



Engaging with small businesses on leadership development: reflections on two years of the LEAD Wales programme

Andrew Henley

Swansea University

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- Objective: to present a critical reflection on two years of engagement with SME owners on leadership development, with preliminary conclusions for HE engagement in regional economic development

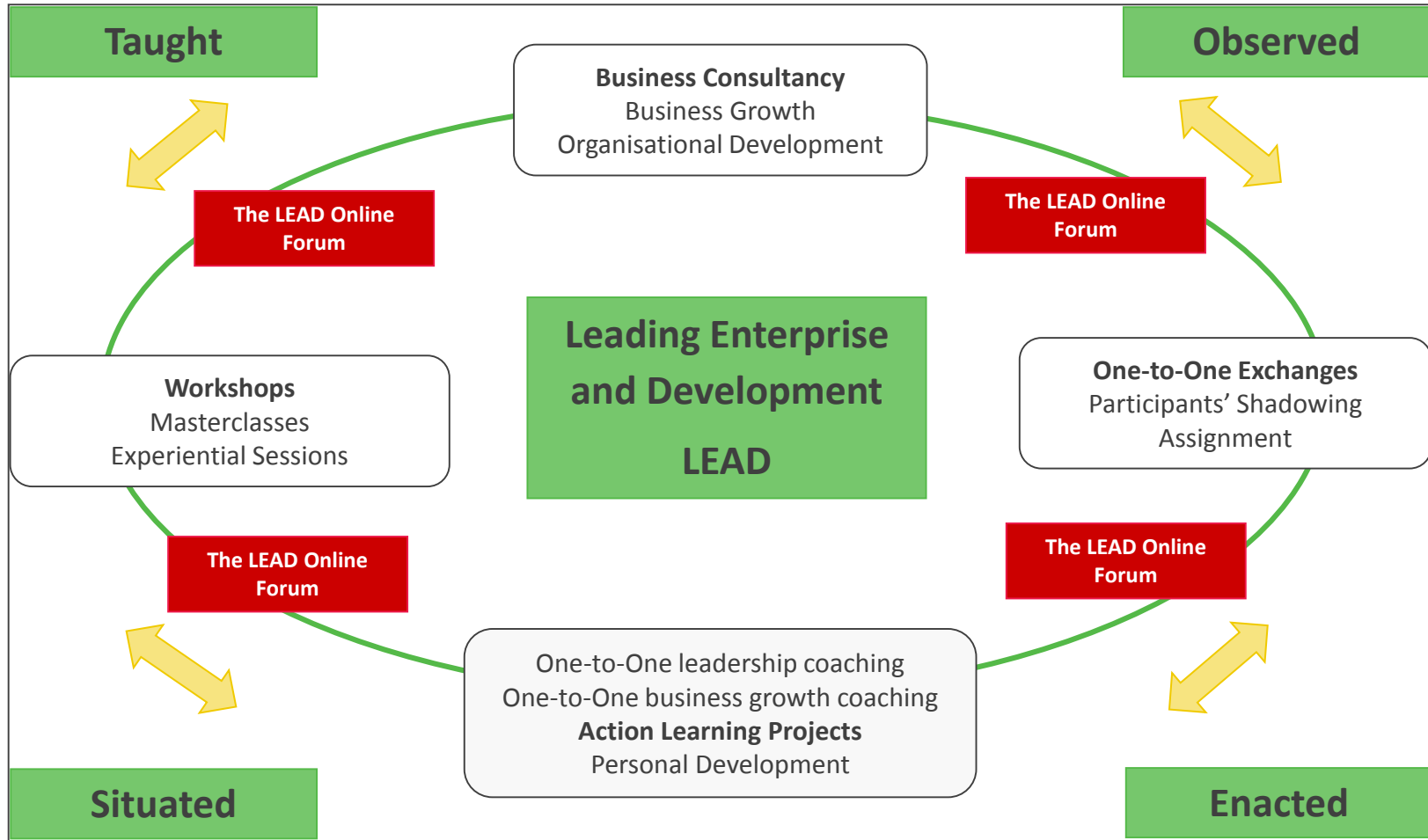
- The Welsh context
 - ◆ Two successive programmes of highest level EU Structural Funds: Objective 1 2000-2006; Convergence 2007-2013
 - ◆ West Wales and Valleys: GVA per head 2009: 62.8% of UK average
 - ◆ Economic development managed directly by Welsh Government since abolition of WDA in 2006



2010 data	<i>All size bands</i>	<i>Micro (0 - 9) %</i>	<i>Small (10- 49) %</i>	<i>Medium (50 -249) %</i>	<i>Large (250 +) %</i>
UK		95.4	3.8	0.7	0.2
Wales	201765	94.3	4.0	0.9	0.8
West Wales and Valleys Convergence Region:	127945	92.0	4.2	1.2	2.6

- The LEAD programme in Wales
 - ◆ Supported with £8m funding; £5.2m ESF, £2.8m HE match funding
 - ◆ July 2009 to June 2015
 - ◆ Led by Swansea University, with Bangor University as partner; Lancaster University providing training and mentoring support
 - ◆ Target beneficiaries: 700 SME owner-managers

LEAD integrated learning model



LEAD Wales cohorts



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- Current progress
 - ◆ 10 cohorts, 233 participants, 149 completed (93% completion rate)
 - ◆ Early evaluation findings suggest LEAD in Wales is associated with £82k increase in turnover per business (+20.2%) and 3.4 net new jobs per business

LEAD Wales as a “proposition”

- What will I learn and what’s in it for me versus opportunity to gain from and contribute to a shared, experiential learning experience
- “Trusting the process”
- Creating a perception of need

Video segment of interview with LEAD Wales participant – available on request.

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The challenges of engagement

- Cultural context
 - ◆ Contrast between HEIs and SMEs as organizations
 - ◆ Contrast between SME owner nervousness about competition and HEI knowledge exchange/learning culture

The challenges of engagement

- Credibility gap
 - ◆ SME owners are suspicious of the nature of knowledge embedded within HEIs
 - ◆ Perception that HEIs lack direct, practical experience of life in an SME, and that this lack is important

The challenges of engagement

- Capacity issues
 - ◆ SME owner suspicion of business support, arising from fragmented provision and lack of quality assurance
 - ◆ Appropriate capacity building by national and regional government is important in order to create demand for engagement from SMEs
 - ◆ However HEIs need to remain at “arms length”

The LEAD Wales experience

	Count	%
developing positive relationships	65	54%
leadership for team	63	52%
mentoring staff	57	47%
managing business	54	45%
developed strategic business plan	50	41%
effective communication	50	41%
business performance	43	36%
marketing strategies	42	35%
allocate workload	40	33%
building effective teams	40	33%
performance management	39	32%
planning strategic change	37	31%

The LEAD Wales experience

- Initial results are highly encouraging
 - ◆ “Soft” skills enhancement appears to lead to “hard” economic impact
 - ◆ Qualitative evaluation suggests significant gains in entrepreneurial self-efficacy and interpersonal locus of control. In turn, these combine with existing entrepreneurial passion and tenacity to support SME owners’ resource management abilities.
 - ◆ Positive LEAD experiences increases interest in future cohort membership