



## **Business Strategy Development Training BeSTrain**

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### **Abstract**

*Strategic planning is considered one of the most important indicators for innovation and development processes, balanced growth and strengthening of an organisations profile. In most medium sized and larger enterprises the design and implementation of strategic development processes and strategic management is an important issue. Very often in these organisations, external consultants guide and support processes leading to the formulation of strategic plans. In most small and specifically micro enterprises there is a lack of strategic planning. Even if a business plan has been developed for these enterprises, it is less likely to demonstrate evidence of strategic thinking and planning compared to larger businesses. The reasons for this are manifold, including heavy involvement of decision-makers in the day-to-day business, less resources and lack of awareness in relation to the benefits of training, specifically in managerial topics, etc.*

*The BeSTrain project develops a learning programme on enterprise strategy and strategic management for two target groups: Teachers/trainers in vocational schools and decision-makers in small enterprises. The programme is based on a curriculum and (e-)learning content, which are flexible enough to address the specific needs of VET teachers and decision-makers of small enterprises (i.e. is flexible in terms of time and place), is adoptable and modular (i.e. addressing employees' different backgrounds, sectors, can be easily integrated in other teaching programmes etc.) and thereby reflects the practical needs of the target groups. Therefore, a blended learning approach is applied, containing on-line and face-to-face elements. For trainers, tutors, coaches and consultants the project provides guidelines on how to implement the training programme in order to meet the needs of the target groups.*

*Subject of the presentation are the main research findings as well as the approach to translate research and testing results into a practice oriented learning model which has been developed for the topic enterprise strategy but which simply can be transferred.*

### **1. The BeSTrain TNA**

The main purpose of the Training Needs Analysis (TNA) in the BeSTrain project was to highlight the specific needs in each partner country in order to support the adaptation of the existing material on enterprise strategy. Thereby the project focuses on two differentiated target groups, (management) staff in Small and Micro Enterprises (SMEs) and Vocational Education and Training (VET) teachers. The training needs analyses was performed in Lithuania, Cyprus and Spain in 2012 and focused on (a) the most common training offers (if any), (b) needs as well as barriers with regards to business strategy aspects and implementation, (c) training methods used/preferred by SMEs and VET teachers and trainers, (d) challenges SMEs and VET teachers and trainers face and (e) mechanisms / tools to be used for reaching the target groups.

#### **1.1 Method**

A questionnaire targeting the following topics was used: General information; The most common obstacles and drivers concerning the business strategies SMEs managers / VET teachers confront when attempting to access business strategies training; The context/ assistance they would prefer to have when receiving tuition on business strategies; Online learning and animated interactive tools familiarity; Other tools/ methodologies/ trainings they have used or are aware of that could be further taken into account and be integrated with the BeSTrain project; These questionnaires were used in face to face interviews and also have been sent out to the target groups. The questionnaires have been developed in English language and also translated to Spanish and Lithuanian. The responsible partners summarised the results in English language and a joint summary report on Training Needs Analysis [1] has been drafted.



## 1.2 Strategic-Management Online Training

The small scaled survey was completed by approx. 180 participants. In total 81 representatives of small and micro enterprises answered (CY-25, LT-27, ES-29) and 98 representatives from the VET sector (CY-30, LT-36, ES-32).

In general between 50 and 90% of respondents reacted positively to the question if online-training on the topic strategic management would be beneficial for them. While the agreement rate was highest for Spanish SMEs (88%) it was lowest for VET teachers from Cyprus (53%). That indicates that there is still need but participants stated that the usage of online tools is still a certain barrier.

The main three items mentioned by the participants (VET teachers as well as SME representatives) as constraints concerning online learning are:

- Lack of personal contact
- Lack of self motivation
- Not being able to learn from other leaders

In order to find out the current situation in Strategic Management trainings and training material availability, the respondents were asked if Strategic Management training and support are currently sufficiently available and accessible to SMEs. The majority of respondents state that Strategic Management training and support is not sufficiently available and accessible to them at the moment: Agreement rates are between 73% (ES-SMEs) and up to 96% (CY-SMEs).

## 2. Barriers to Training, Possible Solutions

According to the answers of VET and SME representatives we can summarise:

		<i>Minor or no barrier</i>	<i>Significant or very significant barrier</i>
Cyprus	SME	Cost of courses	Time Lack of relevant materials Lack of suitable leaning structure Local availability
	VET	Lack of relevant materials Lack of suitable practical tools	Time Local availability
Lithuania	SME	Local availability	Time Cost of courses Lack of relevant materials Lack of suitable leaning structure
	VET	Local availability	Lack of suitable practical tools
Spain	SME	Local availability	Time Cost of courses Lack of relevant materials Lack of suitable leaning structure
	VET	Local availability	Time, Cost of courses, Lack of relevant materials Lack of suitable practical tools

The barriers to training are rather similar in the three participating countries what underlines that even if the three countries are located in different areas of Europe with also different historic backgrounds, similar challenges are faced. One reason for these similarities can be seen in the target groups, whereby studies show that problems and challenges of small enterprises are similar in different countries. An OECD study [2] outlines the challenge connected to education and training in small enterprises: Although SMEs constitute the mass of businesses, they make relatively few demands on formal education and training. Learning from experience is preferred. In most developed economies, special incentives are offered to encourage SME involvement in education and training. The key factors in design of successful programmes are an emphasis on action learning; 'know how', rather than 'know what'; networking and relationship management ('know who'); a problem and opportunity



focus; the careful linking of knowledge to the development processes of the business; encouragement of peer exchange; organisation of knowledge in the right 'language' and at the right level; and timing and support for follow up implementation of learning. The absence of these prerequisites often leads SMEs to ignore the training offered.

Similar suggestions have been made according to the study performed within BeSTrain, whereby we can summarise the following hints, given by the participating trainers and practitioners. Thereby statements addressing the first three items are most common and relevant:

- Help owner/ manager recognise their deficiencies in terms of strategic management
- Provide concise modular training courses
- Provide access to coaching
- Provide self-study materials including case studies, quizzes, practical tools, etc and provide online version of self-study materials
- Facilitate peer group networking events
- Provide short introduction of important methods in "How to Implement Strategic Management" & relevant material

### 3. Preferred Learning Environment and Tools

		<i>Least Favoured</i>	<i>Favourite</i>
Cyprus	SME	<ul style="list-style-type: none"> <li>• Via management Literature/ Books</li> <li>• Lecture type setting</li> <li>• On-line (Including discussion forum)</li> </ul>	<ul style="list-style-type: none"> <li>• On-site/at your place of work</li> <li>• Networking Events / 1-to-1 discussions with your Peers (Offsite)</li> </ul>
	VET	<ul style="list-style-type: none"> <li>• On-site/at your place of work</li> </ul>	<ul style="list-style-type: none"> <li>• Networking Events / 1-to-1 discussions with your Peers (Offsite)</li> </ul>
Lithuania	SME	<ul style="list-style-type: none"> <li>• Via management Literature/ Books</li> <li>• On-line (Including discussion forum)</li> </ul>	<ul style="list-style-type: none"> <li>• On-site/at your place of work</li> <li>• Networking Events / 1-to-1 discussions with your Peers (Offsite)</li> <li>• Methods to support self-learning of prescribed material (offsite)</li> <li>• Lecture type setting</li> </ul>
	VET	<ul style="list-style-type: none"> <li>• Via management Literature/ Books</li> </ul>	<ul style="list-style-type: none"> <li>• On-site/at your place of work</li> </ul>
Spain	SME	<ul style="list-style-type: none"> <li>• Networking Events / 1-to-1 discussions with your Peers (Offsite)</li> <li>• Via management Literature/ Books</li> </ul>	<ul style="list-style-type: none"> <li>• On-site/at your place of work</li> </ul>
	VET	<ul style="list-style-type: none"> <li>• Via management Literature/ Books</li> </ul>	<ul style="list-style-type: none"> <li>• On-site/at your place of work</li> </ul>

The most preferred learning environment for SMEs is onsite / at their place of work, and the second option are Networking Events / 1-to-1 discussions with your Peers in Lithuania and Cyprus, in contrast with Spain where it is one of the least preferred options. (But it is important to highlight that for many interviewees in Spain networking environments are not connected enough with learning.) The least preferred option are Literature/ Books, but also online learning is not in favour for many participants. Thereby one explanation is, that participants especially from SME have less experience with online learning.

Concerning preferred learning tools practical tools and case studies are the most preferred combination for both SMEs and VET teachers and trainers. Thereby "practical tools" could be games with several levels, animated films or simulations, with examples origin from the practice in small businesses.

### 4. Recommendations and Conclusions

Recommendations for the adaptation of training material:

- A wide range of tools and methods concerning strategic management attracted attention, so as many tools as possible should be included to satisfy the needs of VET trainers and SME representatives.



- Mentoring and short introductions of important methods in “How to implement Strategic Management” should be provided. Materials should be as short, meaningful and practice relevant as possible.
- “Interactive practical tool” for learning: Participants which games, simulations etc. which are connected to their world of work.
- The course should be compact, concentrated and interesting because lack of time. Recommendations for testing and evaluation of training programmes and interactive tools:
- Combination of online training and training events where the participants also have some networking opportunities – online and face-to-face (blended learning approach).
- Training tailored to their specific needs: So training materials shall be modular so that modules/lessons can be taken separately or can be sequenced according to the needs of the target participant/s.
- Online lessons for self-study should be short and practice oriented.
- Focus on awareness raising/ development of Strategic Management for SMEs.
- There should be space to share practical tools, case studies and learning materials. Especially space where teachers/trainers can share their experiences and materials.
- Testing the animated/interactive tool if possible with input of real data. Recommendations for the pedagogical and methodological approach
- Blended learning approach.
- Trainers should be assisted by project team in the pilot training.
- VET teachers are interested mainly in different practical tools, case studies and learning from each other.
- Consider examples from students – practice relevance.
- Flexible approach, based on needs/ preferences - allow individual learning plans

### References

- [1] Espilla, Susana; Etxebeste, Jone (eds.) [2012]: BeSTrain Training Needs Analysis, internal/unpublished research document of the LLP, Leonardo da Vinci project BeSTrain.
- [2] OECD publication [2004], Effective policies for small business, A guide for the policy review process and strategic plans for micro, small and medium enterprise development, p56.