The Feasibility Study
on the Development of Lithuanian Design Sector

SUMMARY
This report presents the results of the Feasibility Study on the Development of Lithuanian Design Sector initiated by Design Innovations Centre of the Vilnius Academy of Arts.

In accordance with the design policy monitoring system prepared in the European Union, in 2014, Lithuania was attributed to countries, which do not have the design policy. Lack of the design policy impedes coherent and purposeful development of the design sector as well as coordinating the implementation of the set priorities and goals. Meanwhile, the formation and implementation of the design policy may allow the development of innovation and new business models in the country’s economy.

The aim of the feasibility study is to contribute to the formation and implementation of the Lithuanian design policy.

A total of 36 experts participated in the preparation of the feasibility study. 3 group discussions were held at the time of preparation of this study, 9 individual in-depth interviews with representatives of different interest groups were conducted and the analysis of secondary sources was performed (EU and Lithuanian legal documents, study reports were reviewed). 4 priority development areas of the Lithuanian design sector were identified and 32 recommendations and proposals for decision-makers were prepared as a result of the study.

The Current Situation section introduces European and global design sector, as well as detailed analysis of the Lithuanian design sector and a review of the situation in neighbouring countries Latvia, Estonia and Poland. The presented information shows that the definition of design varies among different national and international organisations; however, all of them recognize the undeniable importance of the design to economy and the society. Over the past few years (especially in 2009 - 2013) the European Commission has taken active actions in the formation of the design policy. The neighbouring countries Latvia, Estonia and Poland are already attributed to the countries having a vision (plan, strategy) for the industrial design policy.

The section SWOT Analysis of the Lithuanian Design Sector presents strengths, weaknesses, opportunities and threats of this sector based on the results of the analysis of the current situation including design users, advocacy, intermediaries, professional design sector, education, research and knowledge transfer, funding, as well as policy, management and regulation.

The section Priority Areas presents 4 priority areas of the development of the Lithuanian design sector, where active action must be taken in order to enhance the Lithuanian design sector and speed up the integration thereof into the innovation system, i.e.:

- Strengthening design education;
- Development of research and knowledge transfer;
- Strengthening cooperation;
- Awareness raising.

The section Recommendations and Proposals itemizes tasks and actions recommended in each priority area, providing for potential implementing authorities, sources of funding and monitoring indicator.
It should be noted that the first Lithuanian design feasibility study was drawn up in 2008. Representatives of the country’s design sector implemented a significant part of the actions recommended in the study at their own initiative and resources.

However, given the design policy, support and advocacy programmes being implemented today in other EU countries, it is obvious that **proper state attention and funding is necessary** for faster development of the Lithuanian design sector and increase of competition. One of the most important and immediate actions is the establishment of a national design council and ensurance of the activities thereof, also, joining the initiatives for the design sector development ongoing in Europe.

The priority areas of the development of the Lithuanian design sector and the action plan have been drawn up given the insights and proposals of experts having participated in the feasibility study, recommendations presented in strategic documents of the European Commission and results of the analysis of the Lithuanian design sector and its environment. These actions are planned to significantly contribute to the implementation of the Lithuanian Innovation Development Programme 2014 - 2020 and Strategy for the Development of Cultural and Creative Industries 2014 - 2020.
4 priority areas were distinguished given the insights and proposals of experts having participated in the feasibility study, recommendations presented in the strategic documents of the European Commission and results of the analysis of the Lithuanian design sector and its environment, where active action must be taken in order to strengthen the Lithuanian design sector and speed up its integration into the innovation system:

Area 1: Strengthening design education;

Area 2: Development of research and knowledge transfer;

Area 3: Strengthening cooperation;

Area 4: Awareness raising.
1. STRENGTHENING DESIGN EDUCATION

The tasks and actions provided for in 1st priority area Strengthening Design Education are aimed at increasing the literacy of all citizens of the country in design area and promoting the culture of studying design at all levels of the education system. The proposed actions are focused on both the improvement of design supply (i.e. quality preparation of design specialists and creating opportunities for design specialists and educators to improve their competence) and increase of design demand in the long-term perspective (i.e. increasing awareness of the benefit and value created by design among children and youth, treating them as potential users of design products and services, also, the organization of design trainings for heads of companies).

In order to create design-based innovation, design specialists competitive at the global level are necessary for enterprises and public sector of the country. Given the opinion of representatives of the design sector, a special attention in the preparation of design specialists should be devoted to both the update and enhancement of study and R&D infrastructure, improvement of study programmes (by strengthening economic knowledge of students, their skills in working with specialists from other fields as well as perception of the global market trends) and student career planning. Schools of higher education need to strengthen their cooperation, initiate and implement interdisciplinary projects (for example, study programmes, practices, etc.), which would interconnect the disciplines of design, technology and management. Inclusion of innovative businesses as potential employers and examples of “good business practice” should be enhanced in the process of the preparation of students (by inviting business representatives to give lectures, participate in the evaluation of theses, performance of internships, introducing career opportunities to students, etc.).

More active involvement of design associations is recommended in the implementation of actions provided for in Area 1, thus strengthening their role and using the competences held.
2. DEVELOPMENT OF RESEARCH AND KNOWLEDGE TRANSFER

The tasks and actions provided for in the 2nd priority area Development of Research and Knowledge Transfer are aimed at increasing design innovation capacities and competitiveness of business using them.

R&D activities in the design area can contribute to the implementation of all smart specialization priorities. The essential presumption of this process is the cooperation of design science and education institutions with scientists of technological schools of higher education in the performance of joint research in the areas of basic and applied research. Another important condition is the implementation of joint science, including design, and business R&D projects, given the topics relevant to various sectors of economy and possibilities for the commercialization of results. Infrastructure of design education institutions must be expanded for the implementation of these activities, particularly activities of experimental development.

In order to fully utilize design R&D potential, it is important to develop design R&D system networking, i.e. the cooperation thereof with integrated science, study and business centres (valleys), science technology parks and other institutions engaged in the promotion of innovation, increasing the possibilities of design researchers to engage in joint research projects both domestically and internationally.

The inclusion of the design into the development process of new high-value-added products is a necessary condition for the country's businesses seeking to compete in the global market. Design R&D activities can significantly contribute to increasing competitiveness of companies in various sectors of the economy, first of all through the provision of innovative design-related advisory services to businesses, as well as through the design R&D integration into R&D projects executed by companies of different business sectors. However, given the fact that there is still a lack of understanding about the role of design R&D activities in the development process of new products, companies from various sectors of economy must be introduced to the possibilities for the use of design R&D as broadly as possible and business representatives must be informed about a possibility to make use of the EU structural fund support measures.
3. STRENGTHENING COOPERATION

The tasks and actions provided for in the 3rd priority area Strengthening Cooperation are aimed at the ensurance of purposeful and effective design policy in Lithuania, uniting the parties interested in the development of the design sector and joining the initiatives for the development of the design implemented in Europe, also, for forming favourable environment for the interaction of the design sector with other sectors in the country.

The lack of a single structure, which would connect various design sector representatives, set a direction for the development of design and represent the design sector at the political level in the country and internationally, is identified as one of the major obstacles hindering the design development in Lithuania. Based on the experience of foreign countries, a design intermediary operating at the national level (the national design centre or design council) leads to a significant impetus for the development of the design sector. Therefore the establishment of a national design council is recommended in Lithuania, the activities whereof would include interaction of various governmental authorities, companies, design agencies, education institutions, also advice on design policy issues, ensurance of feedback between authorities implementing the design policy and beneficiaries, etc. In order to maintain a consistent dialogue between high schools, designer community, industry and governmental authorities, it has been proposed to hold annual national design forums.

Cooperation at micro level (i.e. between designers and potential users of their services) would allow for both strengthening the design business and increasing design service demand. Execution of design business acceleration programmes in schools of higher education, establishment of a design business incubator, involvement of design sector representatives in clusters operating in the country, also joint pilot projects with the public sector solving social, environmental and other problems have been proposed as measures promoting cooperation.
4. AWARENESS RAISING

The tasks and actions provided for in the 4th priority area Awareness Raising focus on raising understanding about the impact of the design on social and economic development of the country as well as the effect it has on innovation in various fields.

Events introducing achievements of designers or design companies are constantly held in Lithuania; however, the impact thereof on the society’s perception of the design role is too small. A more targeted, target audience-focused design promotion activities are necessary. Expanding the circle of participants in these events has been recommended, first of all focusing on a more active involvement of business companies, associated business structures and the public sector. A contest for young designers should first of all acquire a status of the national contest and maybe even of the international one (for example, Pan-Baltic) later on, a list of participants and award categories should be extended, while winners should be allowed to implement innovative projects.

A lack of understanding of the role of the design sector is also influenced by the fact that there is no comprehensive systematic information on the scope of the sector, the rate of its growth, supply of and demand for design services in business companies and the public sector. At the same time, it is not possible to objectively evaluate the role of the design on the country’s economic development, its impact on innovation system and international competitiveness.

Dissemination of information of good practice examples on the use of design in innovative activities or increasing business competitiveness, also, the use of design on the improvement of public services would contribute to a clearer perception of the role of design in the society. Publicity campaign could include publications, TV and radio shows on design-related topics, organisation of various events and the use of possibilities provided by social networks. The proposal has been made to consider possibilities for the integration of design advocacy activities into the activities promoting innovation. Active presentation of achievements of the Lithuanian design in foreign markets (contests, exhibitions and other events) is also very important.