WHAT CAN WE LEARN FROM THE QUALITATIVE EVALUATIONS OF THE PUBLIC ASSISTANCE TO SME? A NEW BUT NECESSARY PRACTICE

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Abstract

Objectives:

There have been some important critics to the relevant theme of evaluation of SME policies (e.g. Curran, 2000; Curran and Storey, 2002; Edwards et al., 2007; Lenihan et al., 2007; Patton et al., 2003; Storey, 2006). Most of the evaluation approaches to the public programmes oriented to SMEs have been quantitative (Curran and Blackburn, 2001; Curran and Storey, 2002; Patton et al., 2003). Under this background is that this research explains the complementarities of the qualitative and quantitative approaches to evaluate this kind of programmes.

Prior Work:

The focus of the academic research of SME policy evaluation has been on the quantitative approaches. The quantitative approaches concentrate to a large extent on measuring additionality. The framework developed by Storey (2000) gives a clear view of the different levels of sophistication of the quantitative practice regarding additionality.

Most of the academic research on qualitative approaches to evaluation has been done in other areas of public activity, and not in enterprise policy. After reading diverse authors (e.g. Davis, 2000; McDavid and Hawthorn, 2006; Patton, 2002; Popay and Williams, 1999; Williams, 1986), we defined a set of objectives for which it is convenient to do qualitative evaluations. One case is when the evaluator wants to explore the complexity of the social realm that was assisted and the potential for the interaction of different programmes. A qualitative approach is also appropriate to determine what components of the programmes contributed to the success of the clients. Other scenario is when the aim of the evaluation is to identify unintended outcomes of the programmes. Finally, qualitative methods are valuable to explore programme practices and the underlying contexts that direct the choices of programme workers.

Methodology:

We used an arrangement of six case studies of information systems (IS) innovation processes in SMEs and the programme assistance that they received from special units of universities. The SMEs and programmes were located in the United Kingdom, but the policy context embraced the United Kingdom and the European Union.

We started analysing the value of the 'innovation processes' of the SMEs. To do so, we used three criteria. First, we assessed the completeness of the innovation processes, specifically if the IS was fully developed and properly used by the SMEs. Second, we considered some further consequences of the SME processes. For example, we found the occurrence of legal problems between an SME and its providers. Third, we also explained the social impact of the innovations given the informal modification of the scope of action of the programmes by the programme workers, for instance changes in the types of services, the people in charge of the services, and the target SMEs.

We continued the evaluations assessing the 'assistance processes' of the programmes based on different criteria. For example, if the deliverables were accepted, reversed, or inappropriate, if the deliverables could have been done by the SMEs themselves, if the SMEs could have directly contracted private suppliers, or if the programme services addressed all the needs of the SMEs. Finally, we completed the evaluations of the 'programme interventions' by combining our assessment of both the innovation and assistance processes.

We used numerous methods to gather information of the cases and contexts. For example, interviews with the SME and programme personnel, observation of the use of the IS, internet information about the SMEs and programme organisations, informal conversations with the research participants, as well as the reading of vast material such as economic policy documents, manuals for the management of policies and public funds, policy and funding evaluation reports, programme proposals to access funding, programme reports, and programme assistance files.

Results:

First, we explained the complex social realm that were assisted and the need of policy interactions. For example, an SME required an action plan for the integration of its technological platforms, the selection of products, services and suppliers, an implementation project, training, to put into operation the new technologies and processes, as well as periodic maintenance. A consequence of this complexity is that the SMEs needed to be connected with different public and private providers. This need is not only because of the broadness of the SME necessities, but also on account of the time pressures in programmes in order to balance the services to each SME and accomplish targets.

Second, we assessed the specific impact of different policy components in terms of acceptance, appropriateness, completeness, usage, self-sufficiency of the SMEs, etc. For instance, there is a strong contrast between the helpful support to the website initiative of an SME and the inconclusive and poor service to the technological platform project of the

same company. Third, we identified unintended outcomes such as the legal problems between an SME and its providers or the costly attempt of other SME to modify its old system based on the design of the unfinished development of a programme.

Finally, we uncovered contextual factors that negatively influenced the behaviours of programme workers in the interaction with clients, namely incorrect evaluation mechanisms, power over the SMEs, and too high targets. As a consequence of this context, the programme personnel tended, for example, to select SMEs based on their potential contribution to the targets, and did not connect the SMEs with other programmes or make follow-up to the SME initiatives.

Implications and Areas for Development:

Funding bodies should use with more caution the targets that are not directly aligned with innovation (Harrison and Leitch, 1996; Storey, 2006), such as the increase and safeguarding of sales and jobs. These indicators could be employed only to assess additionality. Complementarily, the targets should also be connected to the success of the innovation processes, for instance the number of SMEs that properly implemented and use an IS.

We recommend the incorporation of qualitative approaches as formative evaluation. Qualitative evaluations are oriented to learn from the implementation of policies and in fact require academic research. This should be done as a complement to the employment of proper quantitative approaches (e.g. Curran and Storey, 2002; Gabardino and Holland, 2009; Rao and Woolcock, 2003). More specifically, qualitative techniques are needed when the areas to be affected by the policies or the policies themselves are relatively unknown, i.e. exploratory evaluation (Beckinsale and Ram, 2006; McDavid and Hawthorn, 2006; Sanderson, 2002), or when the evaluation requires significant participation of different stakeholders, i.e. empowerment evaluation (e.g. McDavid and Hawthorn, 2006).

Finally, a relevant consequence of the suggested evaluative approach is that the personnel in charge of the evaluations should have an intermediate knowledge of SMEs, business, and innovation processes as well as experience of qualitative interviews. For this reason, the organisations in charge of evaluation should contemplate both the quantitative and qualitative approaches to their work in order to define their human resource strategies.

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