (i.e. combine the benefits, where relevant, from different entry cohorts in Table 29 where they relate to the same year) when the impact of the treatment persists (between 1 and 5 years) and deflate the figures to 2015 £. We then use these ‘real’ figures to calculate the PV (discounted at the STPR) of total GVA benefit (as of 2015), of the benefits in different years. Table 29 shows the results of this when the benefits persist for T years.

Table 29 PV of total GVA benefit (£m’s in 2015 PV)

Model	PV of total GVA benefit (T=1)	PV of total GVA benefit (T=2)	PV of total GVA benefit (T=5)
Homogenous	32.0	63.0	149.7
Entry cohort	36.7	72.2	171.5

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, BSD and ABS.

Note: Nominal benefit figures for a given year were deflated to 2015 based on CPI inflation data from the ONS. PV was calculated using the social time preference rate (STPR).

B.3 Further data on beneficiaries and outcomes

This section of the Annex contains further information on the characteristics of the firms in the sample used for the econometric analysis.

Table 30 Summary characteristics of final sample – entry cohorts

	Number of firms	Average turnover (£ 000’s)	Average employment
2015	898	2,997	23
2016	826	2,596	19
2017	1,088	2,130	16
2018	1,122	2,463	19
2019	1,264	1,912	16
2020	1,318	1,443	12

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, and BSD.

Note: Firms with non-missing data in 2021 as of the final sample. Turnover and employment are as of 2021. See below for information on how we obtain this final sample from raw data.

Table 31 Summary characteristics of final sample – treatment types

	Number of firms	Average turnover (£ 000's)	Average employment
Information, advice and guidance	3,971	2,318	18
Global partnering and collaboration support	1,130	2,877	21
Innovate to Succeed (I2S)	2,618	1,319	13
Access to Finance	840	1,395	14
Key Account Management	180	1,423	16
Scaleup	27	2,983	24
Young Innovators	~	~	~
Women in Innovation	23	271	7

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, and BSD.

Note: Firms with non-missing data in 2021 as of the final sample. Turnover and employment are as of 2021. See below for information on how we obtain this final sample from raw data. ~ indicates suppression in accordance with statistical disclosure rules.

Table 32 Summary characteristics of final sample – delivery partners

	Number of firms	Average turnover (£ 000's)	Average employment
Commercial	4,586	1,932	15
Public	822	3,689	23
University	1,029	1,873	16

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, and BSD.

Note: Firms with non-missing data in 2021 as of the final sample. Turnover and employment are as of 2021. See below for information on how we obtain this final sample from raw data.

Table 33 Summary characteristics of final sample – low turnover firms

	Number of firms	Average turnover (£ 000's)	Average employment
Low turnover	1,326	217	5
Not low turnover	5,480	2,599	19

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, and BSD.

Note: Firms with non-missing data in 2021 as of the final sample. Turnover and employment are as of 2021. See below for information on how we obtain this final sample from raw data.

Table 34 Summary characteristics of final sample – SIC groups⁶⁴

	Number of firms	Average turnover (£ 000's)	Average employment
C	1,552	3,955	30
G	1,082	3,096	14
J	1,258	868	10
M	1,719	1,167	13
A-B	44	1,093	10
D-E	51	2,424	17
F	156	2,707	17
H	62	6,349	29
I	~	~	~
K-L	82	1,161	13
N	358	1,298	12
O	~	~	~
P	144	449	9
Q	104	1,036	18
R	66	985	13
S-T-U	97	1,514	17

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, and BSD.

Note: Certain SIC groups were combined due to their sample size. Firms with non-missing data in 2021 as of the final sample. Turnover and employment are as of 2021. See below for information on how we obtain this final sample from raw data. ~ indicates suppression in accordance with statistical disclosure rules.

B.4 Additional econometric results

This section of the Annex contains the summary of the econometric results for the treatment type and entry cohort model (4) and for the treatment type and SIC group model (8).

⁶⁴ For a definition of each of these groups, see: [UK SIC 2007 - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk).

Table 35 Treatment type and entry cohort model (4)

	Impact on employment
2020 (baseline for this year)	0.160***
Standard error	(0.0593)
2019 (baseline for this year)	0.0600
Standard error	(0.0512)
2018 (baseline for this year)	0.0209
Standard error	(0.0565)
2017 (baseline for this year)	-0.0353
Standard error	(0.0488)
2016 (baseline for this year)	-0.159***
Standard error	(0.0475)
2015 (baseline for this year)	-0.0754
Standard error	(0.0566)
I2S 2020	-0.0432
Standard error	(0.0549)
I2S 2019	0.0493
Standard error	(0.0482)
I2S 2018	0.0322
Standard error	(0.0525)
I2S 2017	-0.00753
Standard error	(0.0517)
I2S 2016	0.134**
Standard error	(0.0578)
I2S 2015	0.120*
Standard error	(0.0710)
Advice guidance 2020	-0.0830
Standard error	(0.0541)
Advice guidance 2019	-0.0767
Standard error	(0.0474)

	Impact on employment
Advice guidance 2018	-0.0180
Standard error	(0.0537)
Advice guidance 2017	0.0206
Standard error	(0.0487)
Advice guidance 2016	0.169***
Standard error	(0.0496)
Advice guidance 2015	0.0260
Standard error	(0.0576)
Global partnering 2020	0.0794
Standard error	(0.0792)
Global partnering 2019	0.124*
Standard error	(0.0675)
Global partnering 2018	-0.0130
Standard error	(0.0646)
Global partnering 2017	-0.00224
Standard error	(0.0595)
Global partnering 2016	0.0363
Standard error	(0.0541)
Global partnering 2015	0.0148
Standard error	(0.0542)
A2F 2020	0.0857
Standard error	(0.0681)
A2F 2019	0.112
Standard error	(0.0688)
A2F 2018	0.0989
Standard error	(0.0699)
A2F 2017	0.200**
Standard error	(0.0815)
A2F 2016	-0.0238
Standard error	(0.100)

	Impact on employment
A2F 2015	0.323***
Standard error	(0.119)
Goodness of fit (R-squared)	0.205
Number of observations	95,164
Number of firms	11,345

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, and BSD data.

Note: The econometric analysis controls both company and year fixed effects, and has a constant term. These are not shown in the table. Statistical significance at the 1% level is shown with ***, 5% level with **, and 10% level with *. The standard errors in parentheses are heteroskedasticity and autocorrelation robust.

Table 36 Treatment type and SIC group model (8)

	Impact on employment
Baseline	-0.0623
Standard error	(0.0528)
I2S	0.116**
Standard error	(0.0527)
Advice guidance	-0.0308
Standard error	(0.0514)
Global partnering	0.0513
Standard error	(0.0658)
A2F	0.0612
Standard error	(0.0754)
SIC group C – Manufacturing	-0.00553
Standard error	(0.0664)
SIC group G – Wholesale and retail trade; repair of motor vehicles and motor cycles	-0.0340
Standard error	(0.0735)
SIC group J – Information and communication	0.261***
Standard error	(0.0763)
SIC group M – Professional, scientific and technical activities	-0.00736

	Impact on employment
Standard error	(0.0668)
I2S SIC group C – Manufacturing	-0.105
Standard error	(0.0666)
I2S SIC group G – Wholesale and retail trade; repair of motor vehicles and motor cycles	0.0291
Standard error	(0.0778)
I2S SIC group J – Information and communication	-0.185**
Standard error	(0.0748)
I2S SIC group M – Professional, scientific and technical activities	0.0195
Standard error	(0.0686)
Advice guidance SIC group C – Manufacturing	0.00959
Standard error	(0.0644)
Advice guidance SIC group G – Wholesale and retail trade; repair of motor vehicles and motor cycles	0.150**
Standard error	(0.0724)
Advice guidance SIC group J – Information and communication	0.00189
Standard error	(0.0742)
Advice guidance SIC group M – Professional, scientific and technical activities	0.119*
Standard error	(0.0663)
Global partnering SIC group C – Manufacturing	-0.0462
Standard error	(0.0794)
Global partnering SIC group G – Wholesale and retail trade; repair of motor vehicles and motor cycles	-0.132
Standard error	(0.0874)
Global partnering SIC group J – Information and communication	0.0362
Standard error	(0.0970)
Global partnering SIC group M – Professional, scientific and technical activities	0.0130
Standard error	(0.0838)
A2F SIC group C – Manufacturing	0.0951

	Impact on employment
Standard error	(0.101)
A2F SIC group G – Wholesale and retail trade; repair of motor vehicles and motor cycles	0.0397
Standard error	(0.112)
A2F SIC group J – Information and communication	-0.00980
Standard error	(0.107)
A2F SIC group M – Professional, scientific and technical activities	0.170*
Standard error	(0.0994)
Goodness of fit (R-squared)	0.202
Number of observations	95,164
Number of firms	11,345

Source: Frontier Economics calculations based on IUK CRM data and data from 18 individual delivery partners, and BSD data.

Note: The econometric analysis controls both company and year fixed effects, and has a constant term. These are not shown in the table. Statistical significance at the 1% level is shown with ***, 5% level with **, and 10% level with *. The standard errors in parentheses are heteroskedasticity and autocorrelation robust.

Annex C – Survey development

C.1 Sample methodology

The sample for the survey included both businesses who had received EEN support between 2015 and 2020 and those who were offered EEN support, but did not take up the offer.

Two sources were used to compile the sample for the survey:

- A database exported from Innovate UK EDGE’s CRM system
- Databases provided by each partner organisation

The two sources were combined into one database and any organisations who were in both sources we’re ‘de-duplicated’ so that they were only represented once in the final sample. A small number of contacts were removed from the sample to be approached qualitatively. These included businesses who had received support in the form of the Young Innovators, Women in Innovation and Scale Up services. These organisations were selected to be approach qualitatively due to the small numbers receiving these services and the bespoke nature of delivery of these services.

A census approach was used for both support and unsupported businesses in the sample. However, due to the large number of unsupported businesses and an initial target of 100 completed surveys with this group, quotas were used to control how many responses were received. This meant that most unsupported businesses were not chase by phone to complete the survey as the quotas had already been filled.

C.2 Sample composition

The full de-duplicated sample consisted of 12,432 businesses with at least an email address or phone number. This was split by year as shown in Table 37. The sample was skewed towards businesses whose initial engagement was later in the 2015-2020 period, particularly from 2018 onwards.

Table 37 Original sample invited to complete survey by year of initial EEN engagement

	Supported	Unsupported
2015	1055 (8%)	800 (6%)
2016	701 (6%)	673 (5%)
2017	965 (8%)	449 (4%)
2018	1326 (11%)	978 (8%)
2019	1492 (12%)	934 (8%)
2020	1603 (13%)	1456 (12%)

In total, 449 supported and 110 unsupported businesses completed the survey. This represents a response rate of 6% for supported businesses. Due to a smaller target of completed surveys with unsupported businesses these were not fully ‘chased’ to complete the survey and so it would not be

appropriate to calculate a response rate for this group. For supported businesses the response rates differed slightly by year of initial engagement.

Table 38 Response rates for supported sample by year of initial engagement

	Completed surveys	Response rate
2015	49	5%
2016	38	5%
2017	70	7%
2018	110	8%
2019	92	6%
2020	90	6%

Table 39 shows the main partner organisation for those who received support.

Table 39 Main EEN partner organisation delivering support

	n	%
BIC Innovation	7	2%
Birmingham Chamber of Commerce	9	2%
Business West	59	13%
Chamberlink	9	2%
City of Bradford Metropolitan District Council	18	4%
Coventry University Services	29	6%
East Midlands Chamber	6	1%
Exemplas	28	6%
Inventya	17	4%
Invest NI	15	3%
London Chambers of Commerce & Industry	2	<1%
Newable	48	11%
Oxford Innovation	29	6%
RTC North	89	20%
St John’s Innovation Centre	16	4%
Teeside University	2	<1%
University College London	3	1%
University of Greenwich	51	11%
West & North Yorkshire Chamber of Commerce	12	3%

C.3 Survey methodology

A mixed mode approach was used for the survey, encompassing completion via both online and phone. This mixed mode approach was employed to maximise response rates as well as to utilise the sample and resources available as efficiently as possible.

Businesses were initially invited to complete the survey online. All sampled businesses were sent an initial email invite that contained a link to the online version of the survey. This link was unique to each respondent and allowed them to complete the survey in multiple sittings if they preferred. Telephone interviewing began a week later, with specially trained telephone interviewers calling respondents who had not completed the survey. The interviewers either encouraged the respondent to complete the online survey, or took them through the full survey over the phone depending on which the respondent preferred to do. The online and telephone surveys had exactly the same content to ensure comparability of responses across methods.

The survey was designed around the evaluation framework and logic model and aimed to collect information relating to many of the evaluation questions. Not all questions were deemed suitable to be answered by quantitative survey data. A number of questions were only asked to businesses who had received support as they were not applicable to those who did not receive support.

C.4 Survey questionnaire

Below is the questionnaire used for the survey. Text in pink are scripting and routing instructions used in the construction of the survey. These instructions were not visible to respondents. Respondent instructions are in blue.

Screening (Section S)

INTRO TEXT FOR THOSE WHO RECEIVED SUPPORT

Firstly, we'd just like to confirm some details we have about the support that your business received. For the purpose of this survey, we are interested in support that you received from Enterprise Europe Network partner [INSERT PARTNER NAME] between [INSERT START YEAR] and [INSERT END YEAR].

INTRO TEXT FOR THOSE WHO DID NOT RECEIVE SUPPORT

Firstly, we'd just like to confirm some details we have about the support that your business was offered via Innovate UK or the National Enquiry Gateway. For the purpose of this survey, we are interested in support that you were offered in [INSERT ENQUIRY YEAR]. This support could have been offered via an Enterprise Europe Network partner.

Base: If received support [from sample]

SINGLE CODE

S01. Can I just confirm that your business has received support services from [INSERT PARTNER NAME]?

Code	Answer list	Scripting notes	Routing
------	-------------	-----------------	---------

1	Yes		
2	No	SCREENOUT	

Base: If received support [from sample]

SINGLE CODE

S02. As well as you can remember, did your business start receiving these services from [INSERT PARTNER NAME] in [INSERT START YEAR]?

Code	Answer list	Scripting notes	Routing
1	Yes		GO TO A01
2	No		GO TO S03

Base: IF SERVICE START YEAR NOT CORRECT [S02=2]

SINGLE CODE

S03. Which year did your business start receiving support services from [INSERT PARTNER NAME]?

If you can't remember exactly please give your best estimate

Code	Answer list	Scripting notes	Routing
1	Before 2015		
2	2015		
3	2016		
4	2017		
5	2018		
6	2019		
7	2020		
8	2021	SCREENOUT	
9	2022	SCREENOUT	
97	Don't know	FIX	

IF CODES 1-7 AT S03, OVERWRITE START YEAR WITH RESPONSE FROM S03

Base: If did not receive support [from sample]

SINGLE CODE

S04. Can I just confirm that your business was offered support services in [INSERT ENQUIRY YEAR]? This could have been through Innovate UK, the National Enquiry Gateway or an Enterprise Europe Network partner.

Code	Answer list	Scripting notes	Routing
1	Yes		
2	No	SCREENOUT	

Services received (Section A)

Base: If received support [from sample]

SINGLE CODE

A01. We understand that your business received the following services from [INSERT PARTNER 1 NAME] as part of Enterprise Europe Network. Is this correct?

ASK FOR EACH SERVICE RECEIVED [FROM SAMPLE]. SHOW EACH SERVICE IN TURN, INCLUDING SERVICE DESCRIPTION.

- Information, advice and guidance – on working and trading in the single market and beyond, IP regulations and standards, signposting to EC and IUK funding competitions and signposting to stakeholders
- Support with global partnering and collaboration – helping to find trusted global partners, organising global business innovation programmes and providing wrap-around support for these programmes
- Access to Finance (A2F) and Pitchfest – providing wrap-around support for Pitchfest events. Support for businesses to access finance, including EC and international funding schemes
- Key account management – Support to access specific coaching for those in receipt of SME Instrument funding, also known as EIC Accelerator
- Innovate to Succeed (I2S) and Enhancing Innovation Management Capacity – Tailored innovation management support for high growth businesses, possibly including an intellectual property audit undertaken by IP experts
- Scaleup – support to address barriers to scaling and growth, possibly including helping to build connections, networking and peer to peer events
- Young Innovators – coaching support for winners of the Young Innovators competition
- Women in Innovation – tailored support for winners of the Women in Innovation competition

The services you received may have had different names, or been grouped together into one support package. Please think about the description of the services.

Code	Answer list	Scripting notes	Routing
1	Yes		
2	No		
97	Don't know		

Base: If received support [from sample]

SINGLE CODE

A02. Did your business receive any other support services from [INSERT PARTNER 1 NAME] between 2015 and 2020?

Code	Answer list	Scripting notes	Routing
1	Yes		GO TO A03
2	No		GO TO A04
97	Don't know		GO TO A04

Base: IF RECEIVED OTHER SUPPORT SERVICES FROM PARTNER [A02=1]

SINGLE CODE

A03. Which other support services did your business receive from **[INSERT PARTNER 1 NAME]** between 2015 and 2020?

Code	Answer list	Scripting notes	Routing
1	General advice and guidance		
2	Access to finance		
3	Planning and strategy		
4	Legal		
5	Employment, people development and HR		
6	Exporting and international growth		
7	Marketing, PR and communications		
8	Innovation support		
9	Bid writing and support		
10	Sector analysis and stakeholder mapping		
11	Product and service development		
12	Business premises		
13	Other (please specify)	FIX	
97	Don't know	FIX	

Base: ASK ALL

SINGLE CODE

A04. Did your business receive any **[IF RECEIVED SUPPORT:other]** support services from anyone else between **[IF RECEIVED SUPPORT:[INSERT START YEAR]** and **[INSERT END YEAR], IF DID NOT RECEIVE SUPPORT:[INSERT ENQUIRY YEAR]** and 2020)?

Code	Answer list	Scripting notes	Routing
1	Yes		GO TO A05
2	No		GO TO B01
97	Don't know		GO TO B01

Base: IF RECEIVED SUPPORT SERVICES FROM SOMEONE ELSE [A04=1]

SINGLE CODE

A05. What type of support services were these?

Code	Answer list	Scripting notes	Routing
1	General advice and guidance		
2	Access to finance		
3	Planning and strategy		

4	Legal		
5	Employment, people development and HR		
6	Exporting and international growth		
7	Marketing, PR and communications		
8	Innovation support		
9	Bid writing and support		
10	Sector analysis and stakeholder mapping		
11	Product and service development		
12	Business premises		
13	Other (please specify)	FIX	
97	Don't know	FIX	

Base: IF RECEIVED SUPPORT SERVICES FROM SOMEONE ELSE [A04=1]

MULTI CODE

A06. And what type of organisations provided these support services?

Code	Answer list	Scripting notes	Routing
1	Commercial business consultant or advisor		
2	Chambers of Commerce		
3	Business community or forum		
4	Membership body, trade body or pressure group		
5	Bank or insurance company		
6	Solicitor, Accountant or other professional advisor		
7	University		
8	Growth Hub		
9	Local Enterprise Partnership (LEP)		
10	Government department (e.g. BIS, BEIS, UKTI, DIT)		
11	Innovate UK		
12	Other government services or agencies		
13	Other (specify)	FIX	
97	Don't know	FIX, EXCLUSIVE	

Firmographics (Section B)

Base: ASK ALL

NUMERIC RESPONSE, WITH DK OPTION. WHOLE NUMBERS ONLY, MIN 1 MAX 99,999

B01. How many members of staff does your organisation currently employ? Please think about the number of full-time equivalent employees.

If you don't know the exact number, please give an estimate

[_____]

Fixed codes	Answer list	Scripting notes	Routing
97	Don't know	FIX	GO TO B02

Base: IF B01=97 [DON'T KNOW]

SINGLE CODE

B02. Which of these would best describe the current number of full-time equivalent employees at your organisation?

Code	Answer list	Scripting notes	Routing
1	1-4		
2	5-9		
3	10-19		
4	20-49		
5	50-99		
6	100-249		
7	250-499		
8	500 or more		
97	Don't know		

Base: ASK ALL

NUMERIC RESPONSE, WITH DK OPTION. WHOLE NUMBERS ONLY, MIN 1 MAX 99,999

B03. And how many members of staff did your organisation have in **[IF RECEIVED SUPPORT:[INSERT START YEAR]**, when it started receiving support services from **[INSERT PARTNER 1 NAME]** **[IF DID NOT RECEIVE SUPPORT:[INSERT ENQUIRY YEAR]]**? Please think about the number of full-time equivalent employees.

If you don't know the exact number, please give an estimate

[_____]

Fixed codes	Answer list	Scripting notes	Routing
97	Don't know	FIX	GO TO B04

Base: IF B03=97 [DON'T KNOW]

SINGLE CODE

B04. Which of these would best describe the number of full-time equivalent employees at your organisation in **[INSERT START YEAR]**?

Code	Answer list	Scripting notes	Routing
1	1-4		
2	5-9		
3	10-19		
4	20-49		
5	50-99		
6	100-249		
7	250-499		
8	500 or more		
97	Don't know		

Base: ASK ALL

SINGLE CODE

B05. Which of the following would best describe your turnover for the previous financial year?

Code	Answer list	Scripting notes	Routing
1	Zero		
2	Less than £100,000		
3	£100,000 to £199,999		
4	£200,000 to £499,999		
5	£500,000 to £999,999		
6	£1m to £4.9m		
7	£5m to £9.9m		
8	£10m to £24.9m		
9	£25m to £49.9m		
10	£50m or more		
97	Don't know		
98	Prefer not to say		

Base: ASK ALL

SINGLE CODE

B06. And which of the following would best describe your turnover in **[IF RECEIVED SUPPORT:[INSERT START YEAR]][IF DID NOT RECEIVE SUPPORT:[INSERT ENQUIRY YEAR]]**?

If you don't know the exact number, please give an estimate

Code	Answer list	Scripting notes	Routing
1	Zero		
2	Less than £100,000		
3	£100,000 to £199,999		
4	£200,000 to £499,999		
5	£500,000 to £999,999		
6	£1m to £4.9m		
7	£5m to £9.9m		
8	£10m to £24.9m		
9	£25m to £49.9m		
10	£50m or more		
97	Don't know		
98	Prefer not to say		

Knowledge and innovation culture (Section C)

Base: ASK ALL

SINGLE CODE PER ROW

C01. How would you rate your organisation's current capabilities in the following areas?

Row Code	Row list	Scripting notes	Routing
1	Knowledge of regulations and standards relevant to my organisation		
2	Knowledge of the market in which my organisation operates or would like to operate		
3	Knowledge of how to access funding and finance		
4	Strategic decision making about the market position of the organisation		
5	The investment readiness of my organisation		
6	The productivity and/or efficiency of my organisation		
7	Business processes in my organisation		
8	Capability to develop new products or services		
9	Management of innovation in my organisation		
10	Culture of innovation in my organisation		
11	Knowledge sharing and collaboration with other organisations		
12	The growth of my organisation		

13	The profitability of my organisation		
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Column Code	Column list	Scripting notes	Routing
1	Very good		
2	Fairly good		
3	Neither good nor poor		
4	Fairly poor		
5	Very poor		
97	Don't know		
98	Not applicable		

Base: If received support [from sample]

SINGLE CODE PER ROW, ASK FOR ALL WHERE CODES 1-5 OR 97 AT C01

C02. Thinking about the support that you received from [INSERT PARTNER 1 NAME], what impact, if any do you think it had on the following?

Row Code	Row list	Scripting notes	Routing
1	Knowledge of regulations relevant to my organisation		
2	Knowledge of the market in which my organisation operates		
3	Knowledge of how to access funding and finance		
4	Strategic decision making about the market position of the organisation		
5	The investment readiness of my organisation		
6	The productivity and/or efficiency of my organisation		
7	Business processes in my organisation		
8	Capability to develop new products or services		
9	Management of innovation in my organisation		
10	Culture of innovation in my organisation		
11	Knowledge sharing and collaboration with other organisations		
12	The growth of my organisation		
13	The profitability of my organisation		

Column Code	Column list	Scripting notes	Routing
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1	A large positive impact		
2	A small positive impact		
3	No impact		
4	A small negative impact		
5	A large negative impact		
97	Don't know		

Partnerships and collaboration (Section D)

Base: ASK ALL

SINGLE CODE

D01. Has your organisation formed any new partnerships or collaborations since **[IF RECEIVED SUPPORT:[INSERT START YEAR]][IF DID NOT RECEIVE SUPPORT:[INSERT ENQUIRY YEAR]]?**

Code	Answer list	Scripting notes	Routing
1	Yes, 1 new partnership or collaboration		GO TO D02
2	Yes, 2 or 3 new partnerships or collaborations		GO TO D02
3	Yes, 4 or 5 new partnerships or collaborations		GO TO D02
4	Yes, more than 5 new partnerships or collaborations		GO TO D02
5	No new partnerships or collaborations		GO TO E01
97	Don't know		GO TO E01

Base: If received support [from sample]

SINGLE CODE

D02. Did these new partnerships or collaborations form as a result of the support you received from **[INSERT PARTNER 1 NAME]?**

Code	Answer list	Scripting notes	Routing
1	Yes, 1 new partnership or collaboration		GO TO D03
2	Yes, 2 or 3 new partnerships or collaborations		GO TO D03
3	Yes, 4 or 5 new partnerships or collaborations		GO TO D03
4	Yes, more than 5 new partnerships or collaborations		GO TO D03
5	No, none of them		GO TO E01
97	Don't know		GO TO E01

Base: IF PARTNERSHIPS AS A RESULT OF EEN (CODES 1-4 AT D02)

SINGLE CODE

D03. What impact have these new partnerships and collaborations had on your organisation?

Code	Answer list	Scripting notes	Routing
1	A large positive impact		
2	A small positive impact		
3	No impact		
4	A small negative impact		
5	A large negative impact		
97	Don't know		

Funding (Section E)

Base: ASK ALL

MULTI CODE

E01. Has your organisation been successful in accessing any public or private funding since [IF RECEIVED SUPPORT:[INSERT START YEAR]][IF DID NOT RECEIVE SUPPORT:[INSERT ENQUIRY YEAR]]?

Code	Answer list	Scripting notes	Routing
1	Yes, public funding		
2	Yes, private funding that has no capital repayment		
3	Yes, private finance that has capital repayment		
4	No, we have applied for funding, but not been successful	EXCLUSIVE	GO TO E02
5	No, we have not applied for any funding	EXCLUSIVE	
97	Don't know	EXCLUSIVE	

Base: If received public funding [code 1 at E01]

SINGLE CODE

E01A. How much public funding has your organisation received since [IF RECEIVED SUPPORT:[INSERT START YEAR]][IF DID NOT RECEIVE SUPPORT:[INSERT ENQUIRY YEAR]]?

If you don't know the exact amount, please give an estimate

[_____]

Fixed codes	Answer list	Scripting notes	Routing
97	Don't know	FIX	

Base: If received private funding [code 2 at E01]

SINGLE CODE

E01B. How much private funding has your organisation received since **[IF RECEIVED SUPPORT:[INSERT START YEAR]]****[IF DID NOT RECEIVE SUPPORT:[INSERT ENQUIRY YEAR]]**? We are interested in private funding that has no requirement to pay money back.

If you don't know the exact amount, please give an estimate

[_____]

Fixed codes	Answer list	Scripting notes	Routing
97	Don't know	FIX	

Base: If received private finance [code 3 at E01]

SINGLE CODE

E01C. How much private finance has your organisation received since **[IF RECEIVED SUPPORT:[INSERT START YEAR]]****[IF DID NOT RECEIVE SUPPORT:[INSERT ENQUIRY YEAR]]**? We are interested in private financing where there is a requirement to make repayments.

If you don't know the exact amount, please give an estimate

[_____]

Fixed codes	Answer list	Scripting notes	Routing
97	Don't know	FIX	

Base: If received support and applied for funding since EEN support started [codes 1-4 at E01 and from sample]

SINGLE CODE

E02. What impact, if any, did the support you received from **[INSERT PARTNER 1 NAME]** have on your organisation's ability to access funding or finance?

Code	Answer list	Scripting notes	Routing
1	A large positive impact		
2	A small positive impact		
3	No impact		
4	A small negative impact		
5	A large negative impact		
97	Don't know		

Base: ASK ALL

SINGLE CODE

E03A. What proportion of your organisation's revenue was spent on research, development and innovation in the previous financial year? Please think about all research, development and innovation activities undertaken in the previous financial year.

Code	Answer list	Scripting notes	Routing
1	0%		
2	1% to 5%		
3	6% to 10%		
4	11% to 20%		
5	21% to 30%		
6	More than 30%		
97	Don't know		
98	Prefer not to say		

Base: THOSE WITH REVENUE SPENT ON R,D &I IN PREVIOUS YEAR (codes 2-6 at E03A)

SINGLE CODE

E03B. What proportion of your organisation's revenue was spent on just research and development in the previous financial year? Please think about all research and development activities undertaken in the previous financial year.

Code	Answer list	Scripting notes	Routing
1	0%		
2	1% to 5%		
3	6% to 10%		
4	11% to 20%		
5	21% to 30%		
6	More than 30%		
97	Don't know		
98	Prefer not to say		

Base: ASK ALL

SINGLE CODE

E04A. And what proportion of your organisation's revenue would you estimate was spent on research, development and innovation in [IF RECEIVED SUPPORT:[INSERT START YEAR]][IF DID NOT RECEIVE SUPPORT:[INSERT ENQUIRY YEAR]]? Please think about all research, development and innovation activities undertaken in the previous financial year.

Code	Answer list	Scripting notes	Routing
1	0%		
2	1% to 5%		
3	6% to 10%		
4	11% to 20%		

5	21% to 30%		
6	More than 30%		
97	Don't know		
98	Prefer not to say		

Base: THOSE WITH REVENUE SPENT ON R,D & I IN START YEAR (codes 2-6 at E04A)

SINGLE CODE

E04B. And what proportion of your organisation's revenue would you estimate was spent on research and development in **[IF RECEIVED SUPPORT:[INSERT START YEAR]][IF DID NOT RECEIVE SUPPORT:[INSERT ENQUIRY YEAR]]**? Please think about all research and development activities undertaken in the previous financial year.

Code	Answer list	Scripting notes	Routing
1	0%		
2	1% to 5%		
3	6% to 10%		
4	11% to 20%		
5	21% to 30%		
6	More than 30%		
97	Don't know		
98	Prefer not to say		

Base: If received support [from sample]

SINGLE CODE

E05. What impact, if any, did the support you received from **[INSERT PARTNER 1 NAME]** have on your organisation's spend on research and development?

Code	Answer list	Scripting notes	Routing
1	A large positive impact		
2	A small positive impact		
3	No impact		
4	A small negative impact		
5	A large negative impact		
97	Don't know		

Market position and IP (Section F)

Base: ASK ALL

SINGLE CODE

F01. Has your organisation entered any new markets since **[IF RECEIVED SUPPORT:[INSERT START YEAR]][IF DID NOT RECEIVE SUPPORT:[INSERT ENQUIRY YEAR]]**? Please think about geographical markets as well as new sectors or products or services.

Code	Answer list	Scripting notes	Routing
1	Yes, 1 new market		GO TO F02
2	Yes, 2 or 3 new markets		GO TO F02
3	Yes, 4 or 5 new markets		GO TO F02
4	Yes, more than 5 new markets		GO TO F02
5	No		GO TO F03
97	Don't know		GO TO F03

Base: If received support and entered new markets [codes 1-4 at F01 and from sample]

SINGLE CODE

F02. What impact, if any, has the support you received from **[INSERT PARTNER 1 NAME]** had on your organisation's ability to enter new markets?

Code	Answer list	Scripting notes	Routing
1	A large positive impact		
2	A small positive impact		
3	No impact		
4	A small negative impact		
5	A large negative impact		
97	Don't know		

Base: ASK ALL

SINGLE CODE

F03. Has your organisation gained any new or additional intellectual property or assets (IP) since **[IF RECEIVED SUPPORT:[INSERT START YEAR]][IF DID NOT RECEIVE SUPPORT:[INSERT ENQUIRY YEAR]]**?

Code	Answer list	Scripting notes	Routing
1	Yes		GO TO F04
2	No		GO TO G01A
97	Don't know		GO TO G01A

Base: If new IP [code 1 at F03]

SINGLE CODE

F04. What proportion of your current revenue does this new IP account for? Please give your best estimate.

Code	Answer list	Scripting notes	Routing
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1	0%		
2	1% to 5%		
3	6% to 10%		
4	11% to 20%		
5	21% to 30%		
6	31% to 50%		
7	More than 50%		
97	Don't know		
98	Prefer not to say		

Base: If received support and new IP [code 1 at F03 and from sample]

SINGLE CODE

F05. What impact, if any, has the support you received from [INSERT PARTNER 1 NAME] had on your organisation's ability to gain new IP?

Code	Answer list	Scripting notes	Routing
1	A large positive impact		
2	A small positive impact		
3	No impact		
4	A small negative impact		
5	A large negative impact		
97	Don't know		

Overall impact of EEN (Section G)

Base: If received support [from sample]

SINGLE CODE

G01A. If you had not received support from [INSERT PARTNER 1 NAME] would you have looked elsewhere for support?

Code	Answer list	Scripting notes	Routing
1	Yes		GO TO G02
2	No		GO TO G03
97	Don't know		GO TO G04

Base: If did not receive support [from sample]

SINGLE CODE

G01b. Did you look elsewhere for support for your business?

Code	Answer list	Scripting notes	Routing
1	Yes		GO TO G02
2	No		GO TO G03
97	Don't know		GO TO G04

Base: If would have looked elsewhere for support [code 1 at G01A] or did look elsewhere for support [code 1 at G01B]

MULTI CODE

G02. What types of organisations **[IF RECEIVED SUPPORT: would you have gone][IF DID NOT RECEIVE SUPPORT: did you go]** to for this support?

Code	Answer list	Scripting notes	Routing
1	Commercial business consultant or advisor		
2	Chambers of Commerce		
3	Business community or forum		
4	Membership body, trade body or pressure group		
5	Bank or insurance company		
6	Solicitor, Accountant or other professional advisor		
7	University		
8	Growth Hub		
9	Local Enterprise Partnership (LEP)		
10	Government department (e.g. BIS, BEIS, UKTI, DIT)		
11	Innovate UK		
12	Other government services or agencies		
13	Other (specify)	FIX	
97	Don't know	FIX, EXCLUSIVE	

Base: If would not have looked elsewhere for support [code 2 at G01A] or did not look elsewhere for support [code 2 at G01B]

MULTI CODE

G03. Why **[IF RECEIVED SUPPORT: would your organisation have not looked][IF DID NOT RECEIVE SUPPORT: did your organisation not look]** elsewhere for support?

Code	Answer list	Scripting notes	Routing
1	Didn't know where else support was available from		

2	No budget to pay for support		
3	Other forms of support are too difficult to access		
4	No time or resource to look for other sources of support		
5	Didn't qualify for support from elsewhere		
6	Didn't know that support was needed		
6	Other (specify)	FIX	
97	Don't know	FIX, EXCLUSIVE	

Base: if received support [from sample]

SINGLE CODE

G04. Overall, what impact has the support you received from [INSERT PARTNER 1 NAME] had on your organisation?

Code	Answer list	Scripting notes	Routing
1	A large positive impact		
2	A small positive impact		
3	No impact		
4	A small negative impact		
5	A large negative impact		
97	Don't know		

Recontact (Section R)

Base: All

SINGLE CODE

R01. We may wish to follow up on your responses in this survey in more detail. This would take the form of an in-depth discussion with a researcher from BMG or Frontier Economics, lasting around 45 minutes. These discussions would take place over the phone or video conferencing. Would you be willing to be contacted to discuss this possibility in more detail?

Code	Answer list	Scripting notes	Routing
1	Yes		
2	No		

Annex D – Case study businesses

Table 40 Case study businesses by support type and period

Business	Support period	Support type
Business A	2015 -2018	Information, advice & guidance; A2F; I2S; Scaleup
Business B	2018-2020	I2S
Business C	2017-2020	I2S
Business D	2019-2020	I2S
Business E	2018-2020	I2S
Business F	2018-2020	I2S; Information, advice & guidance
Business G	2018-2020	Information, advice & guidance
Business H	2020	Information, advice & guidance
Business I	2015-2020	Information, advice & guidance
Business J	2015-2020	Information, advice & guidance
Business K	2017-2020	Global Partnering; I2S
Business L	2016-2020	Information, advice & guidance; I2S
Business M	2015-2020	Information, advice & guidance; Global Partnering; I2S
Business N	2018-2020	Key Account Management; I2S
Business O	2019-2020	Information, advice & guidance; I2S
Business P	2016-2020	I2S, Scaleup
Business Q	2015-2018	Scaleup
Business R	2017	Women in Innovation
Business S	2019	Women in Innovation
Business T	2020	Young Innovators

Source: Frontier Economics and BMG Research

Annex E – Case study topic guide

E.1 Context

This is a draft topic guide to support the case study component of the EEN evaluation.

As set out in the Evaluation Framework Report, we anticipate delivering a total of 20 case studies informed by c. 60 combined stakeholder interviews and desk review.

Ten cases will be selected from firms who engaged in more intensive forms of EEN support (Scaleup and I2S) and those who participated in particular focused programmes with small numbers of participants where survey-based approaches are likely to yield too few respondents for meaningful sub-group analysis (Women in Innovation, Young Innovators). We aim to conduct these case studies over the summer (July-August 2022).

The remaining ten case studies will be selected on the basis of survey responses where the results suggest a need for a deeper dive (e.g. those who had particularly interesting forms of interaction with EEN and wider forms of support, reported particularly strong or weak outcomes, etc.) and will be conducted in the autumn after the survey is concluded.

The guide below is generic, intended to be adaptable to different stakeholders, though we highlight where particular questions may be more or less relevant to different cases. We assume most or all stakeholders will be representatives of businesses and commercial organisations who have engaged with EEN, though we may in individual cases wish to speak with wider stakeholders (e.g. from partners or those who had particular oversight for the design and delivery of specific programmes such as Women in Innovation). Elements of this guide should be able to be used flexibly with different respondents.

The guide is structured to correspond to an interview length of around 1 hour in total. In practice some interviews will be longer and others shorter.

E.2 Interviewer introduction

Thank you for agreeing to take part in this interview. We really appreciate you giving up your time to support this study. The interview today should take no more than [1 hour].

I'm [NAME] from [ORGANISATION] and I'll be leading us through this interview. [INTRODUCE OTHER INTERVIEWERS]

Hopefully you have a good understanding of the purpose of the interview from the information already shared with you, and you should also have received a privacy notice and information explaining how the interview will be used and the data stored. **Is everything clear or would it be useful for me to go through this with you now?**

[IF REQUIRED] *Together with our partners at [Frontier Economics/BMG Research], we've been commissioned by Innovate UK to conduct an evaluation of the Enterprise Europe Network, specifically operations delivered between 2015 and 2020, including [select most relevant to the interviewee: the Scaleup programme (delivered by Inventya) / the Innovate to Succeed programme / support for winners of the Women in Innovation competition / Young Innovators competition]. The evaluation aims to explore what difference EEN made to the businesses it supported, how those impacts were generated, and any lessons learned for Innovate UK as it delivers a successor to EEN, Innovate UK EDGE, in the coming years.*

As part of our evaluation, we are conducting a series of case studies with particular businesses which engaged with EEN over this period to explore their experiences and what happened next.

After the interview is complete, we will send you a summary of our notes and any quotes that we might like to include in the reporting for you to review. Just for absolute clarity, your participation in this is anonymous and nothing you say will be attributed to you or your organisation directly.

We'd like to record the interview just to help with note-taking purposes. [IF ON TEAMS The recording will also create an automatic transcription of the interview.] We'll only use the recording to help us analyse findings across all the interviews, and the recording [IF ON TEAMS and transcript] will be destroyed after the project is complete. **Do you have any objection to us recording?**

[IF NO, START RECORDING]

[IF YES] That's no problem. We will take more detailed notes of the discussion as we go through.

E.3 Interviewee profile

To start, could you introduce yourself, your role at [ORGANISATION] and how long you have been with the business?

Could you describe a little about what [ORGANISATION] does? Probe for: sector, region, position in value chain, size, whether domestic or international, age of organisation, maturity (start up, scaling, etc)

E.4 Engagement with EEN

[Interviewer note: the aim of this section upfront in the guide is to ensure that we are on the same page as the interviewee about the engagement they had with the EEN and to make sure it's front of their mind before we ask other questions so that they can respond about their experiences of and impact derived from the specific support. It is also about gathering understanding of other EEN support they received before or since so we have a complete picture. If need be please probe for their recollection of the specific support they received, including other ways they may have engaged with EEN not known to us from the CRM data. If they appear to be conflating other forms of support with EEN, please try and unpack this and see if we can align on the specific support episode[s] relevant to the engagement.]

From the information we've seen, we understand that [BUSINESS] engaged with EEN through [PARTNER/INTERVENTION] in [PERIOD], and that you received support through the **[select most relevant]** [Scaleup programme (delivered by Inventya) / Innovate to Succeed programme / Women in Innovation competition / Young Innovators competition]. **Is that correct?**

[IF YES]

Great, we appreciate that this might have been some years ago, but please can you describe in your own words your recollection of the specific engagement you had with EEN? *Probe for: which partner, when began/ended, format of support (e.g. face to face), number of days, key business issues or barriers worked on.*

To the best of your recollection, have you engaged with the EEN in any other way in the 2015 to 2020 period? [IF YES] Please can you describe your recollection of other ways you engaged with EEN in this period? *Probe for: which partner, when began/ended, the type/format/duration of support that was received, challenges addressed. If it feels like they are talking about something else that is not EEN try to unpack this.*

[IF NO]

Ok, we appreciate that this might have been some years ago, but please can you describe your recollection of the engagement you had with the EEN programme between 2015 and 2020? *Probe for: which partner(s), when began/ended, the type of support that was received. If it feels like they are talking about something else that is not EEN try to unpack this.*

Thank you for giving us that picture.

[Interviewer note: it is not practical to ask interviewees who have interacted with EEN in multiple ways to isolate individual interactions, so in this instance we will ask them to reflect on all of their engagement but can probe for specific experiences of individual programmes as appropriate – please use judgement to ask if their answers refer to a specific intervention or the totality of all EEN support. However please try to ensure they are not considering non-EEN support.]

[IF THEY HAVE ONLY ENGAGED THROUGH SCALEUP, I2S WII OR YI] For the rest of the interview, please think about the specific support you received through the [Scaleup programme / Innovate to Succeed Programme / Women in Innovation competition / Young Innovators competition] when giving your responses. We will use the term 'the programme' as shorthand.

[IF THEY HAVE ENGAGED EEN THROUGH MULTIPLE TOUCH POINTS] For the rest of the interview, we'd like to focus on all of the engagement you had with EEN over the 2015-20 period when giving your responses. We will use the term 'EEN' as shorthand.

E.5 Motivations for engagement

How did you find out about [EEN / the programme]?

What were the key factors that influenced you to take up the support offered by [EEN / the programme]?

[For WII / YI specifically] How important was the focus of the programme on [women / young people] as a driver of your decision to take part?

What were your expectations going into the support from [EEN / the programme] about what it might help you to achieve?

E.6 Wider influences

[Interviewer notes: this section aims to capture the position at the time of engagement. If interviewees want to talk about outcomes of engagement in terms of funding or other support this can be captured now or covered later in the interview. Please use judgement to consider whether this is a relevant section e.g. for Young Innovators may not be.]

When you [first engaged with EEN/engaged with the programme], had you ever previously engaged with other similar advisory or support services provided by the public or private sectors?

[IF YES]

Can you describe other similar services you'd engaged in the past? Probe for what type of support, from who and when, and what this was trying to achieve.

What, if anything, was different about the support you received from [EEN/the programme] compared with other advisory services?

When you first engaged with [EEN/the programme], had you ever previously received or applied for public or private funding to support business innovation or growth?

[IF YES]

Can you describe the funding you sought or received? Probe for nature of funder (public, VC, bank, etc), type of funding (grant, loan, equity), what it was for and outcome (successful or not)

[IF ANY SORT OF ENGAGEMENT BEFORE EEN] How much of an influence did your experience with other support or funding services have on your decision to engage with EEN? Did your experience affect your expectations going in?

E.7 Counterfactual

Had [EEN/the programme] not been available, do you think you would have been able to get similar support from elsewhere? Please explain why [not]?

[FOR WII / YI SPECIFICALLY AND IF NOT COVERED BEFORE] Have you come across any other business advisory or support specifically tailored to [women/young innovators] before? [IF YES] Have you engaged with them? How did they compare with [the programme] in your view?

E.8 Experience of engagement

Overall, what was your experience of the engagement you had with [EEN/the programme?]. What worked well and less well in the delivery of the support in your view? Is there anything that would have made the engagement more effective, in your view? *Probe for: perceptions of their advisor's experience, knowledge, helpfulness; perceptions of whether the support was sufficiently tailored to individual needs.*

[IF RECEIVED SIMILAR SERVICES AND NOT COVERED ALREADY] How did your experience with [EEN/the programme] compare with other similar advisory and support services you had received before? What aspects of [EEN/the programme] were better and what were worse?

E.9 Outcomes of the engagement

We'd now like to talk about what happened after your engagement with [EEN/the programme]. We'll start by asking for your views in general and then ask about some specific areas of interest for the evaluation, if you haven't already covered them.

General outcomes

Following your engagement with [EEN/the programme], what do you see as the most important outcomes or benefits for your organisation?

- Are these outcomes or benefits that you have already realised, or are they things you expect to happen in the future? If so, when?
- How important do you think the support from [EEN/the programme] was in helping you realise those outcomes? Can you describe specifically how the support helped you to realise them?
- Did anything else either inside the organisation or outside contribute?
- What do you think would have been different if you hadn't received the support from [EEN/the programme]?

Were there any outcomes or benefits you had hoped to achieve from your engagement with [EEN/the programme] which didn't happen or you don't anticipate happening?

- Why do you think those benefits [haven't materialised] / [won't materialise]?
- How much of this do you think is related to [EEN/the programme]? What other factors may have prevented these benefits?
- Could anything have been done differently such that the engagement with [EEN/the programme] would have delivered those benefits?

Overall, did the engagement you had with [EEN/the programme] deliver the results you were hoping for or not? Why [not] in your view?

Specific outcomes

We're now going to ask about some other specific outcomes which, based on what you told us about the support, might have been relevant to your business.

[Interviewer notes: please use judgement about how far these have already been covered in the general section, and indeed whether they are all likely to be relevant to the specific case study, rather than going through the list as a whole. Support will have been tailored to particular benefits so please use judgement based on what the interviewee has told us where the intended outcomes. We can probe for anything else at the end again. In all cases, where people point to an outcome relating to the EEN support, probe for some specific details about how the support helped with this, and whether other factors contributed to the specific outcome. EQX.X in each section relates to specific evaluation question and indicator which informed the question design.]

Markets

[EQ1.1] Did the support from [EEN/the programme] help improve your market knowledge at all – for example, regulatory issues, funding opportunities, business opportunities? [IF YES] In what specific ways did the support help improve your knowledge? Did anything else help you to improve your knowledge besides the support?

[EQ2.2] Since engaging with [EEN/the programme], do you feel like you are now better positioned to take advantage of new market opportunities? [IF YES] In what ways? How much would you attribute this to the support? Did any other factors help?

[EQ2.1] Has your business been able to enter any new product or geographic markets following your engagement with [EEN/the programme]? [IF YES] How, if at all, did the support itself help you to do that and how much was due to other factors?

Partnerships

[EQ1.2, 3.4] Did the support from [EEN/the programme] help you form new partnerships or collaborations? If so, with what types of organisations? How did the support help to unlock these partnerships? Do you think they will sustain into the future?

Innovation and investment

[EQ1.4, 2.10] Did the support from [EEN/the programme] help improve your understanding of innovation management or improve the culture of innovation in your organisation? [IF YES] In what ways did the support help and were other factors important?

[EQ2.7] Following your engagement with [EEN/the programme], did your business change levels of investment spending, for example in R&D or in plant, machinery and equipment?

- [IF YES] How did investment change compared to before your engagement? How specifically did the support influence those changes? How far do you attribute those changes to [EEN/the programme], and what other factors were important?
- [IF NO] Do you anticipate any future changes to investment resulting from your engagement with [EEN/the programme]? If so, when and how much do you expect investment to change? How far do you attribute those changes to [EEN/the programme], and what other factors were important?

[EQ2.8] Following your engagement with [EEN/the programme], did your business raise any additional external funding to support innovation, investment and growth?

- [IF YES] How much, when and from who? How far would you attribute that additional funding to the support you received from [EEN/the programme], and how did the support help specifically? What other factors influenced this?
- [IF NO] Do you anticipate raising any external funding in the future resulting from your engagement? If so when and how much? How far would you attribute that additional expected funding to the support you received from [EEN/the programme], and how did the support help specifically? What other factors influenced this?

[EQ2.9] Did your engagement with [EEN/the programme] help you to generate any Intellectual Property such as patents, trademarks or copyrights?

- [IF YES] What IP was generated? Is this applied for or granted? How far would you attribute this to the support, and how specifically did it help? What other factors influenced this?
- [IF NO] Do you anticipate applying for any IP in the future resulting from your engagement? If so when and what form? How far would you attribute this to the support, and how specifically did it help? What other factors influenced this?

[EQ2.6] Did your engagement with [EEN/the programme] help you to bring any new or improved goods or services to market?

- [IF YES] What new or improved goods or services were delivered? Are these new to the market in your view, or new only to your firm? How far would you attribute this to the support, and how specifically did it help? What other factors influenced this?
- [IF NO] Has your engagement with EEN helped in the process of bringing new products to market at all? How close to market is that? How far would you attribute this to the support, and how specifically did it help? What other factors influenced this?

Business performance

[EQ1.4] Did the support from [EEN/the programme] help improve your understanding of innovation management and business management / business practices? [IF YES] In what ways? How did the support help and were other factors important?

[EQ1.3] Did the support from [EEN/the programme] help improve your organisation's readiness for investment in your view? [IF YES] How did the support help achieve this? What other factors were important?

[EQ1.3] Did the support from [EEN/the programme] help equip your business to grow and scale in your view? [IF YES] How did the support help achieve this? What other factors were important?

[EQ2.3, 2.4] Following your engagement with [EEN/the programme], how has your business's performance changed in terms of turnover and employment? Would you attribute any of this to the support you received from [EEN/the programme]? What specifically in the support you received helped you grow in this way? What other factors do you feel were important to this growth?

[EQ2.3, 2.4] Do you anticipate any future growth in turnover or employment that you would attribute to the support from [EEN/the programme]? How specifically do you think the support received will help you achieve that and when? What other factors will influence this?

[EQ2.4] Did your engagement with [EEN/the programme] have any impact on pay, productivity or the quality of jobs in your organisation? If so how did the support affect those outcomes? What other factors were important?

E.10 Final reflections on outcomes

Thinking about everything we've just discussed, are there any other outcomes or benefits for your business that you would specifically attribute to [EEN/the programme]?

E.11 Closedown

Do you have any other comments or reflections on your experience of [EEN/the programme] and its impact on your organisation?

EEN has now been re-branded as Innovate UK EDGE, a new programme of business advisory support, similar to EEN but fully funded by the UK Government. **Are you aware of Innovate UK EDGE? Have you engaged with it at all to your knowledge? [IF YES] How have you engaged with Innovate UK EDGE?**

Reflecting on your engagement with [EEN/the programme], is there anything you particularly think Innovate UK should offer businesses like yours in terms of advisory and support services that would be particularly impactful?

Is there anyone else in your business or externally that you think we should speak with to get a fuller picture of the issues we have explored in this interview? [IF YES] Would you be willing to put us in touch with them to invite them to participate in this research?

Thank you again for your incredibly helpful participation. That is all the questions I had. **Is there anything else you would like to ask at this stage?**

[STOP RECORDING]

[CLOSE]

Annex F – QCA interview topic guide

F.1 Interviewer instructions

This topic guide is intended to be used in a flexible way. It is not meant to be read out word by word. You should follow up on any emerging theme that would be of value to the research objectives.

For beneficiaries, the goal of these interviews is to understand how EEN activities impacted a business and what this specifically led them to do differently. For non-beneficiaries, the goal is to understand why they didn't take up EEN, what they were hoping to achieve when they sought support, whether they achieved it, what helped/hindered them in achieving it and the contribution EEN may have had to this (had they taken it up).

F.2 Introduction and briefing (3 minutes)

- Thanks for agreeing to take part
- Researcher to introduce themselves & BMG, independent social research agency.
- Explain interviews form part of an evaluation of EEN activities between 2015 and 2020 and we're working on behalf of Innovate UK
- Aim of the evaluation is to explore what difference EEN made to the businesses it supported, how those impacts were generated, and any lessons learned for Innovate UK as it delivers a successor to EEN, Innovate UK EDGE in the coming years
- IF NON-BENEFICIARY: we know that you didn't take up the offer of support from EEN, so we are particularly interested in how you overcame the problems or issues that led you to originally seek support.
- We will not reveal the identity of those who take part in these interviews.
- These interviews will contribute to providing the research team with an understanding of how the EEN programme has impacted businesses and we will combine the findings with those from other case study interviews, secondary data analysis and the quantitative survey that you took part in to feed into the reports we will deliver to Innovate UK.
- There are no right or wrong answers: it's just your views or opinions that count. What you don't know is as important as what you do know.
- We would like to video-record the discussion for the purposes of accurately capturing all the information you share with us. The video will be used for analysis purposes only and will not be shared with anyone outside of BMG Research. All recordings will be securely destroyed on completion of this study.

Provide opportunity for respondent to ask any questions.

Seek permission to video-record. Switch microphone on. Once switched on, confirm that the recording is on for the benefit of the recording.

F.3 Warm Up (5 minutes)

- To start, could you introduce yourself, your role at [ORGANISATION] and how long you have been with the business?
- Could you describe a little about what [ORGANISATION] does? *Probe for: sector, region, position in value chain, size, whether domestic or international, age of organisation, maturity (start up, scaling, etc)*

F.4 Motivations for seeking support and problem identification (15 minutes)

IF BENEFICIARY: From the information we've seen, we understand that [BUSINESS] engaged with EEN through [PARTNER/INTERVENTION] in [PERIOD], and that the support you received was [select all that apply [Information, advice and guidance / support with global partnering and collaboration / Access to finance / key account management / Innovate to Succeed / Scaleup / Young Innovators/ Women in Innovation]]. Is that correct?

IF NON-BENEFICIARY: From the information we've seen, we understand that [BUSINESS] sought support in [PERIOD] for [INSERT WHAT ENQUIRY WAS ABOUT FROM SAMPLE], but that you didn't take up this offer of support. Is that correct?

- Thinking about when you first sought support in [INSERT YEAR]. What was the business problem that you were trying to solve? Was there more than one business problem?
- Were you seeking specific support? If so, what?
- How did you identify the problem or issue within your business? What process did you use?
- What internal factors were present at the time you identified this problem? (e.g. increase/decrease in customers, staffing issues, funding issues etc.)
- What external factors were present at the time you identified this problem? (e.g. Brexit, global supply and demand, competitors etc.)
- How did you decide that you needed to seek support?
- How did you go about seeking that support? Who did you contact and how? Who initiated the contact? Did you contact more than one support service? Probe for:

- National enquiry gateway
- Innovate UK
- EEN
- Direct to EEN partner organisation
- Other government programmes
- Private providers
- How did you first become aware of who you contacted?
- What channels did you use to contact them?
- How did you decide which support, if any, to accept? If you went to multiple sources, how did you decide between them? What factors did you take into consideration?
- Did you consider any other avenues to help with your business problem? If so, what were they?

F.5 Solving the business problem (10 minutes)

- How did your business solve the problem? What actions did you take? Probe for whether more than one action needed to be undertaken and if these actions had a sequence
- What support did you use to help you solve the problem? Who provided this support?
- IF NO SUPPORT USED: How did you solve the problem? What steps did you go through internally?
- IF BENEFICIARY: Were there any specific aspects of the EEN support that you used to solve the problem? Probe for, where appropriate:
 - IP, regulatory and standards guidance
 - Information on working and trading abroad
 - Introductions to global partners
 - Advice and signposting on access to finance
 - Coaching
- Did you use support from more than one source? If so, did the support complement each other?

- How did this support help you to solve the problem?

F.6 Outcomes and impacts (15 minutes)

- Was the support that you received helpful? Which elements were the most helpful?
- Did you solve the problem? Has it been fully solved?
- What specific outcomes were achieved? Probe for, where appropriate:
 - Increased market knowledge and awareness
 - New global partnership agreements
 - Increased investment readiness
 - Improved business processes and practices
 - Better innovation capacity and capability
 - Funding secured
 - New R&D investments made
 - Access to new markets and clients
 - Increased turnover, profits, GVA, exports and productivity
 - Increase in high value jobs created/retained
 - Enhanced innovation culture
 - New IP, new products or new cost savings
 - Increased green innovation
 - Funding secured to leverage additional funding
- Did the support you received help with any other problems or issues your business had? If so, what problems?
- Did the support impact your spend on R&D at all? If so, how?
- Did the support impact your knowledge sharing and collaboration with other businesses? If so, how?

F.7 Lessons learnt (5 minutes)

IF BENEFICIARY:

- How could the support have been improved? Probe for:
 - Timeliness
 - Content
 - delivery partner
 - mode of delivery

IF NON-BENEFICIARY:

- Do you think that it would have made a difference if you had accepted support from EEN? If so, what difference do you think it would have made?

F.8 Wrap Up (2 minutes)

- Is there anything else that you would like to say about the EEN programme? Do you have any further comments or feedback?

Thank and close

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