

PROCUREMENT & CAPABILITY

The SME targets are set. Now make the capability count.

BeInspired · 4 minute read

There's real momentum behind SMEs right now. For the first time, government departments have individual targets for direct SME spend, with more than £7.4 billion a year expected to go directly to small businesses by 2028.

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In his first speech as Prime Minister, Andy Burnham committed to using public procurement to back British industry. Days later, following talks with business organisations including the Federation of Small Businesses, Small Business Britain, CBI and Make UK, the message was reinforced: government wants to use the power of public procurement to back British business, innovation and growth.

So the direction is pretty clear. More opportunity. Fewer barriers. More SMEs getting through the door.

01 From SME spend to SME value

For years, the focus has understandably been on access. Making procurement easier. Removing barriers. Opening supply chains. Making opportunities more visible. All of that matters.

But there's another question worth asking: are we actually using SMEs where they can make the greatest difference?

Because increasing SME spend is one thing. Getting better access to the capability sitting behind those businesses is another. And anyone who has worked around a major programme will know why that matters.

The programme gets the green light. The deadlines arrive. The customer is ready. Then someone asks: "Have we actually got the people to deliver this?" Sometimes the answer is yes. Sometimes it's nearly. And sometimes everyone suddenly becomes very interested in the resourcing plan.

This isn't about SMEs replacing the big players. That's not the point. It's about bringing specialist capability into the mix where it makes the overall team stronger.



Momentum is useful. What gets built with it matters more.

02 Where can SMEs really make a difference?

The capability gaps opening up across organisations are becoming more specialised, and they're certainly not confined to technology.

There are obvious emerging gaps around applied and agentic AI: architecture, orchestration, governance and the data, cloud and cyber capability needed to make it work safely at scale.

But building the technology is only part of the challenge.

Organisations also need people who can lead increasingly complex programmes, redesign operating models and processes around AI and automation, manage change and adoption, and move new capabilities successfully into live environments.

And then there's the commercial challenge.

New technology and innovation still need a customer, a compelling proposition and a route to market. Product and commercial strategy, customer insight, go-to-market, marketing, sales and revenue capability become just as important if the investment is actually going to deliver growth.

That's where some of the hardest capability gaps are emerging: not neatly within Technology, Transformation or Growth, but increasingly across them.

Finding someone who understands the technology is one thing. Finding the people who can build it, land it and make it successful is quite another.

We're already seeing this thinking in major public programmes. The MOD, for example, is targeting £7.5 billion of SME spend by May 2028. But the interesting part isn't really the number. It's what sits behind it: opening commercial pathways, removing unnecessary barriers and making it easier for innovative smaller businesses to contribute across Defence and its wider supply chain.

That's a much bigger opportunity than simply "buy more from SMEs". It's about using the supply chain differently.

03 We need more than longer supplier lists

Success can't just be about getting more businesses registered on portals or adding more names to supplier lists. What's needed are better-connected capability ecosystems.

- Procurement opening the route.
- SME teams knowing where the really good specialist businesses are.
- Strategic suppliers understanding where those businesses can strengthen their programmes.
- Resourcing teams knowing where to go when the usual channels draw a blank.
- Delivery leaders being able to reach that capability when they actually need it.

Otherwise, we can have brilliant SMEs sitting somewhere in the supply chain while the person desperately looking for their expertise has no idea they're there. That's a fairly spectacular missed opportunity.

And SMEs have to hold up their end of the bargain too. Smaller and more agile shouldn't mean lowering the bar. If anything, SMEs wanting to work on major programmes should expect the bar to be pretty high.

Experience matters. Quality matters. Governance matters. Being able to deliver matters.

The advantage should be getting all of that with greater focus, flexibility and access to specialist expertise.

04 Now comes the important bit

Government has created momentum. Departments have measurable targets. Barriers are being challenged. Supply chains are opening. And the new Prime Minister has put public procurement firmly into the conversation about British business, innovation and growth.

Now it needs to count. Not just more SME spend.

Better access to the capability that helps organisations build what matters, transform with confidence and turn innovation into successful outcomes.

Nobody is going to remember the supplier registration form. They'll remember what got delivered.

SME. Without compromise.

START A CONVERSATION

Bring exceptional people and proven capability into your SME programme.

Let's talk about what BeInspired could make possible.

[Start a conversation →](#)