

# 1. Background

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## 1.1 Introduction

1.1.1 CRG Research Ltd were commissioned by ELWa in March 2004 to review the need for, and depending on the outcome of desk research and consultations/ fieldwork, outline a specification for, one or more Self Diagnostic Tools for Managers in Wales – particularly managers within SMEs.

1.1.2 In this report we:

- Summarise the overall aims, objectives and scope of the review.
- Outline the methodology and research programme carried out.
- Present a brief review of the main diagnostic tools currently available.
- Present a review of findings which emerged from the different phases of the data collection programme.
- Describe a draft, then revised, self-diagnostic tool specification.
- Draw brief conclusions and recommendations – including outlining what we see as appropriate ‘next steps’ for ELWa and the Wales Management Council (WMC), and their partner organisations.

## 1.2 Aims and Objectives

1.2.1 The project draws heavily on WMC’s report ‘Management and Leadership Development and Training in Wales – An Agenda for Action’, whose recommendations included “... *develop(ing) a diagnostic tool that managers, particularly those in SMEs, can use to identify their leadership and management development strengths, weaknesses and skills gaps.*”

1.2.2 The project was commissioned to explore further the need for such a self-diagnostic tool; if a need were to be confirmed, it was not intended that the project should design such an instrument, but it should prepare a specification from which one might be developed in due course.

1.2.3 The formal aim for the project, therefore, centred on “*developing a specification (if appropriate) for a self-diagnostic tool suitable for SME managers, by reviewing the current management diagnostic tools available*

*against the market need and make recommendations for future development”.*

1.2.4. The specification for the project also set out three clear objectives:

- To undertake research with SMEs to gain an understanding of their awareness, use and requirements of a diagnostic tool.
- To research and review the current diagnostic tools against the requirements identified by the SMEs, the WMC, ELWa, and the Welsh Development Agency (WDA), producing an analysis of the strengths and weaknesses of existing tools.
- If supported by the research with SMEs and others, to produce recommendations for the development of a self diagnostic leadership and management tool, including a detailed specification and a project plan for implementation.

1.2.5 ‘Agenda for Action’ included recommendations to *“Prepare a diagnostic tool that can be used by all businesses and organisations to help individuals identify leadership and management development needs and skill gaps ... Publicise the benefits of this diagnostic tool and make it available to all businesses and organisations ... (and) support the use of this tool, particularly in SMEs<sup>1</sup>.”*

1.2.6 These proposals were developed further in WMC’s November 2003 briefing paper which gave more detailed pointers to the criteria which **might** characterise an appropriate self diagnostic tool, through expectations that *“it must be:*

- a) based on the new occupational standards for managers*
- b) of immediate interest to managers who give little thought to personal development*
- c) designed for use by hard-pressed, time-poor SME managers*
- d) attractive, stimulating and user-friendly*
- e) available on line*
- f) relevant to SME needs*
- g) able to be completed (in part at least) in no more than 20 minutes*
- h) identifying strengths as well as weaknesses*

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<sup>1</sup> ‘Agenda for Action’ page 18.

- i) *pointing to development needs*
- j) *available, at no cost, to anyone who wishes to use it.*”

(lettering added for ease of reference later).

### 1.3 Scope

1.3.1 It was expected that the primary beneficiaries of the study would – if the need for a self-diagnostic tool were confirmed – include:

- Owner/managers of small/medium-sized enterprises within Wales
- Business advisory agencies (e.g. enterprise agencies)
- Public sector bodies (such as ELWa, the WMC and the WDA)
- Private training providers and consultants.

1.3.2 The need to support any eventual self-diagnostic tool with a wide range of promotional and follow-on support was always envisaged too – and indeed thrown into even sharper focus by a subsequent WMC report: ‘Pressing the Right Buttons – The Marketing of Management and Leadership Development in Wales.’

1.3.3 This report pointed to, for example, “... *an ever-growing body of evidence to show that attitudes to management and leadership development ... are at best apathetic, at worst negative;*” dangers of “*inadequate, or inappropriate provision that has little or no attraction for customers ... (which) leads to negative attitudes and no culture of continuous and beneficial development*” and concluded: “*We need a fresh approach to the marketing of management and leadership development in Wales.*”