

## 8. Conclusions

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8.1 The formal objectives for this project required us:

- 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 WDA, producing a SWOT analysis of the 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.

### Awareness, Use, Requirements

8.2 In terms of awareness of, and use of, diagnostic tools to assess management and leadership development needs, current levels are very low. An honest assessment of immediate **demand** for a self-diagnostic management and leadership skills tool would have to reflect this, and take-up would be low without active promotion and support.

8.3 Yet most key informants and our more 'informed' SME interviewees indicated significant **need** for such a self-diagnostic tool: poor management and leadership really are constraining many Welsh SMEs' performance. A well-designed tool could not only raise interest in improving these skills, but also make current support programmes more effective through participants being better prepared and able to target what they do on a more systematic assessment of their own strengths and weaknesses.

8.4 The gap between current needs and current demands arises partly because of generally low levels of engagement in any management/ leadership development on the part of a high proportion of SME owner/managers. A number of interviewees and literature sources suggested why this is the case, for reasons which range from past problems with the supply of appropriate programmes, through to genuine constraints on time and other resources.

## Currently Available Self-Diagnostic Tools

- 8.5 Low levels of current demand for self-diagnostic instruments are compounded by few, if any, tools being available to help owners/ managers “see *what might be involved*”. Inevitably they find it difficult to comment on something they have not seen, and cannot clearly comprehend.
- 8.6 This study indicates strongly that there are very few currently available self-diagnostic tools which meet even a majority of the criteria at the heart of the project. It is always possible that something new and impressive will emerge, for the general topic of enhancing leadership and management capabilities remains of much current interest. As far as we can tell, however, even those tools and techniques which are thought to be under development (e.g. by ILM) seem likely to address significantly different criteria to those summarised in Figure 5.
- 8.7 The extent of this finding tends to contradict a frequently expressed view that “*there are a lot of tools out there to tell you what your strengths and weaknesses as a leader or manager are supposed to be*”. Whilst there are many tools which can be used to say something about an individual’s leadership style or managerial preferences – perhaps drawing on one of the many psychometric tests on the market - all but a handful fail to give the rounded picture, anchored in something like the New Occupational Standards for Managers, called for by the data we gathered.

## Developing a Tool

- 8.8 The gap between currently low levels of **demand** for a self-diagnostic tool, and what are widely seen as appreciable levels of underlying **need**, can be explained by the levels of potential and latent demand apparent throughout our second wave of data collection (the focus groups and other discussions with SMEs).
- 8.9 These discussions pointed to opportunities for bringing out much higher levels of interest in a self-diagnostic tool, first if meets **all** of the criteria in Figure 5 (‘attractive’, ‘of immediate interest’, etc) **and** secondly if it is introduced, presented and promoted to SMEs in ways which attract their attention, and indicate ‘there is something in it’, not only for individuals but for the organisations they work in too.

- 8.10 It is very difficult to estimate levels of take-up which might ever be attainable for a self-diagnostic tool. Nevertheless with around 80,000 VAT registered businesses in Wales, and very many more micro-businesses, even a 5% 'market share' would reach large numbers of managers and SMEs and could have a significant effect on the overall levels of formal management and leadership development activity they take part in.
- 8.11 If there is one theme to stress from this project it is the importance of linking any diagnostic tool to other sources of advice and support, to enable effective marketing through coordination with other personal and business development assistance. Above all, a tool would need to be 'keyed into' flexible, good quality development activities so that identified needs could start to be addressed by managers/ owners quickly and effectively.
- 8.12 Many interviewees expressed real concerns about the effectiveness of the current Welsh management/ leadership development 'infrastructure.' If an effective 'suite' of high-quality, customer-focused development activities is not available to those using a self-diagnostic tool, the value of the tool will be drastically curtailed.