Evaluation of Account Managed Clients for Coventry & Warwickshire Growth Hub

ERC Research Report

October 2025

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Professor Mark Hart
Enterprise Research Centre
Warwick Business School
mark.hart@wbs.ac.uk

Dr Neha Prashar
Research Associate
Enterprise Research Centre
n.prashar14@aston.ac.uk

Adam Hardy
The Productivity Institute
adam.hardy@manchester.ac.uk

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EXECUTIVE SUMMARY

- The Coventry & Warwickshire Growth Hub (C&WGH) is held up as an 'exemplar' Growth Hub, that is, an ideal model to be rolled out. Account Management (AM) is at the heart of Coventry and Warwickshire Growth Hubs. This evaluation of their business support activities seeks to demonstrate the difference between businesses who engaged with the GH compared with those who did not, and to identify wider findings around how the delivery model enables clients' performance. Using publicly available data from a commercial firm-level dataset, financial information and some basic demographic data a comparable control group was created.

- A Theory of Change (ToC) was developed for the AM programme which highlighted the following individual firm outcomes:
    - Increased awareness of business support system and navigation within it
    - Improved understanding of strengths and weaknesses of their business
    - Increased confidence and resilience
    - Outcome driven solutions provided by either private or public sectors
    - Adoption of new management and leadership practices
    - Increased innovation activity, access to new markets
    - Improved business performance – Jobs Created and Safeguarded; Private sector investment; GVA
    - Improved networks and long-term relationships with business support providers

- These outcomes are designed to lead to the following impacts:
    - increased turnover, employment, productivity, and greater business resilience of small businesses in the C&W area
    - increased 'scale-ups' and fast-growing businesses locally

- Two cohorts of Account Managed (AM) firms were analysed as part of this evaluation – Active and Engaged Maintenance firms. Using the data provided by C&WGH, companies were matched to an extensive database of UK firms provided by DataGardener. Their database includes a multitude of financial variables over time, allowing a time-series analysis of AM firms.

- When focusing on a 'balanced' panel of firms and growth rates, Engaged Maintenance firms have stronger growth than Active firms for nearly all metrics except for productivity, which is arguably the most important metric in addressing the ongoing productivity problem at local and national level.
    - Despite active firms having a higher level, the growth rate of turnover is higher for engaged maintenance firms (32.03% vs 45.68%).
    - This is also the case for average number of employees.
    - However, when looking at average productivity, engaged maintenance firms have higher productivity levels but have a lower growth rate (14.92%) than active firms (28.81%).

- Staggered Difference-in-Differences (DiD) was used to compare groups that received the AM intervention with those that have not based on multiple treatment periods. This gives a much more robust analysis of the AM impact over time. Staggered DiD also aids in making best use of all the data available and is more akin to real-world situations, where not every group is treated at the same time. Staggered DiD provides a very useful estimation; the Average Treated Effect on the Treated.

- Two sets of staggered DiD models are estimated; unconditional and conditional. Unconditional runs the model without any control variables, while conditional adds controls for location, age and sector of firms. The majority of significant results are in the conditional model for the Active group are negative and significant **but the employment coefficient is positive and significant for this group. This means that on average, the treatment increased the number of employees by 12 among the AM relative to the control.**

- However, these results should be treated with caution due to the large number of firms treated in 2024. These firms have no post treatment period so would not have been analysed in the model. However, this analysis can be repeated on an annual period going forward with very little resource needs to confirm this positive employment conclusion and to identify other economic benefits over a longer time period.

- A roundtable with 18 business leaders was held on 17th April 2025 to better understand their experience with their Account Manager and the wider support received from the Coventry and Warwickshire Growth Hub. The leaders were from a range of sectors and had varying degrees of interaction with the Growth Hub to date.

- Their views can be summarised as follows:
  - They were forthcoming in sharing their experiences of the support offered by their Account Manager, the Growth Hub and the wider business support ecosystem. They expressed frustration with the fragmented system of support often not knowing where to turn to for support or even on occasion who was providing the support they had received. They emphasised the importance of personalized support tailored to their needs.

  - Participants were though highly complementary of the AM approach employed by C&WGH, particularly the role the AMs play in getting to know them as leaders and their business. This enabled them to diagnose appropriate support and navigate the current system and its plethora of intermediaries.

  - They were also able to cite several other benefits because of their AM support both to them personally as leaders but also to their business and its wider workforce. These ranged from **increased skills and confidence, a more engaged and efficient workforce, expanded premises and new machinery all leading to higher sales and turnover.**

  - **Additionality** - the consensus amongst the group was that where these impacts had occurred, they would either not have happened at all or not at the same scale or pace, without the help of their AM and the Growth Hub more generally.

  - Unsurprisingly given their positive experience, all of the those present advised that they would **recommend the AM and the Growth Hub to other businesses**. Indeed, several indicated that they already had. There were also numerous examples of where the initial support from their AM had led to themselves seeking further support from other intermediaries or would do so in the future.

  - **Paying for Business Support**: on the whole group made two key points. Firstly, they would be willing to pay for support that they deemed good value, and so cost was not a barrier in and of itself. But they felt it was often difficult to assess what was and wasn't good value until they had experienced support. Therefore, free support or a recommendation from an independent source such as the Growth Hub was seen as crucial particularly when seeking support for the first time.

1. INTRODUCTION

1.1 Preamble

The Coventry & Warwickshire Growth Hub (C&WGH) is held up as an 'exemplar' Growth Hub, that is, an ideal model to be rolled out. They approached the Enterprise Research Centre (ERC) to commission an evaluation of their business support activities to demonstrate the difference between businesses who engaged with the GH compared with those who did not, and to identify wider findings around how the delivery model enables clients' performance. Account Management is at the heart of Coventry and Warwickshire Growth Hubs b& and gained support, compared with those firms that did not receive any C&WGH support.

Using publicly available data from a commercial firm-level dataset, financial information and some basic demographic data will be obtained to create a comparable control group. The econometric analysis (Difference-in Difference models - DiD) will seek to show how Account Managed firms compare with a matched group of non-assisted firms (created through Propensity Score Matching - PSM) in terms of turnover, employment and productivity growth over a discrete period of time.

A series of recommendations for further work on the Account Managed group of firms are developed.

1.2 Project Stages

Stage 1: Project inception to include the development of a Logic Model (Theory of Change) for the Account Managed (AM) portfolio of firms; assess the robustness of the internal data on this group of firms and agree the approach to be taken for the econometric analysis of performance (e.g., time periods; definition of control groups; types of support).

Stage 2: Linking the Account Managed (AM) firms to one of the two commercial datasets which the ERC currently holds licences for. The first task is to provide descriptive statistics on these firms and then to undertake matching analysis (e.g., Propensity Score Matching – PSM) to construct a suitable control group. The next step is to assess the impact of the support provided for this AM group of firms by running Difference-in-Difference (DiD) models for overall support and for articular types of support if the data is available for these firms. DiD models are the standard way of comparing treated and un-treated groups of firms but that depends on the ability to define a clear timing of the support intervention. This can be discussed at the inception meeting.

Stage 3: The final output is a report and presentation outlining the impact of the C&WGH support offered through the Account Managed portfolio using econometric data-linking techniques. This will include a series of recommendations for the operation of the AM intervention and to suggest further evaluation steps to include some qualitative research to understand more
clearly how the support works in practice.

1.3 Theory of Change

A Theory of Change (ToC) describes how an intervention, such as the Account management approach in C&WGH is intended to work or how it is expected to achieve its desired outcomes and impacts. It does this by mapping the (anticipated) causal chain of steps from inputs to activities, to outputs, outcomes and, lastly, to impacts.

Based on discussions with the C&WGH and desk review of the documents available Figure 1 sets out a ToC for the Account Management programme and shows its structure, delivery and the results that would be expected to be achieved for participants following completion of the

intervention. It sets out the key objectives of the intervention and the causal mechanisms from which they should flow; from the inputs and activities through to outputs and ultimately the intended outcomes. These outputs and outcomes can range from immediate or short term results for the individual, for example, greater awareness of the support on offer, to longer term results at the firm level such as increased resilience or improved performance and productivity.

The ToC also sets out the rationale behind the programme and the overall objectives that are being aimed for. In addition, it includes the barriers that must be overcome and the mitigating factors that will enable the intervention to realise its potential benefits for participants.

Coventry and Warwickshire Account Management: Theory of Change

Objectives To ensure C&W businesses can navigate and access appropriate business support in order to fulfill their growth potential and that of the region
1. Increasing awareness amongst businesses of the type and location of support on offer
2. Identify skills and capability gaps within the business community
3. Build long term relationships between businesses and the wider support ecosystem
4. Driving change across the business population, increasing resilience

Impact: Increased turnover, employment and productivity of SMEs

Inputs

Staff
- C&W GH staff and account managers, partner and provider organisations.
- Knowledge and expertise from account managers

Financials
- C&W funding

Infrastructure / Facilities
- IT infrastructure e.g. CRM, knowledge hub systems
- Business guides and support content

Firms especially SMEs lack the resources to navigate the current support offer without expert help

Businesses lack awareness of their own capability gaps

Lack of understanding of the benefit support can bring

Supporting Activities
- Marketing and promotion of account management offer
- Recruitment and onboarding
- Diagnostic of business capabilities, gaps and support requirements
- Signposting to relevant existing business support
- Post activity follow up and access to future support and events

Marketing & promotion are effective

Sufficient supply of account managers with relevant skills

Firms understand the benefits of account management and uptake is strong

Outputs
- No. of businesses engaged on account management offer
- No of businesses diagnostics undertaken
- No. of businesses signposted to offers of support
- No. of businesses engaged post activity follow up

Individual benefits translate to organisation benefits

Support is tailored to address needs

SME outcomes

Individual
- Increased awareness of business support system and navigation within it
- Improved understanding of strengths and weaknesses of their business
- Increased confidence and resilience

Organisation
- Adoption of new management and leadership practices
- Increased innovation activity, access to new markets
- Improved business performance
- Improved networks and long term relationships with business support providers

Routes to business benefits

Diagnostics identify gaps in capabilities and areas for improvement and support

+

Account manager provides challenge but also motivation and confidence to the firm

SMEs willing to talk openly about challenges with account managers

2. ACCOUNT MANAGED CLIENT PROFILE

Two cohorts of Account Managed (AM) firms were analysed as part of this evaluation – Active and Engaged Maintenance firms. Using the data provided by C&WGH, companies were matched to an extensive database of UK firms provided by DataGardener[1]. Their database includes a multitude of financial variables over time, allowing a time-series analysis of Account Managed firms.

In order to create a panel of firms, the entire data available for each cohort was analysed to assess which years contained enough observations to make meaningful results. Subsequently, data was cleaned to include only those firms with data in 2020 and 2023. These years were chosen based on the number of observations available each year. After this, two types of panels were created for each cohort. The first focuses on firms that have data in 2020 and 2023 by each metric (Turnover, employment etc). In this panel, the number of observations for each metric may differ. The second panel contains firms that have data in 2020 and 2023 and data for all the metrics. In this panel, the number of observations is the same for each metric as this looks at the same firms. The latter will be the focus of this report, while the former will be available to view in a separate spreadsheet.

Table 1 shows the number of firms initially versus the number of firms used as part of the panel analysis. The retention of firms was better for the Active cohort with 67.5% kept, while for the Engaged Maintenance, 62.7% were kept in the analysis.

Table 1: Number of Observations in Active and Engaged Maintenance Cohorts

		Number of Firms
Active	Initial No. of firms	117
	No. of firms matched	107
	Data available for 2020 and 2023	79
Engaged Maintenance	Initial No. of Firms	466
	No. of firms matched	458
	Data available for 2020 and 2023	292

Source: DataGardener
Note – one firm (ZPN Energy), appeared in both the Active and Engaged Maintenance data.

2.1 All Firms – Active and Engaged Maintenance Profile

Initially, the entire matched dataset of firms was analysed, separately for active and engaged maintenance, based on the available financial information from Data Gardener. The incorporation dates of firms ranged from 1950 to 2021 for the Active cohort and 1936-2023 for the Engaged Maintenance cohort. A majority of firms in both cohorts were born after the year 2000.

Table 2 shows the Sector (SIC Codes) of firms. The largest sector group of firms (43.9% for Active and 25% for Engaged Maintenance) are in the Manufacturing sector, followed by 15% in the wholesale and retail trade; repair of motor vehicles and motorcycles sector for Active firms and 16.8% in professional, scientific and technical activities.

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[1] DataGardener is a business intelligence platform with the largest UK company database, providing information on more than 16 million companies in the UK. It provides data intelligence on financial information, property ownership, credit information, contact information, international trade, supplier diversity, and other areas of business on all the companies in the UK. https://datagardener.com/

Table 2: Sector Breakdown of Firms

Industry	No. of Active Firms	No. of Engaged Maintenance Firms
Accommodation And Food Service Activiti	3	9
Administrative And Support Service Acti	11	46
Agriculture Forestry And Fishing	0	3
Arts, Entertainment And Recreation	4	14
Construction	7	29
Education	0	14
Financial And Insurance Activities	0	3
Human Health And Social Work Activities	1	13
Information And Communication	5	43
Manufacturing	47	115
Other Service Activities	1	12
Professional, Scientific And Technical	8	77
Public Administration And Defence; Comp	0	2
Real Estate Activities	0	8
Transportation And Storage	3	11
Water Supply, Sewerage, Waste Management	1	2
Wholesale And Retail Trade; Repair Of Motor Vehicles	16	57
Total	107	458

Source: DataGardener

## 2.2 All Firms – Active and Engaged Maintenance Performance

Looking at the financial data, Tables 3-8 show the averages per year of turnover, number of employees, productivity (turnover per employee), current assets, fixed assets and net worth, respectively, for both the Active and Engaged Maintenance cohorts, followed by their respective line graphs. From Table 3 and Figure 1, there is a similar trend for both Active and Engaged Maintenance firms, where there is a dip in 2020 and slow recovery up to 2023. Active firms consistently had higher average turnover than Engaged Maintenance firms.

Table 3: Average Turnover per year

	Active		Engaged	
	Average Turnover	No. of firms	Average Turnover	No. of firms
2018	£4,040,795	85	£2,999,107	315
2019	£3,943,585	92	£3,140,238	331
2020	£3,433,665	91	£3,022,756	351
2021	£3,780,733	97	£3,297,733	372
2022	£4,255,851	101	£3,574,633	389
2023	£4,541,747	102	£3,758,680	397
2024	£4,292,501	66	£3,081,065	234

Source: DataGardener

Figure 1: Average Turnover per Year

Average Turnover

Legend: Active Average Turnover, Engaged Average Turnover
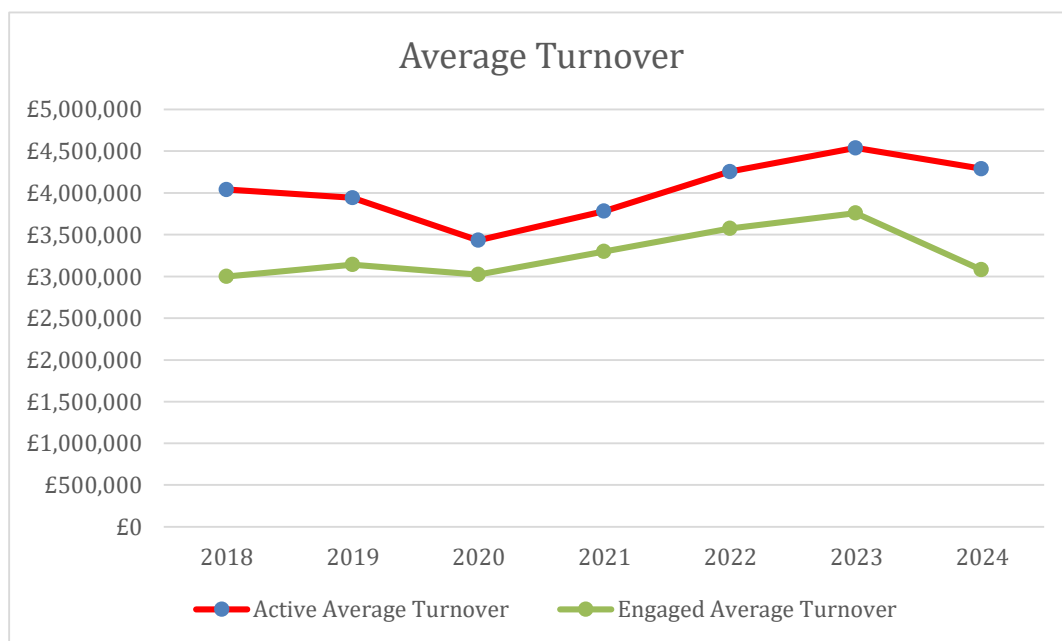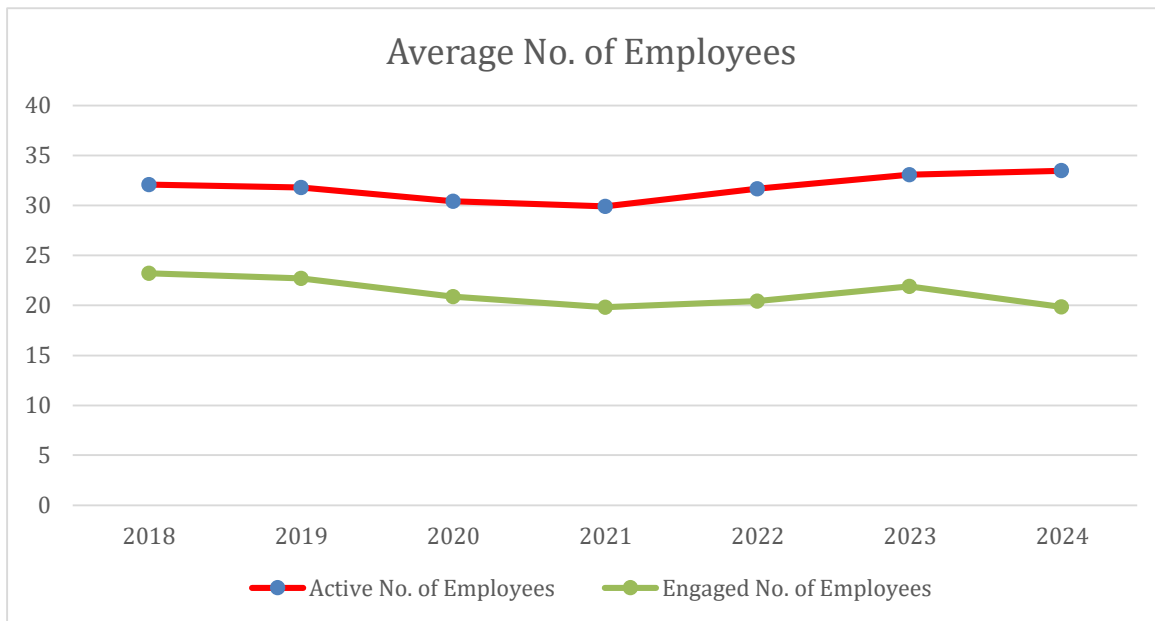
Source: DataGardener

Table 4 and Figure 2 shows the average employment levels for each year. This has stayed between 30-33 for Active firms and 20-23 for Engaged Maintenance firms. Similar to turnover, the trends follow each other, and Active firms have consistently higher employment levels.

Table 4: Average Number of Employees per year

	Active		Engaged	
	No. of Employees	No. of Firms	No. of Employees	No. of Firms
2018	32	75	23	272
2019	32	86	23	317
2020	30	90	21	357
2021	30	95	20	383
2022	32	100	20	404
2023	33	101	22	410
2024	33	66	20	243

Source: DataGardener

Figure 2: Average No. of Employees per Year


Average No. of Employees

Source: DataGardener

Table 5 and Figure 3 show average productivity per year. Active firms have consistently higher productivity levels than Engaged Maintenance firms. This gap was particularly wide between 2020 and 2022 but reduced between 2023 and 2024.

Table 5: Average Productivity per year

	Active		Engaged	
	Average Productivity	**No. of Firms**	**Average Productivity**	**No. of Firms**
2018	£144,111	73	£163,673	259
2019	£138,937	85	£188,474	295
2020	£126,026	85	£189,322	333
2021	£162,905	92	£216,007	353
2022	£178,142	95	£227,064	371
2023	£166,011	96	£193,646	378
2024	£173,382	63	£210,837	219

Source: DataGardener

**Figure 3: Average Productivity per year**
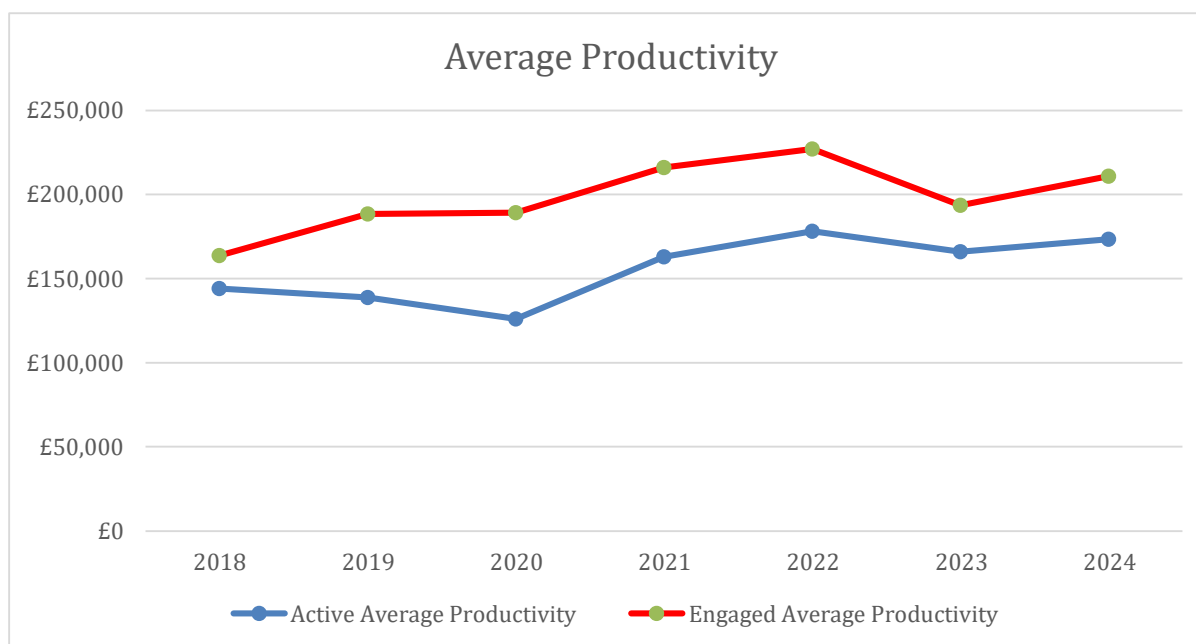
Source: DataGardener

Table 6 and Figure 4 show the average current assets per year for Active and Engaged Maintenance cohorts. Similar to previous metrics, Active has consistently higher current asset levels than Engaged Maintenance firms, with a much smaller gap in 2021 but a larger gap in 2024.

Table 6: Average Total Current Assets per year

	Active		Engaged	
	Average Total Current Assets	**No. of firms**	**Average Total Current Assets**	**No. of firms**
2018	£1,584,054	88	£1,328,780	335
2019	£1,668,031	94	£1,348,050	361
2020	£1,693,657	97	£1,367,495	386
2021	£1,851,069	101	£1,732,241	412
2022	£1,933,184	107	£1,675,442	430
2023	£2,070,558	107	£1,723,025	435
2024	£1,910,830	69	£1,347,915	262

Source: DataGardener

Figure 4: Line Graph of Average Current Assets per year
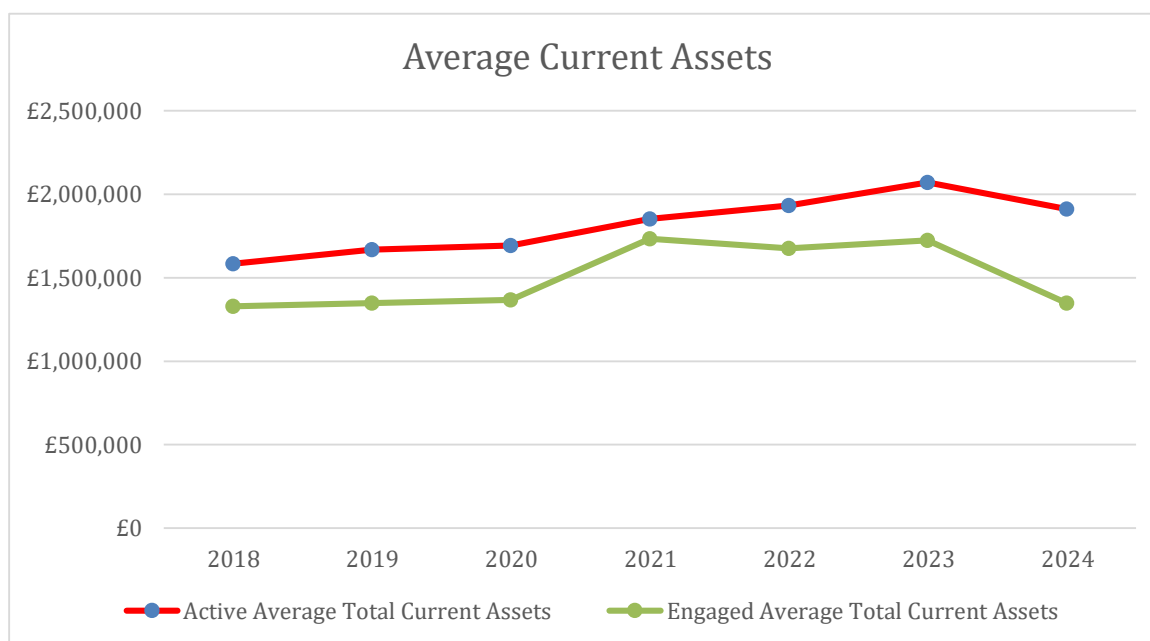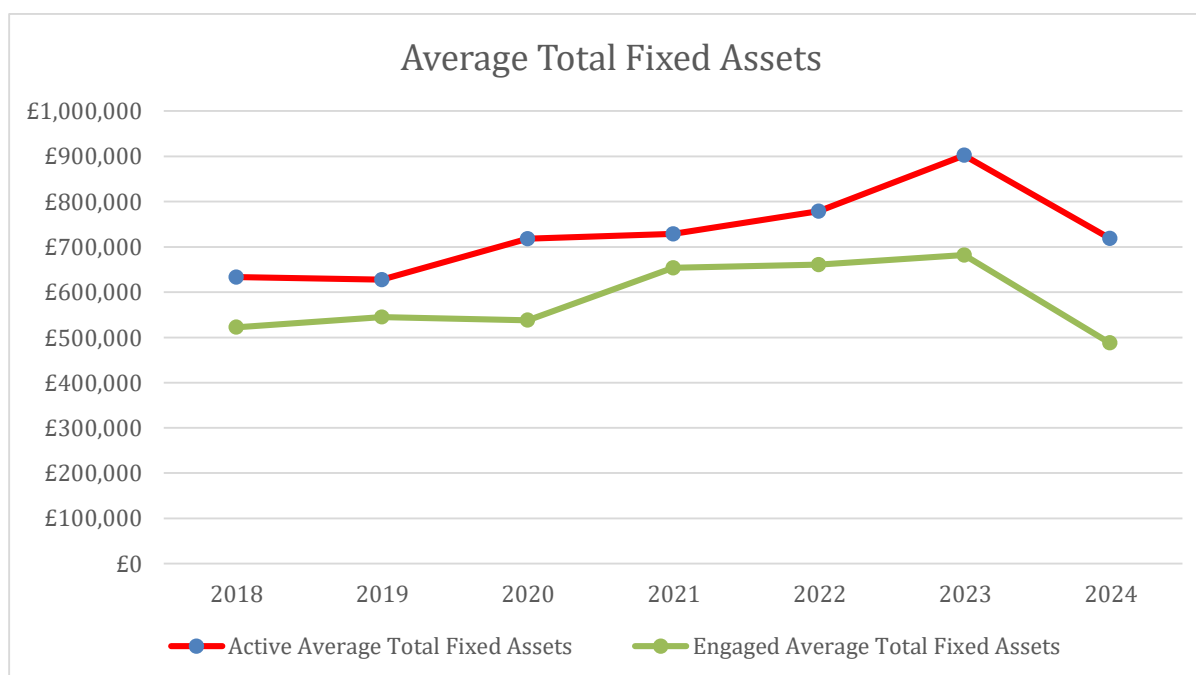

Source: DataGardener

Average total fixed assets are shown in Table 7 and Figure 5. The pattern is the same as other metrics where Active firms are preforming better than Engaged Maintenance firms. Both experience a dip a large dip in assets in 2024.

Table 7: Average Total Fixed Assets per year

	Active		Engaged	
	Average Total Fixed Assets	**No. of firms**	**Average Total Fixed Assets**	**No. of firms**
2018	£633,376	83	£522,696	322
2019	£627,521	90	£544,675	339
2020	£718,049	95	£537,957	358
2021	£728,629	99	£653,536	387
2022	£779,186	105	£660,594	409
2023	£902,304	106	£682,134	415
2024	£718,697	67	£487,669	245

Source: DataGardener

Figure 5: Average Total Fixed Assets per year


Average Total Fixed Assets

Source: DataGardener

Finally, Table 8 and Figure 6 show the overall average net worth of firms in each cohort. Although Active firms perform better in 2018 to 2020, this changes in 2021, when the average net worth of Engaged Maintenance firms is higher. However, this doesn't remain to be the case for subsequent years.

Table 8: Average Net Worth per year

	Active		Engaged	
	Average Net Worth	**No. of Firms**	**Average Net Worth**	**No. of Firms**
2018	£981,741	88	£462,009	338
2019	£1,042,211	94	£622,647	366
2020	£1,041,011	97	£646,842	391
2021	£1,095,913	101	£1,108,914	419
2022	£1,016,494	108	£1,013,871	439
2023	£1,134,520	108	£915,187	441
2024	£1,172,950	69	£728,938	266

Source: DataGardener

Figure 5: Average Net Worth per year
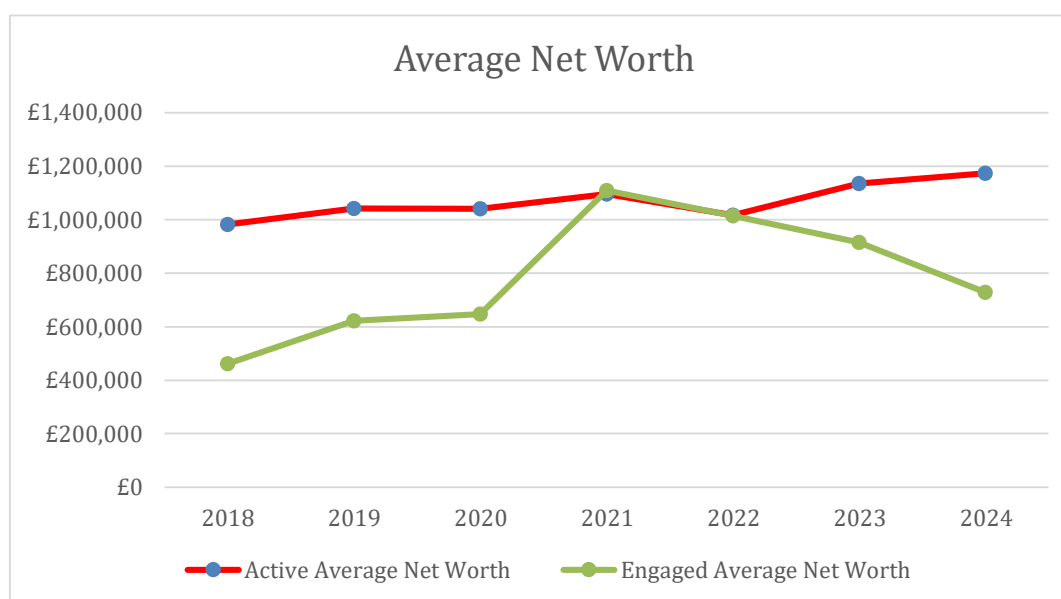
Source: DataGardener

This section gives a brief overview of both cohorts of treated firms. There appears to be similar trends followed across some of the key metrics, however, due to firms entering and leaving the market and missing data points, it is difficult to ascertain the exact trend of treated firms. Therefore, the next section focuses on a balanced panel of firms for each cohort.

2.3 Panel Data Analysis

To get a better picture of how firms have been performing, a 'balanced' panel of firms that have no missing information on key metrics in 2020 and 2023 were created and so we can track the same firms over time. These years were chosen based on the number of observations available[2].

Table 9 outlines the average key metrics for 2020 and 2023 and the subsequent growth rates. The firms are the same each year and for each metric in both cohorts, there is growth. This is better illustrated in Figure 6, which shows the growth rates for each metric. The key points can be summarised as follows:

- Despite Active firms having a higher level, the growth rate of turnover is higher for Engaged Maintenance firms (32.03% vs 45.68%).
- This is also the case for average number of employees.
- However, when looking at average productivity, Engaged Maintenance firms have higher productivity levels but have a lower growth rate (14.92%) than Active firms (28.81%).
- Average current assets grew much more for Engaged Maintenance firms (43%) when compared with Active firms (24.25%), while average fixed asset growth was approximately the same (~ 36%).
- Finally, net worth was higher for Engaged Maintenance firms (27.48%) compared with Active firms (10.39%).

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[2] There were not sufficient observations for the panels in 2024.

Table 9: Key Metrics and Growth Rates of Panel Firms: Active and Engaged Maintenance

	Active		Engaged Maintenance	
	Average Turnover	**No. of firms**	**Average Turnover**	**No. of firms**
2020	£3,767,231	80	£2,991,141	293
2023	£4,974,052	80	£4,357,446	293
	Growth Rate		**Growth Rate**	
2020-2023	32.03%		45.68%	
	No. of Employees	**No. of firms**	**No. of Employees**	**No. of firms**
2020	33	80	23	293
2023	38	80	28	293
	Growth Rate		**Growth Rate**	
2020-2023	14.21%		19.23%	
	Productivity	**No. of firms**	**Productivity**	**No. of firms**
2020	£120,332	80	£177,802	293
2023	£155,002	80	£204,323	293
	Growth Rate		**Growth Rate**	
2020-2023	28.81%		14.92%	
	Average Total Current Assets	**No. of firms**	**Average Total Current Assets**	**No. of firms**
2020	£1,887,940	80	£1,536,233	293
2023	£2,345,818	80	£2,196,817	293
	Growth Rate		**Growth Rate**	
2020-2023	24.25%		43.00%	
	Average Total Fixed Assets	**No. of firms**	**Average Total Fixed Assets**	**No. of firms**
2020	£806,474	80	£501,679	293
2023	£1,094,946	80	£682,415	293
	Growth Rate		**Growth Rate**	
2020-2023	35.77%		36.03%	
	Average Net Worth	**No. of Firms**	**Average Net Worth**	**No. of Firms**
2020	£1,114,875	80	£909,561	293
2023	£1,230,736	80	£1,159,465	293
	Growth Rate		**Growth Rate**	
2020-2023	10.39%		27.48%	

Source: DataGardener

Figure 6: Percentage Growth Rates (2020-2023) of Key Metrics for Active and Engaged Maintenance Firms

Source: DataGardener

These results contrast with the previous section, where Active firms, when looking at the raw data, appeared to be performing better. When focusing on a panel of firms and growth rates, Engaged Maintenance firms have stronger growth for nearly all metrics except for Productivity, which is arguably the most important metric in addressing the ongoing productivity problem at local and national level.

2.4 Comparison Group for Active and Engaged Maintenance Firms

As part of this evaluation, a group of comparable firms to the Active and Engaged Maintenance AM firms was selected to facilitate comparative analysis and assess the programme's effectiveness. DataGardener provided a list of these comparable firms, based on similar location, same sectors (based on SIC codes) and age of firms with up to 10 years' worth of data. Data is analysed using a staggered difference in difference estimation, using both unconditional and conditional models, to account for the differing treatment periods. This analysis calculates an Average Treatment Effect on the Treated (ATET), which looks at the effect of the treatment only on those that were actually treated.

Number of Firms used in each analysis.

Table 10 outlines the number of firms during the data cleaning process for the panel of treated and comparable firms. Initially, there are 707 comparable firms for the Engaged Maintenance group and 189 comparable firms for the Active group. As there were firms with missing data in particular years, only those firms who had recorded data in 2020 and 2023 were kept in the datasets. These years were chosen due to the higher number of observations available for analysis. This resulted in 489 comparable firms for Engaged Maintenance and 157 comparable firms for Active.

It was noted that the comparable groups for both Active and Engaged Maintenance had higher employment and turnover levels in 2020 than the treated groups. Thus, to make the groups more comparable, only firms with less than £10m in turnover and those with less than 100 employees were in 2020 were included in the analysis. These turnover and employment levels were chosen based on the range of these variables for the treated groups. The final number of firms used in the panel analysis is shown in (3) of Table 10.

Table 10: Number of observations used in the analyses.

2020-23	Active		Engaged Maintenance	
	Control	Treated	Control	Treated
(1) Initial no. of firms	189	107	707	458
(2) No of firms after removing missing data	157	70	489	287
(3) No of firms after turnover and employment restrictions	71	67	293	279

Source: DataGardener

Average of Key Metrics: 2020 & 2023 Panel

Tables 11-13 provide the average turnover, employment and productivity growth rates for the control and treatment groups for Active and Engagement Maintenance cohorts. The growth rates are the growth in averages from 2020 to 2023. In Table 11, average turnover is lower for both the Active and Engaged Maintenance cohorts than for the control group. There is a large growth rate for the control firms in comparison to the Active treated firms (96.34% vs 69.71%). Similarly, the Engaged Maintenance control firms also have a much larger growth rate of 114.10%, over double that of the treated firms, with only 50.48%.

Table 11: Average Turnover Growth Rates using Panel of Firms

Active	Control		Treatment	
	Average Turnover	Number of firms	Average Turnover	Number of firms
2020	£5,347,984	71	£1,682,899	67
2023	£10,500,000	71	£2,856,105	67
	Growth Rate		Growth Rate	
2020-2023	96.34%		69.71%	

Engaged Maintenance	Control		Treatment	
	Average Turnover	Number of firms	Average Turnover	Number of firms
2020	£2,506,689	293	£1,512,099	279
2023	£5,366,929	293	£2,275,449	279
	Growth Rate		Growth Rate	
2020-2023	114.10%		50.48%	

Source: DataGardener

When focusing on employment, similar to turnover, Table 12 shows that the number of employees is higher in both the Active and Engaged Maintenance cohorts for the control groups when compared with the treatment groups. Growth rates are higher for the treated group in the Active cohort when compared with the control group. However, this is not the same for the Engaged

Maintenance group, where employment growth rate is half that of the control group for the treated group.

Table 12: Average Employment Growth Rates using Panel of Firms

Active	Control		Treatment	
	Number of Employees	Number of firms	Number of Employees	Number of firms
2020	38	71	20	67
2023	50	71	27	67
	Growth Rate		Growth Rate	
2020-2023	31.58%		35.00%	
Engaged Maintenance	Control		Treatment	
	Number of Employees	Number of firms	Number of Employees	Number of firms
2020	19	293	13	279
2023	25	293	15	279
	Growth Rate		Growth Rate	
2020-2023	31.58%		15.38%	

Source: DataGardener

Table 13 presents the averages and growth rates of productivity. Again, the productivity averages are higher for the control groups when compared with the treated groups for both cohorts. Due to the large differences seen in turnover in Table 2, there are large differences in growth rates, with growth rates being much higher for the control groups.

Table 13: Average Productivity Growth Rates using Panel of Firms

Active	Control		Treatment	
	Productivity	Number of firms	Productivity	Number of firms
2020	£222,200	71	£106,736	67
2023	£436,298	71	£141,291	67
	Growth Rate		Growth Rate	
2020-2023	96.35%		32.37%	
Engaged Maintenance	Control		Treatment	
	Productivity	Number of firms	Productivity	Number of firms
2020	£198,501	293	£189,286	279
2023	£334,162	293	£198,488	279
	Growth Rate		Growth Rate	
2020-2023	68.34%		4.86%	

Source: DataGardener

Staggered Difference in Difference

A common and well-used method to evaluating the impact of treatment and intervention is to combine Propensity Score Matching (PSM) with a Difference-in-Differences approach. This method matches treated firms with untreated firms based on a group of similar characteristics, based on variables available in the dataset, allowing for more comparable outcomes. While this works very well with one treatment period, it's not ideal or robust when groups are treated at different times. This is the case with this evaluation.

As a result, a method called Staggered Difference-in-Differences (DiD) is used instead. This approach is useful when treatment does not happen all at once as staggered DiD allows us to compare groups that received the intervention with those that have not been treated yet based on multiple treatment periods. This gives a much more robust analysis of the AM treatment's impact over time. Staggered DiD also aids in making best use of all the data available and is more akin to real-world situations, where not every group is treated at the same time. Staggered DiD provides a very useful estimation; the Average Treated Effect on the Treated. This will be presented to assess the impact of the treatment.

Table 14 shows the different treatment years for both the Active and Engaged Maintenance cohorts. There are clear differences between both cohorts, where a majority of firms receive treatment in 2024, while for engaged maintenance firms, a majority of firms received treatment in 2020.

Table 14: List of treatment years

Treatment Year	Number of Firms (Active)	Number of Firms (Engaged Maintenance)
2014	1	3
2015	3	8
2016	5	13
2017	3	15
2018	9	29
2019	3	56
2020	12	96
2021	19	83
2022	6	33
2023	14	40
2024	32	45
Total	**107**	**421**

In addition to turnover, employment and productivity, growth variables are also analysed. These is yearly growth rates (2014-15, 2015-16 etc). For Turnover and Productivity (turnover/employment), the logarithms are calculated to adjust for large numbers. Two sets of staggered DiD models are estimated; unconditional and conditional. Unconditional runs the model without any control variables, while conditional adds controls for location, age and sector of firms. The results are shown in Table 15.

The majority of significant results are in the conditional model for the Active group, where log(productivity), log(turnover growth) and log(productivity growth) are negative and significant, and **<u>employment is positive and significant.</u>** However, these results should be treated with caution due to the large number of firms treated in 2024. These firms have no post treatment period so would not have been analysed in the model. In addition to this, the number of firms

treated in each year is very small and with the use of controls in the conditional model, the robustness and accuracy of this model is less than optimum.

For the Engaged Maintenance group, only the unconditional model for log(turnover) was significant at a 10% level, suggesting that treatment decreased turnover by approximately 18% on average for the treated group, compared to what would have occurred without the intervention. However, when controlling for location, age and sector, this significance disappears. The rest of the results are insignificant.

Table 15: Average Treatment Effect on the Treated

ATET	Active		Engaged Maintenance	
	Unconditional	Conditional	Unconditional	Conditional
Log_Turnover	-0.045	-0.253	-0.181*	0.034
Employment	**3.218**	**12.537*****	-1.823	-1.967
Log_Productivity	0.169	-0.943***	-0.197	-0.322
Log_Turnover Growth	-0.036	-0.601***	-0.050	0.126
Employment Growth	-0.002	0.073	0.168	0.558
Log_Productivity Growth	-0.148	-0.678***	0.009	0.197

***10% significance level, **5% significance level, *1% significance level

3. ACCOUNT MANAGED CLIENT VIEWS

3.1 Background

A roundtable with 18 business leaders was held on 17th April 2025 to better understand their experience with their Account Manager and the wider support received from the Coventry and Warwickshire Growth Hub. The leaders were from a range of sectors and had varying degrees of interaction with the Growth Hub to date. The findings of the discussion are set out below.

3.2 Nature of the relationship

Motivation for seeking support/ where and they first became aware of support

There was a mix of reasons and motivations for the business leader's interaction with the Growth Hub. Some had previously been involved with the Hub (or a previous incarnation of it). One business had been approached direct from the Hub offering help after they had been highlighted in the local media.

Others had been to events where either the Growth Hub was present or someone there had mentioned or recommended they seek support from the Hub. Another mentioned that it was during Covid that they became aware of the Hub and their support.

Nature of the support received

In terms of the actual support received there was a broad range. Financial support was a common theme in the form of grants to enable new premises or plant and machinery. Help with training and upskilling staff was also mentioned as was general advice on running their business.

Overwhelmingly the firms attending the roundtable described a key feature of the support from the GH as being their ability to help businesses navigate through the array of support available. This included both being made aware of what support was out there but also whether they qualified or not (this was especially the case for financial help such as grants)

Respondents universally cited strong frustration with how fragmented the business support system was. Having an Account Manager (AM) from the Growth Hub who could help diagnose what they needed, their eligibility and facilitate next steps was in their view a huge help to them as individuals and to their business.

In particular, the ability to speak to the same person who got to know them and their business and could tailor the appropriate advice and support was cited as being a crucial feature of the support.

As one respondent put it:

"*its great now having regular emails highlighting what support is out there which I can pick and choose what I might like. But I needed that initial relationship with my AM to help me understand what was out there and what was suitable for me and where to go.*"

Another person added to that:

"*I agree – what I really value is my AM building a longstanding relationship with me. I trust them now, they know me, what I've done and what I need.*"

In addition, there was specific praise for the role that C&WGH play. One business who has operations across multiple regions stated:

"*Dealing with the guys in Coventry has been a breath of fresh air! Its not like this in my other site*"

Other features of the AM support that were noted as well received by the businesses was the firm diagnostic, gap analysis and mapping of support. This was consistent with the positive reception for the tailoring of potential support available to firm needs and the help with navigating the business support system.

3.3 Future improvements

In terms of improvements to the current support offered, the business leaders had several suggestions. There was a strong desire to see more **stability** within the ecosystem with several individuals expressing frustration with agencies, programmes and institutions being regularly changed or withdrawn often with little notice.

Some expressed the notion that to a degree some change is to be expected within the political cycle but that should not come at the expense of enabling firms to plan and understand the support on offer.

There was also a request for more **simplification**. There are too many organisations, and it was not clear to the business leaders who does what and therefore where they turn for help. The remit of local bodies e.g. the local councils. Growth Hubs and Combined Authority was not clear and neither was what the offer was from Central Government or others like Innovate UK and how this all links together.

The group also advised that perhaps they didn't need to know all the different intermediaries (or never would) but that greater **alignment** would be a starting point. However, even with greater alignment and simplification they could not envisage a scenario where they wouldn't require an entry point or someone to help navigate it like the AM does.

In addition, it was felt that there was an element of a "postcode lottery" to the support on offer with some help being available in a locality or sector but not in others.

The businesses also had some suggestions for how best to engage with those business who weren't yet aware of the help available from the Growth Hub. **Partnering with** other **intermediaries** where many firms have an existing relationship already such as trade bodies was promoted.

Also mentioned was raising the profile of the Hub through **branding and marketing** efforts either through general direct marketing or on the back of specific issues e.g. changes in regulation or economic conditions (Tariffs, etc) or at any time when a firm may be looking overcome certain pain points. Another example given was the use of evidence-based **case studies** that sets out with real examples the help available and the difference this had made to an actual business.

3.4 Impact of support

The participants then went onto to discuss the impact the support they had received from the Growth Hub and the Account Manager, had on them and their business.

Individual Impacts

There were several important areas that business leaders felt they had benefitted from.

1. Improved skills and knowledge

One leader gave the example of being provided with specific sales and marketing help that was very influential in preparing new pitches and gaining new orders. As they said:

"I'm not a sales and marketing person; I'm an engineer at heart. I've tended to avoid marketing stuff because its all a bit foreign to me. But the help I've received has really taught me how to communicate in sales discussions with more confidence and authority. I'm convinced that without this we wouldn't have won a recent large order from a global firm"

2. Improved confidence and resilience

Following on from the above example several other leaders expressed that this had been their experience too – that they had their own field of expertise but that running a business required a broad range of skills and experience that few people could be expected to master. In addition, there was another element discussed, namely that business leaders often face a lot of negativity in their role:

"the nature of the beast is dealing with problems 24/7 and that can be lonely and draining at times."

The support from the AM was viewed as invaluable in being a positive influence:

"almost everyone I come across tells me why something cant be done or the pitfalls. My AM is always positive and encouraging – just having someone to share problems with but who wants me to do well and helps me get there has been a massive help to me and shouldn't be underrated."

3. Improved delegation and focus

Another cited benefit of the support received was that it has enabled some business leaders to focus on their business and its strategic direction. Being able to step away slightly and think about what the business needs to take it forward:

"Through the help I received it made me realise I needed to go away and hire a CEO. They could focus on running the operation day to day and this allowed me to pursue new projects and more importantly expand into new markets overseas."

Business impacts

1. Improved sales and employment

Many participants were able to cite economic benefits at the firm level from the support they had received. Indeed, some of the previous discussion had strayed into realm of the impact on the business more generally – such as driving new sales both domestically and overseas:

"When I took over my business it was on its knees. But with the help of the Growth Hub and the grants that they were able to facilitate we have turned things around. It allowed us to upgrade our machinery and without that we probably wouldn't be around anymore, whereas our turnover has doubled in the last 4 years"

2. Employee engagement and communication

Some of the leaders felt that the support they had received from the Growth Hub had enabled them to improve their interactions with their workforce. They mentioned that it had allowed them to better set the vision for their firm and also build trust:

"With the support from the Growth Hub I've realised how important it is to involve my employees. I now regularly take them off site and share with them where we are heading and get them to interact with that. It's built the trust between us and they have responded positively to that engagement and transparency"

3. Processes and practices

Some participants explained that help from their AM had enabled them to hone their processes and practices to become more efficient and raise their productivity. For example, the Growth Hub had facilitated support from Warwick Manufacturing Group that had reviewed their processes and identified where to focus effort to make the biggest gains. Help was also provided into how to implement these new processes and ensure their smooth adoption throughout the organisation which was viewed particularly positively.

4. Other impacts – Collaboration, take up of future support

There was a range of other benefits that participants felt they had received because of their interaction with their AM and Growth Hub. One featured was the collaboration benefits from meeting like-minded business leaders through networking events that had led to profitable relationships.

Another was being put in touch with other bodies and intermediaries from which they had sought other support – examples mentioned were Warwick Manufacturing Group and Oxford Innovation.

There was also mention made of how this support can facilitate collaboration with larger corporate firms either through being in their supply chain or as part of a cluster. It was also noted that working with larger firms sometimes presents challenges such as adhering to their processes and protocols around legal, insurance and risk compliance which could often be onerous for smaller firms both in terms of time and cost.

3.5 Additionality of impacts

With any intervention it is important to consider the additionality of any benefits derived. For example, would those benefits identified have happened regardless of the support received. Where benefits would have been realised in full then there is no additionality or if they would have happened but at a smaller scale or to a slower timescale then there is partial additionality.

In a dynamic world businesses often find it hard to put precise estimates on the extent to which the benefits they experienced were fully additional. Most though expressed the view that the impacts they received wouldn't have been possible without the intervention of the AM support. This does suggest therefore there is evidence that the impacts received were additional.

3.6 Future Improvements

As before, the roundtable participants had several suggestions of what more could be done to help them really maximise the impact of the support offered by the Growth Hub.

A reoccurring topic was help with **recruitment.** Several businesses mentioned that they found this challenging. These ranged from being in industries that are hard to attract "new and younger blood" (specialist engineering or manufacturing) or that the kind of roles needed were out of the expertise of the business leader:

"I can recruit fellow engineers no problem but when it comes to specialist sales or IT staff, I'm much more out of my comfort zone."

*A*nother request from the participants was for more **networking** opportunities. One suggestion was for more "smart networking" where the growth hub might be able to scrape through their database and put certain firms in touch with others who they think would benefit from future collaborations.

In terms of content, a popular theme for further guidance was on **AI.** This was almost universally agreed by the group as a key issue but one for which there was still a great deal of confusion on what it entails and how it could be applied for their business.

A final suggestion from within the group was for the leaders to consider undertaking more **executive education** type programmes, delivered by business schools and foundations. A few of those present had been on these types of course before and spoke very highly of them. Interestingly, there was quite high levels of interest with several follow up conversations to find out more once the roundtable had ended.

3.7 Conclusion

The roundtable participants were forthcoming in sharing their experiences of the support offered by their Account Manager, the Growth Hub and the wider business support ecosystem. They expressed frustration with the fragmented system of support often not knowing where to turn to for support or even on occasion who was providing the support they had received. They emphasised the importance of personalized support tailored to their needs.

Participants were though highly complementary of the AM approach employed by C&WGH, particularly the role the AMs play in getting to know them as leaders and their business. This enabled them to diagnose appropriate support and navigate the current system and its plethora of intermediaries.

They were also able to cite several other benefits because of their AM support both to them personally as leaders but also to their business and its wider workforce. These ranged from increased skills and confidence, a more engaged and efficient workforce, expanded premises and new machinery all leading to higher sales and turnover.

The consensus amongst the group was that where these impacts had occurred, they would either not have happened at all or not at the same scale or pace, without the help of their AM and the Growth Hub more generally.

Unsurprisingly given their positive experience, all of the those present advised that they would recommend the AM and the Growth Hub to other businesses. Indeed, several indicated that they already had. There were also numerous examples of where the initial support from their AM had led to themselves seeking further support from other intermediaries or would do so in the future.

In terms of future support, the participants also discussed whether they would be willing to pay for support. On the whole group made two key points. Firstly, they would be willing to pay for support that they deemed good value and so cost was not a barrier in and of itself. But they felt it was often difficult to assess what was and wasn't good value until they had experienced support. Therefore, free support or a recommendation from an independent source such as the Growth Hub was seen as crucial particularly when seeking support for the first time.

3.8 Recommendations

From the discussion throughout the roundtable, a few potential recommendations arose:

- More stability, simplification and alignment within the business support system. Business leaders are confused about what help is available and where to go for it. So key stakeholders and intermediaries should work together to provide more simplification and alignment to minimise these issues.

There is, however, a question as to how much the Growth Hub or any single stakeholder can do by themselves. National and local governments and other intermediaries are key players and can either exacerbate or mitigate existing issues.

Other recommendations include:

- More engagement and outreach from the Growth Hub particularly for those firms who are less aware of the support on offer. This might entail more marketing or branding or making use of other trysted intermediaries that such businesses are already linked into.

- More specialist help with recruitment, particularly for skills that are not germane to a specific industry e.g. IT or sales skills in manufacturing.

- More networking either though general events or where specific firms have been placed together due to a common goal or potential for collaboration.

- Help with AI. This is an area that captures the attention of almost everyone but there are low levels of understanding of what it involves and how it can be applied to their business.

- Link up with and promote Executive Education courses. Whilst not suitable for everyone but there was clear interest from some group members. More could be made of the varied offer from high quality Business Schools within the region.

Centre Manager
Enterprise Research Centre
Warwick Business School
Coventry, CV4 7AL
CentreManager@enterpriseresearch.ac.uk

Centre Manager
Enterprise Research Centre
Aston Business School
Birmingham B4 7ET
CentreManager@enterpriseresearch.ac.uk

www.enterpriseresearch.ac.uk