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# Assessing the Outcomes of a Cross-Country Virtual Action Learning Programme for SME Development

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**Keywords:** action learning, virtual teams, SME executives, evaluation-led project

**Abstract**

*In this paper the authors present an evaluation of a virtual action learning project out in 6 different countries so as to better inform those involved in SME manager development as well as researchers seeking to develop greater insights into the process of action learning and its outcomes. The project was set up with EU funding as a test of the principles of action learning in a virtual environment. An evaluation-led approach was utilised. On the basis of this pilot, areas for further research are presented, including those relating to evaluation-led projects.*

# 1 Introduction

It is widely recognised that small and medium-sized enterprises (SMEs) play a vital role in creating a dynamic and successful European economy. Faced with the ever-increasing and overwhelming legislative, political and competitive demands, SMEs are having to respond by accelerating their rate of learning and adaptability to equip them to compete in the digital economy. Research shows that involvement in competence development activities has a positive effect on individual SMEs' competitiveness and performance (Observatory of European SMEs, 2003). However, a British Chamber of Commerce survey identified that existing skills deficiencies in sales, management and administrative staff were adversely affecting competitiveness in almost one third of those small firms surveyed (Bolden, 2001).

In this paper the authors present evidence from a virtual action learning project so as to better inform those involved in SME manager development as well as researchers seeking to develop greater insights into the process of action learning and its outcomes.

The project involved action learning sets in 6 different countries in the EU. On the basis of this pilot, areas for further research are presented. Design principles from the literature were adapted to meet the specific needs identified by different groups in the different countries and also to enable its application in a virtual community. The proposition presented to SME entrepreneurs on the programme was to draw up a plan for change in an area of organisation of strategic significance. Hence, the programme was more restricted than a standard action-learning programme since changes were not expected to be implemented during the trial but participants were encouraged to continue the process beyond the 12-week trial. The action-learning programme was based on virtual working but did involve short face-to-face workshops at three stages during the 12-week programme.

A multi-method approach was adopted for evaluation. The project was designed to be 'evaluation led', with evaluation progressing alongside the project from design to finalisation. The focus in this paper is to explain the basis of the design of the virtual

action learning process and report outcomes as perceived by the stakeholders. This leads to the identification of areas for further research as well as practical measures for those seeking to develop the approach.

## 2 Executive development for SMEs – design principles

Research by Bolden (2001) reported that increasing competition and development of markets are major concerns for small businesses. The factors believed to be the most important for the future survival and growth of the firm are the capabilities and skills of the owner. As many SMEs are already in a state of business maturity, Bolden argues that attention should now be directed towards helping these companies survive and find new ways to innovate and deal with change.

The SME environment differs from that of larger organisations and as a result different requirements are placed on training. Obstacles to learning in SMEs, based on prior research, are summarised in Table 1 along with the implications for programme design.

## Table 1: Barriers and Considerations for Learning and Consequences for the Programme

| **Barriers/ Considerations** | **Programme Requirements** |
|---|---|
| L E A R N I N G | |
| Increasing competition and development of markets are major concerns for small businesses (Bolden, 2001). | Involvement in competence development activities has a positive effect on the individual SME's competitiveness and performance (Observatory of European SMEs, 2003). |
| Formal methods of teaching and learning are not necessarily the most appropriate way of engaging, motivating and transferring knowledge to today's workforce (Williams, 2003). Formal training is not the best way of learning for SMEs (Attwell, 2003). | Informal learning constitutes the most important way of acquiring and developing the skills and competencies required at work (Eraut, 2000) |
| The primary concern within SMEs is keeping the company running on a day-to-day basis (Cranfield, 2005).<br>"*Enmeshed in the practicalities of running their businesses, SME leaders have lost any interest they may once have had in theoretical issues"* (Inglis, 1994). | Training has to be focused on the specific needs of the enterprise (Unisys, 2005).<br>Active learning focuses on solving real problems and the learner's experience *"accounts for as much as the teacher's knowledge"* (Knowles, 1984) |
| Time devoted to learning is considered by many as lost time (Unisys, 2005)<br>*"Learning is a cost, and the SME owner does not always consider it as an investment for the future*" (Unisys, 2005). | *"When individuals are involved in the learning process dealing with issues of relevance to their careers they become motivated learners*" (Bray, 2002).<br>To get effective motivation the learner should be put in the centre of learning, *"the starting point must be a question from the learner"*. (Unisys, 2005)<br>The programme should have a measurable impact within the organisation and should be affordable and value for money (Bolden, 2001). |

| | |
|---|---|
| SMEs are driven primarily by profit (Hilton & Smith, 2001)<br><br>SMEs expect impact on bottom line (Unisys 2005, LSDA 2002) | Promotion – no matter how good the training and support material. *"It has to be carefully promoted and delivered to be effective. It must go to considerable lengths to highlight the commercial benefits of business improvement (non –commercial benefits can be promoted as secondary benefits once the main commercial message has got thought). The aim is to make SMEs actually want to take part in the initiative and to make them see management development as integral to good business practice"* (Hilton & Smith, 2001). |
| K N O W L E D G E | |
| SMEs use a short term approach, they only set up a training action plan when they face real problems (Unisys, 2005). | Just-in-time (JIT) learning fulfils SME short term information needs (Unisys, 2005). *"Approaches to learning, training and development in small firms needs to take account of the shorter planning time frames they use by relating learning opportunities and benefits to these shorter time frames"*. Stanworth et al (1992). |
| Time pressures (Ashton & Sung, 2002) | *"SMEs like courses to be flexible and modular so that they can dip in and out, taking 'bite-sized' pieces (a few hours at a times) as they see fit and as their workload permits"* (Unisys, 2005). Due to time pressures close locality of programmes is also important (LSDA 2002, Kirby 1990) |
| *"eLearning is beginning to have an impact on learners, and particularly those demanding flexibility, accessibility and connectivity"* (Bisoux, 2002). *"Growing pressure in many industrial societies to identify the most constructive and cost effective ways of using ICT as a resource for learnin"g* (Guile, 1998). | Some of the advantages of e-learning directly address the needs of SME's: flexibility, cost benefits, location is not a barrier, freedom to work at own pace, less disruption to work schedules. (Unisys, 2005) |
| Much of the knowledge developed, often by the owner-manager, remains tacit and unshared. The new kinds of knowledge are '*tacit*' and '*developmental*', and are practical as opposed to being theoretical as they are derived from action and experience. (Williams, 2003) | Communities of practice could support inter-firm collaboration (Van Winklen, 2003).<br><br>Learning can be better supported in settings of collaboration, where they interact with each other and learn from each other (Esnault and Ponti, 2004) |
| A C T I V I T Y | |
| SMEs are generally action orientated and learn by doing (Kirby, 1990) | The Action learning method requires that the problems to be solved are real ones. *"They are not manufactured for the learning situation. Action learning is a method for individual and organisational development… people tackle important issues or problems and learn from their attempts to change things."* (Pedler, Brook and Burgoyne, 2003). |

| SOCIAL PRACTICE | |
|---|---|
| Isolation of the enterprise owner is a barrier to learning. Learning is a social activity (Esnault and Ponti, 2004) | An informal environment should be built to aid networking. The network should provide a forum for exploring ideas with peers, and give support to individuals (Birchall *et al* 2004).<br><br>Network learning broadens access and participation of SMEs in real-life learning environments (Ponti, 2004). "*Network technology offers the opportunity to facilitate, strengthen and connect SMEs in order to build and enhance networks of business at the regional, national, or international level"* (Esnault and Ponti, 2004) |

Source: Table adapted from Birchall, Hender & Alexander (2004).

Bolden's (2001) research identified that business owners/managers/leaders regard reflecting on context-specific work and real-time problem-solving within a community of practice in their sector as providing probably their richest vein of learning. Recent theories (see for example Beard and Wilson, 2006) recommend that full participation through active contribution to the learning experience is most beneficial to adult learning. Moreover, 'in an adult class the student's experience counts for as much as the teacher's knowledge' (Knowles, 1984). This accords with the view that today learning from experience is allowing the transition from work as knowledge production to work as 'meaning making' (Burgoyne, 1995). This view is reinforced by Beard and Wilson (2006: 19) when they say that experiential learning, of which action learning is part, is 'the sense-making process of active engagement between the inner world of the person and the outer world of the environment.' Hence, we agree with the authors (2006: 19) that 'experiential learning… represents the transformation of most new and significant experiences and incorporates them within a broader conceptual framework.' This was seen by the Project Steering Committee as being the most appropriate approach to meet the programme requirements shown in Table 1.

Consequently, after considering the essence of the programme requirements in Table 1 and the emphasis on communities of practice and learning from experience (Kolb, 1984), an approach akin to Revans' (1982) work on action learning was selected by the steering committee comprising partner organisations.

In designing the action learning programme, four principles were considered essential:

1. Each person joins in and takes part voluntarily.
2. Each participant must own a managerial or organisational problem on which they want to act.
3. Sets, or groups of action learners, meet to help each other think through the issues and create options.
4. They take action and learn from the effects of that action (Pedler *et al*., 2003).

The following assumptions were made by the steering committee:

1. Action learning sets are particularly useful for chief executives in small companies faced with complex policy decisions;
2. Executives find it difficult to discuss the situation, float ideas and seek feedback within their own organisation;
3. Executives want their actions to be based on objective thinking which has been submitted to the scrutiny of an informed peer group;
4. Executives need to know that all the feasible options have been generated and evaluated;
5. Other executives operating at a similar level must have found themselves in similar situations and will be useful advisers, consultants and confidants.

Action learning groups or 'sets' made up of people having diverse backgrounds can be intellectually stimulating due to the extensiveness of inter-company exchange that occurs between the diverse company cultures present. Oliver, Pass, Taylor and Taylor (1997) suggest that different backgrounds offer the best potential medium for stimulating cross-fertilization. Hughes points out that 'working with strangers, individuals are more open and will self-disclose, or criticise their own organisation more freely than in a more familiar group. Because each member is ignorant about others' organisation he is better able to ask penetrating questions, unhampered by beliefs about the insolubility or inevitability of others' circumstances' (Hughes, 1983, p.74). He further suggests that the greatest difficulty in establishing such groups is that it always takes longer than planned. Another difficulty often encountered is that of defining a suitable problem upon which to work.

The requirements of the set adviser, facilitator or coach are described by Inglis (1994: 12) as follows: 'Skilful, knowledgeable and resourceful [the set adviser] is the general factotum who 'services' the set. The set adviser knows the action learning process and steers the set through it. The adviser 'facilitates' in the sense of oiling wheels, procuring and briefing tutors, making external contacts, looking after the logistics, and giving moral (and sometimes material) support to the set'. Although the set adviser may be very active during the initial stages, as the set moves further into the

project and members start to take control of their own learning, the set adviser needs to assume a much lower profile (Inglis, 1994).

Whilst it appears that action learning addresses most of the requirements of learning programmes for SMEs, the project was based on the premise that virtual action learning would be even better suited. Some of the advantages of e-learning – such as flexibility, cost benefits, freedom to work at own pace, less disruption to work schedules – directly address the needs of SMEs. However, it was recognised that there are some disadvantages, among them the need for self-discipline, a sense of loneliness and dealing with large quantities of electronic materials. Perhaps these are the reasons why a recent survey of management training and development in the UK, France, Germany, Spain, Denmark, Norway and Romania found that 'as yet, little use is made of e-learning and it is ranked as the least favoured approach by both HR and line managers' (Mabey and Ramirez, 2004).

It was also recognised that, when adapting an action learning programme to an electronic format, the pedagogic baggage that both tutors and learners carry is clearly a barrier that needs working on, as is developing different interpersonal tools of communication and style (Bray, 2002). Ingram *et al*. (2000; 2002) also warn that care must be taken with both hard (hardware, software, administration, financial support) and soft (human relationships, communication, goodwill) critical success factors.

According to Salmon's (2000) framework, an e-learning programme proceeds in a number of stages:

1. Access and motivation;
2. Socialisation;
3. Information exchange;
4. Knowledge construction;
5. Development.

Birchall et al. (2007) propose that knowledge-based trust is important in the early stages. Team members should be made aware of the experience and competence of each individual as it relates to the roles to be undertaken. The development of a team charter which explicitly identifies important types of team member behaviours has a role to play as well (Symons, 2001; Birchall et al., 2007). A supportive climate aids trust, where ideas are shared freely, conflict is based on the task and not on personality issues, conflict resolution is open and perceived as fair, and problem solutions are well understood and mutually accepted. Explicit verbalisation of commitment, excitement and optimism help create this supportive climate (Birchall et al., 2007).

For SMEs in particular, research has found that the potential for knowledge exchange is highly dependent on the level of trust (Birchall and Giambona, forthcoming in 2007). SMEs fear opportunistic behaviour from competitors and need confidence, either through trust or formal legal mechanisms, that other firms will be cooperative and not take competitive advantage of knowledge-based exchange. When communities of practice reach across organisational boundaries particular attention needs to be paid to building trust (van Winkelen, 2003). Van Winkelen found that sharing news, documents, questions and answers about important issues can be used to build trust and openness. Personal information such as photographs and family information can also help build relationships.

# 3 Design Considerations Underpinning the Programme

At an early stage in the project the 6 partner country delegates met to identify and agree a set of design principles based on their background knowledge and literature searches. These 8 principles, listed below, had a major influence on later decisions:

1. Design ways of work that can change and evolve
2. Introduce external ideas about how the group can be effective
3. Allow people to participate in different ways
4. Create public and private spaces for working/communicating
5. Deliver value for everyone

6. Combine familiarity and excitement
7. Create a rhythm in the pattern of collaboration
8. Adopt practices to make virtual collaboration successful

At this stage there was no commitment to action learning as the approach to be adopted. Subsequent to the meeting at which the principles were drawn up to guide the programme design, the partners organised meetings with SMEs to ascertain their needs. This shaped thinking prior to the next project meeting where, based on a review of prior research, consideration was given to action learning as an approach.

This led, in turn, to a set of considerations which have been grouped in Table 2 as pre-programme issues under the headings of task design, group design, process facilitation and infrastructure. These reflected key issues identified by the project delegates from the literature review but included some elements seen as of particular relevance to action sets networking across language boundaries.

## Table 2: The design considerations for the SME action learning programme

| | Pre-programme issues | Participant feedback | Facilitator feedback |
|---|---|---|---|
| **Task design** | Pre-filling forums with useful content can be a useful motivator. | To some degree, access to online resources was new.<br>The online tool and resources were interesting.<br>The material was considered to be at the right level of difficulty/complexity | Strategy training is welcome to SMEs of every size in all countries.<br>SME managers want concrete solutions, not theory |
| **Group design** | Smaller groups are easier to work with and more dynamic.<br>Larger groups aid networking.<br>Communities of practice need critical mass (20 people) | Came into contact with SMEs with similar challenges to some degree.<br>Good contribution from all team members.<br>Matching people with diversity would lead to mutual benefit.<br>Consistency of groupings leads to more networking. | The need to finely tune to the needs of the target group.<br>Existing networks probably look for something new from the programme.<br>Diversity increases the need for different treatment by the facilitator.<br>Prior knowledge of each other and common interests increases the likelihood of networking. |
| **The process** | Face-to-face workshops essential for building willingness to engage.<br>Time and space needed to discuss business problems.<br>Relationship and trust-building needed for effective action learning.<br>Facilitation is needed to support networking.<br>The environment impacts on networking.<br>In a multi-language environment, language use will impact on networking. | Tasks between workshops would lead to networking and collaboration.<br>Trust development to some degree.<br>Introductions across national groups and more time needed to effect networking. | Need for an online process format to keep participants engaged.<br>Facilitator needs familiarity with the process. |

| | | | |
|---|---|---|---|
| **Facilitation** | Face-to-face and online support is needed.<br><br>Responses to questions need to be practical, not academic.<br><br>The facilitator needs to set the pace and create energy in online activities.<br><br>It is important to share ideas between facilitators.<br><br>Need to monitor participant progress. | Generally felt that online assistance was available.<br><br>Need for SMEs to appreciate that knowledge-sharing is a vital part of the process, not just knowledge-receiving. | Need to define the role. |
| **Infrastructure** | SMEs need to be introduced to the technology and resources as soon as possible.<br><br>Problem with access, navigation, speed and operation will create barriers to learning. | Navigation on the website could be simpler. | Time on the first session for more hands-on with the application sought. |

The steering group decided that the overall aim was to support SME managers in the development of a plan to introduce change in their organisation to respond to the strategic issue identified by each manager. This resulted in the development and agreement of a common *roadmap* as the guiding document to enable the project partners to create an SME virtual learning community adopting a blended approach based on the principles of action learning.

The programme format was to comprise 3 face-to-face meetings with e-collaboration in-between. The first was to follow a preliminary survey of needs and would deal with team building, problem identification, resource availability and a charter for working together. The electronic environment was tailored to support team discussions as well as giving a structure to the problem-solving process and access to information resources to provide ideas and stimulus through one partner's e-Library. The second meeting was to provide an interim review, while the final would enable plans to be shared and discussed, as well as reflection on the process.

Given the innovative nature of the programme, as far as technology was concerned it was decided to put an emphasis on interaction. The technology to be used for the delivery of the programme was chosen mainly on the basis of its flexibility, i.e. it could be tailored to suit the programme's needs.

# 5 Evaluation Approach

A mixed method approach was adopted for evaluation. Evaluation was not seen just as an appendage at the end of the project but rather it was an integral part of it. This resulted in an evaluation not just of the final project outcomes but also of the implementation process at each stage in the project, i.e. a formative evaluation of the project. This allowed the Steering Group to take corrective action in case implementation stumbling blocks were encountered which could compromise the final outcomes.

The framework used took into account collaborative elements and multiple requirements coming from diverse stakeholders, as our participants were made up of 94 SMEs across Europe. Of these, 22 were located in the UK, 23 in Denmark, 9 in the Netherlands, 7 in France, 12 in Greece and 21 in Spain.

Hence, our approach comprised the following elements:

- Discussion with and a questionnaire survey of project partners;
- Discussion with and questionnaire survey of facilitators/set advisers;
- Questionnaire survey and focus groups with participants;
- Review by partners in the project.

The main focus of the evaluation process was of course on the response of SMEs participating in the programme along with those facilitating sets.

The outcomes as reported by participants are detailed in Table 3. Whilst the response rate of participants to the survey was limited, it does give a number of pointers. Particularly noticeable is the score (mean 4.33 on a 5-point scale) given to the view that lessons learned have applicability to the job role. This is an encouraging outcome as one of the key aims of the project was to improve the capability of participants to more effectively access and use tools for personal and team knowledge management to support their business needs. The contributions to learning coming from other SME managers are also significant (mean 4.00) – something recognized elsewhere in studies of SME learning. But the environment clearly has to support this for such learning to be effective and so one might assume that the overall mix of face-to-face and virtual learning did provide sufficient opportunities to meet personal needs. However, the response to virtual working is less positive (mean score 3.38). This may reflect the slow uptake of this during the life of the program (more data and discussion follows). But it may also show that the benefits to SME managers are not so easily ascertained without more experience and development of competencies in using the medium. The extent to which participants felt a long-term relationship was developing which would help sustain their own business is limited as is trust between participants (something important for the development of long term relationships).

# Table 3: Outcomes – questionnaire survey of participants

| Question | Mean score<br>1 – Strongly disagree<br>5 - Strongly agree | Standard deviation |
|---|---|---|
| Participating in the SME programme brought me into contact with SME managers who seemed to face similar business issues to me | 3.83 | 1.05 |
| I felt that contributions made by other SME managers during the SME programme were a valuable part of the learning | 4 | 0.93 |
| The SME programme has created new links to other businesses for me which I am likely to maintain in the future | 3.29 | 0.86 |
| The balance between existing resources and discussion/interaction opportunities in the SME programme was about right | 4 | 0.93 |
| The SME programme has been effective in creating trust between me and other SME managers | 3.46 | 0.98 |
| Online assistance was available between workshops when I needed it during the SME programme | 3.96 | 0.75 |
| I feel that completing a programme involving virtual interaction has helped me assess the likely value of virtual interaction to my business | 3.38 | 1.24 |
| Following the SME programme, I would consider using virtual interaction to extend the way our business networks with other SMEs | 3.33 | 1.13 |
| I feel the programme website gave me access to resources I wouldn't otherwise have been able to get to | 3.75 | 0.90 |
| The tools and resources which the SME programme gave me access to were interesting | 4.33 | 0.70 |
| The material in the SME programme was presented at the right level of difficulty / complexity for me | 4.29 | 0.75 |
| I feel I will be able to apply the things I have learned on the SME programme in my job-role | 4.33 | 0.56 |
| The SME programme has offered me tools or learning which will make my business more successful | 3.92 | 0.65 |
| Things I have learned from the SME programme will make me change some of the ways I manage in my business | 3.83 | 0.96 |

In addition to the questionnaire survey, project partners in each country were invited to carry out focus groups with participants. A briefing was provided for the meetings that included topics of relevance to this paper. The combined results of the survey and focus groups are included as column 3 in Table 2 as 'participant feedback'.

These data show us that although the online environment has a degree of novelty, its use was limited and certainly the main benefit to SME managers from the programme seems to have been derived from face-to-face activities.

The implication of these resulting comments is that more time than available in a single day kick-off needs to be spent on group formation and relationship building in a face-to-face context prior to launching on-line discussion and debate. It may well be necessary to find levers to create the need for such discussion – these groups appear to have spent their time getting to grips with the tasks and the basics of the technology and not to have been ready for any intense interaction using the web. Moreover, they did not appear to have the 'burning issue' for discussion necessary to entice them into the medium. This is something that the facilitators might pay more attention to in future programmes.

Whilst there is the suggestion that if the duration of the programme had been extended greater virtual working would have resulted, it is unclear why this is postulated and what actions on the part of the providers would stimulate this. One might even suggest it is unlikely that such working would increase given the already established ways of interacting outside an e-environment.

The facilitators had an evaluation exchange which resulted in the comments relating to the action learning process that are summarised in Table 2, column 4, as 'facilitator feedback'. Unsurprisingly they supported the action learning approach and placed emphasis on the importance of the facilitation role. The comments reflect some of the practical difficulties in facilitating diverse groups and present approaches which may

assist in bringing together groups into meaningful dialogue. It is clear from both the facilitator comments and the SME participants that technology is still potentially a significant barrier to effective virtual learning communities. Also maintaining the momentum of virtual action learning sets is an issue facing facilitators as is how best to deliver elements of the facilitator role, some aspects of which are a matter of timing.

Table 2 gives an overview of the difference between issues raised pre-programme by those responsible for delivery and both the programme participants and the facilitators post-programme.

Whilst in its first meeting the steering committee placed considerable emphasis on aspects of virtual learning, once the action learning approach was decided upon, the emphasis seemed to be on effective team learning rather than infrastructure design, functionality and operation (Table 2, column 2). SME managers (column 3) appear to have achieved desirable ends without engagement to any degree in a virtual environment. The facilitators (column 4) appear to have felt somewhat inadequate in a virtual environment. Overall, one might see SME managers unclear of the benefits to be derived from virtual working with facilitators unable to influence their engagement. Whilst the design considerations focused on creating an engaging learning environment, the principles established were not effectively translated into practical steps. This may well be illusive given the loss of media richness in virtual environments and the loss of spontaneity in an asynchronous mode of working.

There was also a degree of divergence in aims for the programme. For SME managers, assistance in tackling problems was the prime aim for engagement. The facilitators sought to aid this process. However, overall the programme aimed at testing means for supporting SME managers in their development through the use of a virtual environment. The managers appear generally to have met their needs. The steering committee was able to draw lessons although the facilitators appear to be somewhat frustrated by the project failing to make the virtual environment an integral part of the learning process.

# 6 Practical Implications for SME Virtual Action Learning

In this section we present the key lessons identified by all the project partners in a review meeting following the evaluation study:

1. SME leaders welcomed an active learning experience which they could relate to their own business situation and also the networking opportunities from face-to-face workshops;
2. If open recruitment methods are used there is likely to be a diversity of SME participant backgrounds and difficulties are likely to be encountered in designing sets and fully applying the action learning principles established from the literature. A pragmatic approach was found necessary in order to ensure a viable group of companies and a workable programme responding to company needs. Facilitators were key in making this work;
3. The front-end process in setting up a cross-company action learning programme demands considerable effort and attention to detailed planning covering: objective setting; developing technical competence; building relationships and ways of working. But SME managers have limited time available to engage in this kick-off process and also have a strong focus on solving their own problems rather than preliminary work to enable that process to take place. Efficient ways of achieving this front-end process need to be further developed and codified. One approach worth considering is the introduction of SME managers to the personal and team knowledge management tools on an 'as needed' basis throughout the programme rather than trying to develop competence before the main programme starts. This would add a further dimension to the role of the facilitator;
4. A roadmap capturing steps in design and development of action learning enabled the briefing of partners and facilitators and a degree of consistency in approach to be achieved across the different sets. However, despite efforts, including facilitator training, those facilitators who were more intimately involved in the process of constructing the roadmap seemed at a clear advantage when working with their SME set;

5. Facilitation is challenging where the facilitator is required to develop competence in a new technical system whilst at the same time facilitating the learning processes of others. A more effective approach to developing facilitator competence might have been to run a pilot with just one partner with facilitators observing and being trained throughout the process. However, this may well not have been acceptable to the SME participants under observation. Also it would have made international networking more difficult;
6. At early stages in the programme facilitators need to be actively engaging SME managers in virtual discussions rather than taking a more passive and responsive role;
7. The SMEs were aware of the experimental nature of the programme but nevertheless were intolerant of the few technical glitches even though when the problems arose there was a swift response from the IT supplier. SME expectations of the technology need careful management;
8. Face to face events seemed well received by participants and felt to be essential. One consequence of introducing such events may be that virtual working is less likely to be effective at early stages of working together in action learning sets. However, virtual working could possibly have been better fostered through setting up small sets and helping participants define milestones with agreed tasks to be completed collaboratively;
9. The SME participants seem unused to seeking evidence to support decision-making by reference to any written materials. The introduction of an e-library will only seem relevant if they are then introduced to the benefits of information resources in supporting decision-making. The participants found these resources interesting but their use in decision-making appears limited. For future projects ways of encouraging managers to give greater consideration to the need for evidence-based research in decision-making should be examined;
10. The adoption of native language for SME sets impacted on the involvement in the international community. As a result, whilst the local groups made good progress, the international network was not used to aid SME problem solving. In consequence it was not possible to test what benefits might be gained from

such cross-border collaboration. A somewhat different overall approach would be needed if cross-border sharing is being sought;

11. The action learning programme set out to assist managers put together action plans for their enterprises. The programme had a relatively short life and was not long enough for progress to be reviewed following implementation of plans. Future projects using this approach could benefit from an extended period to allow the full action cycle;
12. A clear proposition relating closely to SME business needs is necessary to attract SME participation and progress towards the stated aims is also considered to be important in maintaining motivation and involvement. Quick wins and short presentations by participants are useful means for generating motivation. The facilitator is key is establishing this way of working.

The evaluation seems to have shown that, overall, the project was probably too ambitious in its aims. The SMEs were expected to take on more challenges than can be easily absorbed alongside everyday work. The facilitators were also required to master a complex set of resources that were made available to the SMEs with which they themselves were unfamiliar and certainly were not utilising in their own everyday work. Despite this, however, the project overall is seen as successful in both meeting and addressing the development needs of SME participants but also adding to the understanding of how action learning can be implemented in virtual learning communities.

## 7 Limitations and Further Research Needs

The evaluation process seems to have found no evidence to question the findings from earlier research summarised in Table 1. Pointers from writers in action learning formed the basis of programme design.

However, the limitations of the research must be borne in mind, namely that:

- a number of participants dropped out and no data is available from them

- the ‘voice’ of those who did not respond to the surveys is obviously missing
- problems were encountered with the technology

These are issues which would need further investigation.

The principles established for effective action learning interventions do not immediately translate to an electronic environment or to virtual action learning in different cultural settings. In particular, problems with mastering technology interfere with progress in achieving the main purpose of action learning. Time spent in developing the necessary IT mastery is a source of frustration to time-poor SME managers. A better understanding of the processes of gaining mastery would guide practitioners. This could build on research into the psychological aspects of IT, such as technology acceptance (see for example Birchall et al., 2007). Information resources can offer a greater evidence base to support decision-making. However, managers have traditionally had limited access to such support and appear ill-equipped in its use. Research could usefully examine the role of information resources in decision-making and the attitudes and behaviours of managers in response to richer information. This might look to the information sciences as well as decision sciences. A better grasp of how action learning sets could operate virtually would then be a likely outcome of such research. It would additionally give a greater understanding of how to build and sustain online communities – something of benefit to both practitioners and researchers in developing clear guidelines for the role of facilitation. This could be achieved through close observation of such working groups using either non-participant observation or action research approaches. This could build on earlier prescriptions (Salmon, 2000; Symons, 2001) and research into communities of practice and work on teams and team development

The longer term impact of SME executive engagement in action learning is an area for further research. Questions relating to how action learning programmes which are seen as having an immediate success have a lasting impact on the degree to which they develop entrepreneurs’ competence for reflection and its impact on

entrepreneurial behaviour need further investigation. Further research would ideally be interdisciplinary in nature so as to embrace the different perspectives presented by various disciplines.

Finally, whilst this project involved managers in different cultural settings, these cultural differences and their impact were not explored. This is an area for more detailed research.

As far as the evaluation process itself is concerned, an area for further investigation would be the challenge presented by getting the most out of the mass of data collected. Also, evaluations should address the reasons why, following agreed actions, a lack of buy-in and understanding arises. A stronger action plan would have definitely benefited the project, although the evaluation study, especially in its formative phase, should have possibly placed stronger emphasis on the contextual issues, with specificity and relevance to each different contextual setting at the forefront. This is certainly an area which needs further investigation.

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