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Design for Latvia

Final report

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Design for Latvia
Structures and strategies for development and supply of design services

Appendices

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0.1 Executive summary

The goal of this report is to devise ways to improve and increase the use of professional design in Latvian business and industry. The deeper goal is increasing Latvia's competitiveness by adding value to Latvian products and services.

Design and economy

The basis of this report is the idea that design pays. In micro-economic terms, design adds value to products and services. In macro-economic terms, design enhances the competitive capacity of nations. Over the past decade, economists have undertaken research to demonstrate the economic benefits of design. This report cites recent studies from Denmark, Sweden and the World Economic Forum as examples of this research.

Design promotion

An increasing number of nations are developing design policies that will enable them to reap the benefits of design. Design policies are measures that encourage the use of professional design. As a rule, design policies address issues in six key areas: research and education, the design profession, business and industry, the public sector, the general public, and international audiences. Nations with design policies generally create design centres or other promotional organizations as the instrument for implementing policies.

Design supply in Latvia

A natural starting point for preparing a national design policy in Latvia is the current supply of design services. There are probably fewer than 500 professional designers in Latvia today. Of these, 300 are graphic designers. There are few professional design firms. Latvian designers suffer from an outdated education with an exclusive focus on art and materials, and they have no research training. Latvian designers also know little about business, marketing and consumer behaviour. The fact that Latvian designers have little international contact is an even more serious problem.

The Latvian Academy of Art is Latvia's only university-level design school. Eight secondary schools of art and design provide lower level programs. Design education at the LAA is an arts, crafts, and materials education

rather than a research-based education. The LAA has a limited international orientation. There is little international exchange of faculty, little student exchange, and little participation in international projects. LAA offers no courses on the business of design.

Design demand in Latvia

Another starting point for a national design policy for Latvia is the current demand for design. There is only limited demand for professional design services in Latvia today. This is even the case in generally design intensive industries as furniture and textiles. Some business leaders don't believe in design. Others don't think they need design because they base their business on subcontracting or low wages. Those are vulnerable strategies. It takes only a small rise in wages to swiftly shift the demand from Latvia to nations with still lower wages. The low demand for design is both a cause and an effect of production that is too heavily oriented toward anonymous products. Latvian industry produces too few branded products that generate increased consumer interest and demand, and higher prices through value added in Latvia.

Blueprint for a Latvian design policy

A national design policy for Latvia must bridge the gap between the current situation and a preferred situation. This report describes a vision for six key areas. It describes a future that Latvia can realize in ten years by investing in design. To realize a more competitive Latvia, many people must learn new skills and practices, and they must use current skills and practices more effectively. For this to happen, they need motivation and learning. The proposal for a national design policy includes motivation, knowledge, and skills. Policy measures addressing business and industry include literature, meetings and seminars, audits, consulting, icebreaker programs, and design awards.

Quantitative goals for each measure will help to steer, control, and adjust the implementation of design policy.

Blueprint for a Latvian Design Information Centre

Latvia needs an organization to implement national design policy. This organization must learn from abroad. It must package information effectively and it must disseminate information. Such an organization should be called a Design Information Centre. The Design Information Centre must fulfil three tasks: gathering information, organizing activities, and informing target groups. The Design Information Centre requires a staff with at least three members, a managing director and two officers. A board of

directors should govern the centre, setting strategic goals and overseeing their fulfilment. A board of advisors should assist the board of directors.

Design policy measures and their goals form the planning basis for facilities, activities, and budgets for a start up period of six months and the three first years of operations.

0.2 Design for Latvia

'Design for Latvia' is the project name for 'Forming the strategic and operational basis of intensified use of professional design measures in Latvian Enterprises'. This is a development project financed by the Danish Business Sector Programme for Eastern Europe.

Project objective The goal of Design for Latvia is increasing and improving the use of professional design in Latvian enterprises. The long-term objective of the project is adding value to Latvian products and services to make them more competitive in international markets. This will help to shift Latvia's competitive advantage profile from natural resources and cheap labour to advanced products and services.

The project is to establish a valid picture of the Latvian design landscape today and devise ways for transforming the existing situation to a preferred situation.

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Project Management Unit PMU is an advisory and monitoring body for the project.

PMU consists of representatives for:

- Latvian Ministry of Economics
- University of Latvia
- Latvian Academy of Arts
- Association of Furniture Industries
- Association of Engineering/Metalworking Industries
- Association of Textile Industries
- Danish National Agency for Enterprise and Housing

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Project website www.designforlatvia.lv

0.3 Introduction

This report considers why – and how – to improve the use of professional design and design services in Latvia. The deeper goal is increasing Latvia's competitiveness by adding value to Latvian products and services. The search for greater competitive advantage is the reason that governments around the world are now developing design policies and working with design promotion.

The first chapter of this report examines issues of 'Design and Economy'. It explores the function of design in industrial and post-industrial economies.

Improvements to a nation's design sector lead to economic advantages on a macroeconomic level. Securing these advantages in a nation requires devising and implementing a national design policy to promote the effective use of design in several fields. The second chapter of this report explains how to do this through 'Design Promotion'.

The third and fourth chapters of this report survey 'Design Supply in Latvia' and 'Design Demand in Latvia'. These surveys are points of departure for a design policy proposal.

The fifth chapter of this report is a 'Blueprint for Latvian Design Policy'. This presents a coherent proposal for an effective design policy and corresponding goals.

The sixth and final chapter of this report is a 'Blueprint for a Latvian Design Information Centre'. This is a proposal for an organization that can implement the proposed design policy.

The appendices include reports from three pilot projects, a seminar 'Design for business', a conference 'Design policy for competitive advantage', plus a report on the website www.designforlatvia.lv – and, finally, 14 Latvian and international case stories.

1 DESIGN AND ECONOMY

The design process is not an end in itself. Economist and Nobel Laureate Herbert Simon defined design as a means to reach a goal. In the context of this report, design is a resource for economic development. The premise of this project is that using professional design as an economic driver yields benefits on the microeconomic and macroeconomic level.

This chapter of the report contains four sections, ‘Design for what?’, ‘Added value’, ‘Design, innovation, strategy’, and ‘Economic effects of design’.

National design policy papers discuss design in many ways. Different nations have different policies and policy goals. The section ‘Design for what?’ discusses the different approaches to the issue of national design policy.

Design contributes to economic development by improving the products and services of business enterprises. This improvement is the subject of ‘Added value’.

Effective use of design involves both results and process. The previous section considers the economic results of using design. The section titled ‘Design and innovation’ describes how design can be instrumental in the process leading to the result.

Business decisions are – as a rule – decisions under uncertainty. Despite this general fact, executives work to reduce uncertainty. Managers typically ask, ‘Who says that design pays?’ Many do, but it is a difficult statement to prove. In recent years, however, the cumulative evidence of research in design management begins to offer a convincing argument for the fact that using design is a profitable business investment. The effective use of design leads to increased sales. The section on ‘Economic effects of design’ examines some circumstantial evidence for this statement.

1.1 Design for what?

The purpose of design is doing things better, improving a situation, making a positive difference.

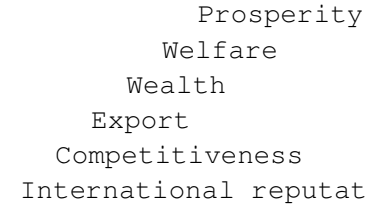
The role of design in business is creating value. A company can use the design process to add value to products, services, and to the organization itself. A well-designed product, service, or organization is more valuable than a product, service, or organization that is not well-designed.

Most national design policies explicitly state the objective of design policy as improving competitiveness in business and industry. Design should add value to products, services, and companies, thereby adding value to the nation as a whole.

In the end, increased competitiveness leads to increased wealth and welfare. To put it another way, increased competitiveness leads to improved prosperity or quality of life, and some nations describe improved prosperity as an objective of national design policy.

Other nations propose other objectives as sub-targets to support competitiveness and prosperity. ‘A better design profession’ and ‘increased employment in industry’ are examples of such subsidiary goals. A better design profession should lead to increased competitiveness. That should lead to increased employment in industry, which should lead to increased wealth, welfare, and – eventually – to increased prosperity.

The objectives that appear in national design policies are hierarchically related to each other. In most cases, all objectives – other than ‘prosperity’ – are means toward higher-level objectives. This is a conceptual version of the saying that ‘one man’s ceiling is another man’s floor’:



Designers / companies / public sector / general public
Education
Awareness

Hierarchy of design policy objectives. Some levels may vary. Prosperity is always located at the top of the hierarchy.

1.2 Added value

The role of design in business is adding value to products, services, and organizations. Using design increases the value of economic offerings. While design makes improvements of many kinds, added value should be seen from the buyer's perspective. Added value means experienced value. Value that is not experienced is not value.

While technical and ergonomic factors can lead to the experience of added value, emotional factors that address feelings increasingly determine the choice of products or services. There are several reasons for this.

Many products now achieve a high level of technical quality. High technical quality is no longer a decisive factor. High technical quality has become an entry factor for any product and service that can realistically compete in today's market. When most competitive products and services are equal in technical quality, such emotional factors as taste and symbolic value play a decisive role in buyer decisions.

In many cases, the buyer cannot evaluate the technical quality of products and services before using them. This fact increases the value of emotional and symbolic appeal.

In other cases, the technical quality of products and services is not a significant factor in buyer decisions. Buyers select products for emotional reasons.

Joseph Pine and James Gilmore describe the changes that have taken place in product development and consumer behaviour with the concept of the experience economy. Experiences are a special kind of economic offering that engage the user's time and end as memories. A visit to a gourmet restaurant entertains the guest for a couple of hours. After the restaurant visit, the guest has memories. According to Pine and Gilmore, the richer a society becomes, the greater the economic role experiences will play.

Providers of goods and services work to upgrade their offerings from products or services to experiences.

Others stage the product with an experience. Niketowns and Ralph Lauren shops are cases in point.

Upgrading goods and services to experiences means added value. Pine and Gilmore describe how coffee grows in value and profitability as it moves up the value chain into the experience economy.

When growers sell coffee by the sack in the markets, it costs what translates into two cents per cup. This is coffee as a plain commodity.

When the coffee is processed and sold in one-pound paper bags, the price rises to between five cents and 25 cents per cup. Goods are commodities with added value.

When coffee is brewed and sold at a local coffee shop, it may cost from two to five dollars per cup. Service means that somebody does something for someone else. In this case, someone makes and serves the coffee.

When tourists in Venice enjoy a cup of coffee at Florian on Saint Mark's Square, they pay fifteen dollars for a caffe lungo and tip the waiter on top of that. When they do, they are paying for an experience. This is more than a service, much more than manufactured goods, and incredibly much more than a commodity. On its way from Colombia to Venice, the coffee price grew 750 times, increasing from two cents to fifteen dollars. The difference is added value.

Pine and Gilmore focus on the time that buyers spend. Danish futurologist Rolf Jensen concentrates on the stories that products and companies tell. In The Dream Society, Jensen describes situations where consumers buy products because of stories told by the products and stories about the companies that make them. Watch buyers, says Jensen, pay 200 Euros for the time and 2000 Euros for the story the watch tells. In the future, more and more companies will thrive by the stories they tell, says Jensen.

Marshall McLuhan described this process more than forty years ago in his seminal book, Understanding Media. He wrote, "When mechanization takes command and everybody has enough, the communication around the product becomes more important than the product itself."

Branding is an answer to the needs of manufacturers and service providers in the dream society. Branding involves wrapping goods, services, and organizations in stories that make them intriguing and attractive to prospective buyers. Branding enters the mind with warm arguments when cold facts fail. Branding has become so important that the communication around some products outshines the products. "Branding takes a share of the mind, and a share of the market", says branding expert, Wally Olins.

The experience economy, the dream society, and branding build emotional arguments to support facts. They emphasize feeling rather than technical data. This transformation is about differentiating products, services and companies by designing differences in economic offerings to make a difference in sales.

1.3 Design, innovation, strategy

Added value and experiences do not just happen. Skilled professionals plan and develop them. Design is part of the process.

Some firms consider design a matter of superficial decoration to be added after products are developed. Skilled professionals and successful firms know that this is wrong. Effective design is part of the integrated product development process including the innovation process in which design can play an important role.

Designers can play an important part in innovation. Designers have the user in mind. Designers think holistically and they bring useful experiences from a variety of situations to each new project. Finally, skilled designers understand the soft aspects of products and services. These rise in importance as the number of competitors with technically equivalent products grows.

The main steps of the design process are

- Brief
- Analysis
- Concepts and proposals
- Selecting concept and proposal
- Adjusting and implementing
- Review

Applied effectively, design does more than improve the single product or service. Design is a strategic development process, and it is a way of seeing problems and their solutions.

1.4 Economic effects of design

Over the past two decades, researchers have invested significant work in the effort to understand and describe systemically what many feel intuitively. They want to know how – and why – design becomes a profitable business investment.

One of the challenges of research on design is the fact that design is never an isolated factor. Many factors come into play in any context involving design, and these blur the picture. Case studies suggest that companies that use design effectively also do well financially.

Three recent papers indicate a positive correlation between the use of professional design and other economic variables.

Designs økonomiske effekter.
(The economic effects of design).
Copenhagen: National Agency for Enterprises and Housing, 2003.

Svenska företag om design, attityder, lönsamhet och designmognad.
(Swedish companies on design, attitudes, profitability, and design maturity).
QNB Analys och Kommunikation AB.
Stockholm: Swedish Industrial Design, 2004.

Global Competitiveness Report.
GCR Survey.
Davos: World Economic Forum, 2003.

The Danish report presents and compares three sets of data on design investments, design maturity, and economic effects. The report draws four conclusions about the economic effects of design.

First, companies that invest in design enjoy an improvement in profits of 22% compared with companies that do not invest in design.

Second, companies that increase their investment in design enjoy an improvement in profits of 40% compared

with companies that have not increased their investment in design.

Third, companies that both employ designers and buy external design services export 40% of their turnover while other companies only export 18% of their turnover.

Fourth, companies on the upper levels of the design maturity scale enjoy greater profitability than companies on the lower levels.

The Swedish report discusses and compares design investments, design maturity, and economic effects. The report draws three conclusions on economic effects of design.

First, many companies believe that design and profitability belong together. This is particularly the case among larger enterprises. However, the degree to which a company holds this position depends on the industrial sector of the firm. Service companies are in general more certain that design leads to increased profitability than companies in other sectors.

Second, companies at the top of the design maturity scale show good economic development. However, there is little difference in economic development between companies that buy design services and companies that do not. Simply using design does not guarantee success. How companies use design determines the economic outcome.

Third, companies that buy more design services export more products and services. This correlation probably depends on the fact that larger companies invest more in design than other companies do and export more than other companies do. Both tendencies are results of the common factor of size and scale of enterprise.

The Danish and the Swedish reports deal with the economic effects of design on a microeconomic level. The Global Competitiveness Report by World Economic Forum 2002 provides evidence on a macroeconomic level. The Global Competitiveness report includes a number of indexes comparing economic parameters from 75 countries.

The correlation between competitiveness rankings and design rankings is startling. Among the 20 nations ranking highest in terms of design, 17 are also among the 20 nations ranking highest in terms of competitiveness. Among the 25 nations ranking highest in terms of design, 24 are also among the 25 nations ranking highest in terms of competitiveness.

Country	Current competitiveness ranking	Extent of branding	Capacity for innovation	Uniqueness of product designs	Production process sophistication	Extent of marketing	Design average	Design ranking
Finland	1	6.3	6.4	6.3	6.7	5.9	6.3	1
United States	2	6.2	5.9	5.9	6.4	6.7	6.2	2
Netherlands	3	5.9	5.5	5.5	5.6	6.6	6.0	7
Germany	4	6.3	5.7	6.0	6.5	6.2	6.1	3
Switzerland	5	6.4	5.7	5.7	6.3	6.0	6.0	6
Sweden	6	6.0	5.8	6.0	6.1	6.1	6.0	8
United Kingdom	7	6.2	5.1	5.3	5.8	6.4	5.8	10
Denmark	8	5.9	5.5	6.0	5.9	5.8	5.8	9
Australia	9	4.0	4.4	4.4	5.3	6.0	4.8	21
Singapore	10	4.5	4.2	4.0	6.0	5.3	4.8	22
Canada	11	4.7	4.7	4.9	5.8	6.0	5.2	15
France	12	6.1	5.9	5.9	6.3	6.5	6.1	4
Austria	13	5.4	5.1	5.4	6.1	5.8	5.6	12
Belgium	14	4.8	4.8	5.1	5.8	5.5	5.2	16
Japan	15	6.4	5.9	5.9	6.3	5.8	6.1	5
Iceland	16	5.4	4.7	4.8	6.2	5.6	5.3	14
Israel	17	5.1	5.7	5.3	5.7	5.4	5.4	13
Hong Kong SAR	18	4.2	3.7	4.0	5.4	6.0	4.7	24
Norway	19	4.9	4.7	5.2	5.6	5.3	5.1	18

New Zealand 20 5.1 4.7 4.8 5.3 5.6
5.1 20

The indexes have potential minimum values of 1, and potential maximum values of 7.
Source: World Economic Forum

2 DESIGN PROMOTION

The conviction that design creates profit and prosperity has led several industrialized nations to introduce systematic programs to promote the professional use of design services in business and industry. That is the subject of this chapter.

The first section ‘Six key areas for design promotion’ discusses the fields of action.

The section ‘Objectives’ describes how different design policies state the goals of design promotion.

The section ‘Transformation’ discusses the various maturity levels of companies and nations working with professional design. This chapter also discusses ways of climbing the design maturity scale.

Governments state their plans for promoting design in design policies. These policies are plans for systematic action to promote design. The sections on ‘Design policies’ and ‘Design policy measures’ describe how they work.

Nations with a design policy use design centres and other promotional organizations as the instrument for realizing design policy. The section ‘Organization’ describes the basics of such organizations.

2.1 Six key areas for design promotion

A nation's successful use of professional design services depends on success in six key areas linked to six key target groups:

- Research and education
- The design profession
- Business and industry
- The public sector
- The general public
- International audiences

> Research and education

Design has long moved beyond the stage where designers could come from any professional background. Today's professional designers do not develop accidentally. They are educated at design schools, trained through professional work, and they must refine their skills through lifelong education.

Modern design education requires research and an international orientation. The purpose of design in product development and innovation is adding knowledge to products and services. Artistic sensibility, material sensitivity, and craft skills alone are no longer sufficient for professional design practice. Today, they are initial attributes on which educated designers build. Research and professional intelligence develop the information, knowledge, and understanding that lead to excellence in design.

> The design profession

A skilled design professional must be able to work and compete internationally. One reason for this is the importance of design for export-oriented products and services. Another is the fact that domestic products and services must compete with imports in every home market. In both ways, designers and their domestic clients benefit from increased international experience. National isolation is no way to succeed in design. A third reason is that the international reputation of a nation's designers adds to the nation's general reputation for creativity.

> Business and industry

The demand for professional design in business and industry is central to a nation’s success in design. Long-term demand for design services requires a business sector that believes that design pays.

Motivation, learning, and experience are the foundation for this belief. Businesses must be motivated. While the business sector is best motivated by the example of competitors and colleagues that succeed by using design, design policies can also use such economic incentives as so-called icebreaker programs. Managers require information, knowledge, and understanding about design. This permits them to feel confident in engaging professional designers. Learning by doing is one way. Studying cases, reading books,
and taking courses can be a first step.

> The public sector

While private sector demand for design in business and industry requires private initiative, public sector demand for design requires political decisions. Demand for professional design in the public sector can be an important driver for a national design development. There are several reasons for this:

First, demanding good design in public procurement will stimulate private companies to deliver good design.

Second, using of good design in the public sector supports and encourages designers.

Third, using good design in the public sector educates everyone through the power of the good example.

Fourth, using good design in the public sector contributes to a nation’s design reputation home and abroad.

Fifth, good design means quality of life. This, in itself, justifies investing in good design.

> The general public

In the end, a nation must have a certain level of public design awareness to have
a strong design sector. This design literacy stimulates the demand for good design.
It also stimulates talented young people to seek careers in design. Finally, design literate employees and managers contribute to the demand for good design on all levels. This includes the design of work places.

> International audiences

A nation’s international reputation for delivering excellent products and services requires that these products and services be well designed. This, in turn, contributes to the demand for design services. The proficient use of design becomes an integral aspect of the nation’s image abroad and it indirectly supports export in areas with little design impact.

> Interrelation

The six key areas and target groups described here are highly interrelated, often in dynamic relationships. A nation’s design professionals influence a public sector that is aware of the benefits of good design, and it influences them.

2.2 Objectives

Design policies are often presented together with a corresponding set of objectives.
These objectives help to guide activities and they make it possible to measure the success of policies. That provides a basis for corrective action and for adjusting and implementing future policies.

Design policy objectives are stated in different ways from nation to nation. The spectrum ranges from vague visions without explicit objectives to carefully described visions with qualitative objectives or even quantitative objectives. The more specific the statement of objectives, the more evident a negative result will be. For this reason, some nations avoid being too explicit in announcing their ambitions.

Visions
A good vision has one leg in dreams and one leg in reality. A good vision statement describes a desired situation that CAN become reality in a near future.

Qualitative objectives
Qualitative goals are the most common way of stating the intentions of design policy. While qualitative objectives are easy to state, they do not make controlling results easy.

Quantitative objectives
Quantitative targets are easy to state and they enable the easy control of results. At the same time, quantitative objectives do not always capture the important emotional and social aspects of design policy activities.

	Vision	Qualitative objectives	Quantitative objectives
Denmark	-	-	x
Norway	x	x	x
Sweden	x	x	x

Ways used for stating design policy objectives in three nations.
Sources:

DK Regeringens designredegørelse , 1997
NO Design som drivkraft for norsk næringsliv, 2001
SE Förslag til nationellt program för design som utvecklingskraft inom näringsliv och offentlig verksamhet, 2002

2.3 Transformation

How can a nation such as Latvia intensify its use of professional design services? The answer is motivation and learning. The challenge involves transforming Latvia from a national economy based on exporting commodities and cheap labour subcontracting to a national economy based on knowledge intensive products and services. This requires major changes in attitudes, knowledge, understanding, and skills. Many people must do many things they do not do today and they must do many things they do now in new ways. Both changes require motivation and learning. The educational capital must grow.

Motivation to intensify the use of design services may involve the use of economic arguments and economic incentives. For companies that do not use design now, this includes motivation to use design instead of NOT using it. Case studies are probably the kinds of economic arguments that sell design most successfully. These provide evidence that other companies, sectors, and nations profit from using design. Benchmarking also strengthens the argument. Rather than an intellectual argument, the visible success of other players can be an important driver for the intensified use of professional design.

Design policy measures to motivate by economic argument include disseminating empirical evidence for the value of design. Organizing meetings, lectures, courses, and seminars, and distributing literature are the traditional means of spreading the gospel.

Design policy measures to motivate by economic incentives include organizing icebreaker programs that support first-time SME design users in covering designer fees. These also include many kinds of support for product development including design.

Learning includes many ways to acquire information, knowledge, understanding, and skill, by study, instruction, and experience. In the knowledge society, learning is no longer confined to basic education and a few, short Lehrjahre. Learning today is a lifelong process. The most important responsibility of schools today is to graduate students who are ready to be lifelong learners.

Design policy measures to increase learning about professional design and the society that it serves include formal and informal learning activities. Design schools must prepare students for a full professional life. This includes preparing them to keep learning after leaving school.

The education offered by design schools must be research-based and it must be as realistic as possible. An effective national design policy must encourage the international exchange of ideas, faculty members, and students.

Education programs for those already in professional practice should include courses, seminars, postgraduate studies, e-learning, and materials for self-study.

The ultimate goal of motivation and learning is a nation where more companies use professional design services, and where companies that already use design services now intensify their activities. A useful tool for measuring and comparing the use of professional design services before and after launching the policy is the design maturity scale developed by the Danish Design Centre. The design maturity scale applies to individual companies. It can also be used to measure the use of design in a sector or a region. The maturity scale has four levels.

Both the Danish and Swedish national studies on the economic effects of design used the design maturity scale to establish the design maturity of companies covered by their research.

Level four: Design as innovation
Design professionals work together with the owner or
managers to renew the total company, or to renew large parts of the company's business idea.

Level three: Design as process
Design is integrated into the product development process
at the first stage of development.

Level two: Design as styling
Companies use design as the final touch in the product development process. Design services may be
provided by a professional designer, or they may be provided by others.

Level one: Non-design:
Design plays only a tiny part of the product development
process and professional designers play no part in the process.

The design maturity scale developed by Danish Design Centre

MOLLERUP

2.4 Design policies

A growing number of nations recognize the economic and social power of design. They develop and implement a national design policy. A national design policy is a plan to further the use of design on a professional level. When the plan becomes more specific, some nations call it a design strategy.

For this study, we define a design policy as a set of plans to initiate activities promoting the knowledge and effective use of professional design.

National design policies address several audiences. Some national policies address the six target groups we describe. Others concentrate on fewer target groups. Even though a national design policy may not explicitly address a certain target group, this does not mean that the nation does not work with the corresponding issue. It only means that this issue is not considered part of the policy. One reason for this may be that national design policy and the issues in question are responsibilities of different government ministries or agencies.

audiences	Research and education	The design profession	Business and industry	The public sector	The general public	International
Denmark		x	x	x		
Norway	x	x	x	x		
Sweden		x	x	x	x	x

Areas addressed by the design policies in three nations

Some nations address design promotion efforts to selected industries. In England, for example, the Design Council gives special attention to four areas primarily in the public sector. These areas are crime,

education, health care, and transportation. In Sweden, the design policy proposal addresses vehicles, telecommunications, medical technology, and biotechnology.

Most nations that address business and industry in design policy proposals emphasize support for SMEs. The reason for this is that large enterprises do not need external help as much as small and medium sized enterprises do. However, the Swedish policy proposal of 2002 addresses ‘Large enterprises and their subcontractors’.

> Policies and policy papers

There are policies and there are policy papers. A nation’s design policy is sometimes based on a design policy paper written and edited by interested stakeholders. In Denmark and Norway, the government published the most recent design policy paper. In Sweden, two design organizations published the most recent design policy papers. Policy papers are only steps on the road to an approved design policy.

After Norway changed its government, the new government did not allocated support to the Norwegian design policy paper of 2001, ‘Design som drivkraft for norsk næringsliv’. The Swedish paper ‘Förslag til nationellt program för design som utvecklingskraft inom näringsliv och offentlig verksamhet 2002’ has only been partially approved by the Swedish government. Government funding of design promotion activities is subject to political moods and to changes in governmental direction.

2.4 Design policy measures

The design policy measures that have been suggested and introduced by other nations may serve as inspiration for a Latvian design policy. The measures listed here appear in the Danish, Norwegian and Swedish design policy papers.

Research and education

Denmark
- Developing student competences
- Multidisciplinary courses
- Focus on trainee programmes

- Research and development
- Research Centre Without Walls

- Continuing education
- Travel grants
- Master classes

- Transparency of design education
- Working group on degree titles awarded after design education

- Evaluation of design education programmes

Norway
- Design education integrated into other technological and business education programs and with product development training included

- Evaluation of design education

- Education
- Education and business dialogue
- Design management
- Part time study in design

- Multidisciplinary research centre

- Evaluation of the research and education programme

Sweden
- European Institute for Innovative Caring Design, a Swedish centre for

European design research and for the study of changed life patterns and value creation. The centre should also be involved with Swedish design education on four levels:

- National (design) research school
- Basic and high school education
- Strengthening master educations
- Continuing education for professionals with design competences

The design profession

Norway Innovation foundation for professional design to develop new ideas, concepts, and products

Program to internationalize Norwegian design and Norwegian designers
- program to make Norwegian design products visible abroad
- program to make Norwegian designers and design firms visible abroad

Grants to Norwegian designers for exposure and development of competences abroad

Business and industry

Denmark Information and instruction materials
- Media coverage, brochure
- Handbooks and check lists
- Courses and meetings about cooperation for regional business promoters

Activities in the new building of the Danish Design Centre
- Exhibitions

Practical experience of using design and designers
- Discount on consultancy fees
- Icebreaker program: discount on designer fees

Expansion of regional design promotion

Financing of development projects, which include design
- The Growth Foundation

Norway National information campaign to promote the use of professional design
- Direct mail and mass communication
- Books
- Quarterly
- Design-on-the-way meetings
- Design exhibitions

Education of board members to understand the value of design

Publicity about Good Design Label and its awarding

Survey of the use of professional design in Norwegian companies

Icebreaker program with professional and economic help to first time buyers of professional design

Regional design consultants

Local workshops to introduce professional design to business

Website with interactive knowledge base on business directed design

Introduction of design in business incubators

Establishing of consultancy concerning design in interactive and digital media

Sweden Projects that introduce design to important business areas:
Large enterprises and their subcontractors dealing with
- Vehicles
- Telecommunication
- Medical techniques
- Biotechnology

Projects focusing on business development

The public sector

Denmark	Information activities	
	- Publication of possibilities for design demand	
	- Conferences, meetings, information sharing groups	
	Practical tools and consulting	
	- Handbook on design for public procurement	
	- Coordination with existing tools for public procurement	
	- Consulting on design	
Norway	Instructions to include design in public procurement	
	- Information material and blueprints for courses	
Sweden	Regional and national programsfor design and innovation:	
	- Development of products and services concerning care and health	
	- Design of the learning school	
	- Design of good work and work environments	
	- The design process as a method for innovation in the public sector	
	Improvement of public procurement to consciously consider design	
	to improve the public environment, as a model that also teaches manufacturers that design is important	

The general public

Sweden	Organize local design ‘meeting points’ where the public can discuss	
	design issues of broad interest. Activities will include exhibitions, meetings, festivals, workshops, publications, and more.	

International audiences

Sweden Manifestation of Innovative Caring Society
Design Year 2005. Export Design Year 2006
Exhibitions and other manifestations of Swedish knowledge, products, and services for the Innovative Caring Society

Strengthening Sweden’s Innovative Caring Society brand in other international events

Establishing European Institute of Innovative Caring Design,
a research and education institute devoted to the study of patterns
of consumption and use

2.6 Organization

Most nations with a design policy choose to implement the various policy measures through a promotional body. Most nations have a single design promotion organization financed by one ministry, generally a ministry with economic or trade responsibilities. Norway and Sweden have two promotional design organizations each, and in both nations, two different ministries finance the two organizations. The organizations financed by ministries of economics, trade, and industry primarily address business and industry. The organizations financed by the ministry of culture primarily address the general population and international audiences. Sources of funding affect program priorities. When ministries of trade and industry finance design promotion organizations, they stress economic aspects. When ministries of culture finance design promotion organizations, they emphasize cultural aspects. Design promotion organizations may be funded by government, by private stakeholders, or by an agreement between government and private stakeholders.

When private stakeholders fund a promotional design organization, they do so to promote shared interests. The first step is generally to encourage government to establish a design policy and use the organization as an instrument for implementation. As time goes by and dependence on government financing increases, these organizations may become government driven as much as organizations originally established by the government. The Danish Design Centre is a case in point. The Danish Design Council, an organization of private stakeholders, established it. Today, the Danish Design Council serves as an advisory board with limited influence on the Danish Design Centre, an organization that is basically financed by the government.

Most nations with design promotion organizations also have professional design organizations. These are membership organizations for professional designers. Professional and promotional design organizations share many interests, and some professional organizations would like to organize the same kinds of activities as promotional bodies. However, professional organizations, typically have limited economic resources and they generally depend on unpaid work by

members. That limits their operational range. Managing promotional activities also tends to require different skills than the skills of good designers.

Promotional and professional organizations often cooperate on issues of common interest. However, promotional design organizations benefit from the competences of professional designers in other ways:

First, most design promotion organizations have one or more professional designers on an executive board or advisory board.

Second, most design promotion organizations invite professional designers to take part in committees and juries.

Third, most design promotion organizations employ one or more professional designers as consultants.

Fourth, all responsible design promotion organizations commission professional designers for graphic design and other design work. These organizations know that it is important to walk the talk, using professional designers for professional design work. Design promotion organizations address the six target groups in a number of ways.

In most nations, government works directly with appropriate schools and research organizations on education and research issues. Design promotion organizations are only marginally involved in this work, if at all.

Design promotion organizations sometimes address business, industry, and the design profession directly. In other cases, they address these target groups by working in cooperation with business organizations, industry organizations, and professional design organizations.

Design promotion organizations typically address the public sector, the general public, and international audiences directly.

Government

	Design promotional body	Other organizations
Research and education	+	
The design profession		+ +
Business and industry		+ +
The public sector		+
The general public		+
International audiences		+

Parts typically involved in design policy implementation

3 DESIGN SUPPLY IN LATVIA

This chapter maps the current supply side of the Latvian design sector to establish a baseline for future improvements. We need a picture of the current situation to devise a clear path to a preferred situation. The supply side of the Latvian design sector comprises the design profession, design education and design research. We will discuss the design profession in section 3.1 and education and research in section 3.2.

3.1 Designers

Mapping the design profession in Latvia involves quantitative and qualitative studies.
The quantitative study surveys the size and structure of the profession. The qualitative study deals with the beliefs and attitudes of professional designers.

> Quantitative study

There is no sure way to map size of the design profession in Latvia. No central register lists all professional designers. Nevertheless, combining information from several sources offers an overview of the profession today.

There is no standard definition of the term 'professional designer' in Latvia today.
A reasonable working definition allows us to label someone a designer who 1) is trained as a designer at the Latvian Academy of Art, 2) works as a designer, 3) calls himself or herself a designer, and 4) is a member of the Latvian Designers Association. For this study, we use a less formal definition, defining a designer as someone who 1) works as a designer or 2) is trained as a designer and works in a design-related field such as design education or design writing.

The Latvian Designers Association LDA is the national organization of professional designers in Latvia. LDA membership figures offer a first indication of the size and characteristics of the design profession.
Membership criteria include completing an academic or professional design education or art education at LAA or at a secondary design or art school in Latvia, or completing a comparable education abroad.

Field[1]	Members
Design theory[2]	6
Environmental design	28
Fashion	31
Furniture	13
Graphic	78
Industrial	32

Textile	20
Total	208

Latvian Designers Association membership
[1]LDA also has photographers as members. They are not included here.
[2]Design theory includes teachers and writers.

Ojars Petersons, a graphic designer and teacher at the Latvian Academy of Art, estimates that there are between 200 and 300 active graphic designers in Latvia. This number far exceeds LDA membership in this category. In other categories, membership figures are supposed to be closer to full coverage. In some categories, LDA membership figures may cover the entire field.

The Latvian Academy of Art LAA has graduated 418 alumni in design courses since 1967. Latvian sources state that most of these graduates still practice design. In 1992, LAA divided its design courses into specific programs.

Field	1967–1991	1992–2003	1967–2003
Design theory			
Environmental		18	
Fashion		30	
Furniture			
Graphic		54	
Industrial		31	
Interior		18	
Textile[1]		22	
Metal		10	
Unspecified	235		
Total	235	183	418

Latvian Academy of Art graduates
[1] About 10% work with design. 90% work with free art.

Dr Atis Kampars, Dean of Studies at LAA, estimates that 50 Latvians have graduated from the Estonian Academy of Arts in Tallinn since the 1970s, primarily in fashion and furniture. A smaller number of Latvians have studied at such western schools as the University of Art and Design UIAH in Helsinki and Central St Martin's College of Art in London.

Finally, a number of people without formal design education also work as professional designers. Altogether, these add up to the following figures. These figures suggest that approximately 500 people work as professional designers in Latvia today.

It is not possible to check these figures against employment statistics.

	Latvian Designers Association	Latvian Academy of Art	Design schools abroad	Estimate: designers in Latvia [1]
Design theory	6			7
Environmental	28	18		30
Fashion	31	30		40
Furniture	13			20
Graphic	78	54		300
Industrial	32	31		31
Interior		18		20
Textile	20	22		40
Metal		10		
Unspecified		235	55	
Total[1]	208	418	55	488

Estimated number of Latvian designers
[1] Approximately 5 designers work outside Latvia

> Qualitative study

25 designers answered 52 questions on 21 topics as the basis of the qualitative study. These 25 designers are a representative selection of the design profession in Latvia today. The questions appear at the end of this chapter.

To conduct this study, we developed a series of questions designed to elicit a rich understanding of the design field in Latvia today. Before implementing the study, we tested the questionnaire by conducting face-to-face interviews with two designers. After revising the questionnaire, we sent it to 35 designers whose education, training, and fields of practice represent the full range of the design profession in Latvia today. 25 designers completed and returned the questionnaire. 10 designers did not. This analysis is based on the 25 completed questionnaires.

Alsins, Toms	Packaging
Apsits, Gints	Graphics
Barkevica, Liene	Fashion
Bibergal, Alexander	Fashion
Birznieks, Mareks	Interior
Bormane, Dace	Graphics
Cirulis, Raimonds	Industrial
Eglitis, Imants	Industrial
Elers, Holgers	Industrial
Gludins, Gunars	Industrial
Grase, Anita	Industrial
Jansone, Natalija	Fashion
Jekabsons, Karlis	Interior
Kaugure, Laima	Textiles
Karklina, Iveta Keita	Fashion
Lauce, Inguna	Fashion
Lenkevics, Aigars	Environment
Lusis, Gunars	Graphics
Mednis, Egils	Graphics
Meirans, Armands	Furniture
Pastors, Ervins	Furniture
Pavulina, Sonita	Fashion
Petersons, Ojars	Graphics
Valdena, Inta	Environment
Zilgalvis, Raitis	Industrial
Designers who completed questionnaires	

Manufacturers employ six of the 25 designers. Two work at design consultancies. Eight have their own design firm and seven are freelance. One designer teaches at a school and one did not state where he works.

The 25 designers have a broad range of educational backgrounds:

- One has a doctorate from the University of Latvia.
- Thirteen have degrees from the Latvian Academy of Art.
- Four studied at the Riga College of Art and Design.
- One studied at Vilnius Academy of Art.
- One studied at Riga Light Industry Technical College.
- One studied at American College for Fashion Design in Los Angeles.
- One studied in Russia and Korea.
- One studied at Riga Construction Technical College.

- One studied architecture at Riga Technical University.

Many took further courses at various schools.

>> Supply of designers

According to most of these designers, there is no shortage of professional designers in Latvia. They believe that the profession can cover the current demand. Many Latvian designers have reservations about the professional level and quality of Latvian designers, and they argue that this varies dramatically. Several designers specifically stated that unprofessional designers destroy client trust and damage the profession. Several designers also said that very few Latvian designers meet international professional design standards.

>> Industry and business

In general, Latvian designers do not think that business and industry respect them enough. This is not because they are Latvian designers, but because they are designers in an environment that does not understand or use design. To a large degree, business and industry think that they can manage without the help of professional designers.

According to the designers, Latvian manufacturers are not ready to pay for professional design. Some designers argue that designers should educate manufacturers to understand the value of design. However, design education does not teach them how to educate potential clients. Many manufacturers apparently insist on developing and using their own design ideas. Other manufacturers choose young designers because they are cheaper than properly trained, full-fledged designers. While some designers note exceptions to these general observations, the general trend suggests a need to educate industry and business in the value of design.

>> Education

While Latvian designers believe that education is important, many feel that the design education in Latvia does not prepare students for professional design practice. Some designers are critical toward local design schools, particularly LAA.

Most designers in this study were educated at LAA, and many point to serious problems at the school: lack of materials, few high quality studios, lack of funds for student work, no connection with industry, and little practical relevance. Some teachers are old and some fail to inspire students.

While some designers believe that LAA training in the visual arts is acceptable, they argue that training in design subjects and practical skills is not. They criticize the LAA in such statements as: “I actually got an artistic education and not a design education.” “Techniques and conceptual thinking are not taught enough.” “Design students should concentrate on concepts and not on producing goods.”

One designer summarizes what many said: “Education is very much art related, while more emphasis should be put on engineering, practical issues, ergonomics. Example could be taken from design schools abroad where half of the curriculum consists of science related subjects. Designers should be taught to look at consumers not at themselves when making designs. There should be more guest lecturers from abroad, industrial experts who would share their experiences. It is also ridiculous that students have to fund their projects entirely by themselves, because then the quality of the outcome depends on their own financial situation. Manufacturers should be involved already at this level, thus increasing the quality, relevance and usefulness of final outcomes.”

In contrast to LAA, one designer points to good cooperation between the Riga College of Art and Design and private cabinetmaker shops. He praised the University of Art and Design UIAH in Helsinki for its emphasis on basic design skills while leaving the practical work to professional craftsmen.

Some designers argue that the quality of the education at LAA varies from teacher to teacher and that much depends on the students.

>> Style

Latvian interior design seems to have a recognizable style. Designers describe this style as reserved, modest, functional, unobtrusive, and homey with carefully chosen color schemes. In other fields, most designers feel that style belongs to the individual designer rather than to the nation.

One designer thinks that there is a Latvian style, situated somewhere between Russian luxury and Scandinavian low key. More designers refer to Latvian design in terms of Nordic style.

One designer talks about a boring Latvian style. Another talks about a style that has evolved in a specific way because Latvian designers and manufacturers have no access to new technologies.

>> International intelligence

Latvian designers get information about international design from a number of sources:

- Education in Latvia
- Education abroad expensive
- Work abroad difficult
- Fairs and exhibitions the best and most worldwide recognized source
- Travel
- Magazines complicated to get hold of, good, also local (Deko)
- Television
- World Wide Web important if one knows how to search
- Professional contacts the best way is work with manufacturers
- Books

Magazines and the World Wide Web are common sources of information for designers. Locating magazines is difficult. Latvian newsstands stock a poor selection. A well-stocked professional or organizational library could ameliorate this problem. Designers also need help in learning how to search effectively to find the best sources on the Web.

>> Strengths

When asked whether they have competitive advantages, many designers answer, “No, I don’t think so.” Other designers point to possible advantages. Some consider low salaries to be an advantage. One suggests that the image of strangeness and bohemianism is an advantage to designers. Other designers consider an education in classical drawing techniques and an artistic education as strong competitive advantages.

>> Import and Export

Import and export of design services are low.

Low wages mean that foreign designers have little interest in the Latvian market. The few exceptions to this situation come about when large companies invite foreign designers to undertake specific jobs.

Very few Latvian designers have had commissions abroad, either in Russia or in Western Europe.

>> Market awareness and business knowledge

The designers know nothing or very little about the business of design, marketing, branding, or market communication. Some interviewees suggest that others should take care of these issues while designers should design. Nevertheless, they realize that something is missing. One designer said, “These issues are among the most crucial to developing competitive advantage for Latvian design. Despite this, the educational institutions offer no courses on these subjects.”

>> IT

76% of the interviewees have an Internet connection at work. 36% have an Internet connection at home. 20% state that they have a superficial knowledge of CAD/CAM but no practical experience.

>> Barriers

According to Latvian designers, there are two major problems facing Latvian design. One is the general attitude toward design in Latvia. The other is the specific attitude toward design in Latvian business and industry. Designers state that Latvian society and Latvian companies should understand the importance of professional design.

Designers also mention other barriers. These include lack of international contacts, too few competitions and prizes, too little support from government, the limited development of manufacturing and industry in Latvia, the lack of internship opportunities, plagiarism, poor education for designers, low knowledge of technologies, the absence of healthy competition in the Latvian design industry, and too little interest in product development.

>> Need for support

While Latvian designers need support, there is no consensus on specific needs. The designers in this study suggested many ways to support and strengthen the design profession:

- National design strategy
- Different mentality
- Study of Scandinavia
- Develop Latvian design potential
- Golden Hammer awards to include design
- Professional local press
- Possibility to buy foreign magazines
- Library
- Guest lecturers from abroad
- Workshops
- International contacts and exhibitions
- Information exchange
- Courses and seminars
- Travel grants
- Professional licensing systems for interior designers
- Selling the idea that designers cost as much as good lawyers
- Seminars

- Development program for Latvian design including participation in exhibitions
- Website with information exchange
- Arrange discussions and organize meetings
- International seminars
- Contacts between designers and manufacturers
- Certification of designers
- Reduced tax
- Protection of internal market

3.2 Questionnaire: Latvian designers

Name

1 Educational background
1a Were you educated in Latvia?
1b If so, where?
1c Did you also study abroad?
1d If so, where?
1e Please summarize your career as a designer
1f Please describe your professional development
Courses, training, experiences

2 Current professional status
2a Are you employed by a manufacturer?
2b Are you employed by a consultancy?
2c Do you have your own design firm with employees?
2d Do you work freelance?

3 Clients
3a If you have your own design firm or work freelance, please describe your past and
present clients

4 Designer supply
4a What is the designer supply situation in your field of professional design?
4b Are there too many skilled designers available in Latvia today, enough, or too few
in your field of professional design?
4c What is the Latvian design supply situation in general?
Are there too many skilled designers available, enough, or too few?

5 Reputation
5a How do Latvian industry and business see Latvian designers in your field of
design?
5b How do Latvian industry and business see Latvian designers in general?
5c Are any Latvian designers recognized by name within Latvia?
If so, please name them
5d Do any Latvian designers have an international reputation?
If so, please name them

6 Education

6a What was the quality of design education in Latvia when you got your education?

6b How relevant was Latvian design education to professional design when you got your education?

6c What is the quality of design education in Latvia today?

6d How relevant is Latvian design education to professional design today?

7 Foreign competition
7a How do you experience competition by design firms and designers from other countries?

8 Export
8a What is the nature of Latvian design export today?

9 Latvian style
9a Do Latvian designers have a special style?
9b Can you tell the difference between Latvian design and design from other countries?

10 Competitive advantages
10a Do Latvian designers have any competitive advantages in the international market?

11 Market awareness
11a Are Latvian designers in general aware of international markets and the requirements of international competition?
11b Are Latvian designers in your industry aware of international markets and the requirements of international competition?

12 Design intelligence
12a Where do Latvian designers get their international information?
- Education in Latvia?
- Education abroad?
- Work in Latvia?
- Work abroad?
- Fairs and exhibitions abroad?
- Travel, tourism, or shopping abroad?
- Exhibitions in Latvia?
- Magazines?
- Television?
- Internet?
- Professional design contacts in Latvia?
- Professional design contacts abroad?

13 Need of competences
13a What competences do Latvian designers need to be more competitive?

14 Business knowledge

14a What do Latvian designers in general know about the business of design?

14b What do Latvian designers in general know about marketing?

14c What do Latvian designers in general know about branding and about market communications?

15 Improvements
15a What design policy measures would be helpful for your trade?
15b How can the state help the design situation?
15c What design policy measures would be helpful for you personally?

16 Design centre
16a How could a design centre be helpful to the design situation?
16b Please describe your vision of a successful design centre

17 Barriers
17a What are the most critical barriers to professional design in Latvia?

18 Continued education
18a Would you like an opportunity to undertake intensive education programs in
business and marketing?
18b If yes, which option would you prefer?
a Two-week seminars
b Courses running one day a week for 14 weeks.
c Evening courses running one night a week for 14 weeks.
d Distance learning by Internet combined with two weekend seminars.
18c Would you participate in a seminar and business and marketing conducted in
English? If not, why?

19 IT
19a Do you have an Internet connection at work?
19b Do you have an Internet connection at home?
19c What kind of software do you apply professionally?
19d What is your knowledge/use of CAD-CAM?

20 Designer community
20a Do you belong to a professional design association?
20b If so, which one?
20c What does your professional association do to help and support designers today?
20d What would you like your professional association to do to help and support
designers more effectively in the future?

21 Sundries

21a Are there other designer related topics you should like to comment on?

3.3 Research and education

> Present State

There are nine major centres of design education in Latvia today. Eight are secondary schools.

Latvian Academy of Art LAA offers the only university-level design education in Latvia today where design is defined in the sense of the design professions covered in this study.

The University of Latvia and Riga Technical University offer education in design related disciplines. At the University of Latvia, the Institute of Education and Psychology offers education in drawing and the Faculty of Economics and Management launches courses in design management. At Riga Technical University, the Faculty of Architecture teaches interior design and the Faculty of Materials Science and Applied Chemistry conducts research into materials that would prove relevant in a design context. There is no formal co-operation in design research and education.

> Secondary Level Design Education

The eight secondary schools offer 4-year educational programs in art and in traditional craft disciplines such as textiles, ceramics, metals, glass, leather, stitch-craft, and wood. These educational programs focus on specific materials and craftsmanship. This is the case for schools oriented toward art and for schools oriented toward industrial design.

Secondary schools include:

- Liepaja Secondary School of Applied Arts. LSSAA has eight different programs.

- Daugavpils Secondary School of Art. DSSA has five different programs.

- Rezekne Art Secondary School. RASS has eight different programs.

- Valmiera Secondary School of Art. VSSA has five different programs.

- Riga Secondary School of Craft. RSSC has five different programs.

- Riga College of Art and Design. RDMV has eleven different programs.

- Janis Rozentals Riga Art School. JRRAS has three different programs.

- The Baltic Russian Institute. BRI has three different programs.

The two most advanced secondary schools are based in Riga. These are Riga College of Art and Design and Janis Rozentals. Riga College of Art and Design has the strongest profile in industrial design, and works to integrate general approaches to design into craft-based design education. Janis Rozentals has the strongest profile in artistic design education. Janis Rozentals is also the most advanced in new media, and in curriculum planning.

The Baltic Russian Institute, founded in 1992, has in 2004 had a new study program for environmental design accredited by the Ministry of Education. The program offers three specializations: interior design, advertising design, web design. The languages of instruction are Latvian and Russian. There hasn't been any graduates yet.

Secondary level education in design is a great asset to Latvia and the nation should value these schools. Nevertheless, Latvia can increase the value of public support to design education by supplementing basic training in crafts and art with training in general design methods, business, marketing, and management.

> Tertiary Level Design Education

While close connections between education in art and design are valuable, they are also an obstacle to professional design education. Over fifty local art schools and eight secondary schools in art and design offers LAA a choice among skilled applicants. At the entrance level, students are likely to have as much as ten years of training in two-dimensional and three-dimensional visualization, mainly drawing, painting and sculpting.

Six departments at LAA cover design: functional design, metal design, fashion design, scene-design, visual communication and environmental art.

Half of the students at LAA come form Janis Rozentals Riga Art School where they have learned the same subjects which they learn the first two years at the LAA. Secondary schools move beyond basic visualization to include new media, photography and the conceptual design methods of industrial design in various media.

The advantage of close connections between education in art and education in design lies in the high level of visualization skills already at entrance level. The disadvantage lies in the inherent understanding of design as an art form, centred on craftsmanship and in-depth knowledge of specific materials. While personal expression and craftsmanship are relevant elements in design and design education, they are not the only core elements of contemporary, professional design practice.

Design education at LAA is studio-based with a focus on materials, craftsmanship, and visualization. In these areas, the level compares to the best international standards. Nevertheless, because these programs focus on design as art, they fail to meet the needs of a late industrial or early knowledge economy. Also, the sharp division between the design departments hinders flexibility in education.

There is no unemployment for architects and designers in Latvia. Compared to the international situation, it verges on paradox to suggest that this creates a problem. Yet market needs for architects and designers and the low salaries in education minimize the incentive for individuals to pursue doctoral education or otherwise to participate in the necessary reflective development of professional and research-based knowledge.

> Future State

Design education and design research must become an instrumental force in the effort to place design on the national agenda.

To achieve this, the design schools should restructure design education to meet present and future demands from business and industry. The relevant academic institutions should cooperate to establish in a cross-disciplinary research strategy to develop and ensure innovative design education.

Instead of waiting for industry to formulate clear demands for design education, Latvian design education should become proactive, adopting strategies based on comparable international experience.

This requires cooperation between LAA and the University of Latvia, as well as cooperation with international design universities and business schools. First, it requires the determined will to change and reform design education.

Design adds value. To add value in today’s global economy, design education must be research based. Design is practice-based, action-oriented, and innovative. These characteristics make it possible to integrate design research into other research programs. Design research would add value to Latvian research programs involving different disciplines and institutions in universities and private sector business. A general effort to initiate design research could propel Latvian universities to a more active role in shaping the future.

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Latvian Academy of Art
Professor, Dr. Janis Andris Osis, Rector
Dr. Atis Kampars, Vice Rector
Barbara Abele, Vice Dean

University of Latvia
Prof., Dr. Indrikis Muiznieks, Vice Rector
Dr. Edgars Vasermanis, Dean, Faculty of Economics and Management

Riga Technical University
Dr. Janis Brinkis, Dean, Faculty of Architecture

Riga College of Art and Design, RDMV
Santa Zarina, Vice Director

Janis Rozentals Riga Art School, JRRAS
Mara Muizniece, Director
Vita Valheima

4 DESIGN DEMAND IN LATVIA

The purpose of studying current demand is identifying the extent to which Latvian business and industry recognize a need for professional design services and use them.
The results will serve as a point of departure for a national design policy proposal.

Section 4.1 gives a general overview of the sample of Latvian companies interviewed for the study.

Section 4.2 deals with the use of design in Latvian business and industry.

Section 4.3 discusses design maturity.

Section 4.4 considers how businesses and industries in Latvia currently plan to use design services in the future.

Section 4.5 discusses the need for help.

Section 4.6 presents the questionnaire used to map current demand for professional design services in Latvia.

4.1 Mapping the demand for design

To map the current demand for professional design services in Latvia, we studied Latvian companies with a questionnaire and interviews. To develop a broad overview, we selected companies in six different industry sectors: furniture, wood, textile and garments, metal and machinery, electronics, and services. The percentage of companies in the different industry sectors of the sample represents a slightly different percentage than the percentage each industry represents in national production and export figures.

Choosing companies of different scales and sizes gave us a broad basis for understanding the challenges that many kinds of companies face.

Given our limited time and budget, we selected companies that have some kind of reputation for using design. While this selection may have biased the study to favour
the idea of using design, it also makes the findings on current use of professional design significant because of the gaps and deficiencies we discovered.

We requested 30 companies to answer questions by completing a detailed survey questionnaire. 19 companies responded. We asked executives from these 19 companies
to participate in face-to-face interviews to expand on the answers. Executives from 19 companies agreed to meet us for interviews. We interviewed 12 managing directors, 4 directors of marketing, product development, or technology, and 3 who hold other senior positions at their firms.

This study involves quantitative and qualitative analysis. Because our sample is small, readers should interpret quantitative information carefully. A much larger sample might change the figures in the quantitative analysis, but it would not change the overall trends.

The qualitative study is robust. Interview discussions confirmed our findings. A larger sample would allow us to deepen the qualitative study, but it would not change the direction.

The questionnaire appears at the end of this chapter.

Most of the companies we studied were established during the last two decades. All have experienced major changes since Latvia regained independence at the collapse of the Soviet Union. This turbulent history is reflected in the fact that some companies describe seven-year customer relationships as ‘old relationships’. Companies that have survived more or less unchanged since Soviet times have typically reduced their workforce. Today, sales must cover costs.

4.2 The use of design

Every man-made object is designed. Someone has determined its shape in the widest sense of the word. This does not mean that all Latvian manufacturing companies work consciously with design, and few work with professional designers.

Of 19 companies interviewed, three companies do not use design services. One of these three is a furniture manufacturer. This fact emphasizes a significant problem in Latvian industry. This is the surprising failure to use design in sectors where design traditionally plays an important role in creating value-added products and services. In other nations, such industries as furniture and textile and garments are traditionally considered design intensive industries. Since these are also important industries in Latvia, we would expect a relatively high awareness of design and significant use of design services, at least in these sectors. This is not the case.

Two different reasons may account for the fact that a company does not use professional design services. One is that the company does not consider design important to its products. A metal working company with no history of design activity that sells business-to-business products is a case in point. Another possible reason is that a company leaves design to its clients. Both situations may prove dangerous in the long run. Few Latvian companies use design services as part of an overall strategy. Those that do use design generally use design on a one-off basis.

The limited use of professional design services by companies in the study reflects and worsens a serious problem in Latvian economy. Too little design means that Latvian companies add too little Latvian value to products and services. This reflects the great degree to which Latvia competes by selling cheap labor and raw materials.

These facts should alert economists and policy makers to the dangers of commoditized production. When price plays the dominant role in product sales, products from low wage nations can easily replace Latvian products when Latvian wages rise. This is more than an idle

threat that they may shift production from Latvia when wages become high compared with lower wages elsewhere.

No single factor completely describes current use of professional design in Latvia. For example, the number of designers employed in Latvian companies does not really explain the situation of professional design services in Latvian production today. The use of professional design services in Latvian companies involves many factors.

One metal and machinery sector company has so many orders that it has no capacity for design. This is the reason they use no professional design services. The production staff of a furniture company handles design together with clients. In some cases, clients examine furniture models in production at the company to suggest changes. In other cases, clients provide photographs showing what they want the new product to look like. At one textile and garments company, clients provide all their own design services.

One furniture company uses professional design services sporadically. Most of the time, the managing director and the technical director handle design on their own. Three metal and machinery companies and two furniture companies occasionally use freelance designers.

At one furniture company, clients provide one third of the design services, the firm handles another third with its own design, and a professional designer designs the remaining third. Another furniture company reports that clients design 80% of its products while the firm designs most of the remaining 20% in-house. This company only uses freelance designers when it requires new products.

One large furniture company reports that professionals design 30% of its products while they do the rest themselves. The same company uses a freelance designer who provides design services together with orders for that design.

One textile and garments company that used a design office in London until recently is moving its London design office to Latvia. The company will staff the design office with four Latvian designers who are now studying at Riga College of Arts and Design. The

primary reason for the move involves lower salaries in Latvia.

Two textile and garments companies, two furniture companies, one metal and machinery company and one electronics company employ salaried in-house designers. Latvia's postal service uses freelance graphic designers.

Two points summarize the limited use of design:

First, many companies develop and manufacture products without involving professional designers. In our view, these manufacturers could sell most of these products at a higher price, and (or) they could sell more products if the products were designed professionally. By definition, professional design is an activity that adds value to products. This means higher profits, greater sales, or both. This means greater profits.

Second, clients design a large number of Latvian products. One manufacturer sees this as an advantage, arguing, "It is nice that the client pays for design." What is not so nice is the fact that the client can move to another manufacturer at any time with his design. When the client drives all added value aspects of production, we call this "the backseat syndrome." This backseat syndrome exists in the furniture industry and in the textile and garments industry. The recent history of Latvian industry during the short post-Soviet recovery time with serious financial limits made this type of contracting attractive. It may have been appealing in the short run. In the long run, it is a dangerous strategy.

To succeed on a long-term basis, Latvian industry must move from the backseat to the front seat, taking control of design services to add knowledge and value to products manufactured in Latvia. Adding knowledge and value is a central feature of modern economies. Knowledge work is much too important to be left to others in every sector. Profitable business requires adding value. Companies that subcontract today should already begin to safeguard against enforced a future reduction in orders by introducing their own products.

Across industry sectors, the furniture and textile and garment industries have the greatest potential for

using professional design services. With a heavy reliance on business-to-business sales, the metal and machinery industry has less potential for using professional design services. The fact that some companies leave design to clients does not always mean that they ignore design services. It may mean that they prefer to reduce risk by engaging design services as close to the market as possible. Nevertheless, this also means that they refrain from using design for competitive advantage.

Product design	13
Product graphics	6
Branding	8
Graphic design	7
Environmental design	4
Packaging	7
Design management	1

Design services used by companies in the study

Since 18 of the 19 companies in the study are manufacturing firms, it is natural to expect most of these companies to use product design in some form. Surprisingly, this is not the case. Five manufacturing companies do not use product design.

Next to product design, branding is the most widely used design service. This means that companies use graphic design to present the company and its products in visual form.
The type of branding we see in Latvia is typically the result of long-term development rather than strategic planning. Branding includes both product brands and corporate brands. Few Latvian companies practice branding in the full economic sense of the term.

Graphic design covers a broader spectrum of visual information functions than branding does. Graphic design includes packaging and sales literature.

Design management designates three types of activities. First, it covers using design to design products. Second, it covers managing design services. Third, it covers using design on a corporate level to make the company itself visible to the public and to stakeholders. Every company that uses design uses design management to some degree. While one company states that its works with design management, none of the companies in the study has a design manager. A design manager is a person whose time is dedicated to design management. In Latvian companies, managing directors, technical directors, and marketing directors typically cover design management functions.

Many Latvian companies are too small to engage a full time design manager. The small size of companies is one reason that most leave this responsibility to top management.
This may not be the only reason. Some companies may consider design important enough to require the attention of the managing director or another member of the management team. Nevertheless, the small size of companies also means that top management must handle all tasks, and this means too little time for design management.

Relation with designers	Number of companies
No relation	3
Freelancers	11
Employment	7

Relationships with designers in 19 Latvian companies. Two companies use both freelancers and employed designers.

Most companies use freelance designers as their primary source of design services. This is more than a beginner’s choice. There are several valid arguments for using freelance designers. First, freelance designers are more flexible than full-time, salaried employees are. A company pays them only when it requires their services. Second, freelance designers often have a wider range of experience than internal employees do. They develop useful experience and

knowledge in projects with other companies in the same industry and with companies in other sectors. This wider background is often useful. Third, freelance designers often prove more competitive than employees do. They must compete for every job. Fourth, companies can choose among many specialists to get the right designer for the job at hand by choosing among freelance designers. While this is the case in principle, of course, it also requires a richer supply of high quality design services than seems to be on offer in Latvia.

None of the 19 companies in the study buys design from consultancies. There are nearly no design consultancies in Latvia. None of the companies works with famous designers who are so well known that their name will help to sell the goods.

There are two main reasons to employ full-time designers. First, permanent company designers develop deep knowledge and understanding of the company and its business. The company is not required to explain everything about the firm and the project to a new designer every time it begins a new project. Second, employed designers can be more economical than freelance designers can if there is work enough to keep them employed.

Three of the seven companies that employ full-time, salaried designers are in the textile and garments sector. The other four companies of the seven come from four different sectors, furniture, metal, wood, and electronics.

Latvian companies primarily buy design services in Latvia. Only one furniture company uses a foreign designer. One textile and garments company employs four designers in London, but it is now moving its design office to Latvia, where it will employ Latvian designers.

Few Latvian companies seem to buy design from leading international design offices. Banks and the national airline are among the few that do.

During the interviews, we asked representatives of the 19 companies whether there are enough professional designers in Latvia. Ten answered yes, three answered

no, and six had no answer. Of the ten who believe that there are enough designers in Latvia, however, four said that Latvian designers need development. They state that Latvian designers lack experience, that they know too little about production, and that they are incompetent in industrial design. If we ask whether there are enough qualified designers in Latvia, seven would say no, six would say yes, and six do not know.

Questions about the quality of Latvian designers confirms this pattern. Latvian designers need experience. Executives at the 19 companies in the study state that designers should understand basic principles, they should understand the market, and they should ask for a reasonable royalty, maybe 2% . Six answered that Latvian designers are good or as good as designers are elsewhere. One states that they are more down to earth.

4.3 Design maturity

The way that the 19 companies use design is determined by – and therefore reflects – their design maturity. We can measure design maturity in several ways. First, we can examine different aspects of design maturity.

Does the company manufacture its own products or does it subcontract production for the products of other companies?

Does the company manufacture finished products or does it manufacture parts?

Does the company create branded products or anonymous products?

Does the company have a market-oriented culture or a production oriented culture?

Does the company create products aimed at consumer markets or at business-to-business markets?

Like most Latvian manufacturing companies, the 19 companies in this study primarily engage in subcontracting. They manufacture parts of finished products rather than entire products. They manufacture anonymous products rather than branded products. They function in a production-oriented mode, often in business-to-business activities. These four factors indicate that Latvian companies tend to be less design intensive than comparable companies elsewhere.

The Danish Design Centre created another scale for measuring design. It sorts companies into four classes according to the way they use design. The four ways to use design in the DDC scale are: design as innovation, design as process, design as styling, and non-design.

Maturity level		No of companies
4	Design as innovation	0
3	Design as	3

	process	
2	Design as styling	13
1	Non-design	3

The position of 19 Latvian companies on the Danish Design Centre design maturity scale. (More on this scale in the section on structures and strategies for development and supply of design services, p 31.)

On the DDC design maturity scale, 13 of the 19 companies in this study cluster around design as styling.

Design as innovation
None of the 19 companies in the study use design as a strategic tool for developing the company.

Design as process
3 companies use design systematically for product development.

Design as styling
The vast majority of the 19 companies use design for styling. This seems to be typical of Latvian companies as a whole when they use design at all.

Non-design
3 of the 19 companies use no design. Because this study focused on companies that have a reputation for using design, we expect to find and even greater proportion of general Latvian companies at this level of the design maturity scale.

This classification describes the current use of design by Latvian companies. This excludes design provided by clients, since this does not reflect Latvian design maturity.

There is more design awareness than proper knowledge about design in the 19 companies in this study. This is also true of Latvian business and industry in general.

One of the other difficulties in Latvia is the fact that the people who do know about design and design management are not able to apply what they know. While some companies do have knowledge, they lack the experience that would enable them to put their knowledge to work.

There generally seems to be little understanding of the importance of feelings and emotions in today’s marketplace. Few companies understand the concept of products that tell stories, and too few companies tell their own stories well. Too few companies grasp the concept of building experiences into products.

4.4 The future use of design

The way that Latvian companies will use design in the future depends on how much weight they give to design in relation to other competitive factors. We asked the companies in this study to select important competitive factors among a number of possible choices. 15 of 19 companies cited price. 10 companies mentioned product design. Only 3 mentioned branding.

Price	16
Technical quality	15
Product design	10
Ergonomics	3
Branding	3
Advertising	2
Distribution	4
Delivery time	7
Delivery reliability	12
Reputation	10

Important competitive factors chosen by interviewed companies

While 10 of the 19 companies in our study state that design is an important competitive factor, this is not impressive given the fact that 11 of the 19 companies are in the furniture and wood sector or in the textile and garments sector, two areas where design is traditionally considered important. The lack of emphasis on branding demonstrates that design maturity remains low, despite the fact that companies claim to value the importance of design.

This is reflected in the strong emphasis on price and the low emphasis on branding. Companies that consider branding important generally give less emphasis to price because strong branding leads to reduced price sensitivity.

When asked about how much value design adds to their offering, executives at 18 of the 19 companies had a difficult time in giving clear answers. We expected this. Economists and design theoreticians know that it is difficult to isolate the economic effects of design as a parameter in a complex marketing mix. The answers we received reflect beliefs and perceptions rather than established facts.

	No answer	None	Little	Some	Great	Total
Furniture and wood	1	1	3	–	2	7
Textile/garments	2	–	2	–	–	4
Metal/machinery and electronics	1	3	3			6
Services		1				1
Total	4	5	7		2	18

The added value of design estimated by interviewees. Answers of less than
10% are classified as ‘little’.

Only 2 companies of the total 18 believe that design adds great value to their offerings. Unusually, these 2 are among the 11 firms in the two sectors that should be design-intensive, furniture and textile and garments. One explanation for this odd gap is that these questions and answers deal with the current production. We did not ask what design means to the furniture sector or to the textile and garments sector in general, and we did not ask what it could mean.

One factor that determines the future use of design is the way that businesses seek information about design. The more actively they monitor movements and trends in international markets, the more likely it is that they will invest in design. The better they understand what is going on in international markets, the more energy they will probably use on design issues.

We asked about sources of information about design used by the 19 companies in our study. Answers included exhibitions, magazines, competitor and industry catalogues, personal contacts, partners, the World Wide Web, the Latvian Academy of Art, and the Latvian Board of Patents. One furniture factory said that they have little interest in searching for information on design. Not all furniture and textile companies visit fairs. Altogether, the search for market intelligence and design information appears to be sporadic rather than systematic.

New design emerges in the meeting between the pull of markets and the push of designers. Many executives at the 19 companies believe that keeping an eye on the market and getting a feel for market trends is an essential part of the designer’s work.

While executives at some companies feel that something should be done to stop plagiarism, others admit that they plagiarize.

The majority of the 19 companies believe that their use of design services will increase in the future. That is especially clear among the textile and garments companies. Three of four are considering whether they should establish a design group in Latvia. On the other hand, the fourth textile and garments sector firm is considering a move to a country with lower wages, perhaps Romania. Interviewees from both textile and garments companies and furniture companies realise that Latvian wages are no longer at the lowest end of the scale. This should be a strong argument for investing in design and branding. Design and branding help companies to shift their competitive advantage from price to quality and experience.

No change	7
Move to low wage area	1
Establish design group	3
Use design for more products	2
Maybe	6

Expectations for increased use of professional design services at 19 Latvian companies

4.5 Need for help

When asked about factors that hinder the use of design, we discovered four groups of attitudes.

First, and most problematic, is the belief that design will not pay.

Second is a concern about the problem of financing combined with the belief that introducing professional design involves great costs and great risk.

Third is a lack of financial support from government.

Fourth and quite significant is the lack of qualified designers.

Economic reasons as barriers to using professional design are reinforced in the suggestion that a design centre help companies use design. Some even ask directly for government help. The need for learning is recognizable, as is the need for a new image that sheds the former image Latvia had as an eastern European nation.

More companies suggest state support for developing new design, perhaps as much as 50% to 60% of development costs. Others suggest tax benefits to companies that invest in design.

Companies need knowledge about design. They want a database of designers that will provide overview of designers, their experiences and competences. Companies also want databases that provide information on new technology and international trends.

On a general level, companies want informative material and knowledge about design and they want the opportunity to exchange information with colleagues and with others. Some also suggest organized support for visits to exhibitions abroad.

On the specific company level, many companies want professional support together with opportunities for consultation and advice. One company suggests a design incubator.

Companies express the need for post-graduate education of young designers.

Some companies want the nation or a design centre to work on a new non-Russian image for Latvia and Latvian design.

Other respondents want sanctions against plagiarism. Some want a Design Centre as a place to meet, disseminate information, and exhibit the best of Latvian design.

4.6 Questionnaire: Latvian businesses

Design demand

Questions should preferably be answered by:
A The managing director. If this is not possible, they should be answered by:
B The person responsible for design and product development. If this is not possible, they should be answered by:
C The marketing director. If this is not possible, they should be answered by:
D The technical director

1 Brief company history

2 Brief company overview
2a What is the main business of your company?
2b Organisation
2c Production
2d Market

3 Company use of design in the past and now

4 Company relations with designers
A How many designers do you employ on a full time basis?
B How many free lance designers do you work with?
C How many design consultancies do you work with?
D Do you have other relations with designers or design firms?

5 How do you pay odesigners? Please indicate all that apply:
A Fixed salary per job
B Salary per hour/day
C monthly payment
D Royalty

6 What competitive competitive factors are most improtant to your company?
A price
B technical quality
C product design
D ergonomics
E branding
F advertising
G distribution

H delivery time
J delivery reliability
K reputation

7 How much does design add to the value of your products?

8 For which functions does the company apply professional design?
A Product design
B Product graphics
C Branding
D Graphic design
E Packaging
F Environmental design
G Design management

9 What future change do you forecast in your company's use of professional design?

10 How much of your company's product design is designed by customers?

11 How much of your company's production is sold under other labels?

12 Are there enough Latvian designers?

13 How do Latvian designers compare with designers from other countries?

14 What sources of information concerning design do you use today?

15 What barriers to greater use of professional design do youy experience?

16 How could your company benefit from a Latvian design centre?

17 Please describe your vision of a Latvian design centre

18 In what ways could the government help the design development in Latvian business and industry?

5 BLUEPRINT FOR A LATVIAN DESIGN POLICY

This chapter presents a proposal for promoting professional design in Latvia. When adjusted and approved, the proposal will serve as basis for an application to EU structural funds. It will also become a strategic guide to future success with design. The proposal has three foundations:

The first foundation is knowledge gathered by studying design policy proposals in Denmark, Norway, and Sweden as well as the experience of developing a design policy for Estonia. We presented some of this information in chapter 2, ‘Design promotion’.

The second foundation is an assessment of the current state of design in Latvia in terms of six target groups. We present this assessment in section 5.1.

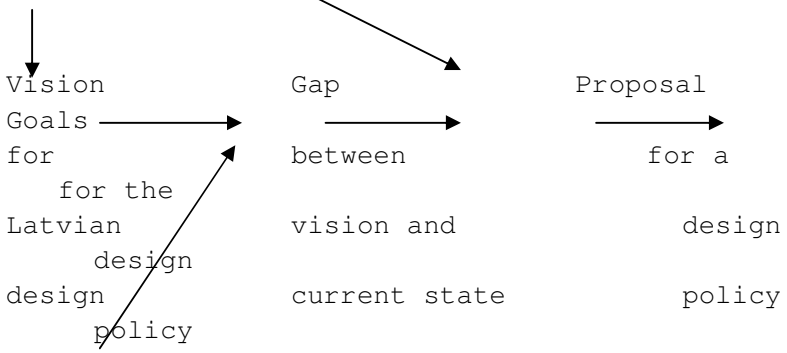
The third foundation is a vision for Latvian design. We present this in section 5.2. This vision sets a direction for the design policies we propose.

The difference between the vision and the current state defines a gap to be filled by a design policy. We discuss this gap in section 5.3.

Section 5.4 presents a number of proposals for policy measures along with the reasons for them. Together, these measures form a comprehensive national design policy for Latvia.

Introducing and implementing a comprehensive design policy is not enough. Once the Latvian government establishes a design policy, it must ensure that it works as intended. For this purpose, section 5.5 defines a number of goals relating to the policy proposal. These goals are primarily quantitative to enable easy control and adjustment.

Experience
from other
nations



Current
State of
Supply and
Demand

We describe current states and the policy vision of preferred states under six headings that correspond to the six target groups for design policies:

Path of arguments > Goal Key policy area	Current state	Vision	Gap	Policy
Research and education - relevance	>	>	>	> x
The design profession - competences	>	>	>	> x
Business and industry - use of design	>	>	>	> x
The public sector - use of design	>	>	>	> x
The general public - design awareness	>	>	>	> x
International audiences - knowledge of Latvian design	>	>	>	> x

The path from current state to policy goals

5.1 The current state of Latvian design

The analyses of supply and demand in this report describe the current state of design in Latvia in terms of research and education, the design profession, and business and industry. The evaluation of the public sector, the public and international audiences is based on observation and informal interviews with people who know the current Latvian design situation.

Research and education

The Latvian Academy of Art LAA offers design education on university level. The curriculum is based on arts and material rather than on research. The curriculum is limited in its orientation to the international design world. There are too few guest teachers, too little student exchange and too few international projects.
(See Design supply, p 31)

The design profession

There are few experienced professional designers in Latvia. Designers in Latvia are primarily educated in Latvia and have limited international experience. They have a limited knowledge and understanding of technology and current market conditions.
(See Design supply, p 31)

Business and industry

Business and industry compete to a large degree on low wages and cheap raw materials. Subcontracting and production of anonymous products play a dominant role. Many products manufactured in Latvian for export are sold under foreign brands with little or no indication of Latvian provenience. Too little Latvian value is added to products manufactured here. (See Design demand, p 47)

The public sector

The public sector has not realised how professional design can improve public service.
At the same time, the public sector fails to serve a second public interest by using design as an educational example for business and industry, for designers, and for the public.

The general public

The general public primarily thinks of design as a matter of expensive cars and fashion. The public is not aware of design as a major source of improvement in products, services, competitiveness, and – most important – in quality of life.

International audiences

For these many reasons, international audiences rarely hear about Latvian design. A few underwear and linen brands are exceptions to this generally true statement.

5.2 A vision for Latvian design

A vision for Latvian design addresses six key target groups in a decade long period.

Research and education
In 2015, Latvian design education is as good as design education in advanced design nations. Latvian design education is research-based rather than focused on art, crafts, and materials. Students are internationally oriented by education and inclination, and they head for careers in an internationally oriented profession.

The design profession
In 2015, Latvian designers are highly professional by education and by practice. Latvian designers are internationally oriented and they benchmark themselves against the best international designers. Latvian designers are lifelong learners and they regularly update their professional capacities. Latvian designers enjoy a reputation abroad. They compete for – and win – important jobs outside Latvia.

Business and industry
In 2015, Latvian private enterprises enjoy a high level of design awareness. Latvian companies have climbed the design maturity scale for several years. More companies than ever before actively use design as an integral part of product development and innovation.

The public sector
In 2015, public sector organizations include design considerations in all public procurement. They do so to offer better service and to improve their image. They help to strengthen Latvian competitiveness by demanding high design quality from Latvian designers and companies.

The general public
In 2015, many Latvians are aware of and interested in design. Most Latvians know that design is more than fashion. Consumers often prefer Latvian products for their design quality. They also know that Latvian design is a major factor in the recent growth of Latvian export.

International audiences

In 2015, many groups outside Latvia know about Latvian design. Latvian designers and manufacturers are invited to exhibit their work at international exhibitions. Latvia is considered a design nation. Buyers, designers, and media keep an eye on Latvian design.

5.3 The Gap between vision and current state

Latvian design today is weak in all six key areas. The vision statement equals the gap between the current state and the vision.

The design policy measures in this report are recipes for moving from state zero to the state described in the vision.

5.4 Policies

This section of the report describes a series of design policy measures. We categorize each series of policy measures to correspond with the six target groups they address. Ultimately, almost all design policy measures will benefit all target groups. Policies that serve one group directly will indirectly benefit all groups by improving the situation for Latvian design in a way that leads to a stronger, more profitable industry to enhance prosperity in general. Nevertheless, some proposed policy measures will benefit more than one target group in direct ways. We deal with these policy measures under their primary target group and mention them under their secondary target groups.

Three activities – a Latvian design web site, a web-based newsletter, and a library – seem to benefit five target groups in a direct way. They are basic activities for a Latvian design centre and we list them after the specific measures for relevant target groups.

> Policy measures addressing research and education

The design policy measures for research and education fall in four categories: principal changes, research changes, education changes, and other structural changes.

	Principal changes	Research	Education	Other structural changes
Distinction between art and design				x
Evaluation of market needs			x	
Advisory board		x		
Research strategy		x		
Research plan		x		
Cooperation		x		
New curriculum			x	
Studio-based education			x	
Internationalization				x
Teacher/student ratio			x	
Library resources			x	

Design policy proposals for research and education

Distinction between art and design
LAA provides education in art and design. To ensure relevant design education in the future, LAA should formulate clear policies to determine and separate the elements of art and design education.

Evaluation of market needs
LAA should establish resource priorities with thorough, continuous analysis of future market needs.

Advisory board
To support and supervise design research and education, LAA should establish an advisory board with representatives from industry, relevant governmental

agencies, relevant university institutions, and international experts in design research and education.

Research Strategy
University-level design education must be research-based. LAA should establish a research strategy based on scientific criteria. Research qualifications should be a central parameter in recruitment and hiring. Teachers at LAA should develop research skills and engage in research projects.

Research Plan
LAA must establish a research plan focusing on few general themes that cross the divisions of traditional professional practices. These themes should reflect core competences at LAA and apply to all teaching to emphasize general aspects of design method in design education.

The research development process at Denmark's Design School offers a viable model for establishing a research plan that combines existing competences with a new focus on research, general method, and theory.

Cooperation with Latvian University Institutions
LAA, the University of Latvia, and Riga Technical University should collaborate to develop a fully funded doctoral program in design. The program should employ at least ten doctoral students.

LAA and the University of Latvia Faculty of Economics and Management should cooperate to establish a joint education in design management.

New Curriculum
International trends suggest that design has become less a matter of craft than it once was. Today, professional design requires multiple skills that designers apply in cooperation with different actors. Latvian design education should prepare students for this new role.

LAA should introduce general design theory, business education, information technology, and

interdisciplinarity into the current craft-based design education.

LAA should offer courses in business education for designers in cooperation with the University of Latvia Faculty of Economics and Management. The program should include a course with basic education in market needs, strategy, and management.

Studio-based education
Teaching basic visualization skills should be left to primary and upper secondary schools.

Design education should transcend divisions among materials, techniques, and departments.

Education in specific materials and traditional techniques should take no more than 50% of the time.

Internationalization
LAA and other educational institutions should increase their use of foreign teachers and researchers. Latvian teachers and researchers should be given opportunities to travel abroad. Student exchange programs should be established or expanded from the present level, a level that is close to zero.

Tearcher/student ratio
LAA should consider the number of students per teacher. A clear distinction between artists, designers, and researchers could result in a smaller number of teaching faculty. This, in turn, can save funds for foreign travel and networking.

Library resources
LAA should allocate funds to build library resources. Research based design education requires an information infrastructure to support research.

> Policies addressing the design profession

Latvian designers need information and explicit knowledge about the professional design industry today and they need more experience in professional design practice. They specially need to know more about product development and branding, and about the relationship between design and industry. They also need more experience in professional practice. To get this experience, Latvian designers must learn to market themselves. Running a business is part of being a freelance designer.

Purpose >	Knowledge		Help to market themselves
	Explicit	Tacit	
Courses	x		x
Travel grants	x	(x)	
Benchmarking	x		
Designer index			x
Traineeships		x	
Design policy proposals for designers			

Courses and seminars
Courses and seminars should cover three subjects:

Design update. This should be an international presentation of current issues in the design world. At this moment, central themes would include graphic design, branding, product design, user oriented design, interaction design, and design for sustainability.

The business of design. This course should introduce designers to the business world. It should address key business factors in the postindustrial era, including aspects of the knowledge economy, the experience economy, and the dream society.

How to run a design office. This course should cover practical subjects that today's designers did not learn at school. This includes how to get clients, how to treat them, how to hire and manage employees, how to plan for growth, and so on. Such books as Marcello Minale's How to Run a Multi-disciplinary Design Office

and Shan Preddy’s How to Market Design Consultancy Services can serve as course literature.

One problem is finding teachers who have a solid theoretical foundation and strong practical experience. Perhaps teachers must be imported. It might also be that designers can work together in study circles with appropriate help.

Travel grants
Latvian designers must be encouraged to travel and see the world of design and be supported to do so. Travel grants should be given to designers who want to attend courses and conferences, work as trainees, meet colleagues, and attend fairs abroad. The grants can be given with an obligation for designers to give a presentation and a written report on the experience and what the designer learned after returning to Latvia.

Benchmarking
Latvian designers should keep an eye on the world outside the Baltic region. One way to do so is to visit the web sites of the hundred best design offices in the world. A list with URL addresses should be developed and updated regularly.

Designer Index
A web-based designer index should be established to present the merits and capabilities of Latvian designers. The designer index should be in Latvian and English to serve the needs of prospective Latvian clients while encouraging foreign clients to buy design services in Latvia.

Traineeships
Design policy measures planned for business and industry require professional assistance from fully-fledged designers. These include audits, consulting, and icebreaker programmes. Because there are too few such designers in Latvia, we suggested establishing a ‘flying squad’ of designers imported from Scandinavia (see p 78). To enhance the benefit of Flying Squad activities, we suggest that a Latvian designer should accompany every foreign expert to assist them and to learn from them. Latvian designers who have followed and worked with foreign experts several times will develop the knowledge skill to audit and consult.

The design profession will also benefit from the following design policy measures primarily established to benefit other target groups:

Publications see Business and industry
Meetings see Business and industry

Caseletter see Business and industry
Audits see Business and industry
Consulting see Business and industry
Icebreaker see Business and industry
Awards see Business and industry
Brochure see The public sector
Newsletter see The public sector
Competitions see The public sector
Press coverage see The general public
TV programmes see The general public
Website see Basic activities
Newsletter see Basic activities

> Policies addressing business and industry

The design policy proposals for business and industry focus on two needs, motivation and knowledge

Solid arguments and economic incentives can improve motivation. Arguments can be normative or descriptive. A textbook that explains what to do and describes how to do it is normative. A case study explaining what others have done is descriptive.

Knowledge can be explicit or tacit. Explicit knowledge is stated in words. Explicit knowledge is transmitted as information and acquired through listening, reading, or other cognitive activities. Tacit knowledge is the ability to do something without necessarily being able to express it in words. Tacit knowledge is embedded in experience and skills. Tacit knowledge is transmitted by demonstration and coaching and acquired by practice, including trial and error.

Purpose >	Motivation			Knowledge		
	Arguments		Incentives	Explicit		Tacit
	Normative	Descriptive		Normative	Descriptive	
Publications	x	x		x	x	
Meetings	x	x		x	x	
Seminars	x	x				

E-learning	x	x				
Caseletter		x			x	
Audit				x		
Consulting				x		x
Icebreaker			x	x		x
Design policy proposals for business and industry						

Publications
With the triple intention of providing the best material available, internationalizing Latvian design, and acting swiftly, we suggest selecting of the best design books now in print and making them available to Latvian business and industry.

Three good basic titles should be translated into Latvian and widely distributed, free of charge or at cost. One such title is John Thackara’s Winners! How Today’s Successful Companies Innovate by Design.

Ten further titles in English or German should be purchased directly from the publishers with large-quantity discount and distributed free or at cost.

These books will help to motivate effective use of professional design services while helping to build the knowledge that companies need to do so. The best books will provide both normative arguments (“Do it this way.”) and descriptive arguments (“X did it this way.”).

We also suggest developing a series of brochures to introduce important design topics. These short introductions should educate and convince business leader who will not take the time to read a book. The series should begin with two brochures, one on design and product development, and one on branding. Both should emphasize motivating a large audience of business people. It is probable that some brochure readers will become interested enough to read one or more of the books.

Design meetings

Design meetings for business and industry should be arranged in the Riga-Liepaja area, and in three major cities outside Riga. The meetings should motivate and educate participants to the value of design. In all four areas, two meetings should be arranged every spring and autumn. Meetings should be short sessions lasting 1-2 hours held in the late afternoon to make it easy for executives to attend on the way home from work.

Subjects should be variations on the two main themes of product design and corporate identity or branding.

Lecturers should include theoreticians and practitioners. Lectures should combine practical cases with a theoretical foundation and success stories.

Participants should be business managers.

Every meeting should end with a session on how to get started using design.

Meeting organizers should distribute flyers on audits, consulting, and icebreaker programmes.

Design seminars

Design meetings will offer elementary information to emphasize motivation. Design seminars can go deeper to emphasize knowledge transfer and learning.

We hope that one of the business schools in Riga will build on the seminars organized for Design for Latvia by offering a 14-evening course covering the Business of Design. The Stockholm School of Economics is a likely candidate. This kind of course is vital to the future of design for Latvian business and industry. The school that develops such a course should be encouraged. One incentive would increase the participation that a school needs to underwrite development and delivery costs while enhancing the knowledge and skills of Latvian businesses. This simple incentive is refunding tuition fees to all students who complete the course.

E-learning

E-learning offers several advantages compared with traditional classroom learning. First, students can learn when it suits them best. Second, students can learn at their own speed and repeat lessons as often as they wish. Third, interactive development permits students to adapt course material to their own level. This takes place as students use built-in help functions for reference material, definitions, and explanations. Fourth, once development costs are paid, e-learning is inexpensive compared with classroom learning. Fifth, educational material can easily be updated.

E-learning addresses explicit knowledge and tacit knowledge. Students develop tacit knowledge through exercises to achieve skills.

We suggest creating an e-learning course that deals with branding. This course should possible be a b-learning (blended learning) program with an e-learning segment followed by a seminar where participants exchange experiences and summarize their studies.

The e-learning course should include numerous cases and practical examples, perhaps with references to company websites, where students can see good examples for themselves.

In addition, e-learning courses must offer rich information with references to accessible literature and links to other sources of knowledge.

Caseletter

Executives usually enjoy the informal kind of benchmarking that takes place when they read cases showing how peers and industry leaders meet challenges. For many, real-life stories seem more understandable and trustworthy than abstract theory. Winners by design are usually quite frank about the trials and tribulations they encounter on the way to success. That can make cases readable and valuable.

A newsletter that offers only design cases will be an interesting project. The format might be one case per newsletter. The format should be web-based. That will prove much cheaper than hard copy. In addition, a web

format will permit cross-references to previous cases. All cases are always available on the site. New readers can start where they want.

The newsletter can also provide information on case studies in books and magazines, and it can establish a case index.

Perhaps a caseletter exchange can be arranged with other nations.

Audits

“Where do we start?” Executives ask this natural question once they are convinced that using design on a professional level offers advantages. A design audit can be a powerful answer.

In a design audit, one or two experts visit the company and meticulously scrutinize all design relevant fields. What is good? What can be improved? What is unacceptable?
Following an audit, the auditor team writes a report that they present at a new meeting. The report offers a snap shot review of the present state, but it offers more. A design audit points to ways for improvement. It may also recommend a preferred sequence of actions when it is impossible to make all improvements immediately and simultaneously.

For information on auditor recruitment, see p 78.

Consulting

A design audit diagnoses problems and it roughly prescribes what should be done. Consulting develops detailed solutions, and helps the company to do and to learn by doing. Tacit knowledge, the kind of knowledge that companies can only acquire by doing, is necessary for working successfully with design. Working with design involves more than can be read in a book.

We suggest that companies working with design for the first time get a certain number of free consulting hours and a number of hours at half price.

For information on consultant recruitment, see p 78.

Icebreaker programme
Economic factors play a role when companies new to design decide to engage a designer.

An ‘icebreaker’ program supports initial design work by refunding 50% of the designer fee up to a certain limit (in Denmark: DKK 60.000 ≈ LVL 11.500).

The company must typically be an SME, a small or medium-sized enterprise. Only SMEs with a limited number of employees and a limited turnover should be eligible for participation. It must be new to using design and qualified companies have not used internal or external design expertise before. The designer that a company employs in an icebreaker program must be selected from a pool of qualified designers authorized for this programme.

Plans for using the designer must be approved. In many cases, participating companies will have taken part in a design audit and a consulting project before applying for icebreaker program support.

While the icebreaker program primarily involves motivation by economic incentive, the result is far more significant. The result of a successful icebreaker program is knowledge transfer that helps participants firms to develop explicit and tacit knowledge.

For information on designer recruitment, see p 78.

Design awards
While the main purpose of design awards is motivating business and industry to think about design, design awards achieve this result through the publicity they attract in printed and electronic media. Business and industry see what everybody sees. What they see is that design is important to consumers and to other buyers.

A design awards scheme should be an annual program covering design in several categories. The program must include ay least two central categories, product design and graphic design. Awards are given both to the business clients who commissioned design work and to the designers.

Annual awards should be given at an event where relevant celebrities provide photo opportunities to draw attention to design by attracting printed and electronic media.

Award winning designs should be presented at an exhibition that can travel to other cities, accompanied by lectures. Award winning designs should also be described in a brochure distributed free of charge at the exhibition. The jury explanation may serve as an introduction to design essentials.

Business and industry will also benefit from the following design policy measures primarily established to benefit other target groups:

Press coverage see The general public
TV programmes see The general public
Website see Basic activities
Newsletter see Basic activities

Flying Squad

In a perfect world, there would be enough Latvian experts already working in design to facilitate the increased use of professional design in Latvia. Unfortunately, Latvia has few such experts. We suggest that Latvia establish a flying squad of design experts from the neighboring nations of Denmark, Finland, Norway, and Sweden.

Such experts can act as auditors, consultants, and icebreaker designers. It is of paramount importance that Flying Squad members must be experienced consultants, designers, and product developers. Experts without practical experience are of no use.

Flying Squad consultants must be prepared to teach Latvian assistants. Members of the Flying Squad have a double mission. They must help a Latvian company to solve a problem, and they must teach a Latvian designer to solve problems of that type.

Flying Squad consultants must keep a log of their consulting work and conclude every project with a written report co-signed by the company and the Latvian assistant.

Flying Squad will be based on a pool of experts who have various kinds of experience and competence.

Flying Squad members will meet twice a year to share experiences and to share newly acquired knowledge.

> Policies addressing the public sector

The public sector has a great opportunity to benefit from design. Areas such as health care, education, transportation, and public administration are among the heaviest public spenders. That should oblige them to deliver the best solutions.

The public sector needs motivation and explicit knowledge about design. This report defines the public sector as state and municipal institutions, and state-owned and municipality-owned companies.

Purpose>	Motivation		Knowledge
	Arguments	Incentives	
Brochures	x		x
Meetings	x		x
Newsletter	x		x
Competitions		x	

Design policy proposals for the public sector

Brochure
A brochure answering the why and the how of design questions for the public sector can explain the role that design can play in raising the quality of public services. This brochure should give an overview of the fields where design can make a difference. It can also provide illustrations and examples from other nations.

The brochure must explain how to get started in using design and be linked to three other design policy measures for the public sector: meetings, newsletters, and competitions.

Design meetings
Design meetings schedule for the late afternoon when public sector employees are on the way home should deal with the same topics as the brochure. Meetings will also offer opportunities to meet experts and to network with colleagues from other parts of the public sector.

Newsletter

A web-based newsletter can inform public sector decision makers about the newest findings on public sector design issues. Case studies can describe completed projects.

The newsletter can also include a calendar of design related events.

The web format makes it possible to make cross-references to previous cases.

New readers can start by browsing back issues.

Competitions
The public sector should ideally buy design services by direct agreement between buyer and seller, much like any other professional b2b service. However, the competition format offers advantages that help to disseminate information on public sector design activity. Well-run competitions get good press coverage and create interest by other parts of the public sector.

In addition, state and municipal procurement law requires that central and local governments run competitions when spending above certain amounts. EU legislation also requires this. This means adding design criteria to current competition criteria. Currently the main criterion in public procurement is the price, and sometimes the experience of the bidder.

Public authorities should be offered economic help to organize design competitions. They should be offered advice and assistance concerning invitation, rules, jury, and payment for participants and jurors.

The public sector will also benefit from the following design policy measures primarily established to benefit other target groups:

Designer index see The design profession
Publications see Business and industry
Awards see Business and industry
Press coverage see The general public
TV programmes see The general public
Website see Basic activities
Newsletter see Basic activities

> Policies addressing the general public

The public should develop the kind of design awareness that leads it to demand good design quality at home and at work and to seek employment with companies known for good design. General design awareness should also encourage talented young people to seek careers in design.

Purpose >	Design awareness
Design awards	x
Exhibition	x
Press coverage	x
TV programmes	x
Design policy proposals for the general public	

Press coverage
Press coverage is an important way to inform the public about good design. It is relatively inexpensive to run a good press service and many people seem more inclined to believe what they read in the newspapers than what they read in brochures.

Newspapers, general interest magazines, selected special interest magazines, and electronic media should be informed about design related activities.

Latvia should establish a database of media and journalists with information on their special interests and how to contact them.

TV programmes
Local television stations should be encouraged to produce TV programsabout design.
They should also be encouraged to buy existing programsabout design from other sources. For example, Sweden has a tradition of good television programsabout design.

The general public will also benefit from the following design policy measures primarily established to benefit other target groups:

Awards see Business and industry

Website	see Basic activities
Newsletter	see Basic activities

> Policies addressing international audiences

The purpose of informing international audiences is to establish a reputation for Latvia as a design nation. At the beginning, this task should have low priority. As good design becomes visible in Latvian products and services, Latvia can intensify efforts to address international audiences. These activities should focus on disseminating information.

Purpose >	Knowledge
Press coverage	x
Website	x
Newsletter	x
Design policy proposals for international audiences	

Press coverage

International newspapers, general interest magazines, and selected special interest magazines, as well as electronic media should be informed about Latvian design related activities. Design organizations in other nations should also be informed.

Latvia should establish a database with the addresses of international media and journalists and their special fields of interest.

Website

The Latvian web page (see below) should have an English version to address people outside Latvia. The website should inform them about Latvian design and present the nation as a player working to enter the international design league.

The design of the website should itself communicate these aspirations.

Newsletter

A web-based newsletter in English should address news organizations and journalists in the database (see press coverage) and people who register on the website.

The newsletter should be a matter of fact information services that explains with bragging. It should be published four times a year, with greater frequency if needed.

> Policies concerning basic activities

To implement these design policy proposals, Latvia must establish a design promotion organization. Some nations call such promotional organizations design centres. Other nations reserve that term for exhibition spaces or for organizations with their own exhibition spaces. As establishing a permanent exhibition space is not part of design policy proposal, we suggest that the organization be called a Design Information Centre. This title emphasizes the fact that the main activity of the centre involves gathering, packing, and disseminating information about design.

Three basic activities of the Design Information Centre address the five domestic target groups of the design policy proposals. They all deal with disseminating knowledge about design.

Purpose >	Knowledge
Website	x
Newsletter	x
Library	x

Proposed basic activities in a Latvian Design Information Centre

Website
The Design Information Centre should create a web portal covering all aspects of Latvian design.

The portal should include

- General introduction to Latvian design
- Introduction to the Design Information Centre
- Library
- Links
- Designer index
- General newsletter
- Newsletter for business and industry
- Newsletter for the public sector
- Website in English

Newsletter
The Design Information Centre should publish a web-based newsletter about Latvian design. The newsletter should present a general update on all aspects of the design sector.

Library

The Design Information Centre should run a small, but effective library with the hundred best books on design. Abstracts of the books should be available on the website. New acquisitions together with abstracts should be announced in the general newsletter.

> Many policy proposals serve more than one target group

As mentioned above, many of the policy proposals will benefit groups other than their primary target groups. In fact, some policy proposals will benefit almost all target groups. The table below gives an overview.

	Research and education	The design profession	Business and industry	The public sector	The general public	International audiences
All R&E measures	1	-	-	-	-	-
Courses and seminars	-	1	-	-	-	-
Travel grants	-	1	-	-	-	-
Benchmarking	-	1	-	-	-	-
Designer Index	-	1	2	2	-	-
Traineeships	-	1	-	-	-	-
Publications	-	2	1	2	-	-
Meetings	-	2	1	-	-	-
Seminars	-	-	1	-	-	-
E-learning	-	-	1	-	-	-
Caseletter	-	2	1	-	-	-
Audits	-	2	1	-	-	-
Consulting	-	2	1	-	-	-
Icebreaker	-	2	1	-	-	-
Design awards	-	2	1	2	2	2
Brochure	-	-	-	2	1	-
Meetings	-	-	-	2	1	-
Newsletter	-	-	-	2	1	-
Competitions	-	-	-	2	1	-
Press coverage	-	2	2	2	1	-
TV programmes	-	2	2	2	1	-
Press coverage	-	-	-	-	-	1
Website, English	-	-	-	-	-	1
Newsletter, English	-	-	-	-	-	1
Website, Latvian	1	1	1	1	1	-
Newsletter, Latvian	1	1	1	1	1	-
Library	x	1	1	1	1	-

Primary (1) and secondary (2) benificiaries of design policy measures

5.5 Goals

We need explicit goals as beacons for the proposed policies. These goals allow us to measure and control fulfillment. We offer quantitative goals here. These make it easy to measure and control results and to adjust efforts. The proposed goals cover a three year period. They can be adjusted yearly to become part of a rolling plan.

Target group	Policy measure	Year 1	Year 2	Year 3
Research and education	Principal changes	Distinction between art and design		
		Evaluation of market needs		
		Advisory board		
	Research	Research plan		
		Cooperation with Latvian university institutions		
	Education	New curriculum		
		Studio-based education		
	Minor structural changes	Internationalization		
		Teacher/student ratio		
		Library resources		

Year plans concerning research and education should be established in discussion with LAA. We suggest planning the activities concerned with research and education in direct contact between LAA and their ministry. We also suggest that these activities should not be included in the same budget as activities addressing other target groups. This is because research and education can apply to special funding sources.

The organization established to implement design policy proposals that address other target group should hold regular talks with the LAA to coordinate objectives and actions.

Target group	Policy measure	Year 1	Year 2	Year 3
The design profession	Courses and seminars	1 Update seminar with minimum 30 participants	1 Update seminar with minimum 40 participants	1 Update seminar with minimum 50 participants
		1 Business of design course with minimum 30 participants	1 Business of design course with minimum 30 participants	1 Business of design course with minimum 30 participants
		1 How to run a design office course with minimum 30 participants	1 How to run a design office course with minimum 30 participants	1 How to run a design office course with minimum 30 participants
	Travel grants	25 grants	50 grants	50 grants
	Benchmarking	50 international design firm websites identified	50 more international design firm websites identified	Review and adjustment of selection
	Designer Index	50 designers included	50 more designers included	50 more designers included
	Traineeships	10 traineeships arranged	20 traineeships arranged	20 traineeships arranged

Target group	Policy measure	Year 1	Year 2	Year 3
Business and Industry	Publications	3 international books on design translated and distributed, each in 1,000 copies	10 international books on design bought and distributed. Totally 1,000 copies	
		Brochure about product development published and distributed. Minimum 1,000 copies	Brochure about product development – revised with Latvian examples. Published and distributed. Minimum 1,000 copies	
		Brochure about branding published and distributed. Minimum 1,000 copies	Brochure about branding – revised with Latvian examples. Published and distributed. Minimum 1,000 copies	
	Meetings	16 on-the-way-home meetings in Riga and elsewhere. Minimum average 30 participants	16 on-the-way-home meetings in Riga and elsewhere. Minimum average 30 participants	16 on-the-way-home meetings in Riga and elsewhere. Minimum average 30 participants

	Seminars	The business of design at the Stockholm School of Economics. Minimum 20 participants	The business of design at the Stockholm School of Economics. Minimum 20 participants	The business of design at the Stockholm School of Economics. Minimum 20 participants
	E-learning	E-course on branding developed	E-course on branding. Minimum 25 participants	E-course on branding. Minimum 25 participants
	Caseletter	3 issues published and web distributed to at least 200 receivers	3 issues published and web distributed to at least 300 receivers	3 issues published and web distributed to at least 400 receivers
	Audits	5 company audits	10 company audits	15 company audits
	Consulting	5 consultations	10 consultations	15 consultations
	Icebreaker	Program organized and advertised	20 contracts	20 contracts
	Awards	Programme prepared and advertised	5 awards given. National press coverage	5 awards given. National press coverage

Target group	Policy measure	Year 1	Year 2	Year 3
The public sector	Brochure	Brochure about design and public procurement published and distributed. Minimum 1,000 copies	Brochure about public procurement – revised with Latvian examples. Published and distributed. Minimum 1,000 copies	

	Meetings	2 meetings. Minimum average 30 participants	2 meetings. Minimum average 30 participants	2 meetings. Minimum average 30 participants
	Newsletter	2 issues webcasted to minimum 200 recipients	2 issues webcasted to minimum 250 recipients	2 issues webcasted to minimum 300 recipients
	Competitions	Program prepared	3 competitions	3 competitions

Target group	Policy measure	Year 1	Year 2	Year 3
The general public	Press coverage	50 pieces	100 pieces	200 pieces
	TV programs			

Target group	Policy measure	Year 1	Year 2	Year 3
International audiences	Press coverage	25 pieces	50 pieces	100 pieces
	Website	Established and revised. 1,000 visits	Reviewed and revised. 2,000 visits	Reviewed and revised. 3,000 visits
	Newsletter	2 issues webcasted to minimum 200 recipients	2 issues webcasted to minimum 300 recipients	2 issues webcasted to minimum 400 recipients

Design Information Centre	Policy measure	Year 1	Year 2	Year 3

Basic activities	Website	Established and revised. Minimum 1,000 visits	Reviewed and revised. Minimum 2,000 visits	Reviewed and revised. Minimum 5,000 visits
	Newsletter	2 issues webcasted to minimum 200 recipients	4 issues webcasted to minimum 500 recipients	4 issues webcasted to minimum 1,000 recipients
	Library	50 books acquired	50 books acquired	50 books acquired

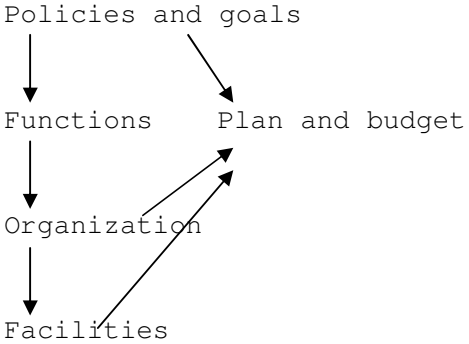
6 BLUEPRINT FOR A LATVIAN DESIGN INFORMATION CENTRE

This report outlines a national design policy for Latvia. Implementing the policy requires an organization designed on the principle that form follows function. The organization must implement a design policy approved by the Latvian government. Organizational structure must permit it to do an effective job.

Analyzing the proposed design policies and the corresponding goals reveals three fundamental functions for the design organization. These functions are information gathering, organizing activities, and disseminating information. Section 6.1 describes these functions.

These generic functions suggest the type of organization and the kind of facilities that the organization needs to function properly. Sections 6.2 and 6.3 discuss these issues.

Policy proposals and goals together with details on organization and facilities provide the information needed for the plan and budget presented in section 6.4.



6.1 Functions

The organization designed to implement a Latvian design policy must fulfil three generic functions. These are 1) gathering international design intelligence, 2) organizing activities to fulfil approved design policy measures, and 3) disseminating information about Latvian design in general and the specific activities of the Design Information Centre.

> Gathering international design intelligence

The Latvian design sector must learn from the international design community. Isolation will not lead to directed results. The fastest way to raise the level of Latvian design is to learn as much as possible from nations that work successfully with design. Latvian designers must travel and study abroad. International experts must be invited to lecture and work in Latvia. Information exchange and knowledge transfer must take place on every possible level. The Design Information Centre should be instrumental in gathering and transferring design intelligence.

Monitoring the international design scene will be a major function of the Design Information Centre. What happens where? What is the effect? The Design Information Centre should carefully study World Wide Web, magazines, books, and attend conferences, exhibitions, fairs, and courses to learn everything that can be learned.

The Design Information Centre should build alliances with comparable organizations in the Baltic region and elsewhere to study and learn from their experiences. It should also join two international design organizations, ICSID – the International Council of Societies of Industrial Design and ICOGRADA – the International Council of Graphic Design Associations.

Gathering information from abroad should not be haphazard. It should be systematic and highly structured.

The Design Information Centre should be generous with information about its activities and successes and

inform corresponding centres and international organizations whenever appropriate.

> Organizing activities

The central function of the Design Information Centre is to organize the design promotion activities defined by the design policy measures. The principal resources are staff, physical facilities, and a budget.

The Design Information Centre should use the design process for planning and executing its activities:

First, the relevant design policy measure and the corresponding goal should serve as a brief.
Second, the staff should analyze the job. ‘Who are the intended users? What do they need? How will the project identify, convince, and teach them?’

Third, the staff should create one or more concepts and solutions.

Fourth, the staff should choose among feasible concepts and solutions

Fifth, the staff should produce, market, and implement the selected concept and solution.

Sixth, the staff should review results, asking such questions as: ‘To what degree did we succeed? What did we learn? Will there be a next time? What must be adjusted next time?’

The staff of the Design Information Centre should outsource professional work and reserve its own time for organizing.

> Disseminating information

Informing the world about the activities of the Design Information Centres is almost as important as organizing the activities. All target groups should receive relevant information whenever appropriate.

The web site and press coverage in printed and electronic media are primary means for informing target

groups about design and the activities of the Design Information Centre. The DIC can also use direct mail, brochures, and exhibitions.

The Design Information Centre should plan target groups for specific information campaigns, deciding whom to inform about what and when to do it. The DIC should set targets for measurable results.

6.2 Organization

The Design Information Centre should be organized with three specific groups that are responsible for different aspects of the centre's activities, a board of directors, a board of advisors, and a staff that includes a managing director.

> Board of directors

The board of directors will set strategic goals, hire the managing director, and see to it that the DIC reaches it goals. If the DIC fails to reach its goals, the board of directors must adjust policy and act appropriately. While the directors should be appointed by relevant organizations, they do not sit on the board as official representatives of the organizations that appoint them. Organizations that appoint members to the board of directors might be:

- Ministry of Economics
- Employers Association
- Latvian Academy of Art
- University of Latvia
- Riga Technical University
- Latvian Designers Association
- Board of advisors

The board of directors should have only 5 or 6 members. It should meet once every month.

> Board of advisors

The board of advisors will discuss matters relevant to the promotion of professional design in Latvia and offer advice to the board of directors. An advisory board allows the DIC to draw on many resourceful persons, involving them without increasing the board of directors to a dysfunctional size.

Several relevant organizations can appoint members to the board of advisors. The advisory board itself may also add members. The board of advisors should not exceed 15 members. The board of advisors should meet between two and four times each year.

> Staff

A managing director should head the staff of the Design Information Centre. The managing director is responsible for centre activities, and reports to the board of directors.

To start, the Design Information Centre should have no fewer than three employees. These are the managing director and two officers. The staff should not be much greater than three. On one hand, the Design Information Centre needs critical mass to be a centre that is more than a single point. On the other hand, modest size makes it necessary for the Design Information Centre to outsource professional work. This should be an intentional aspect of DIC strategy.

First, outsourcing means flexibility. The centre buys the services it needs and has no obligation once commissioned services are delivered and paid. This flexibility is good for a new organization with an uncertain future. The flexibility permits rapid adjustment in size and function.

Second, outsourcing means that the Design Information Centre can locate and acquire the best competences for different projects and situations.

Third, outsourcing professional work to professionals also has a signal value. The days of unskilled amateurs are over.

Fourth, outsourcing means that the Design Information Centre always will keep an eye on costs. All money used for outsourcing will be planned, identified, and revised as needed.

The previous section described the three generic functions of the DIC as gathering information, organizing activities, and disseminating information. These functions call for different competencies. This suggests a natural way to organize the DIC. The managing director and each of the two officers should handle one of the three generic functions.

The person responsible for gathering information abroad should have a solid knowledge and understanding of design to be able to search and evaluate the right information. The intelligence officer must be well read and able to place information in a relevant context.

The person responsible for organizing activities should be an organizer who can identify needs, translate them into action, and review action to learn. This person should also be a good buyer of services, able to spot

quality and competence, able to motivate, and well organized to make everything happen on schedule.

The person responsible for disseminating information should probably be a journalist. This person must have the skill to seeing good stories and tailor them for the right audiences at home and abroad. This person should also be able to map the market, identifying possible receivers and their special needs.

The qualifications of the managing director of the Design Information Centre should include the qualifications of any leader. That includes being able to set goals and lead, managing resources to move from the present situation to the wanted situation. Beyond this, the managing director should possess knowledge and understanding of professional design and know how to inspire, motivate, and inform target groups. Practical evidence suggests that these qualifications are most often found in people with a business background, a technical or economic education rather than a design education. It is important to emphasize the director’s ability to understand and create credibility among target groups.

6.3 Facilities

The facilities that a Design Information Centre needs include premises and equipment.

> Premises

First, the premises should facilitate staff work in implementing design policy measures. Second, the premises should facilitate meetings for the board of directors and the staff. Third, the facilities should include space for a reference library.

Some design centers have an exhibition space connected with their offices. That can be a highly effective means for gathering the attention of passers by and others. However, exhibitions are an expensive way to communicate. Exhibitions are better suited to influencing the general public than to influencing business and industry. Since business and industry are the Design Information Centre's primary target group, we suggest that the Design Information Centre invest in premises without exhibition space, to use resources in cost effective ways.

The Design Information Centre should be located in central Riga. The address should be immediately recognizable by most people, and it should be easily accessible by various means of transportation. As en exhibition is not part of the plans, the Design Information Centre has no need for expensive street level space.

The premises should include

- Office space for five workstations
- One private office for one person
- Meeting room for ten persons
- Cloakroom
- Rest rooms
- Kitchen with space for lunch
- Storage room

These facilities require 200 square metres. A separate room for the library would be helpful but not necessary.

> Equipment

The Design Information Centre will need following equipment:

- Desks
- Working chairs
- Extra chairs
- Meeting table
- Meeting chairs
- Shelving
- Kitchen furniture
- Lighting
- Computers
- Server
- Printer
- Projector
- Telephones
- Fax
- Photocopier
- Kitchen etc.

6.4 Plan and budget

The design policy measures and the goals, the organization and the facilities all serve as the input for a plan and budget for the Design Information Centre. The plan and budget are divided into four periods: a start-up period of a half-year, and the first three full years in business.

> Activities in start-up period

The start-up period of a half-year includes the activities necessary to prepare the Design Information Centre for business. Preparations concern people, relations, and facilities.

>> People

It is necessary to identify the right people for boards and staff, appointing them in this sequence:

1	Board of directors	Identify and appoint
2	Board of advisors	Identify and appoint
3	Managing director	Search, select, and appoint
4	Two officers	Search, select, and appoint

>> Relations

- Register with public authorities
- Register with international design organisations
- Register web address
- Secure telephone number
- Appoint auditor
- Establish insurance arrangements

>> Facilities

The facilities include premises and equipment.

- Rent space
- Decorate interior
- Make security arrangements
- Make cleaning arrangements

- Create graphic design program

- Procure furniture
- Procure other equipment
- Procure stationery
- Procure other materials

- Set up computers
- Set up telephone and fax
- Set up initial web page

> Budget

>> Start-up period

Appointments		2,000
Relations		3,000
Office		
Deposit	1,500	
Interior decoration	5,000	
Procurement of furniture	10,000	16,500
Graphic design program		10,000
Office equipment		
Stationery	5,000	
Other materials	5,000	
Computers, 3 laptops incl printers and software	10,000	21,000
Phone, fax, scanner, digital camera	1,000	
Costs 3 months		
Salary and social security, 1 pers	6,000	
Rent	1,500	
Cleaning	300	
Auditor	300	
Insurance	150	
Travel	1,500	
Sundries	450	10,200
Total		62,700

>> Year 1

Basic costs year 1

Salaries	72,000	
Rent	12,000	
Communications	2,000	
Materials	2,000	
Cleaning	2,400	
Auditor	2,000	
Insurance	600	
Travel	12,000	
Sundries	5,000	
Total		110,000

Activities, year 1

The design profession

Update seminar, 1	6,500	
Business course, 1	1,500	
How to run a design office course, 1	3,500	
Grants, 25	25,000	
Benchmarking, 50 design firms identified	500	
Designer index, 50 designers included	4,000	
Traineeships**, 10	xxx	
Total		41,000

Business and industry

International books, 3	60,000	
Brochure, product development, 1	4,000	
Brochure, branding, 1	4,000	
On-the-way-home meetings, 16	3,200	
The business of design course***, 1	xxx	
E-course, branding developed, 1	25,000	
Caseletter, 3 issues	1,000	
Audits, 5	17,000	
Consulting, 5	12,000	
Icebreaker, organized and advertised	5,000	
Awards, organized and advertised	11,000	
Total		142,200

The public sector		
Brochure, 1	4,000	
Meetings, 2	400	
Newsletter, 2	2,000	
Competitions program prepared	2,000	
Total		8,400
The general public		
Press coverage*		
TV programmes, lobbying*		
International audiences		
Press coverage*		
Website, established and revised	10,000	
Newsletter, 2 issues	2,000	
Total		12,000
Basic activities		
Website, established and revised	20,000	
Newsletter, 2 issues	2,000	
Library, 50 books acquired	2,000	
Total		24,000
Activities, total		227,600
Basic costs + activities, year 1		337,600

* Covered by basic costs
** Covered by the business program
*** Stockholm School of Economics in Riga?

>> Year 2

Basic costs year 2

Salaries	72,000	
Rent	12,000	
Communications	2,000	
Materials	2,000	
Cleaning	2,400	
Auditor	2,000	
Insurance	600	
Travel	12,000	
Sundries	5,000	
Total		110,000

Activities, year 2

The design profession		
Update seminar, 1	6,500	
Business course, 1	1,500	
How to run a design office course, 1	3,500	
Grants, 50	50,000	
Benchmarking, 50 design firms identified	500	
Designer index, 50 designers included	4,000	
Traineeships**, 20	xxx	
Total		66,000
Business and industry		
International books, 10	15,000	
Brochure, product development,	14,000	
Brochure, branding, 1	4,000	
On-the-way-home meetings, 16	3,200	
The business of design course***, 1	xxx	
E-course, 1	10,000	
Caseletter, 3	1,000	
Audits, 10	34,000	
Consulting, 10	24,000	
Icebreaker, 20	100,000	
Awards, 5	11,000	
Total		206,200

The public sector			
Brochure, 1		4,000	
Meetings, 2		400	
Newsletter, 2		2,000	
Competitions, 3		9,000	
Total			15,400
The general public			
Press coverage *			
TV programmes*			
International audiences			
Press coverage*			
Website, reviewed and revised		2,000	
Newsletter, 2	2,000		
Total		4,000	
Basic activities			
Website, reviewed and revised		2,000	
Newsletter, 4 issues	4,000		
Library, 50 books acquired	2,000		
Total		8,000	
Activities, total		299,600	
Basic costs + activities, year 2			409,600

* Covered by basic costs
** Covered by the business program
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>> Year 3

Basic costs year 3

Salaries	72,000	
Rent	12,000	
Communications	2,000	
Materials	2,000	
Cleaning	2,400	
Auditor	2,000	
Insurance	600	
Travel	12,000	
Sundries	5,000	
Total		110,000

Activities, year 3

The design profession		
Update seminar, 1	6,500	
Business course, 1	1,500	
How to run a design office course, 1	3,500	
Grants, 50	50,000	
Benchmarking, review and adjustment	200	
Designer index, 50 designers included	4,000	
Traineeships**, 20	xxx	
Total		65,700
Business and industry		
On-the-way-home meetings, 16	3,200	
The business of design course***, 1	xxx	
E-course, 1	10,000	
Caseletter, 3	1,000	
Audits, 15	51,000	
Consulting, 15	36,00	
Icebreaker, 20	100,000	
Awards, 5	11,000	
Total		212,200
The public sector		
Meetings, 2	400	
Newsletter, 2 issues	2,000	
Competitions, 3	9,000	
Total		11,400

The general public		
Press coverage*		
TV programmes*		
International audiences		
Press coverage*		
Website, reviewed and revised	2,000	
Newsletter, 2 issues	2,000	
Total		4,000
Basic activities		
Website, reviewed and revised	2,000	
Newsletter, 4 issues	4,000	
Library, 50 books acquired	2,000	
Total		8,000
Activities, year 3		301,300
Basic costs + activities, year 1		411,300
Basic costs + activities, year 1-3		1,158,500

Start-up + Basic costs + activities year 1-3
1,221,200

* Covered by basic costs
** Covered by the business program
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